

IBA Energy Drinks Pledge

Guidelines for the Composition, Labelling and Responsible Marketing of Energy Drinks

BACKGROUND AND OBJECTIVE

IBA is the apex body representing the non-alcoholic ready to drink (NARTD) beverage industry in India, which aims to bring together all the stakeholders to a common platform to promote growth of the non-alcoholic beverage industry towards making India a global beverage hub and leader. Our member companies supply various non-alcoholic beverages, including carbonated beverages, packaged drinking water, fruit & vegetable juices, energy drinks which form an integral part of the Food & Beverage consumer basket across masses.

Energy Drinks in India

Energy Drinks have been sold in more than 175 countries for more than 30 years and are safely consumed and enjoyed by millions of consumers worldwide every day. The energy drinks category is referred to as 'Caffeinated Beverages', as per Indian regulations.

In total, energy drinks currently represent less than 2.2% (on total volume) of the Indian non-alcoholic beverage market in 2023, forecasted to reach 2.8% by 2028¹, whereas the global contribution of energy drinks to caffeine intake across all age groups is less than 2.4% (on total volume) in 2023, forecasted to reach 2.7% by 2028².

What are energy drinks?

Energy drinks are a subcategory of non-alcoholic beverages in India and worldwide. The term "energy drink" is a generic category descriptor used worldwide as an accepted product denomination and is widely understood by regulators, consumers, media, and manufacturers to describe the product category. The key characteristic ingredient for this category of beverages is caffeine, hence these beverages are termed as caffeinated beverage as per regulatory classification. These beverages provide safe levels of caffeine as established by globally recognized risk assessments and safety studies conducted by regulatory and scientific institutions. Along with caffeine, these beverages generally have other safe and approved food ingredients such as taurine, B-vitamins, inositol, glucurono-Y-lactone, and other ingredients with a functional or physiological effect. Energy Drinks are comprehensively regulated in India, by the Food Safety and Standards Authority of India and regulations for this category are included in the "Beverages Non-Alcoholic Carbonated and non-carbonated- Caffeinated Beverages" under section 2.10.6(2) of the FSSAI Food Safety and Standards (Food Products Standards and Food Additives) Regulations 2011. These regulations outline maximum limits for key ingredients, labelling requirements, and recommended consumption limits.

IBA member companies fully comply with these FSSAI-regulations. These voluntary guidelines are complementary industry commitments based on the international guidelines developed by the International Council of Beverages Associations (ICBA) of which IBA has been a member since 2010.

What ingredients are found in Energy Drinks?

The ingredients in energy drinks, as marketed by IBA-members in India, have been deemed safe by the Food Safety and Standards Authority of India (FSSAI).

FSSAI has regulated the maximum permissible levels for functional ingredients in Energy Drinks. The caffeine content shall be no less than 145mg per litre and not more than 300 mg per litre,

regardless of the source of caffeine used in the formulation of the product. In addition to caffeine as the main functional ingredient, energy drinks may also contain other optional ingredients such as B-vitamins, carbohydrates, and taurine, inositol, glucurono-Y-lactone. In this product segment, low or no-calorie variants containing non-calorific sweeteners are also available, offering consumers options to reduce the intake of sugar through such beverages. The use of these ingredients must adhere to Indian Food regulations.

Considering the maximum permissible caffeine content in energy drinks of 300 ppm as per FSSAI-regulations, one 250ml serving typically contains a maximum amount of 75 mg caffeine, thus a serve of energy drink has a similar level of caffeine as an average homemade cup of espresso coffee or 1.5-2 cups of black tea. Food ingredients undergo rigorous safety and toxicology studies, which are reviewed by international scientific organizations and regulatory authorities to ensure the safety of foods, beverages, and other products containing them. The safety of caffeine at this level has been evaluated and affirmed by India's National Institute of Nutrition (NIN) and food safety authorities worldwide, including Food Standards Australia New Zealand (FSANZ), United States Food & Drug Administration (FDA), and European Food Safety Authority (EFSA).

Energy Drinks are functional beverages

Energy Drinks are functional beverages that are consumed in specific times of increased activity or alertness, such as driving, working, studying, playing a sport or being active, among other occasions, and can be compared to commonly consumed beverages such as coffee or tea.

Energy Drinks are not marketed for hydration benefits or for replacing fluids lost during exercise. Considering the functionality of Energy Drinks, the member companies of the IBA position packages with a net content up to 500 ml as an individual pack. This ensures moderate intake of caffeine, and moderates the intake of calories for calorie conscious consumers.

THE IBA'S COMMITMENTS REGARDING THE LABELLING, SALE, AND MARKETING OF ENERGY DRINKS

IBA members take a responsible approach to the labelling, sale, and marketing of energy drinks. As responsible companies, and a responsible industry, IBA members are proud to take this approach to the self-guiding principles of the energy drink category, which adheres to voluntary practices followed by international organizations like ICBA and are compliant with regulations in India.

Labelling Commitments

IBA members believe that information provided on the package label is an important opportunity to help consumers make informed choices and encourage moderate consumption.

In Accordance with sub-regulations 2.10.6 (2) of the Indian Food Regulations (viz. Food Safety and Standards (Food Products Standards and Food Additives) Regulation, 2011), IBA members label all energy drink products with specific declarations:

- "Not recommended for children, pregnant or lactating women, persons sensitive to caffeine" besides, a declaration related to recommendation of maximum consumption per day which is "consume not more than 500ml per day" is made on all products.
- Labels also provide transparent information to consumers regarding total caffeine content per serve/pack, declaring "High caffeine: x mg/ serving size" (where X is the amount of caffeine in milligrams per pack/serve).

Sales and Marketing Commitments

Members commit to the following responsible practices regarding the sales and marketing of Energy Drinks. IBA Members:

- Do not market energy drinks products to children.
- Do not sell Energy Drinks in primary and secondary schools; and/or do not conduct sampling of Energy Drinks to children or in child-focused settings such as within primary and secondary schools.
- Consider it misleading to label beverages that are a mixture of Energy Drinks and alcohol as 'energy' drinks.
- Energy Drinks are not advertised as supplement of B Vitamins, while B Vitamins may be added to energy drinks for their functional role which includes contribution to the reduction of tiredness and fatigue as well as to normal energy – yielding metabolism; as these are integral to the product proposition/category called energy drinks. The energy drinks category is referred to as 'Caffeinated Beverages', as per regulation 2.10.6 (2) of Food Safety and Standards (Food Products Standards and Food Additives) Regulations.
- As with all other beverages, members are committed to taking measures to promote moderation. Considering the functionality of Energy Drinks, members commonly position packages with net content up to 500 ml for individual consumption. This commitment supports meeting the regulatory requirement of declaring recommended maximum consumption per day as per the FSSAI sub-regulation 2.10.6 (2), which is "consume not more than 500ml per day".
- While normal consumption of any beverages can have a hydration effect, IBA members do not market Energy Drinks as beverages that would replace fluids lost during intense physical activity/ exercise.
- Provide consumers with information about Energy Drinks and its responsible consumption through responsible labelling. Members commit to ensuring that consumers have access to information including but not limited to the characteristic ingredients in Energy Drinks, how the caffeine content of these products relates to other caffeine-containing foods and beverages and recommended maximum consumption levels to help consumers with their caffeine intake.

IBA Members undersigning the above Voluntary Guidelines



References:

¹ Global Beverage Forecast 2024, Euromonitor International

² Global Beverage Forecast 2024, Euromonitor International