

A report summarising the first day of the Conference on Food Labelling at the Hilton Hotel, Rotterdam, on 15 and 16 February 2006.

Introduction

In October 2004 the Netherlands organised 'Simple is better', a conference on better regulation in Amsterdam, which included a workshop on food labelling. The outcome was that more detailed discussion was justified at a European level, hence this follow-up in Rotterdam.

This time the conference is not hosted by the Dutch government alone, but by the UK Food Standards Authority (FSA) as well. Together they invited general stakeholders from all over Europe to join the conference and its workshops in order to discuss the use, benefits, drawbacks and options for food labels.

In his opening speech Richard Harding (FSA), chairman of the Rotterdam conference, explained to the participants why the Dutch government and the FSA are keen to discuss the present food label situation. "The UK and the Netherlands have shared objectives in improving regulation that will benefit both consumers and business. We both recognised that the timing was good since the European Commission has announced a review of the Labelling Directive".

The presentations

Good isn't all

Hans Hoogervorst, the Dutch Minister of Health, Welfare and Sport, often sees raised eyebrows when he tells people that food labels are a subject for discussion. "People ask 'Why do you need to discuss that?' But we know better. Producing food labels is *not* that simple."

How difficult it is was demonstrated by consumer research done at the request of the Dutch Health Ministry in 2005. "Consumers think that food labels are unclear, incomprehensible and unreadable. Many of them do not read labels at all. And when they do, they want the information on the label that suits them best.

The food and drinks manufacturers are unhappy too. They say it's too costly because of the frequent amendments to the numerous European labelling rules. They want greater clarity, flexibility and continuity in legislation."

The Minister urged delegates to participate fully in the event. "The purpose of this conference is to exchange ideas on how we can convey product information clearly and transparently. We do not aim at common standpoints or formal solutions; we are in search of ideas. While searching, let us keep in mind that *good* information does not equal *all* information. And let us not forget that we are looking for a solution that is acceptable to consumers and producers alike."

Food for thought

Rob Dortland, Director of the Dutch Department of Nutrition, Health Protection and Prevention, propounded a paradox to the audience: "Consumers want labelling information to be as complete as possible. On the other hand, they think that too much information is given. It is essential to try and find ways to solve this paradox." Dortland outlined the process of consultation that had taken place in the Netherlands on the topic of food labelling. Several stakeholder meetings were held in 2004 and 2005 resulting in consensus amongst governments, producers, and

retail and consumer organisations: current labels should be improved. Current labels are not clear and comprehensible for consumers and the labelling requirements are a burden on the industry. So improvement could produce a win-win situation.

Nevertheless, consensus about change does not solve the paradox. For that, he said, we need an exploration of how information can be presented. He presented a range of options on the simplification. An illustration of a imaginary product how labels could be made clearer and more comprehensible.

1. separate mandatory and voluntary information;
2. use a better layout;
3. separate mandatory information into necessary and less necessary information and list the main ingredients;
4. make use of logos and pictograms.

Consumers are in favour of step two and three. However, Dortmund stressed, these options are in no way intended to show how things should change; they are merely food for thought.

Let's kiss

As products become more complex, the challenges for food labellers grow. Angelika Mrohs, Managing Director of the German Federation of Food Law and Food Science, was the conference's voice on behalf of the European food and drink industries (CIAA). Mrohs made the point that labelling was becoming increasingly complex due to complex supply and production, elaborate food products, more complex market networks requiring multilingual labels and increasing demands for information from consumers. More complex foods and supplies increase consumers' 'want to know', she said. She showed the audience that in 1972, labels carried only main ingredients. By 1987 there was much more information on the labels. And to today, the label is very crowded. On the other hand, a study by the European Consumers' Organisation BEUC pointed out that a high proportion of consumers make little or no use of label information or have problems understanding them. Yet complexity is not only a consumer problem. The industry, too, struggles with complex legal requirements. The result that she identified was requirements to provide more information than there was space for on pack. Simplification of legal requirements, she pointed out, could lead to clarity of label information, to increasing consumer understanding and enable intra-community trade.

Simplification leads to key information on products that should enable the consumer to

- o identify a product (product name, manufacturer);
- o use the food safely (cooking, storage etc.);
- o make an informed choice (quantity, composition, price);
- o and recognise it again (branding).

Extra information can be provided by leaflets, brochures, free phone lines, in store barcode readers, websites and e-mail. In addition she saw a role for industry in making labels more user friendly but stressed that information provision was only

useful to an informed and educated consumer and therefore consumer education was necessary alongside any legislative reform.

If we can change our approach, the majority of consumers will benefit from clear and uncluttered key information on the product label, she concluded. “We should kiss: keep it small and simple.”

Boxed information

The European Consumers’ Organisation BEUC examined food label practice in April 2005 among 3000 persons from Germany, Denmark, Spain, Hungary and Poland. The study revealed that food labels are not used in the correct manner. Sylvie Pradelle (UFC Que Choisir France) summed up the problems that current food labelling practice has to contend with:

- o labels on foods are not always obligatory (cf. wines, cheeses);
- o the layout of labels is not standardised (cf. letter size);
- o the label has shortcomings (cf. keep cool after opening);
- o labels are not read, not understood.

She gave examples from recent a BEUC survey which indicated that 60% of consumers had difficulty locating the ingredient panel, 70% could not understand the scientific language used and 2/3 had difficulty reading it as the font size used was too small.

According to BEUC, these problems are caused by directive 2000/13. Pradelle said that the results of the study clearly point out that directive 2000/13 Article 13 (*information should be easy to find, clearly legible and understandable*) is often not applied. In other words, the directive is not sufficient.

Consequently, BEUC advocates regrouping important information in a box. The box, in its turn, should be given a fixed place. Moreover the legibility of the information has to be improved (black on white print), comprehensibility enhanced (use of simple terms), all information should be on the label (no use of websites, free phone lines etc.) allergy-information should be obligatory and the voluntary code should be replaced by legislation.

Sylvie Pradelle stressed the fact that the time is right for changes. “The problems we have to cope with now give us a major advantage: we can improve labels”

Not elastic

Noëlle Vonthron, Food Policy and Consumer Adviser, EuroCommerce, highlighted that labelling legislation had built up in a piecemeal way and that labels were becoming overcrowded and no longer communicating with consumers in a meaningful way. She identified a number of causes including; a lack of distinction between essential and additional information; the increasing number of mandatory requirements; the use of multilingual labels, small font sizes and non standardised presentation; too much space given to marketing messages and unnecessary information; and a lack of consumer knowledge that would enable them to understand the label. Consequently, EuroCommerce proposes three aims:

1. Define the principles of food labelling, which, according to EuroCommerce, are
 - o inform consumers
 - o protect consumer healthby simplification and consumer understanding
2. Analyse labels to find what is necessary for the consumer
3. Develop new methods of communication

Labels are not elastic, she stated. Labels do not have to be elastic because labelling has only two objectives: informing consumers so that they can make an informed choice and protecting consumers' health. Other information can be made available elsewhere -- on retailers' websites, free phone lines, information stands etc. Unfortunately, Vonthron stressed, the legislation on nutrition labelling is not understood and needs to be improved. It is also costly and requires special knowledge. Therefore nutrition labelling should remain a voluntary step, meeting consumers' demands. Retailers should only develop nutrition labels when it is useful for customers and technically possible. Retailers perceive nutrition labelling as a competitive advantage, so they will make the most of it, under pressure from consumers.

In fact, EuroCommerce wants to rethink the whole system. While doing so special attention should be given to non-prepacked foods. Labelling requirements for non-prepacked foodstuffs will result in major consequences, Vonthron predicted.

More than a thousand words

Chris Dabner of the UK National Association of Master Bakers, presented the perspective of the small and medium sized business (SMEs) in Europe. About 99.9% of food businesses are SMEs and they are responsible for about 50% of private sector turnover. Requirements have grown illogically, with requirements for minor information (e.g. modified atmosphere packaging) coming before requirement for food safety information (allergens). The main issue for small businesses is the time commitment needed to understand and fulfil the requirements, since many small businesses often only have one person managing/running the business. Producing labels is a multi-stage process that requires understanding, knowledge and expertise, which often needs to be obtained. What is more, when the requirements change, typically every four or five years, the costs rise. Changes in the requirements often do not coincide with SMEs very infrequent redesign of their labels. Advice has to be bought in or time diverted from running the business. The costs of artwork and printing represent a far greater proportion of business turnover. It is for these reasons that the costs of food labelling requirements fall disproportionately on SMEs.

An assessment needs to be made, comparing consumers' desire for more information with their need for it. Any legal requirements must be justified by need rather than by desire – mandatory information must be useful and be used. All consumers pay for changes in labels in the form of prices increase, so an assessment is in their interests as well.

On alternative ways of providing information, he said, "Websites or free phone numbers are beyond the ability of SMEs. The presentation of the information must be balanced with need to sell the product by means of the illustration on the pack - a picture is worth 1000 words. A review is long overdue".

The workshops

Blue sky thinking

Workshops in the afternoon session of the first day gave all participants the opportunity to debate the ideas and issues that had been raised by the speakers during the morning. The five working groups were composed of a mix of stakeholders with the intention of generating radical ideas and blue sky thinking.

The four central questions posed at the conference:

- What needs are currently not being met? And why?
- Is there any information which is less important and is there a possible hierarchy of information?
- How could information be presented?
- What could be the way forward?

were addressed and the sessions were lively. The sessions were an important and valuable part of the conference enabling all stakeholders to not only the differing points of view both of industry and consumers but also how those views differed across Member States.

Many issues were raised and debated amongst which were:

- clarity and comprehensibility of current labels for consumers and methods that might be used to improve the situation. Standard formats for legally required information was suggested. However standardisation meant different things to different delegates ranging from just having different contrast on the packaging, through standard grouping of information and the use of defined borders to the use of EU agreed logos.
- provision of information in other ways than on pack such as the use of new technologies e.g. scanners, the use of shelf edge and other in store methods and providing information on the web.
- whether there was some information that was less important. There was little agreement on particular items of information currently required but generally delegates felt information related to the identification of the product e.g. name of the food, ingredients list and brand name and information related to food safety e.g. storage of food, use by dates, cooking instructions where required was most important.
- the current legislative framework. The need to ensure that existing and new labelling requirements are examined to ensure that they meet an agreed set of principles for the purpose of food labelling was discussed. A consolidated and simplified legislative framework would then enable businesses to comply. The discussion also focused on the need only to require labelling information that was demonstrated to be of use and understandable by the consumer and also to build in monitoring of requirements to assess whether they had and were continuing to meet the original need. Industry stakeholders also raised the need to undertake rigorous cost benefit analyses of all new requirements.

Go back, leap forward

Consensus or solutions were not the aim of the conference, but discussions and ideas were.

To achieve that aim, the hosts of the conference created an atmosphere of candour and confidence.

The Ministry of Health, Welfare and Sport, and the Food Standards Agency were pleased with the range and depth of the discussion during the conference and hope that this initiative will aid further discussions following the publication of the European Commission Discussion Paper on Food Labelling, and, in due course, legislative proposals.