

**PUBLICATION OF RESEARCH ON COUNTRY OF ORIGIN LABELLING****Executive Summary**

1. At the September 2006 meeting the Board requested behavioural research to find out how consumers use labels. Some initial scoping work was carried out on eye tracking and it was concluded that this method would be feasible to use for further research. Subsequently, with assistance from the Agency's Social Science team, the Agency commissioned a number of pieces of research to look at consumer use and understanding of labels.
2. There has been significant interest in origin labelling issues over the last year and changes to origin labelling rules are also being discussed in Brussels. The commissioned research was expanded to both update our understanding of consumer expectations and to help inform the Brussels debate.
3. The body of research was published on 14<sup>th</sup> January and the findings brought together under a synthesis report. The key messages from this research are set out in this paper.

**Board Action Required**

4. The Board is invited to
  - **note** the publication of the labelling research.

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## PUBLICATION OF RESEARCH ON COUNTRY OF ORIGIN LABELLING

### Country of Origin – Board’s view

1. The Board discussed origin labelling as part of its consideration of the EU labelling proposal on food information in June 2008. The EU proposal suggests that when an origin claim is made then the origin of the characterising ingredient must be given and in the case of meat the places of birth, rearing and slaughter. Paper **FSA 08/06/04** set out the issues and an extract from this paper together with the Board’s views, which contributed to development of the overall UK negotiating line, are at Annexes 2 and 3.

### Country of Origin Labelling Research Information

2. Over the years, the Agency has undertaken research on labelling but most of this was in the form of surveys. In response to a request from the Board for a more innovative approach to research which identified what consumers *actually do* compared to *what they say they do* research around behaviour was commissioned. As part of updating the evidence base to help inform policy and discussion in Brussels on the review of labelling rules, the Agency commissioned a total of 5 research projects on label usage (details in Annex). Three projects were commissioned to specifically look at origin labelling and two other projects addressed it as part of wider work on general food labelling. A synthesis report provides an overarching review of the results of the 5 projects.

### Key Messages

3. The key messages from the research are:
  - There is awareness of origin labelling but it is not a main concern for consumers when shopping.
  - When asked on which foods they would like to see origin labelling, people most frequently mentioned meat and meat products.
  - Price and food safety information on labels were considered by consumers to be, on the whole, more important than ‘country of origin’ labelling.
  - Some consumers are willing to pay a small amount more if the origin of their food is important to them.

- Consumers are confused about whether ‘country of origin’ refers to where animals are born, raised or slaughtered or whether this refers to where a food product has been produced.
- 78% of meat and meat products now carry a ‘country of origin’ statement compared with 69% in 2005. 44% of meat products now give the origin of meat ingredients – this has more than doubled since 2005 when only 19% of products gave this information.

### **Next steps**

4. The outcome of this work will help inform our discussions in Brussels on consumer expectations and understanding of origin declarations.
5. Whilst the EU negotiations are underway, we will continue to encourage uptake of our best practice Guidance on origin labelling that has been in place since 2002. Given that this is voluntary guidance, we believe that the willingness of food businesses to take account of the guidance in their labelling practices has improved the information available to consumers. They are doing more and initiatives such as that started by Defra Ministers with the pigmeat industry and retailers in developing a code of practice on labelling for pork should lead to further improvements.

### **Media and stakeholder reaction**

6. The overarching synthesis report was published on the FSA website on 14 January including the 5 underlying project reports.
7. As at the time of writing, the reports had just been published. An update on any stakeholder or media reaction will be provided at the Board meeting.

### **Board Action Required**

8. The Board is invited to
  - **note** the publication of the labelling research.

## Background

### EU proposal

1. The European Commission published a proposal for a Regulation on the Provision of Food Information to Consumers, in January 2008. The proposal aims to simplify and update existing legislation and will be directly applicable in all Member States. The regulation therefore replaces the EC labelling Directive, which is transposed in UK law.
2. One of the issues within the proposal is to tighten rules on declarations of country of origin labelling. When an origin claim is made then the origin of the characterising ingredient must be given and in the case of meat the places of birth, rearing and slaughter.

### Research Projects

3. The 5 research projects underpinning the synthesis report are:
  - i. **Evidence Review** - A review of the published evidence surrounding consumer attitudes towards, and use of, general food labelling and country of origin labelling.
  - ii. **Omnibus Survey** – Quantitative survey specifically covering consumer usage, understanding, and perceived importance of country of origin labelling.
  - iii. **Citizens' Forums** – a project using a small number of invited consumers to discuss in-depth a number of issues around food labelling, including country of origin labelling.
  - iv. **Labelling Behaviour Project** - a project using qualitative behavioural techniques (including eye-tracking – a technology that enables data collection of eye movement) investigated actual consumer behaviour as opposed to reported behaviour. It followed individual consumers in real life settings and questioned them about food labels and how they use, for example, origin information.
  - v. **Uptake Survey of the Agency's Country of Origin Labelling Guidance** - repeat of the Agency's 2006 survey on the extent to which the revised voluntary best practice guidance is being observed by manufacturers
4. A Synthesis Report which is an overarching review of the results of the 5 projects was commissioned. This report brings the findings of the projects in relation to origin labelling to a central conclusion. The five research projects cover a wider field than just country of origin labelling however origin labelling is the focus of the synthesis report as origin labelling rules are currently being discussed in Europe.

**FSA 08/06/04****11 JUNE 2008****EU FOOD INFORMATION REGULATION****Issue**

1. The Board is being asked to give a strategic view on a number of areas so that the Agency can contribute to development of the overall UK negotiating lines in Brussels on the European Commission's Food Information proposal.

**Strategic Aims**

2. Improved regulation on food labelling supports two key areas in the FSA's strategic plan:
  - Choice; and
  - Eating for Health

**Background**

3. On the 30 January the Commission issued a proposal for a new food information regulation. The proposal aims to update and simplify food labelling legislation by bringing together into a single regulation rules on general and nutritional labelling as well as some other horizontal texts covering additional labelling requirements, such as alcoholic strength and caffeine labelling.
4. This proposal provides a real opportunity to help ensure that consumers receive the information they feel they need when making purchases; for regulatory simplification; and for developing a labelling framework in a manner that is balanced and proportionate. It is also an opportunity to push the Commission to achieve their better regulation objectives especially as this is an area that would benefit from improved regulation. The Board has already discussed a principles-based approach to food labelling (FSA 07/02/06), which features in the proposal, and at the April meeting discussed a strategic steer for nutrition labelling (FSA 08/04/05). The Agency has recently concluded a three month UK public consultation on this proposal. All the consultation responses have been made available to the Board and are also précised in Annex I.
5. A summary of current and proposed labelling requirements alongside the suggested approaches set out in this paper are outlined in Annex 2.

## Discussion

### **Country of Origin/Provenance**

- There is no extension of mandatory country of origin labelling in the new proposal. However should the country of origin be given voluntarily the rules surrounding the declaration have been tightened. This is primarily to address the issue of 'last substantial change' which in some cases can be confusing for consumers, e.g. the fact that a pie made in the UK with imported ingredients can still be labelled as 'product of the UK'. The proposal now makes a distinction between country of origin and provenance (*any place where a food is indicated to come from, not being a country*) and introduces criteria for making these declarations. Where the origin, or provenance, of the product is different from that of any primary ingredient(s), the origin, or provenance, of the primary ingredient(s) should additionally be provided. For meat (other than beef and veal, for which specific legislation already exists), if voluntary origin information is provided, then the places of birth, rearing and slaughter must be given. If all three occurred in the same country, then a single origin declaration will be sufficient.
- The FSA is currently revising its country of origin labelling guidance. This guidance is, in some ways, similar to the proposal in it suggests that manufacturers should consider providing information on the origin of characterising ingredients for foods where there could be confusion over their origin, particularly for meat products. However, the FSA guidance is voluntary.
- This element of the proposal has also received a lot of comment in the consultation. There was wide support for the retention of existing requirements, and acknowledgment of the importance of origin information to consumers. Consumer organisations have welcomed the additional requirements on country of origin. Our own research has indicated that consumers want more information in this area although this has tended to relate to meat and meat products<sup>7</sup>. Some respondents also pointed out consumers' interest in relation to dairy products. However, the additional requirements for labelling all characterising ingredients, received opposition from industry. Their concerns revolve around the need to constantly change labels due to the seasonality of ingredients and flexible sourcing policies. Currently in the UK most major supermarkets voluntarily label the origin of their products for marketing reasons and to aid consumer choice. There is always the danger that in making the requirement too onerous manufacturers will cease to label their produce on a voluntary basis. With this in mind, the Board is asked to agree that we should ensure that the proposal is more focused, addressing only those commodities where consumers are experiencing possible confusion. Any additional information that might be provided should be meaningful for consumers and any statutory obligations for food business operators kept to a reasonable minimum. This approach would be in line with the principles-based approach discussed at previous Board meetings.

## MINUTES OF THE BOARD MEETING, 11 JUNE 2008, CITY HALL, LONDON

### Discussion Items

#### **Country of Origin/Provenance**

Board members noted that:

- terms like “country” and “provenance” needed to be carefully and clearly defined; provenance was not just about country and the descriptor “local” would be an issue here too;
- there was a need to focus on those products that were of particular concern to consumers (such as meat and meat products), but this might change over time with new product development and needed to be borne in mind;
- multiple declarations for ingredients could prove confusing.

#### **Next steps**

The Board’s views would, together with the views of other Government departments, be developed into UK negotiating lines to be agreed with Ministers. Negotiations were likely to start in September under the French Presidency. The Board would be kept informed of major developments during negotiations through intercessional papers.

In summary, the Chair noted that the Board had confirmed the position on nutrition labelling - agreed at the April meeting - to support compulsory labelling and national flexibility; and agreed the Agency should seek the following:

- to achieve greater clarity of labels for consumers; the approach to clarity should be wider than simply font size - any rules that are developed should take into account all aspects of labels that make it easier for consumers to read;
- to ensure that the proposal on country of origin information is more focussed, addressing only those commodities where consumers are experiencing possible confusion. Any additional information that might be provided should be meaningful for consumers and keep statutory obligations for food business operators to a reasonable minimum;
- that member states should be required to develop schemes to provide allergen information for loose foods, but allowed the flexibility to decide how best to provide this information to consumers and the mechanism for doing that;
- to support the extension of labelling to distance selling sales;
- to support the extension of labelling to alcoholic drinks, subject to further analysis, and ensure there is consistency of approach in labelling requirements;

- that it would be desirable if all alcoholic drinks were required, at least, to provide an energy declaration on the label; and
- to support the Commission's initiative to provide a mechanism for national schemes, provided this did not create unreasonable barriers to trade.