

# Food information to consumers

2008/0028(COD) - 20/05/2015 - Follow-up document

In accordance with the requirements of Regulation (EU) No 1169/2011 of the European Parliament and of the Council on the provision of food information to consumers ('the FIC Regulation'), the Commission presents a report regarding the mandatory indication of the country of origin or place of provenance for milk, milk used as an ingredient in dairy products and types of meat other than beef, swine, sheep, goat and poultry meat.

This report takes into account:

- the need for the consumer to be informed;
- the feasibility of providing the mandatory indication of the country of origin or place of provenance for the different products and
- an analysis of the costs and benefits of the introduction of such requirements on both food business operators and administrations as well as their impact on the internal market and on international trade.

**Consumer interest:** consumer surveys reveal that the origin is an important purchase factor for milk, dairy and meat products but **only after price, taste, and best before/use by dates**. Nonetheless, most of them also show that there are significant differences in consumer preferences between Member States and discrepancy between consumers' interest in origin labelling and their willingness to pay for that information. Therefore, in spite of their interest to be informed, **consumers are not necessarily ready to buy products at a higher cost to have that information**. Varying methodologies show that there are difficulties in estimating the real willingness to pay either because of a methodological bias or because consumer replies to surveys do not always correspond to their purchasing behaviour. In the 2013 Eurobarometer report, only around half of consumers declared their willingness to pay 1-2% more to have origin information for the products under the remit of this report.

## Findings:

- Mandatory origin labelling **indicating the Member States or third country** where the milk was milked seems more meaningful for consumers than an EU/non EU label. The preference of dairies is to indicate the place of processing, which is much simpler to implement.
- Although the cost of labelling the origin of milk could be generally modest, its impact among operators will be uneven with some of them having to **introduce additional traceability systems with substantial increases of costs**, particularly those located in border regions or in areas non-self-sufficient in milk. In general, smaller dairies dependant on local supplies would be less affected than collector centres of large companies.
- Smaller slaughterhouses and cutting plants that source generally animals locally would be not obliged to adjust considerably their sourcing practices and this would not entail high additional costs. Therefore, the bulk of the burden would concern dairies/abattoirs operating in border regions and those located in areas non self-sufficient on raw milk/meat.
- The additional burden may be significant if the Member State of origin has to be labelled for highly processed and composite products such as yoghourts and milk based desserts. A heavy control burden on food manufacturers would push them to source their milk from fewer countries, to the detriment of the single market.
- There will be additional operational costs in imposing mandatory origin labelling for the meats under the remit of this report.

**Conclusions: Mandatory origin labelling would entail higher regulatory burden for most of the products** assessed in the report and therefore, the question at stake is to assess whether the balance between costs and benefits is such that it would justify its mandatory indication. The report notes that consumers may, if they so wish, opt for milk or meat products where food business operators voluntarily provide origin information. This can be a suitable option without imposing additional burden on the industry and the authorities.