



UPDATING LABELLING GUIDANCE FOR NO AND LOW-ALCOHOL ALTERNATIVES: CONSULTATION

Q1: Do you think the upper strength threshold at which a drink may be described as alcohol free should be changed from 0.05% alcohol by volume (ABV) to 0.5% ABV?

Yes

No

Don't know

Please explain your answer (limited to 250 words)

The market for no and low beer has been growing exponentially and the Government needs to tackle confusion by avoiding unclear terms and simplifying the labelling requirements. Beer produced overseas including in Europe, USA and Canada can be labelled as alcohol free at levels of 0.5% and be sold in supermarkets and online in the UK. This disadvantages UK producers that are required to state it as low alcohol on their products. Such disparities in labelling requirements has an impact on consumers purchasing decisions and creates a barrier for UK producers to compete. It also risks confusing and misleading consumers. Equally it also disadvantages UK producers competing internationally as they are considered 'more alcoholic' than other products despite having equal ABVs. It would also bring it into line with the Licensing Act 2003 which defines alcohol as not including alcohol which is of a strength not exceeding 0.5%. Currently the descriptors are contradictory to the Licensing Act.

Q2: Do you think the suggested use of the alcohol free descriptor should be expanded to apply to any drink that meets the criteria of an alcohol substitute drink (up to a specified strength threshold)? As defined in regulation 9 to The Soft Drinks Industry Levy Regulations 2018.

Yes

No

Don't know

Please explain your answer (limited to 250 words)

The current 2018 Low Alcohol Descriptors Guidance only applies to a product marketed as an alcohol substitute drink and not soft beverages. In this guidance an alcohol substitute drink is defined in reference to regulation 9 in the Soft Drinks Industry Levy Regulations 2018. Therefore applying changes to the alcohol free descriptor would apply to any drink that meets the definition of an alcohol substitute drink unless the Government is considering a different definition of the drinks that the Guidance applies to.

Q3: Do you think the term 'de-alcoholised' should be removed as a description of a product's alcoholic strength? Drink with an ABV of 1.2% or less as defined in regulation 9 to The Soft Drinks Industry Levy Regulations 2018.



Yes

No

Don't know

Please explain your answer (limited to 250 words)

The de-alcoholised descriptor is historically associated with a beer which started its life at a 'normal' strength of around 4% and through a number of processes (including boiling, centrifuging or vacuum) the alcohol is removed, or 'de-alcoholised' to 0.5% or lower. In the past it was the most popular way to create a lower alcohol beer, but new innovations in the brewing processes now means that a beer can start at 0.5% or below using restricted fermentation without any other processes to remove the alcohol. Today the term 'de-alcoholised' has connotations for some consumers as a product which is unnatural or has been treated or modified. This often goes against the purpose of these products which is marketed to health conscious consumers. De-alcoholised therefore refers to a specific process, rather than an actual descriptor of the strength of the product. Most producers would prefer to use the term alcohol free, or non-alcoholic rather than de-alcoholised for anything up to 0.5% to describe their products. For many brewers who export to European markets, where up to 0.5% is considered 'alcohol free' they have to include a disclaimer or differentiator on the packaging to account for this difference in UK/EU markets We believe that de-alcoholised when applied to products below 0.5% is now no longer appropriate or fit for purpose.

Q4: Do you think the term 'de-alcoholised' should be recommended for use to indicate the production method used to reduce the alcohol content of a NoLo drink?

Yes

No

Don't know

Please explain your answer (limited to 250 words)

SIBA believes that the term de-alcoholised should only be applicable to products that have undergone that process. While we do not necessarily believe it should be recommended, it should be allowed to be used for products that fulfil that process. Some consumers / groups do not want to purchase drinks that are produced to full strength then have the alcohol removed as it may be against their beliefs and some consumers will want to know if this is how the drink is produced.

Q5: Do you think the term 'non-alcoholic' should be recommended for use with a name commonly associated with an alcoholic drink? For example, using the term 'non-alcoholic beer' if no alcohol was used in the production process and the product does not contain any alcohol, and is not used with a protected product name under regulations.

Yes

No

Don't know



Please explain your answer, and if answered yes please suggest conditions of use for this descriptor (limited to 250 words)

SIBA believes that the term non-alcoholic should be applicable to all products below 0.5%. Alcohol free and non-alcoholic are used interchangeably by the public and by importers and it was make sense to recognise this within the guidance.

Q6: Do you think that products should display the ABV content on the front of the label to be able to use the alcohol free descriptor?

Yes

No

Don't know

Please explain your answer (limited to 250 words)

While it is good practice for the ABV content to be included on the label as it is for beer above 1.2% as this helps consumers to make a conscious choice about the strength of the product that they are consuming, the descriptors should be sufficient to provide consumers with the information they need. Under the Food Information Regulations there is no requirement for the ABV to be displayed on the front of the label and SIBA queries the rational for treating this labelling requirement for alcohol free differently. It should also be noted that products which contain alcohol naturally, such as bananas and some fruit juice, are not required to list its alcohol content.

Q7: Do you think all alcohol substitute products at 1.2% ABV and below should include the ABV content on the front of the label, irrespective of whether a low alcohol descriptor is used?

Yes

No

Don't know

Please explain your answer (limited to 250 words)

While it is good practice for the ABV content of no and low products to be included on the label as it is for beer above 1.2% as this helps consumers to make a conscious choice about the strength of the product that they are consuming. However under the Food Information Regulations there is no requirement for the ABV to be displayed on the front of the label and SIBA queries the rational for treating this labelling requirement for alcohol free differently. It should also be noted that products which contain alcohol naturally, such as bananas and some fruit juice, are not required to list its alcohol content.

Q8: Do you think all alcohol substitute products at 1.2% ABV and below should include the ABV content at the point of their sale online, irrespective of whether a low alcohol descriptor is used?



Yes

No

Don't know

Please explain your answer (limited to 250 words)

It is good practice for information to be provided at the point of sale online so that consumers can make an informed decision and the descriptors should be sufficient to provide consumers with the information they need. Unfair trading regulations are clear that material information should not be omitted from consumers to ensure they can make an informed transactional decisions.

Legal status of low alcohol descriptors

Q9: The use of the descriptors alcohol free, de-alcoholised, non-alcoholic and low alcohol is voluntary, but if they are used the conditions for their use are currently set out in non-statutory government guidance.

Do you think the terms of use for low alcohol descriptors should be set in legislation?

Yes

No

Don't know

Please explain your answer (limited to 250 words)

SIBA believes that the existing approach of providing guidance and working with the industry is a better solution than placing the descriptors in statute. This gives the Government and industry more flexibility in adapting to the needs of the sector and to consumer demand without placing additional burdens on industry. Legislation should always be the last resort only when outcomes are shown not to be achieved through non-legislative approaches. The alcohol industry has a strong track record of co-regulation and partnership working to reduce alcohol harms.

Q10: What, if any, effects (monetised or non-monetised) do you think setting the terms of use for low alcohol descriptors in law would have on your business?

Setting the terms of use for low alcohol descriptors in law instead of non-statutory guidance means that it requires full compliance by all producers usually within a specified time period. It also means that it will be legally enforced. This will result in specific compliance costs for small breweries that produce no and low products. A significant change will be to labels with all those that do not comply or have been using the current descriptors (assuming they are changed) will have to be altered. SIBA's experience shows that to minimise costs a timeframe of 18-24 months is needed to introduce labelling changes.



One of the other issues raised is if the descriptors were set in law is how this will intersect with the principles of mutual recognition and non-discrimination in the Internal Market Act and differences across the four nations.

Q11: How long would it take your business to implement the legislation, if introduced?

Without knowing the full list of changes that would be set out in legislation it is difficult to comprehensively outline how long it would take businesses to implement. However from SIBA's experience, to minimise costs a timeframe of 18-24 months is needed to introduce labelling changes once the final details have been agreed.

Q12: Which, if any, of the CMOs' low risk drinking guidelines should be displayed on alcohol substitute drinks at or below 0.05% ABV?

Weekly drinking guidelines
Single occasion drinking guidelines
Pregnancy and drinking
None of the guidelines

Q13: Which, if any, of the CMOs' low risk drinking guidelines should be displayed on alcohol substitute drinks above 0.05% ABV and up to 1.2% ABV?

Weekly drinking guidelines
Single occasion drinking guidelines
Pregnancy and drinking
None of the guidelines

Q14: Do you think the current alcohol free descriptor threshold of 0.05% ABV in England affects the ability of UK NoLo producers to compete with producers in other countries?

Yes
No
Don't know

Please provide evidence of how the current alcohol free descriptor of 0.05% ABV in England affects the ability of UK NoLo producers to compete with producers in other countries.

This impacts UK based small independent breweries in two ways; through competition with beer that is imported and beer that is exported from the UK. Beer that is produced outside of the UK including in Europe, USA and Canada, can be labelled as alcohol free at levels of 0.5% and be sold in supermarkets and online in the UK. This disadvantages UK producers that are required to state it as low alcohol on their products and this is an issue often raised by SIBA members that actively brew low and no beers. This difference in labelling requirements impacts consumer purchasing decisions, favours overseas producers and creates a competition barrier. Where the consumer is buying a no or low product and wants an alcohol



free beer as opposed to a low alcohol beer then the non-UK producer is likely to benefit as they can call their 0.5% ABV beers alcohol free whilst the UK producers cannot.

UK producers that export their beers and compete internationally are also disadvantaged as their products are considered to be 'more alcoholic' than other competing products despite having equal ABVs.

Q15: Do you think changes to the descriptors, if implemented, would help your business to increase availability of NoLo products?

Yes

No

Don't know

Q16: Do you think changes to the descriptors, if implemented, will help to deliver government's policy aims for reducing alcohol related harms?

Yes

No

Don't know

Please provide evidence to support your answer (optional)

As understood, the Government's policy aim for reducing alcohol related harms is through decreasing levels of alcohol consumption and the Government believes that no and low products have the potential to support this by encouraging consumers to switch to lower alcohol products. Some of the changes to the descriptors outlined would provide a better framework to support the sector, levelling the playing field with overseas competitors and helping UK businesses to compete. This could, in turn, encourage the UK sector to grow further and result in further increases in sales. However, adding more complexity to labels as suggested in the consultation may distract from this support and make it more difficult for small producers to enter the market. Equally, the changes to descriptors only address one of the barriers facing small breweries in the no and low sector.

For the UK's small and independent breweries, no and low beers is a fledgling sector. There are a very small number of breweries that only produce no/low beer but who lead in the independent beer sector. At the same time it is increasingly becoming part of a small independent breweries range of beers. According to our Annual Members' Survey, six percent of breweries produce a beer below 0.5% and for those that do it on average it makes up 18% of their production.

There are several barriers to growth in the no and low sector. The first is market access. There are around 1,800 small independent breweries in the UK but they represent only about six percent of the total beer production where the vast majority is produced by four major Global companies. The majority (53%) of the beer produced by small independent breweries is packaged into cask which is a live product and ferments into the container and is served in pubs. It is very nearly impossible to produce a no/low cask beer given the nature of the product



and SIBA is not aware of any brewery that is commercially producing no and low cask beer. While it can be packaged into keg (and small breweries package 18% of their beers into keg) it is often difficult to sell no and low products in keg in the current market place. This is because many pubs enter sole supply agreements or are reliant on a specific supplier for their beer products and therefore cannot take a separate product from a small independent brewery and run it through the pub's keg draught system. There are also potential contamination issues of using beer lines and it is notable that a leading zero alcohol brand installs a separate machine which sits on the bar. Therefore one of the only realistic paths is by packaging no and low in bottles and cans which are predominantly sold in supermarkets and off-licences as they only make up about 3% of pubs sales. For small producers it can be extremely difficult to secure listings in major supermarkets for their products. Small breweries are also concerned about the impact of other Government initiatives on bottles and cans, such as the Deposit Return Schemes, which may make it harder for them to commercially produce beer (including no and low) in bottles and cans.

The second barrier is the extra burden of informational requirements for those small breweries wishing to produce no and low beer. Under labelling requirements, breweries have to provide nutritional information on no and low products but do not have to for beer above 1.2% ABV. This creates an additional cost and creates a barrier from introducing new products. The third barrier is technical – while there has been improvements in brewing techniques which allows small producers to restrict fermentation, it is impossible without expensive brewing equipment for them to produce zero alcohol products.

Addressing these other barriers may help small independent breweries to enter the no and low market or expand their current product lines, increasing the availability of these beers and enabling more consumers to responsibly consume them.

Q17: If implemented, do you think changes to the descriptors would affect whether consumers substitute standard-strength alcohol products with NoLo products? For example, through encouraging substitution of standard-strength alcohol with NoLo alternatives.

Yes

No

Don't know

Please provide evidence to support your answer (optional) – can upload document.

The impact that changing the descriptors will have will depend on what changes are made. Some of the changes outlined could provide a better framework to support the sector and make it easier for them to compete with importers. This could, in turn, encourage the UK sector to grow further resulting in increased availability. However, other changes to the descriptors could add further complexity to labelling and make it more difficult for small producers to enter the market, introduce new products or innovate.

However the descriptors only influence one of the barriers for small independent breweries and not the other structural barriers especially in the ontrade where they sell the majority of



their products. While 85% of pubs may offer at least one low or no alcohol beer, very few will be from a small independent brewery and it is more likely to be from a Global producer. Evidence shows that consumers want a great tasting beer and SIBA members are driving innovation in the no and low space with products that offer exciting new flavours. However they often cannot sell these products in the places that consumers would wish to access them. It is only through action to tackle market access barriers such as sole supply contracts, beer ties, minimum barrelage and cellaring equipment ownership, pricing and control, that could provide greater opportunities for small breweries to sell no and low beers to pubs which will in turn support the Government's policy objectives.

Q18: What are the estimated costs associated with producing NoLo alcohol products per litre by product category?

The cost of no and low products varies depending on the size of the brewery and volume being produced, the methods and equipment used and the beer style. Large breweries can achieve significant economies of scale through using more efficient and larger brewing equipment. They can also afford to use state of the art technology such as cool vacuum distillation to remove the alcohol without affecting its flavours. Such technology is unaffordable for small breweries.

The cost will also depend on the beer style being produced – small breweries have led the way in innovation using modern hopping techniques such as dry hopping to expand the flavour profile of no and low products. Given the popularity of hoppy beers, hops are an expensive ingredient. According to some of our members in a position to provide figures they have indicated that the cost can vary from £1 per litre to £1.45 per litre, depending on the beer style being produced. These costs exclude packaging costs such as bottling.

Q19: How does this compare with the estimated costs associated with producing standard-strength alcohol products per litre per product category?

According to data provided from a small number of breweries that produce both standard beer and no and low products, it is more expensive.

Q20: Do you think alcohol substitute drinks with a strength of 0.5% ABV or below should display an age restriction warning on label?

Yes

No

Don't know

Please explain your answer (optional)

Currently alcohol is defined under the Licensing Act 2003 as over 0.5% ABV for licensable activities and it is not clear from the consultation whether the Government is proposing to amend the Licensing Act to include alcohol below 0.5% ABV. Placing an age restriction warning on a label when there is no legal basis to do so could be considered to be misleading or inaccurate and breach labelling rules. It also adds a requirement to no and low products



that is voluntary for alcoholic products and not applied to other non-alcoholic products such as fruit or bread which may contain similar alcoholic levels.

Many licensing operators already operate an age verification policy for low and no products to reduce the risk of underage sales and to be consistent with alcoholic products. Therefore this should be left to the retailer to act responsibly.

Q21: Do you think government or industry should take any other measures to prevent children and young people from accessing and consuming alcohol substitute drinks of 0.5% ABV or below?

Yes - government

Yes - industry

Yes - government and industry

No

Don't know

Please explain your answer. If you selected yes, please provide detail about what measures you suggest.

Many producers, retailers and licensed operators already have adopted rules for accessing and consuming drinks of 0.5% ABV or below such as age requirements. While these products should not be promoted to children, there is a lack of evidence that this is a particular issue or that the current measures in place need changing.

Q22: Do you think alcohol producers should do more to encourage consumers to substitute standard-strength alcohol with NoLo products in order to reduce alcohol harms as described in the consultation document?

Yes

No

Don't know

Please provide details (optional)

The no and low sector has increased substantially over the past few years. Our SIBA/YouGov 2023 survey show that 18% of beer drinkers are consuming no and low beer which was a 2% increase on the 2022 survey. Other research has shown that 95% of consumers are now aware of the category and nearly a third of all pub visits involve no alcohol. Consumers are already taking action to access these products themselves without further action being directly needed. However, as described in earlier responses, removing some of the market access barriers would allow small and independent breweries to bring more products forward and increase their accessibility to consumers.

Q23: Do you think government should do more to encourage consumers who drink above CMOs' lower risk guidelines to substitute standard-strength alcohol with NoLo products in order to reduce alcohol harms?



Yes

No

Don't know

Please provide details.

The no and low sector is already increasing in response to consumer demand and direct Government action may have unforeseen distortions to this fledgling market. The best action that the Government can take is to make it easier for small producers to bring their products to market and to simplify labelling requirements.

Q24: What outcomes do you think the government should monitor to assess whether the policy objectives set out in this consultation are being met?

Include what data sources you think could be used to support this monitoring.

The number of small independent breweries able to sell their no and low products to the ontrade alongside those introducing products in this area.

Q25: Do you have comments on the proposed outcome measures for monitoring the impact of proposals set out in this consultation, if they are implemented, as set out in the 'Summary of policy aims' section of the consultation?

The proposed outcome measures do not take into account small producers and the challenges they face in producing now and low products and accessing the market. For example, because of sole supply contracts many small breweries cannot access keg lines to provide their products on draught in pubs and bars.

Q26: Do you have evidence on whether the proposals set out in this consultation document, if implemented, may disproportionately affect people with protected characteristics as set out in the Equality Act 2010?

No