# European whisky producers react to rye whisky labelling restrictions



European whisky producers are facing significant challenges following the recent enforcement of a long-forgotten 2004 agreement between the European Union and Canada, which prohibits them from labelling their rye whiskies as ‘rye whisky’. This rule came into effect on 1 April 2023, marking a surprise enforcement of a regulation that had remained largely dormant for nearly two decades.

The agreement was established ostensibly to protect Canadian rye whisky, which has looser definitions compared to the strict standards upheld by European producers. Despite the long-standing tradition of rye whisky production in Europe, notably in countries such as Denmark, Finland, Germany, and Austria, distilleries are now grappling with the implications of this regulatory change.

Leading figures in the whisky industry have expressed their frustration over the situation. Alex Munch, the chief marketing officer and co-founder of Stauning Whisky, stated: "We are, of course, quite frustrated that a huge mistake has been made in the EU concluding this agreement." Munch's distillery, known for its rye whisky production since 2014, seeks to differentiate geographical identifiers and production methods in its branding, similar to the protections afforded to products like Champagne and Parmesan cheese.

Kyrö Distillery, a Finnish producer, labelled the enforcement as ‘outrageous’ on LinkedIn, a sentiment echoed by many across the European spirits industry. The enforcement has generated considerable backlash, particularly since Canadian authorities were also unaware of the agreement’s implications, highlighting a disconnect in international regulatory awareness.

Historically, the production of rye whisky within the EU was minimal when the agreement was first signed. As Munch noted, "Nobody was aware of it", revealing a lack of communication and oversight surrounding the agreement. The potential for legal ramifications has prompted several distilleries, including Stauning, to explore collaborative efforts with EU officials to renegotiate the terms of the agreement, aiming to establish a more sensible framework that acknowledges the cultural significance of rye within European food traditions.

The Danish government is under pressure to act, with growing political support from various factions advocating for a review of the agreement. Kasper Munk Rasmussen, an industry manager at SMV Danmark, remarked: “It is our analysis that this rule provides very limited value to Canada while creating an unnecessary obstacle for smaller European producers.” This underscores the sentiment that legislative adjustments are necessary to alleviate the constraints imposed on local distilleries.

In an innovative move to raise awareness about the issue, Stauning Whisky has created a special bottle featuring the word ‘Censored’ in place of ‘rye whisky’. Munch explained, “We have simply chosen to censor the name of the whisky because it is a rye whisky that bears the name ‘Rye’ – which, under this trade agreement, we are not allowed to call it.”

The broader industry landscape is affected as well; the regulations governing Canadian whisky production are notably flexible, allowing a wide range of types to be labelled as rye. This includes anything from blended to flavoured whiskies, which stand in stark contrast to the rigorous definitions adhered to by European distillers. Canadian regulations dictate that the whisky must be produced within Canada, aged for a minimum of three years, and have an alcohol by volume (ABV) of at least 40%. Additionally, whiskies can include various additives such as caramel colouring, which is not permitted in traditional European whisky production.

As European whisky producers navigate this complex regulatory environment, the need for clarity, collaboration, and perhaps a reimagining of protective standards is becoming increasingly vital. The next steps in the regulatory dialogue will be crucial, likely determining the future landscape of rye whisky production in Europe and its position in the global market.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* [https://eur-lex.europa.eu/eli/dec/2004/91(1)/oj/eng](https://eur-lex.europa.eu/eli/dec/2004/91%281%29/oj/eng) - This URL supports the claim about the 2004 EU-Canada agreement on trade in wines and spirit drinks, highlighting its historical context and the provisions related to spirit drinks labelling.
* <https://www.europarl.europa.eu/cmsdata/121890/Agreement_trade_wines_spirits_EU-Canada_2003.pdf> - This document outlines the Agreement between the European Community and Canada, detailing how it affects the labelling and production of spirit drinks, including rye whisky.
* <https://trade.ec.europa.eu/access-to-markets/en/content/eu-canada-comprehensive-and-economic-trade-agreement> - This page provides information on CETA, which encompasses previous agreements on alcoholic beverages and wines and spirits. It explains how these agreements impact trade in the sector and protect geographical indications.
* <https://www.smv.dk/en/smv-denmark> - This website contains information about SMV Danmark, providing context for the role of industry managers like Kasper Munk Rasmussen in advocating for regulatory adjustments beneficial to European producers.
* <https://www.stauningwhisky.dk/en> - Stauning Whisky's official website highlights their efforts and products, supporting the claim about their frustration with regulatory enforcement and their creative response to the 'Censored' rye whisky label.
* <https://www.cbc.ca/news/business/ceta-canada-eu-trade-deal-1.7838524> - This article discusses the broader implications of CETA and trade between the EU and Canada, providing context for how international agreements like the 2004 wines and spirits agreement fit into larger trade policies.
* <https://www.thespiritsbusiness.com/2025/04/eu-can-no-longer-label-rye-whisky-rye-whisky/> - Please view link - unable to able to access data