



UNESDA SOFT DRINKS EUROPE: ASPIRATIONS 2019-2024

SUSTAINABLE. RESPONSIBLE. COMPETITIVE.

1. INTRODUCTION

UNESDA has represented the European soft drinks industry for **more than 60 years**. The sector is a significant contributor to the EU economy and society. It provides enjoyment and hydration and supports jobs, growth and prosperity throughout its **€185 billion value chain**.

The European soft drinks industry is noted worldwide as an **early leader in setting out significant ambitions** to create a **healthier food and drink environment** and make **packaging more sustainable**. It is committed to **supporting the EU institutions** in achieving the shared goals of economic circularity, sustainable growth and healthy populations.

This document sets out the ambitions of the European soft drinks industry for the years ahead and highlights its actions and achievements across key policy areas over the past decades.

Its purpose is to inform policymakers and raise awareness of the sector's scope, actions and impact across Europe. It outlines the industry's proposition to policymakers in order that it can continue to drive positive actions in supporting healthy lifestyles, environmental sustainability and growth in the future.

Our Aspirations - **Sustainability, Responsibility, Competitiveness** - build on the priorities of the entire food and drink industry and in particular those laid down by FoodDrinkEurope for the 2019-2024 period in articulating a single market purposed around: **Growing sustainably, Serving consumers, and Feeding Europe's economy.**

We fully **support the principles of ensuring a science and evidence-based approach to food safety and innovation** as well as actions providing nutrition and empowering consumers.

2. EXECUTIVE SUMMARY

The European Commission, Parliament and Council must recognise that **the strengthening and completion of the Single Market remain an absolute priority in upholding the sustainability, responsibility and competitiveness of the food and drink sector in Europe.**

UNESDA's 2019-2024 Aspirations address the three core areas of **Sustainability, Responsibility and Competitiveness**. Our actions to date in these areas are elaborated in the pages that follow with clear Aspirations for the years ahead. They can be summarised as:

SUSTAINABILITY

We are committed to **driving sustainability throughout our value chain** and lay priority on:

- **Optimising collection, recycling and reuse of all packaging, including plastics;**
- **Boosting collection rates of single use plastics including bottles and caps;**
- **Creating the optimum framework and conditions for food grade quality rPET to be available, accessible and affordable;**
- **Authorising the recycling processes already assessed by EFSA;**
- **Supporting the Circular Plastic Alliance to deliver on the bold objectives set at EU level;**
- **Implementing sustainable sourcing and agriculture practices in our supply chain.**

RESPONSIBILITY

Our sector has an obligation to **behave responsibly in the sales and marketing of its products**. We lay emphasis on:

- **Maintaining momentum to generate critical mass on calorie & sugar reduction across food and beverages in Europe;**
- **Removing regulatory hurdles to innovation and sugar reduction;**
- **Stimulating self-regulatory initiatives including addressing advertising and marketing to children; maintaining our commitment to no-added sugar drinks in EU schools**
- **Maintaining a partnership-based approach involving all stakeholders;**
- **Defending a fact-based approach to regulation and policymaking.**

COMPETITIVENESS

The soft drinks industry is **rooted in the European economy**. We lay focus on:

- **Driving the competitiveness of European industry through Better Regulation;**
- **Supporting a strong single market and avoiding fragmentation or renationalisation of EU policies;**
- **Supporting fair, non-discriminatory and predictable fiscal policies.**

3. OUR ASPIRATIONS

3.1. FOR ENVIRONMENTAL SUSTAINABILITY

The soft drinks industry is committed to driving sustainability throughout its value chain – from production and distribution through to packaging, collection, recycling and reuse. **UNESDA members have focused on reducing their environmental footprint for the past 30 years**, with investment in the very latest plant equipment resulting in the reduction and reuse of energy, water and raw materials.

The sector uses plastic, metal, glass and carton packaging to deliver high quality and safe products to consumers. We have invested in significant light-weighting and design initiatives across our packaging formats. This has reduced the amount of raw materials used in our packaging and meant that they require less fuel to transport and generate fewer CO₂ emissions.

The sector has been instrumental in setting up and running packaging collection schemes across the EU, and PET drinks bottles are now the most recycled item across the continent.

We call on EU policymakers to systematically apply the Better Regulation approach to all policies, including environmental sustainability, and to undertake the appropriate impact assessments for all proposed new legislation to ensure that it is fit for purpose. An example of where Better Regulation was not applied is in the development of the Single Use Plastics Directive as no meaningful impact assessment was produced for the implementation of certain requirements, such as the obligation for all beverage bottles to have tethered caps.

We fully support the European Commission's objective of building a sustainable Europe by 2030, and for the circular economy to continue



to be a major priority at EU level. As the soft drinks industry, we are working hard to continue to be frontrunners in making our products and our packaging more sustainable.

Climate change has crucial implications for the sustainability and competitiveness of our sector. We ask policymakers to drive forward an ambitious political framework to address climate change, based on evidence, economic impact, best practice and effective and inclusive solutions.

Our sector has been at the forefront of finding solutions for water stewardship and water reuse and we look forward to contributing to make food and drink production more sustainable.

We will continue to follow the processes in implementing the circular economy package and actively contribute to its progress and delivery.



WE CALL ON POLICYMAKERS TO:

- Support us in driving optimal **collection, recycling and reuse of all our packaging – including plastics**;
 - This requires coordinated action from all stakeholders – national and local authorities, industry and consumers.
- Focus on the goal of **boosting single use plastics collection rates to 90% by 2029**;
 - Ensure a sufficient **supply of food grade quality rPET** to meet both the sector's voluntary pledges and the legislative targets set by the SUP directive. **rPET demand** has been boosted thanks to the EU plastics policy, however, food grade quality supply has not kept pace with the ambition.
- **Rapidly authorise the recycling processes already assessed by EFSA** in order to support the creation of a supply of food grade quality rPET;
- **Support the Circular Plastics Alliance set up** by the European Commission to gather stakeholders from across the value chain in exploring how to overcome obstacles to making our economy more circular efficiently – the objectives as set out in its plastic strategy and SUP directive;
- **Apply Better Regulation principles to environmental sustainability legislation, including ensuring appropriate impact assessments to ensure legislation is fit for purpose.** sector's voluntary pledges and the legislative targets set by the SUP directive. **rPET demand** has been boosted thanks to the EU plastics policy, however, food grade quality supply has not kept pace with the ambition.

KEY CONTRIBUTIONS TO DATE:



Plastic packaging ambitions: Ahead of regulatory developments, UNESDA set a series of ambitions to make its plastic packaging more sustainable. **100% of our plastic packaging will be recyclable by 2025** and we also committed to use an **average minimum of 25% recycled content** in our packaging in the next five years. We committed to **increase and optimise collection rates – supporting the SUP directive's ambitious collection targets**, and to work with partners to **reuse packaging** where it makes environmental and economic sense.

UNESDA is a **founding member of the European PET Bottle Platform (EPBP)**, the voluntary initiative that aims to ensure recyclability by evaluating PET design, production, and recycling technologies.



Towards circularity of all packaging: Beverage packaging is already the **most collected packaging in the EU** and the soft drinks industry uses a range of materials options including plastic, metal, glass and carton. Each has a different role to play in providing consumers with safe, quality products that meet their lifestyle needs. We consider the full lifecycle of all our packaging options and **have been instrumental in setting up and running many of the packaging recovery organisations across the EU.**



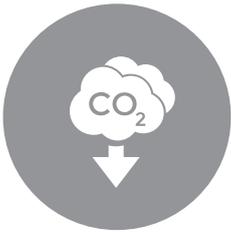
Reducing raw materials through light-weighting: Our sector has placed research and **investment behind the light-weighting of packaging**, with the result that it uses fewer resources in its production and less energy in its transportation. It has also innovated to reduce technical barriers to recycling.



Sustainable sourcing and production close to markets: Ours is a local industry. **Production plants are sited close to the markets which they serve, hence limiting greenhouse gas emissions** linked to energy and transport. UNESDA companies implement sustainable sourcing and agriculture practices in their supply chain and EU policies should encourage and leverage these initiatives through targeted measures.



Recovery, reduction and reuse of water and energy: Our sector operates some of the most **modern, state-of-the-art production and bottling facilities** which offer the most advanced, low energy solutions in production. Many of our companies are at the forefront of ambitious water stewardship programmes.



Reduction in CO₂ emissions and elimination of CFCs: As well as energy efficient production processes which have reduced CO₂ emissions considerably, **the industry eliminated CFCs** from its refrigeration and cooling systems almost 20 years ago.

3.2. FOR HEALTH AND NUTRITION

UNESDA members are committed to supporting Europeans in leading healthy and active lifestyles. The sector offers a wide variety of soft drinks – many of which contain no, or few calories – **encouraging balanced diets**, while providing enjoyment and hydration. Soft drinks companies have made significant investments in reformulation and new product development to reduce sugar and calories. **No- and low-calorie versions now represent over 24 % of soft drinks sales across Europe – and over 40% in several markets.**

We are determined to continue our calorie reduction journey and to behave responsibly in our sales and marketing actions, particularly in relation to children.

We call on EU policymakers to ensure policy coherence in their actions. EU institutions have been



calling for sugar reduction in a number of food and drink products. To do so, they should also ensure that enablers for reformulation (such as the use of low-calorie sweeteners) are fostered and encouraged. Similarly, EU policymakers have sometimes called for nutrient reductions across EU markets, but also called for the harmonisation of all recipes in all countries through the dual-quality discussions, which sends contradictory signals to consumers and to the industry.

Our industry supports a more ambitious, proactive, comprehensive, coordinated and inclusive EU nutrition and health policy, based on sound science.

We support an EU agenda to address risk factors for non-communicable diseases (NCDs) based on a multi-stakeholder approach and look forward to contributing to reducing NCDs. We call for policies to be evidence-based and for enhanced data collection to inform such policies.

Driving sugar reduction through reformulation, new product development and marketing is a core objective for our sector. The use of low and no

calorie sweeteners can enable this and we welcome continued support in confirming and promoting their safety.

Sustaining innovation within the food and drink industry requires not only co-funding but also a regulatory framework that stimulates research and innovation.

We strongly encourage the European Institutions to continue supporting the food industry's relentless research and innovation activities, which make our sector more productive, resilient and better equipped to satisfy the evolving demands of consumers.



WE CALL ON POLICYMAKERS TO:

- Maintain momentum and create opportunities to generate **critical mass in driving sugar and calorie reduction** across beverage and food products;
- **Address regulatory hurdles** that limit opportunities for innovation and sugar reduction. This includes reviewing the current stipulation that low-calorie sweeteners can only be used in foodstuffs delivering a minimum 30% reduction in calories;
- Place specific **emphasis on self-regulatory initiatives which can deliver swift results in addressing children**, both in schools and in other settings.
- Ensure that initiatives are taken in **partnership with all actors** - including industry, educators and civil society;
- Set regulatory **policy based on facts**, not perception.

KEY CONTRIBUTIONS TO DATE:



Calorie and sugar reduction: Our industry has taken far reaching commitments to reduce sugar and calories in its products. As a founding member of the EU Platform for Action on Diet, Physical Activity and Health, UNESDA members delivered **significant reductions across Europe from 2000-2015 and pledged a further 10% reduction by the end of 2020.**

A mid-term evaluation conducted by independent auditors Global Data to assess progress made between 2015-2017, concludes that an average kcal/sugar reduction of **11,9%** per 100ml has already been achieved, demonstrating that:

- We are delivering on our promises;
- A multi stakeholder, partnership-based approach works;
- UNESDA is a reliable partner for new officials, post-elections;

- A more active EU nutrition strategy and clear agenda to address NCD risk factors is needed. Calorie and sugar reduction have been achieved through reformulation; the introduction of new products with lower sugar profiles; the introduction of smaller pack sizes to encourage moderation; and the placement of greater promotion behind no- and low-sugar/calorie varieties.

The soft drinks sector is the only EU sector to respond positively to the EU call for a 10% added sugar reduction by 2020.



Responsible behaviour towards children: UNESDA members committed to **remove all soft drinks for sale in EU primary schools in 2006**. Independent monitoring by PricewaterhouseCoopers has found the sector to be over 95% compliant with this commitment.

In 2017 the sector committed to **remove all sugar sweetened beverages from secondary schools** across the EU – having already committed to non-branded vending machines and a full range of no- and low-calorie products alongside regular products back in 2006.



Responsible advertising and marketing: Across the EU, UNESDA members have committed not to **advertise to children under 12 since 2006**. Not on TV, radio, in print, or online. Seven years ago, this same commitment was extended to cover social media in line with the evolution in media channels.



Nutritional information on pack: UNESDA members have committed to **provide full calorie information front-of-pack**, far in advance of the legislative requirement.

3.3. FOR OUR SOCIO-ECONOMIC FOOTPRINT

The European soft drinks industry creates value throughout its supply chain. From the agricultural sector that provides it with fruit and sugar, the packaging sector which bottles and cans its drinks, through to the creative sectors which promote its products and the supermarkets and bars that sell them. The sector provides employment, tax contributions and growth across the EU and beyond.

The soft drinks sector is a local industry, rooted in the communities in which it operates and producing products close to the markets it serves. It is an established and robust sector, familiar with riding the ebbs and flows of the economic cycle.



In upholding the principles of Better Regulation, we ask policymakers to:

- Step up efforts to ensure that Member State implementation of EU food legislation is as uniform as possible across the EU and that administrative burdens for food and drink companies, especially SMEs, continue to be reduced;
- Review progress of the REFIT platform which collected suggestions and recommendations on how to simplify laws in relation to food. This is particularly important for multiple source substances;
- Facilitate the uptake of innovation by adapting legislation to stakeholder needs and hence building trust among consumers.

We call for fairness across the food supply chain: actions to combat Unfair Trading Practices (UTPs) must be applicable to all players in the supply chain. An unfair trading practice is unfair, whatever size the business. Unless the entire food supply chain is addressed, the domino effect of UTPs will continue to impact SMEs and farmers and affect hundreds of thousands of workers. We call for EU rules that protect the whole supply chain - including small and medium-sized (SMEs) operators, and apply to all buyers, including SME operators.



WE CALL ON POLICYMAKERS TO:

- Focus on driving the **competitiveness of European industry** by maintaining emphasis on a better regulation approach;
- Ensure a clear, **strong, single market** is at the heart of EU policy, and **resist policies that create fragmentation**, as evidenced by the multitude of emerging national front-of-pack and origin labelling schemes;
- **Support fair, non discriminatory and predictable fiscal policies** as there is no supporting evidence that taxation that singles out specific food and drink products has a positive health impact.

KEY CONTRIBUTIONS TO DATE:



Creating value throughout the supply chain: The European soft drinks industry has a **value chain worth €185 billion**. The revenue generated through it is 2.5 times greater than the revenue the industry receives itself – **€52 billion directly generated and a further €132 billion contributed indirectly through the value chain**. For some sectors this share is significant: 10% of total revenues in horeca/foodservice; 4.1% in creative services; and 3.7% of total packaging revenues.

For more information, please visit: <https://www.unesda.eu/socioeconomic/>



Supporting employment: Over **1.7 million jobs are supported throughout our value chain** and every job in the soft drinks sector supports a further nine jobs in associated industries.

For more information, please visit: <https://www.unesda.eu/socioeconomic/>



Tax contributions: Our sector delivers almost **€30 billion in tax contributions** to EU member states.

For more information, please visit: <https://www.unesda.eu/socioeconomic/>



R&D: Some **€70 million is spent on R&D each year with 560 researchers and developers** employed in developing new techniques and varieties. Some **40% of products on the market have been introduced in the past two years with 1,500 new products** brought to market each year.

For more information, please visit: <https://www.unesda.eu/socioeconomic/>



Rooted in the agricultural sector: Soft **drinks ingredients are sourced from 137,000 arable farmers and growers around Europe** – including apples, pears and sugar beet from the more northerly countries and berries and soft fruits predominantly from the southern markets. There are **424 soft drinks production and bottling plants across the EU**.

103 billion litres of soft drinks are consumed in the EU annually – almost 56 billion litres in the on trade and 48 billion litres in the off trade.

For more information, please visit: <https://www.unesda.eu/socioeconomic/>

ABOUT UNESDA

Established in Brussels in 1958, UNESDA represents the soft drinks industry in Europe. It covers products including still drinks, squashes, carbonates, powders, iced teas, iced coffees, syrups, energy drinks and sports drinks and its members include both soft drinks producers and national associations.

UNESDA is signatory to the EU Transparency Register (No: 25492952296-56).

More information can be found here www.unesda.eu
