

Food Information to Consumers Regulation (EU) No 1169/2011 on the provision of food information to consumers Origin labelling

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Origin Labelling before FIC

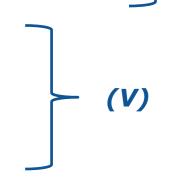
- Case by case specific categories of foods (vertical)
- Food must not mislead as to its origin
- Mandatory if its omission would mislead consumers

(horizontal) Dir.2000/13



Origin labelling in FIC (Mixture of horizontal and vertical approach)

- Mandatory origin of fresh meat from poultry, pigs, sheep and goat (H)
- Rules for voluntary origin indication (H)
- Reports on:
 - single ingredient products (SIF)
 - unprocessed foods (UF)
 - ingredients representing >50% of a food (>50%)
 - meat as an ingredient
 - milk
 - milk as an ingredient in dairy products
 - other meats





Origin labelling after FIC

 Horizontal or vertical approach (both possible)



Commission REPORT on unprocessed food (UF)/ single ingredient products (SIP) and ingredients representing more than 50% of a food (>50%)

- Need for consumer to be informed
- Feasibility of mandatory labelling
- Costs and benefits, including impact on internal market and international trade





SCOPE

- Unprocessed (hygiene definition)
 - Have not undergone processing and include products that have been divided, parted, severed, sliced, boned, minced, skinned, ground, cut, cleaned, trimmed, husked, milled, chilled, frozen, deep frozen or thawed (ex. flour, rice, cut green vegetable salad)
- Single ingredient product (not defined) ex. Sugar, tomato puree, vegetable oils (of single vegetable origin) frozen potato fries (no additives, no salt)
- Ingredients >50% could be tomato in tomato sauce, fruit juice, flour in bread



Out of the scope

- Foods already covered by mandatory origin labelling
- Products covered by other studies (milk, dairy products, meats, meat ingredients)



Case studies

Category	Unprocessed foods			Single ingredient products			Ingredients that represent >50% of a food		
Products	Wheat flour	Long grain rice	Pre-packed cut green salads	Sugar	Sunflower oil	Frozen potato fries	Orange juice	Tomato puree (passata)	Wheat flour in bread
Member States	UK, DE	IT, NL	FR,ES	DE,IT	FR, PL	DE,BE	ES, UK, BE	ES,IT	UK, DE, BE



Scenarios considered

- Option 1: a) EU/non EU origin or b) EU/third country
- Option 2: Member State or third country
- Option 3: other geographical entities as place of provenance (region)

For each of these options, the information could consist of:

- (a): the place of last substantial transformation (EU Customs Code)
- (b): the place where the main ingredient was harvested
- (c): both of the above



Consumers interest

- Despite caveats of making detailed comparisons between the various studies/surveys, the available evidence shows that:
- EU consumer interest in the origin of foods remains strong
- Pre-packed fresh cut salads, bread, fruit juices, frozen vegetables and vegetable oils are the top 5 products for which >70% of consumer respondents to FCEC survey find it important that 'origin' is labelled (generally, defined as being the place where the food product was produced/processed) strong interest for the other 6 products





Consumers interest

- Reasons:
 - quality
 - safety issues pertaining to consumer trust and confidence in the food industry and the supply chain more generally
 - favour national or local production over other food origins (FCEC survey, 2014)
- WTP is a highly complex issue: previous studies point to generally low WTP 2014 FCEC survey shows consumers are largely willing to pay more for origin information; however, this remains a declared or expressed interest rather than a confirmed choice, as also shown by uptake of voluntary schemes more generally
- Considerable differences across MS for all indicators (interest, WTP, awareness and understanding of labels, reasons why interested etc.)



Food supply chain

 Wide range of product sector varying greatly in terms of chain structure and characteristics

 Procurement of raw material from multiple sources to ensure availability, competitive prices/quality specifications





Food supply chain

- Low presence of Voluntary COOL in most sectors covered
- Existing traceability "one step back one step forward" not sufficient to support origin labelling
- Generally: the more detailed the origin labelling, the more extensive the adaptations; the more complex the supply chain and the more advanced the level of processing (i.e. passing through several stages in the production process), the more difficult traceability becomes



Impacts - general views

- MS CA and FBO stakeholders against the introduction of MCOOL on a horizontal basis for the 3 categories as such, due to diversity of products potentially covered and lack of definition for 'single ingredient': more appropriate to determine MCOOL introduction on a case by case (i.e. product/ product sector) basis
- Article 26(3) considered as a partially or entirely satisfactory solution, as expressed by majority of stakeholders and MS
- Option 3 generally not feasible according to both MS CAs/FBOs
- Appropriateness of modality 'a' or 'b' depends on individual products and can only be established on a case by case basis₁₄





Impacts (operating costs)

- Adaptation of sourcing practices
- Adaptation of traceability systems
- Adaptation of production processes / segregation of production facilities
- Adaptation of packaging labels



Mitigated if EU / non EU or if possible to label several countries





Impacts, administrative burdens

- FBOs additional paperwork
 - Transmission of information to CAs
 - New labelling system
 - Data management (record keeping related to audits and imperfections)
- Public authorities
 - Paper based controls
 - Controls to be reduced in the long term picture





Impacts (internal market)

- Focus in a more limited number of origins for sourcing material
- Certain nationalisation of sourcing patterns >
 higher prices





Impacts (international trade)

- Changes in the geographical structure of trade flows between the EU and third countries with a lower preference for non EU suppliers
- Lower FBO competitiveness vis-à-vis third country FBOs





Impacts (environment)

- Multiplication of production lines or production batches, of SKU distribution channels
- Frequent change of food labels and packaging
- → more labels and packaging waste





Conclusions

- Consumer attitudes to origin labelling: a) discrepancy between declared interest and actual behaviour; b) differences between MS and products no pattern emerges on a Cat. I-III basis; and, c) concern over association of origin labelling to perceptions of food safety/trust in food chain and EU standards
- The technical feasibility, costs and impacts of the various options/modalities differ significantly by product/product sector and MS, as determined by their supply chain characteristics but again no pattern emerges on a Cat. I-III basis and extrapolation from any considered product/product sector case to a 'category' as a whole is impossible/potentially biased



Conclusions

- Commission Report is on-going
- Internal discussions to take place
- No definitive position at this stage





