

Alcoholic beverage brands and e-commerce platforms pledge to create a responsible environment for the online sale of alcoholic beverages in the Philippines

Since the onset of the COVID-19 pandemic in 2020, eCommerce has been gaining weight in a traditionally off-premise-weighted drinks market in the Philippines. Globally, more people are growing accustomed to buying alcohol online, with forecasts projecting that online alcohol sales will grow by over 74% in 20 key markets by next year¹.

With the ease and convenience of online shopping in the post-COVID context, putting in place safeguards to prevent minors from buying drinks on online platforms and having them delivered, deserves unprecedented attention and action.

What can be done so that sellers and eCommerce businesses can ensure success while preventing minors from underage drinking?

In response to the rising challenge of preventing alcohol sales to minors and intoxicated individuals, the world's leading alcohol producers and major eCommerce platforms signed a joint initiative by the International Alliance for Responsible Drinking (IARD) in 2020 to commit to implementing global standards for online alcohol sales and delivery. These include ensuring safeguards are in place to prevent preventing minors and harmful drinkers from buying alcohol online.

International wine and spirits producers in the Alcoholic Beverages Alliance of the Philippines (ABAPI), together with local eCommerce platforms in the Philippines followed suit as well by signing a local Pledge in 2021, in light of the COVID-19 situation.

This year, alcohol producers and eCommerce platforms in the country reinforced their commitment to prevent alcohol from ending up in the hands of underaged drinkers. In a seminar co-organized by the Asia Pacific International Spirits & Wines Alliance (APISWA) and ABAPI on May 25, 2023, stakeholders from the private sector and government agencies shared best practices on how they can work together to promote responsible online alcohol sales and delivery, further a supportive legal framework around eCommerce sales, and additionally, tackle challenges such as the proliferation of illicit alcohol on online platforms.

In a panel discussion on the current alcohol eCommerce landscape and the development of a responsible sales environment, representatives from the Department of Trade and Industry (DTI) and the Intellectual Property Office of the Philippines (IPOPHL) provided perspectives contributing to a holistic view on tackling both underage drinking and counterfeit alcohol sold online. DTI Assistant Secretary Mary Jean Pacheco presented the outlook of the Department towards fostering a responsible eCommerce environment and consumer protection in the digital economy.

1

<https://cms.iard.org/IARD/media/Documents/21052021-Embargoed-Global-standards-for-online-alcohol-sales-and-delivery.pdf>



Caption: Participants in the panel discussion(L-R): Shanahan Chua (Corporate Secretary, ABAPI), Director Hermance De La Bastide (APISWA), Director General Rowel Barba (IPOP HL), and DTI Assistant Secretary Mary Jean Pacheco

Beyond the commitment by alcohol producers, the seminar shined light on the role eCommerce platforms can play in the fight to prevent minors from accessing alcohol. Representing the IPOP HL at the eCommerce pledge launch, Director General Rowel Barba and DTI Assistant Secretary Mary Jean Pacheco, as witness-signatories to the industry pledge.



Caption: Representatives of ABAPI and APISWA work closely with the offices of the DTI and IPOP HL to outline safeguards for responsible distribution of alcohol on ecommerce platforms

At the event, IPOP HL invited ABAPI to sign the IPOP HL Memorandum of Understanding (MoU) between IP owners, brand owners and eCommerce players to strengthen the fight against the sale of counterfeit goods over the internet. The IPOP HL also established the local guidelines among the online marketplaces to intensify the fight against the sale of counterfeit goods on the internet.



Caption: Signing of the e-commerce pledge for better safeguards against minors purchasing alcohol

Unrecorded alcohol is an effect of the growing problem of illicit alcohol trade around Southeast Asia. It refers to alcoholic products not accounted for in a country's official sales. This is because those products are either produced, distributed, or sold outside government-licensed channels. Overall alcohol consumption in ASEAN is expected to grow by 16-18% by 2025.

If illicit trade in alcohol is left unchecked and unregulated by governments, the challenge and risk to consumer health and safety will continue to grow in tandem with trends of increased alcohol consumption in markets.

In a statement, APISWA Chairman Sanjit Randhawa elaborated on the need for concerted efforts across sectors to combat harmful consumption of alcohol and curb the illicit alcohol trade, highlighting the renewed call on industry players to act now.

"Producers and retailers of the world's leading alcohol brands across the world have committed to work in solidarity to protect minors from online alcohol sales and deliveries. The re-launch of our pledge originally signed in 2020 is our way of showing the world that the Philippines continues to be in step towards the goal of creating a responsible e-retailing environment for alcohol," said Randhawa.

"Improper sale and distribution of alcohol brings a wide range of negative impacts. It poses significant health risks and undermines the rule of law. To improve how alcoholic products are sold and enjoyed across the country, we look forward to working with the government and other relevant stakeholders to eliminate the sale of alcoholic products to minors and to combat the harmful use of alcohol in all its forms."



Caption: APISWA Chair Sanjit Randhawa welcoming guests and discussing the seminar's aims

Complementing the statement, ABAPI President Rajesh Joshi stressed the need for the participation of not just brand owners, but of ecommerce distributors in the responsible selling of alcohol.

“The responsible distribution of alcohol in the Philippines is a shared responsibility, not just between the government and producers but also with the distribution channels that consumers access more frequently now more than ever. It is important that all the stakeholders involved actively participate to protect minors from purchasing alcohol and continuously work together to create safeguards for consumers in the country.”

Culminating in the signing of the ABAPI Responsible eCommerce Pledge and the IPOPHL MoU, the seminar signals a united front between the government and private sector to ensure both economic gains as well as the health and safety of consumers and minors across the country. The localised ABAPI pledge is an offshoot of global efforts to create a safe and regulated online marketplace for alcohol products.

In January of 2021, the International Alliance for Responsible Drinking (IARD), an organisation comprising of some of the biggest beer, wine, and spirits producers in the world, signed a partnership with online retailers and e-commerce and delivery platforms to create robust global standards for the online sale and delivery of alcoholic beverages. This was also followed by yet another joint global pledge in 2019 between IARD and various social media platforms to ramp up protective measures such as age screening to prevent minors from seeing alcoholic beverage advertisements on digital platforms.

###

####

About ABAPI

The Alcoholic Beverages Alliance of the Philippines, Inc. (ABAPI) is a non-profit association of alcoholic beverage importers and distributors, including allied integrated industries in the Philippines. Among its current stakeholders in the Philippines are Diageo, Pernod Ricard, Moët Hennessy, Bacardi, and Brown-Forman—owners of leading alcohol brands such as Johnnie Walker, Absolut Vodka, Hennessy, Bacardi, and Jack Daniels. ABAPI aims to develop, continually improve, and promote the quality and integrity of alcoholic beverages in the Philippines, as well as to promote responsible attitudes towards alcohol consumption.

About APISWA

The Asia Pacific International Spirits and Wines Alliance (APISWA) proudly represents 11 global spirits and wine producers operating across the Asia-Pacific region. APISWA aims to secure a sustainable and competitive business environment for our members. This means promoting an understanding of the spirits and wine industry, and ensuring our ability to produce, market and consume spirits and wine responsibly.

APISWA aims to foster an environment where legal spirits and wine can be enjoyed sustainably, and which supports a vibrant, sustainable and responsible hospitality and tourism industry. APISWA is focused on protecting the interests and safety of consumers and on ensuring that alcohol is enjoyed in moderation, in ways that are appropriate to the local context and in line with international best practice.



Our member companies include Bacardi, Beam Suntory, Brown Forman, Campari, Diageo, Edrington, Moët Hennessy, Pernod Ricard, Proximo, Remy Cointreau and William Grant & Sons. Find out more about our advocacy at: <https://apiswa.org/>

Media Contact

Brenda Lee (Ms)

Secretariat, Asia Pacific International Spirits and Wines Alliance (APISWA)

Tel: (+84) 24 7304 3663 or (+84) 902.090.085

Email: secretariat@apiswa.org

Janella Gangat

Account Director

FleishmanHillard Manila

Janella.gangat@fleishman.com