

Mandatory Origin Labelling: the cost burden for bulk commodities outweighs the benefits to consumers



The Primary Food Processors of the EU (PFP) represent the interests of the EU cocoa, flour, starch, sugar, vegetable oils and fats, and vegetable protein industries. Our sectors deliver single-ingredient products to consumers and supply food ingredients to second-processing industries.

PFP contributed to the DG SANCO Study on the mandatory indication of country of origin or place of provenance of unprocessed foods, single ingredient products and ingredients that represent more than 50% of a food conducted pursuant to article 26(5) of Regulation (EU) No 1169/2011 on the provision of food information to consumers (thereafter “Reg. 1169/2011”). Moreover, several of PFP sector products were selected to be part of the nine case studies carried

out by the consultant (i.e., flour, sugar, sunflower oil).

In the context of the inter-services consultation on unprocessed food, single ingredient products, and ingredients that represent more than 50% of a food, pursuant to article 26(5) of Reg. 1169/2011, PFP would like to inform you of the main reasons why the Primary Food Processors of the EU cannot support new/additional requirements on origin labelling.

Requiring the labelling of the place of last substantial economic transformation or the place of harvest of raw materials to be expressed as “EU” or “non-EU”, or by country, or by other geographical location will have the following impacts on PFP sectors:

- It will **take away the flexibility to deviate the sourcing of raw materials** based on, for example, seasonal availability, weather/ climate variation, raw material quality or price, as this would notably imply the stopping and restarting of production to accommodate the changes of origin(s) on the labels.
- It will require radically **adapting or abandoning the continuous production processes** that PFP products are subjected to, where blending of raw materials from various origins is key, by requiring complete changes of the current practices as to bulk handling, storage, processing and the partitioning of production according to the origin of the raw material. These adaptations would not be economically viable.
- The need of constantly adapting the labels would **jeopardize the security of sourcing.**
- It will **affect the internal market and international trade** because customers are likely to request a “preferred” sourcing, thereby leading to a segmentation of the market, change of trade flows, and potential market disruptions. It will also likely impact some EU Member States

more than others, with potential bias towards increasing national preferences at the expense of food products from other Member States.

- It will **increase the environmental footprint of PFP foodstuffs.**

Moreover, mandatory origin labelling for PFP products would be **of little informative value or meaningless, and may even prove to be misleading** by wrongly suggesting that these products possess special characteristics when all similar products have the same characteristics.

Therefore, **the options and modalities suggested by the DG SANCO study (i.e., provision of place of last substantial economic transformation or place of harvest as “EU” or “non-EU”, or by country, or by other geographical locations) to provide country of origin information on ingredients of PFP members are not compatible with the industrial model they operate under** and which allows them to supply in large volumes, at low cost, and with a reduced environmental impact, the commodities that the market needs.

PFP therefore supports keeping the current EU voluntary origin labelling rules.

