

Memorandum of Understanding (MoU) on the provision of nutrition information & ingredient listing of spirits drinks sold in the EU

3rd & Final Implementation Report

Rollout progress during Phase III (1 January – 31 December 2022)

28 June 2023

Executive Summary

Europe's spirits sector has successfully delivered on its consumer information commitments. By the end of year three of the commitment made in the Memorandum of Understanding (MoU), on 31 December 2022, it was estimated that, on average, around 66% of total volumes of spirits put on the EU market are now released in SKUs/bottles featuring energy-information on-pack. The eight international company signatories to the MoU (accounting for around 92,583,900 hectolitres of spirits products in 2022) reported an average share of energy on-pack compliance of 86% (reaching up to 99% in certain cases).

In parallel, throughout 2022, a strong increase in SME producers rolling out labels with energy information on-pack was observed. In terms of geographical coverage, certain European countries (such as Spain, Ireland, Belgium, or France) were found to be above the rollout target. Spain was among the most advanced countries, reporting an average energy on-pack compliance of more than 70% by December 2022, with all Spanish producers committed to phasing in on-pack energy information on all new labels as of January 2023. Other countries, particularly in Central and Eastern Europe, showed somewhat lower on-pack labelling presence, particularly in Eastern Europe. By contrast, European airport (travel retail) shops were among the settings with the highest energy on-pack compliance levels.

The sector has also made rapid and sustained progress in rolling out digital consumer information systems, allowing consumers to access ingredient lists and the full nutrition declaration in a marketing-free e-label. European spirits producers are making growing use of the different digital labelling solutions that are currently available on the market. In Spain, for instance, national producer association Espirituosos España is working with Spanish GS1 member company AECOC (of which more than 90% of spirits products in Spain are members) to shift digital consumer information systems from barcode- to QR-code-based systems by 2027.

- A growing number of European spirits producers are using U-Label, the bespoke digital labelling platform developed by spiritsEUROPE and CEEV. Usage of U-Label grew by +200% throughout 2022 to 87 spirits producers using the system, with active e-labels growing by +246% from 366 to 1,267, showing the feasibility and broader acceptance of the system.
- Various producers are using GS1-related digital labelling solutions (e.g. default solution in Spain)
- Other producers have built their bespoke company-specific digital labelling solutions or are making use of technology by other commercial providers.

Looking ahead, there is a strong commitment by the sector to continue to deliver on the MoU also in the years to come. The MoU approach is a tried and tested format that works for consumers and has successfully mobilised a continuously growing number of producers. As such, we can expect the share of SKUs with energy labels on bottles and digital labels to increase organically further across the EU in the years ahead. In line with this, the MoU approach should be integrated into the upcoming review of the EU's Regulation on Food Information to Consumers (FIC).

I. DELIVERING ON THE ENERGY ON-PACK COMMITMENT

While the initial rollout of the MoU was primarily driven by larger producers, 2022 showed the increased adoption of the MoU's provisions by smaller and non-signatory companies, demonstrating the widening reach and acceptance of the self-regulatory approach across all company sizes. Looking at the past three years, there are a number of challenges and lessons which we believe the roll-out period have brought to the forefront and highlighted. These challenges will continue to exist and provide pointers to what will need to be addressed in the future to maximize the usefulness and impact of the MoU.

Roll-out speed and progress has varied between Member States and regions of Europe. Countries with a higher market share of the early movers (i.e. our MoU signatories, both large multinational and SMEs) have naturally shown higher levels of products sold with energy information on-pack and increasing levels of ingredient information online than countries in which that market share is lower. In light of the broader acceptance of the MoU by a growing number of producers, we expect this imbalance to decrease in the years ahead.

The costs and complexities involved in label changes and the fact that they are not easily implemented have turned out to be a far bigger challenge than anticipated. Importantly, it is not just SMEs who have been challenged by this, and it is the result of a global environment in which all large and many small spirits drinks producers operate. Spirits are exported globally from a particular place of manufacture (which sometimes cannot be moved, as is the case for spirit drinks with a Geographical Indication [GI]). Whenever a producer of a spirit drink sold on a global scale decides to include energy information on the label, a regulatory due diligence review of up to 163 countries may be required. Nutrition labelling regulations vary across countries and compliance rules may apply, even if the placing itself can be voluntary (as is the case in the EU today).

Whilst many labels are designed to be shared across different countries, different rules on providing nutrition information may apply, adding an additional layer of complexity to the process of label changes. As a result, making changes to labels can incur significant costs for a global brand. A global brand is most likely owned by a company who can factor the cost and significant time and logistics requirements needed to deliver changes to labels into their planning. These challenges are multiplied for smaller and medium-sized companies who have less resources to draw on, thus making label change a far bigger challenge.

II. DEVELOPING STATE-OF-THE-ART DIGITAL CONSUMER INFORMATION SOLUTIONS

As mandated in the MoU, the European spirits sector, in cooperation with partners from the European wine sector – represented by the Comité Européen des Entreprises Vins (CEEV) – has commissioned and built a bespoke E-label Platform to allow the development of tailored e-labels in an easy, reliable and cost-efficient way. This Platform, named [‘U-label’](#), offers companies a stage upon which to provide EU consumers with full and multilingual product information accessible via a QR code.

The U-label Platform allows the creation of e-labels with a few mouse clicks which are integrated onto spirits (and wine) labels. The moderate cost structure enables producers of all sizes, and SMEs in particular, to participate should they choose to. In line with MoU commitments, this is provided in a marketing free and a thoroughly secure way. It is, to the best of our knowledge, the first practical sector-

wide application of e-labelling in Europe. Today, the U-Label Platform is a functioning reality. It is accessible via on-label, unique QR codes (and via the GS1 barcode in the Spanish market). In practice, 18 months after its launch, this Platform is proving to be the springboard for small and medium-sized companies in particular, to provide an increasing variety of online information to the consumer.

Larger, multinational companies are providing their own online platforms for the provision of information. This is partly due to having the resources at their disposal to be able to provide the online information themselves, and partly due to the wide variety of products in their brand portfolios, which makes managing the online provision of their own brands the logical step to take.

As anticipated when first imagined, the U-label Platform is now assisting in the expansion of mandatory digital consumer information beyond the nutrition-related information mandated by the MoU so as to also include sustainability-related product information. From the 1st January 2023, spirits drinks sold in Italy are obliged to provide consumers with information about the identification and classification of the product packaging. Italian authorities have allowed producers to convey this information digitally via an e-label, accessible by scanning a QR code with a smartphone. Companies who have signed the MoU and who are on the U-label platform have started to integrate these requirements onto the U-Label page(s) of their Italy bound products using single QR code. In a further development, the Italian-based company [Giunko](#) has developed an additional app which has been integrated with the U-Label Platform and which provides geo-localised information for each product in order to convey to Italian consumers the correct disposal information, which varies from city to city.

Looking forward, we envisage that U-label will also offer a platform to users to comply with the provision of information on reusability requirements of packaging as provided for in the European Commission's Packaging and Packaging Waste Regulation (PPWR) proposal. The PPWR proposes that *“packaging shall bear a label on packaging reusability and a QR code or other type of digital data carrier that provides further information on packaging reusability including the availability of a system for re-use and of collection points, and that facilitates the tracking of the packaging and the calculation of trips and rotations”*¹.

The U-Label Platform offers a ready built stage to provide this information and we envisage that its use will grow and likely encourage the development of other, similar information sharing platforms as a means of providing this increasingly detailed information. In addition, the decision of GS1 – with whom we partner since June 2019 – to transform barcodes into QR codes by 2027 to be scanned at cash desks, will leverage drastically the use of single QR codes to carry product information and additional layers of information accessible to consumers from their smartphone.

As regards the growing user acceptance of digital labelling solutions, a consumer survey commissioned by spiritsEUROPE and conducted by market research firm Appinio across five European countries (Germany, France, Italy, Spain, and Czechia) in summer 2022, showed that QR codes have become mainstream with European citizens: eight in ten respondents said they were used to scanning them, and over 95% of those who have scanned them on food and beverages found that they offered a useful way to get detailed product information.² 75% of surveyed consumers said they have scanned a QR code on a food or drink product, and nearly half say that they do so regularly. Convenience, reliance, and readability of information were cited as the greatest advantages of digital labels. Moreover, citizens want the EU to take action: 87% of respondents tend to favour the introduction of policies to ensure that product-specific information conveyed digitally (such as via a QR code or barcode scan) is truthful and accurate.

¹ COM PPWR proposal article 11, paragraph 2.

² <https://spirits.eu/media/press-releases/digital-labels-new-survey-shows-a-majority-of-european-consumers-regularly-use-e-labels-to-access-product-information>

III. CONCLUSIONS & OUTLOOK

The three-year roll-out period of the MoU has, by and large, been a success. Notwithstanding a number of unforeseen developments and challenges that led to considerable market and supply chain distortions – such as the Covid crisis and the war in Ukraine – the envisaged energy-on-pack rollout targets were successfully met. The share of labels with energy on-pack is set to grow further in the years to come. While large international producers were key to act as early adopters of the MoU scheme at the beginning, the number of companies complying with the provisions expanded rapidly and consistently in years two and three of the MoU, including SMEs. For a self-regulatory initiative like this to be successful, it is important that clear guidance and certainty is provided to ensure broad uptake by producers.

As regards digital labelling schemes, the MoU has served, and continues to serve, as a true launchpad for cutting-edge innovation. Fostered by the fast-moving pace of digital innovation and the increased use by consumers of digital technology during the Covid years, the European spirits sector, together with the European wine sector, has managed to put a state-of-the art e-Label system in place (U-Label Platform) which allows producers of all sizes to develop tailored e-labels in easy, reliable and cost-efficient ways. At the same time, other commercially feasible e-label solution providers have entered the market, offering producers different cost-efficient ways to comply with the digital information provisions of the MoU. Importantly, once in place, digital information systems can be further adapted and expanded, by including additional product-related information, for instance, in the area of sustainability, as has happened with the recent integration of the Italian Giunko app into the U-Label Platform. U-Label serves as a way for companies to comply with legal requirements beyond consumer information in a sustainable way. This potential will hopefully be recognised – and deployed – by future legislation at national and/or EU-level. The clear, yet flexible and technology-open provisions of the MoU have been key in facilitating this success story of the past three years. They will also ensure that the consumer information ecosystems for spirits in Europe can, and will be, further developed in the years ahead.

Looking ahead, there is also strong commitment by the sector to continue to deliver on the MoU in the years to come. The MoU approach is a tried and tested format that works for consumers and has successfully mobilised a continuously growing number of producers. As such, we can expect the share of SKUs with energy labels on bottles and digital labels to increase organically across the EU in the years ahead. In line with this, the MoU approach should be integrated into the upcoming review of the EU's Regulation on Food Information to Consumers (FIC).

Annex I: Examples of digital consumer information using different solutions available to-date

<p>AECOC <small>ESCAN QR</small> France</p> <p>Nordés Gin Galicien Atlantique 1L Gin Nordés Gin Galicien Atlantique 1L</p>   <p><small>Consumption responsable</small></p>	<p>Spain – GS1 digital link – Nordés Gin</p>  <p>https://id.aecocescanqr.es/01/08435449500040</p>
 <p>SILKIE THE MIDNIGHT FRESH WHISKEY</p> <p>The Silkie of the Donegal coast are mythical shapeshifters who shed their sealskin coats to become irresistibly enchanting sea maidens with long dark hair, deep soulful eyes and beautiful voices.</p> <p>Our Silkie comes ashore at the Silver Strand in Malinbeg, she dances in the soft moonlight, unaware of the handsome young fisherman watching her. Their eyes meet, their love is set.</p> <p>The Legendary Midnight Silkie Irish Whiskey is our smokiest release yet. Blending only single malts it has a heady smoke aroma, elegantly balanced with sweet notes of pear and peach; richer notes of oak and sandalwood; hints of sherry and the chocolate creaminess of the imperial stout casks too. Perfect for those unguarded midnight hours when the Silkies come ashore.</p> <p>Non chill-filtered for a richer character.</p> <p>Enjoy it however you choose.</p> <p>70cl e alc 46% vol</p>  <p>Visit drinkaware.ie</p> <p>PRODUCT OF IRELAND</p> <p>Slabh Liag Distillers, Carrick, Co Donegal, Ireland</p> <p>@SilkieWhiskey</p>	<p>Ireland - Proprietary solution for Silkie Irish Whisky – Skellig Six Distillery</p>  <p>https://qrstud.io/93a2k7n</p>
<p>BLENDED SCOTCH WHISKY</p> <p>Born in Scotland from the finest malt and grain whiskies carefully selected, patiently aged in oak casks and blended with expertise, WILLIAM PEEL is a smooth Blended Scotch Whisky, revealing generous malted and fruity aromas.</p> <p>Discover its unique and perfectly balanced style.</p> <p><i>Né en Écosse de l'assemblage de whiskies de malt et de grain soigneusement sélectionnés et vieillies en fûts de chêne, WILLIAM PEEL se distingue par sa rondeur et la générosité de ses notes fruitées et maltées. Son style parfaitement équilibré signe son caractère unique.</i></p> <p>70cl 40%vol.</p>  <p>www.williampeel.com AS 01/23</p> <p>MBWS FRANCE - CS 20019 33306 LORMONT CEDEX FRANCE</p> <p>70005114</p> 	<p>France – U-Label solution for William Peel- Marie Brizard Wine & Spirits</p>  <p>https://www.u-label.com/qr/14e0c0cc04442</p>



Annex II – Background Information on the MoU

This paper constitutes the third and final **implementation report** on rollout progress of the MoU’s commitments, in line with the reporting process outlined in the MoU until the end of its implementation period on 31 December 2022.

In June 2019, spiritsEUROPE, member companies and member trade associations signed the self regulatory [Memorandum of Understanding on the provision of nutrition information & ingredient listing of spirits drinks sold in the EU](#).

In this Memorandum of Understanding (MoU), spiritsEUROPE and its members formalised the sector’s commitment to make nutrition information and ingredients listing available to consumers for spirits sold in the EU (on-pack and/or online). The MoU reflects the sector’s ambition to go beyond required labelling obligations in the EU at the time of signing and for the duration of the MoU’s three year execution period under which alcoholic beverages above 1.2% ABV are exempted from providing such information. In signing the MoU, signatories agreed to make such information available in accurate, meaningful and transparent ways for the benefit of consumers.

spiritsEUROPE’s member companies³ who signed the MoU committed to implementing it as they rolled out labels for new products and refreshed /restocked labels of existing products.

spiritsEUROPE trade association members⁴ who signed the MoU agreed to undertake their best efforts to make their broad membership (predominantly SME distilleries and brand owners) fully aware of the MoU, its commitments, and to encourage their members to sign the MoU individually thus, hopefully

³ See Annex II for the names of spiritsEUROPE member companies who signed the MoU

⁴ See Annex III for the names of spiritsEUROPE trade association members who signed the MoU

triggering a broader roll-out process among small, medium and large spirits producing companies across wider Europe⁵.

This would be achieved by working to ensure that the collective total market share of products placed on the EU market providing energy information on-label and a list of ingredients online would, over a three year period, constitute:

- 25 % of all spirits sold by 31 December 2020
- 50 % by 31 December 2021, and
- 66 % by 31 December 2022.

The MoU and its goals were endorsed by the European Commission in the form of a public [letter](#) signed by Health and Food Safety Commissioner Vytenis Andriukaitis at that time and also by the former EU Agriculture Commissioner Phil Hogan.

In preparing and bringing forward the MoU, it was made clear to all that it only applies to those companies/trade associations who signed up and that the existence of the MoU did not at any stage constitute an obligation on the part of other, non-signatories to apply its requirements. To date, eight multinationals, 16 national association members of spiritsEUROPE, and 59 SME companies have signed the MoU.⁶

⁵ The MoU covers the EU-27 member states, Switzerland, Norway, Iceland and the United Kingdom.

⁶ See Annex IV for the names of European small and medium sized distilleries and brand owners who have signed the MoU.

Annex III – International company signatories to the MoU




Bacardi Limited, Beam Suntory, Diageo, Edrington, Moët Hennessy, Pernod Ricard, Rémy Cointreau, Jägermeister.

Annex IV – National trade association signatories to the MoU

Vinum Et Spiritus (Belgium), спиритсБЪЛГАРИЯ (Bulgaria), Vin & Spiritus Organisationen i Danmark (Denmark, non-member of spiritsEUROPE), Alkoholitootjate ja Maaletoojate Liit (Estonia), Suomen Alkoholijuomakauppa ry (Finland), Bureau National Interprofessionnel du Cognac (France), Fédération Française des Spiritueux (France), Bundesverband der Deutschen Spirituosen-Industrie und -Importeure e.V. (Germany), Drinks Ireland (Ireland), Latvijas Alkoholā nozares asociācija (Latvia), spiritsNL (Netherlands), Polski Przemysł Spirytusowy (Poland), Associação de Vinhos e Espirituosas de Portugal (Portugal), Sprit & Vinleverantörsföreningen (Sweden), Union of the Czech Spirits Producers and Importers (Czech Republic).

Annex V – SME signatory companies to the MoU




FRANCE (26)

<p>MAISON VILLEVERT LES SPIRITUEUX FRANÇAIS</p>	<p>ESTD 1828 PLANAT COGNAC</p>
<p>GROUPE VEDRENNE LIQUEURS & SIROPS</p>	<p>LARSEN COGNAC</p>
<p><i>Jean Boyer</i></p>	<p>DISTILLERIE du CENTRE</p>
<p>ROZELIEURES Single Malt French Whisky</p>	<p>MAISON FONDÉE EN 1884 CRISTAL LIMIÑANA</p>
<p>Distilleries et Domaines de Provence</p>	<p>183 MAISON ROUTIN FRANCE</p>
<p>BALBINE SPIRITS</p>	<p>FAMILY SPIRIT TERROIRS DISTILLERS</p>

GERMANY (13)

<p>AUGUST ERNST</p>	<p><i>Verpoorten</i> Qualität seit 1876</p>
<p>ABTSHOF SPEZIALITÄTEN-DESTILLERIE</p>	<p>FAMILY DISTILLERS SINCE 1892 WALDEMAR BEHN WORLD OF UNIQUE BRANDS</p>
<p>GEFA</p>	<p>HENKELL X FREIXENET</p>
<p>BRENNEREI MÄNNERHOBBY SEIT 2010</p>	<p>Private Kornbrennerei H. HEYDT</p>
<p>FRIEDRICH SCHWARZE GMBH & CO. KG</p>	<p>Schlitzer Destillerie Seit 1585</p>


IRELAND (5)


LATVIA (1)

	
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AUSTRIA (1)

	
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BULGARIA (1)

	
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PORTUGAL (6)

	
	
	<p>+ BENEFÍCIO +</p>

SPAIN (6)

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