

2nd February 2021

ICOS Response to EU Inception Impact Assessment on the Proposal for a Revision of Regulation (EU) No 1169/2011 on the provision of Food Information to Consumers

ICOS is the umbrella body for over 130 co-operatives in Ireland – including the Irish dairy processing and milk purchasing co-operatives, livestock marts and other rural based enterprises, such as breed societies, animal health and AI societies – whose associated businesses have a combined turnover in the region of €14 billion, with some 150,000 individual members, employing 12,000 people in Ireland, and a further 24,000 people overseas.

We welcome this opportunity to provide feedback on the European Commission inception impact assessment on the EU regulation related to the provision of food information to consumers, which is a central objective of the EU Farm to Fork Strategy. ICOS supports the development of new and innovative policy options to encourage the consumption of healthy and sustainable foods and reduce food waste. We outline our position below on how these objectives can be applied while safeguarding the EU Single Market and free movement of goods and taking an evidence-based approach.

Front of Pack Nutritional Labelling

The introduction of harmonised, mandatory front of pack (FOP) nutrition labelling should be carefully considered. It must be remembered that all foods can be enjoyed as part of a healthy and sustainable diet. However, FOP nutritional labelling can lead to overly simplistic classification of foods being good or bad. This assessment is most often based on a food's energy intake and its fat, sugar, and salt content, which fails to account for the full nutritional value of foods and the provision of fundamental vitamins, proteins and minerals. An example being sugar free soft drink awarded a higher score under existing FOP nutritional labelling systems, than a glass of milk, which contains many essential proteins and vitamins.

Any EU scheme should therefore be based on sound dietary guidelines to avoid the promotion of nutritionally deficient foods and should properly acknowledge the complexity of food products.

Additionally, labelling of this type is in our view more beneficial for foods that are processed (such as ready meals, prepared sandwiches etc) compared to single ingredient food products that are used as a one part of healthy cooking or meals (such as butter, milk, cheese, meat etc). This is because, in accordance to a 2008 scientific opinion of EFSA “there is an inherent difficulty in seeking to apply to individual food products nutrient intake recommendations that are established for the overall diet”, notably because “they do not take into account changes in nutrient content that occur during cooking or preparation”.

On the basis on this ICOS cannot fully endorse any existing system in use in the EU nor option proposed in the Inception Impact Assessment. The most favourable option would be Option 3 (summary labels- endorsement logos), applied however to certain food products only.

Mandatory Country of Origin Labelling

ICOS opposes the introduction of mandatory national country of origin labelling of food products, and specifically of dairy products and dairy ingredient products, for the following reasons:

- **It is contrary to the objectives of the EU Single Market:** Introducing mandatory national origin labelling within the EU undermines the purpose and operation of the EU single market. The free movement of goods is one of the corner stones of the European Union. Basic food safety and quality requirements are the same across the EU and therefore products from different Member States should be treated the same on all EU national markets and preferential treatment should not directly or indirectly be applied to domestically produced products or ingredients. The national mandatory origin labelling schemes introduced in countries such as France and Italy in recent years, have created new barriers within the EU Single Market and many businesses from other countries have lost contracts as a result. These measures were determined to be unjustified and insufficiently supported within the judgement of the European Court of Justice in case C-485/18 and should be removed immediately, not expanded upon.
- **It does not provide any new benefits to consumers, rather increases costs and reduces choice:** Currently EU rules state that dairy and dairy ingredients producers can choose to note the country of origin of the product on a voluntary basis. This allows businesses, where appropriate, feasible and easy to prove within the normal systems of controls, to labelling the country of origin of their products. Consumers which prioritise knowing the origin of their food are therefore able to choose a product which notes its origin, over one which does not. Introducing mandatory origin labelling of dairy product does not offer any additional advantages to farmers, businesses or consumers beyond the benefits already provided in this voluntary system.
- Following this it must be noted that national origin labelling has also been shown time and time again, including within the Commission's own research, to be less important to consumers in comparison to factors such as price, product quality and choice. Mandatory origin labelling would lead to higher costs, a reduced product range, resulting in reduced competition and innovation, all of which goes against consumer interests.
 - For many products which do not note their origin it is because there is multiple origins, i.e. milk produced in a number of countries is used to make the product- in our case, milk from the Republic of Ireland (ROI) and Northern Ireland (NI) are processed together in the one supply chain. Due to the integration of countries under the EU single market a process of rationalisation has enabled these kind of supply chains being developed, which benefits farmers and processors – rather than having two small cheese facilities, one in ROI and one in NI, we can have one larger one which processes milk from both regions at a much lower cost.
 - Equally, due to a larger pool of farmers available, processors are able to develop specialised products, such as drinking milk, organic milk, etc.
 - If mandatory origin labelling is required- businesses will naturally seek to nationalise their supply chains, reducing their possibility for the development of innovative niche products and increased costs.
- **It does not support sustainable production:** The location of carbon emissions is irrelevant to the climate; it is therefore logical to actively encourage and support food production in regions where it is proven to be less harmful to the climate, rather than national self- sufficiency of food at a cost to productivity.

ICOS therefore support Option 0 (Baseline- 'business as usual') for mandatory origin labelling as outlined in the Inception Impact Assessment.

Revision of EU rules on date marking

Correct use of date marking by processors and understanding of terms by consumers is an important factor in managing food waste and ICOS supports a discussion on how this can be improved.

Consumer awareness is a critical factor in the effectiveness of any system and must be a key area of reflection and action.

ICOS therefore would be in support of Option 3 (improved expression and presentation of date marking) in the Inception Impact Assessment.

Nutrient profiles

While ICOS supports the objectives of nutrient profiles- to ensure that products cannot promote misleading health and nutrition claim- we do not believe that the setting of nutrient profiles with maximum thresholds for some specific nutrients such as fat, sugar, and salt, would achieve this.

Rather, we are concerned that it would favour highly processed food products, which can be easily reformulated over unprocessed foods. It also concentrates solely on specific nutrients, failing to take the full nutritional value of the food product into consideration. This would allow nutritionally deficient food products to bear health claims, while preventing many products with a very valuable dietary contribution from doing the same.