



Primary
Food
Processors



The Vital Link in the Food Chain

Towards new requirements on Country of Origin Labelling: Consequences for the food chain

The view of the EU Primary Food Processors

From farmer's gates to shelves

PFP is the vital link in the EU food chain

**Producing high-quality and safe
primary food to European
Consumers**

**Liaising with the chain partners
sharing best practices developing
a sustainable and competitive EU
industry**



The EU Primary Food Processors (PFP)

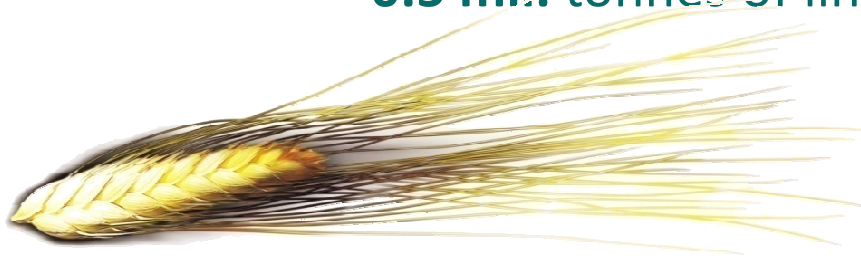
- 3 130 companies in 26 EU Member States
- 123 500 persons employed
- Over 60 billion euro turnover
- Supplying sugar, flour, vegetable oil, starch products, vegetable protein, cocoa-based products & other food ingredients like lecithin, protein meals, feed materials to variety of industries



Everything starts with the raw materials...

Over **220 m tonnes** of **agricultural raw materials** processed per year, from EU and non-EU origin, of which:

100 mil. tonnes of sugar beets
52 mil. tonnes of wheat and rye
22 mil. tonnes of rapeseeds
14 mil. tonnes of soybeans
7.5 mil. tonnes of starch potatoes
7.1 mil. tonnes of maize
6 mil. tonnes of sunflower seed
1 mil. tonnes of cocoa beans
0.5 mil. tonnes of linseed



Why is PFP impacted ?



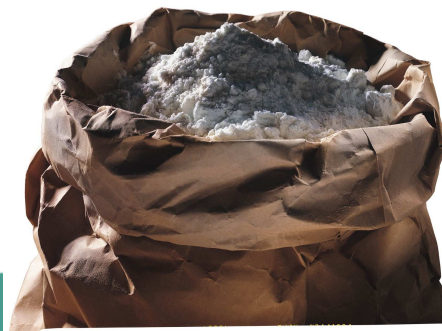
EU Primary Food Processors manufacture:

→ **Single-ingredient products**

(art. 26(5)(e) of Reg. 1169/2011)

→ **Ingredients representing more than 50% of a food**

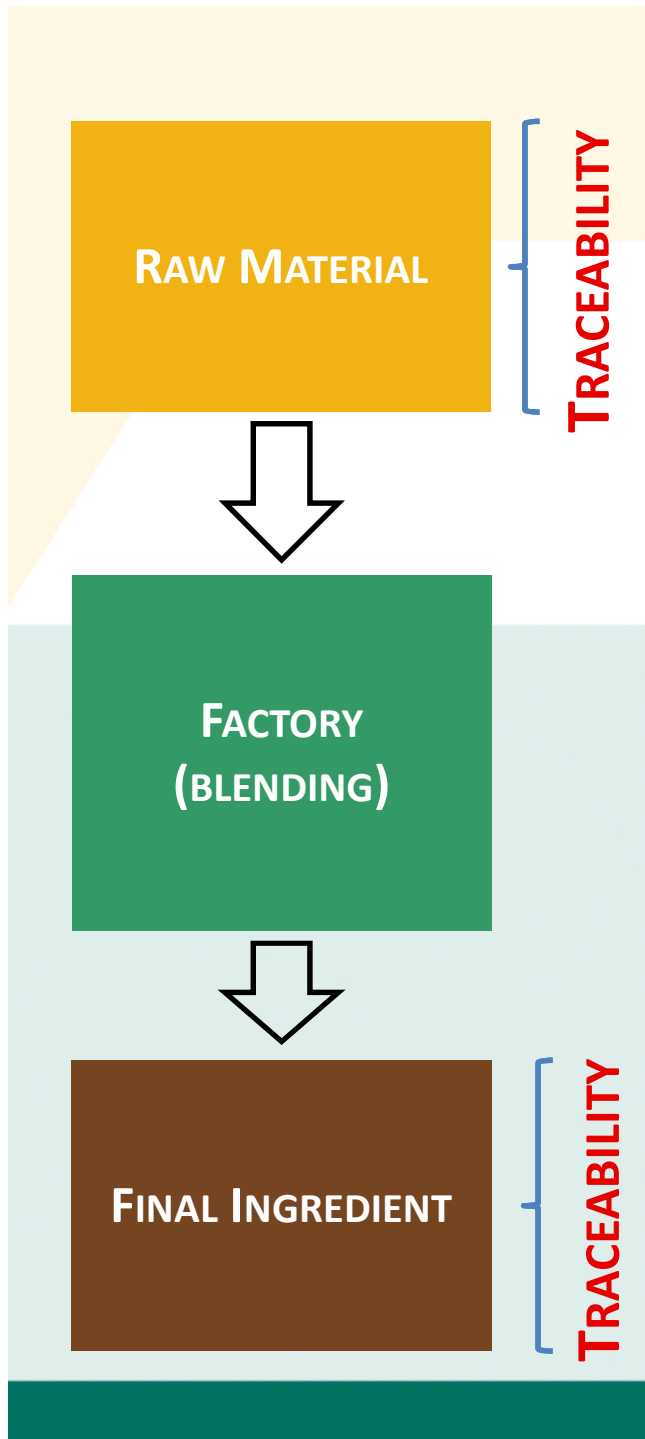
(art. (26)(5)(f) of Reg. 1169/2011)



Why is PFP impacted ?

Mandatory origin labelling for single ingredient products and ingredients representing more than 50% of a food is **not economically viable** for EU Primary Food Processors

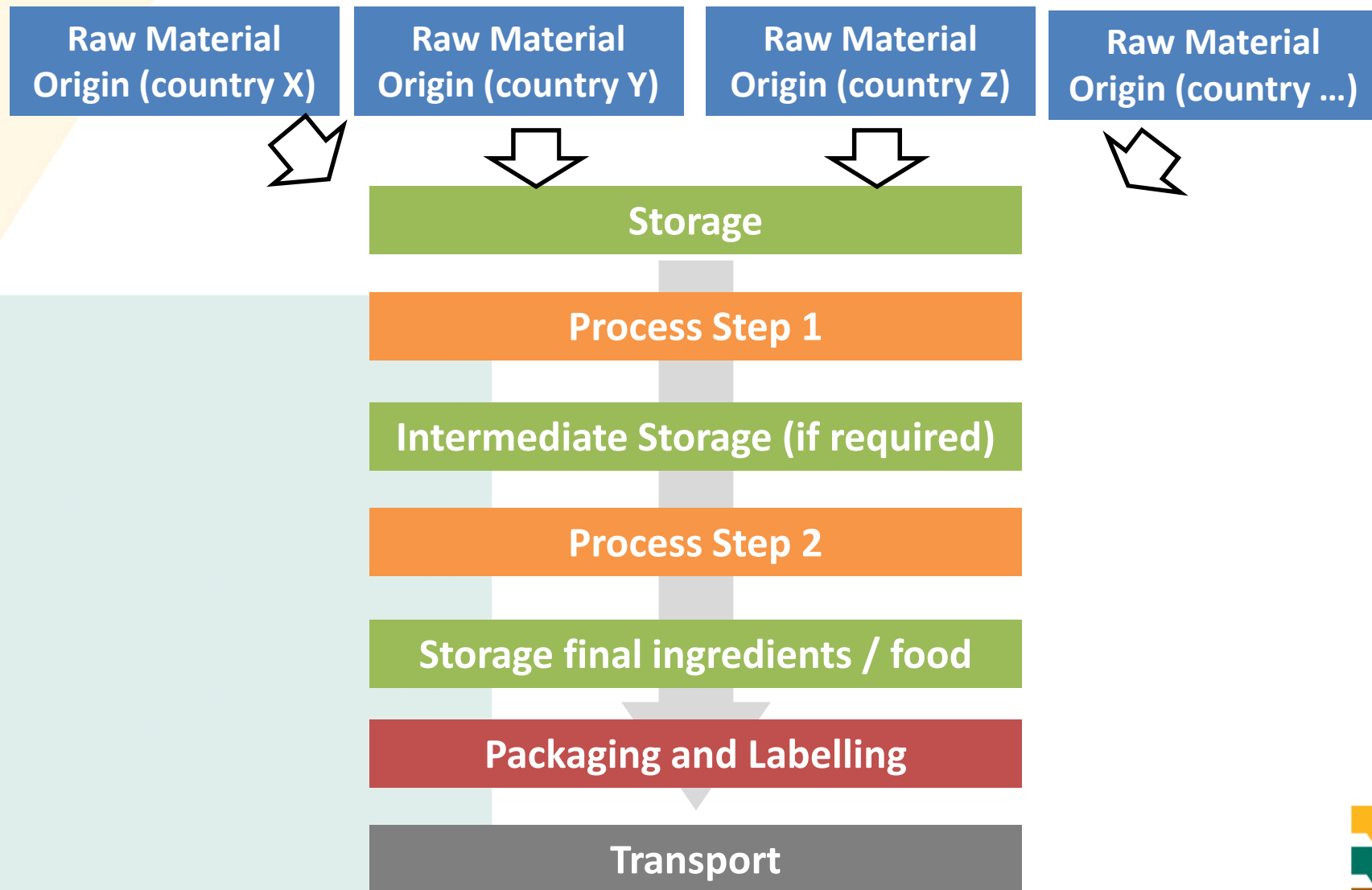




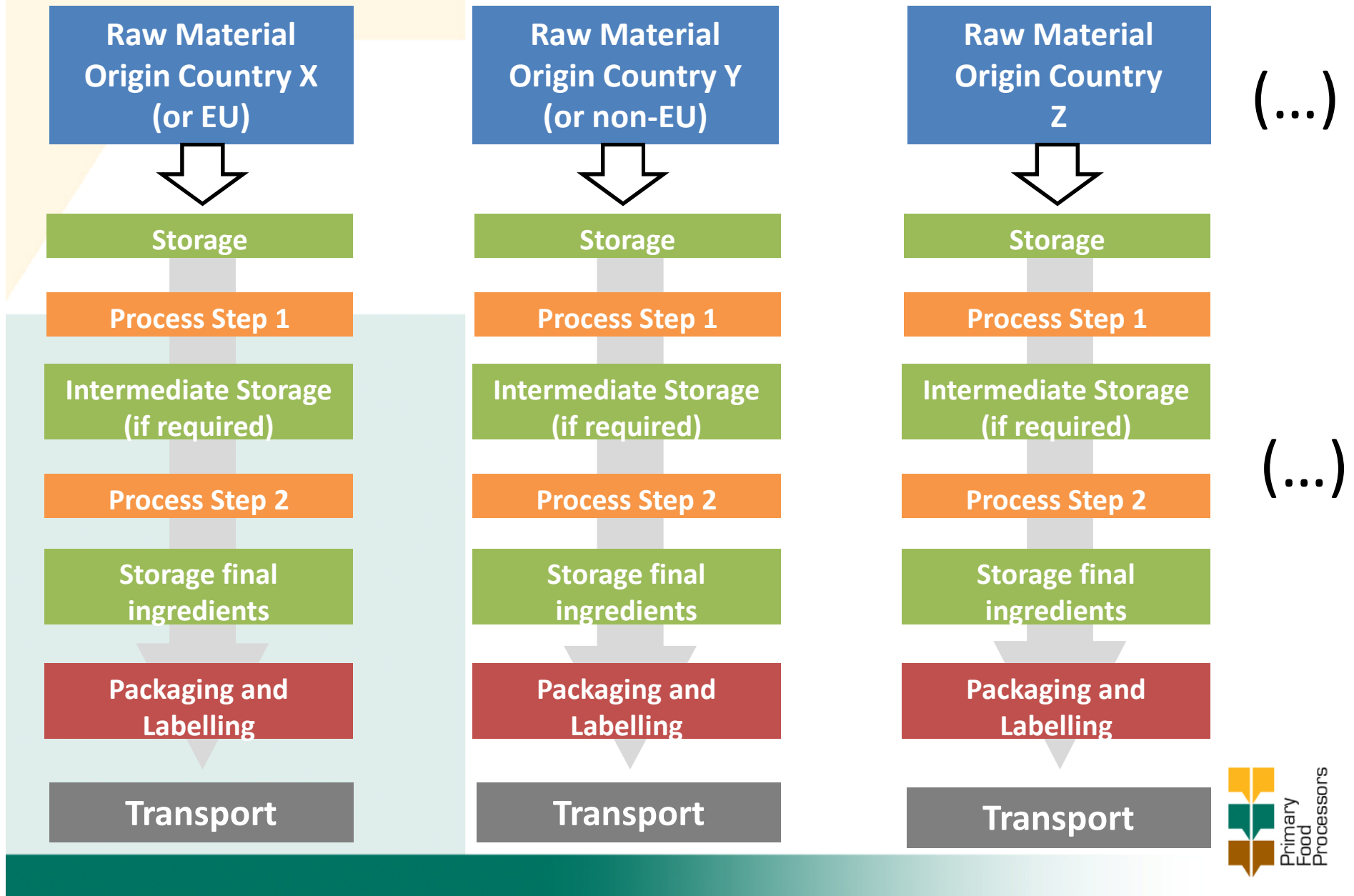
Origin labelling goes beyond traceability

- EU Primary Food Processors ensure traceability for incoming raw material and outgoing foods (General Food Law principle)
- For bulk commodity businesses, blending is a key step in the process
- Traceability of incoming raw material does not require segregation of raw material per origin throughout the process

From raw material to food - TODAY



From raw material to food - TOMORROW



Impact on sourcing

Will take away the flexibility to deviate and/or differentiate sourcing:

- Seasonal variability
- Weather/climate variation
- Raw material quality
- Raw material price



Impact on storage

Will impact the functioning of the current supply chain for storage:

- Additional silos, tanks,...
- Separate transport logistics
- Additional handling and administration



Impact on processing

Processing bulk agricultural commodities is a **continuous** production process

- Hence, it will impact the functioning of current processing by either:
 - Requiring additional process lines per origin
 - Requiring dedicated single origin production line / plant
 - Interruption of process (batch)
- Loss of productivity and competitiveness



Impact on labelling

Will impact the functioning of the current supply chain for labelling:

- require constantly adapting labels



Impact on internal and international markets

Customers may request a “preferred” sourcing leading to:

- segmentation of the market
- change of trade flows
- raw material prices and potential market disruptions
- increased uncertainty in security of supplies

Impact on environment

Will increase the environmental footprint of PFP foodstuffs:

- Additional transport
- Additional waste
- Increased energy use (process)
- Additional cleaning



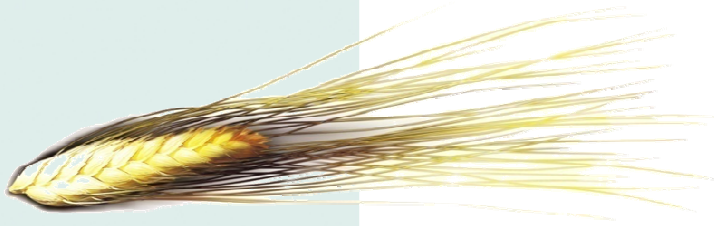
Impact on consumers



Origin indication on PFP foodstuffs could be misleading consumers, by **wrongly suggesting** that they possess special characteristics / quality

Conclusion

The EU Primary Food Processors support keeping the current EU voluntary origin labelling rules





Thank You!

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