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A large magnifying glass is positioned over a document, symbolizing focus and attention. The background is a light blue gradient.

CIAA Priorities

for the **Spanish Presidency** of the EU

CIAA

Confédération des industries agro-alimentaires de l'UE
Confederation of the food and drink industries of the EU



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The EU food and drink industry is an important pillar of the European economy, serving almost 500 million consumers with a wide variety of safe and high quality products. It is the largest manufacturing sector in Europe, with a turnover of € 913 billion a year, and provides direct employment to over 4 million people.

The Confederation of the Food and Drink Industries of the EU (CIAA) represents the interests of the food and drink industry at the European level and its mission is to help pro-actively develop an environment (enlarged EU and global markets) in which all F&D companies, whatever their size, can compete effectively for sustainable growth, meet the needs of consumers and play their part in delivering the targets set by the Lisbon declaration of the European Council.

CIAA's permanent secretariat, based in Brussels, maintains close contacts with European and international institutions and has become a major partner in consultations on food-related developments.

CIAA has become a trusted partner as a result of its longstanding work on horizontal food issues such as food quality and safety, nutrition and health, novel foods, labelling, the Common Agricultural Policy, international trade issues, sustainable development, respect for the environment and food-related issues linked to the enlargement of the EU.

Membership of CIAA is made up of:

- 26 national federations, including 3 observers;
- 29 EU sector associations;
- 22 major food and drink companies.

CIAA co-ordinates the work of nearly 800 food and drink experts, grouped in Committees and Expert Groups around the following three themes:

**Trade and
Competitiveness**



**Food and
Consumer Policy**



Environment



Through these Committees and Expert Groups, manufacturers from all EU countries provide broad and in-depth expertise. They contribute to establishing CIAA positions on key issues, which, once approved, are communicated to European and international decision makers.

CIAA fulfils its role as a leader in the representation of EU food and drink manufacturers by:

- Helping the food and drink industry maintain consumer confidence;
- Establishing close and fruitful co-operation between all links in the food chain;
- Ensuring maximum co-ordination between the various sectoral and geographical groups that make up the EU food and drink industry.

FACTS AND FIGURES ON THE EU FOOD AND DRINK INDUSTRY

- Largest manufacturing sector in Europe, with a **turnover of € 913 billion**;
- Purchases and processes **70%** of EU agricultural production;
- Exports almost **€ 55 billion** of food and drink products to third countries;
- Contributes to a positive **trade balance of around € 2 billion**;
- Offers **almost 500 million consumers** a wide range of safe, wholesome, nutritious and affordable food and drink products;
- Directly employs **over 4 million people**.

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The High Level Group (HLG) on the Competitiveness of the Agri-Food Industry

The overall objective of the food and drink industry is to provide consumers and society with a wide variety of safe, nutritious, sustainable and affordable food and drink products, whilst remaining competitive.

Requirements to sustain the competitiveness of the EU food and drink industry include:

- **The ability to produce and market products without undue constraints.** This is essential to achieve the industry's overall objective. There are two ways of achieving sustained growth: by reaching out to rapidly expanding markets and by developing products with higher value through research, development and innovation;
- **A sufficiently flexible and business-friendly framework** in which to operate, calling not only for better regulation, but also a better process through which to create the business framework. Legislation is imperative in certain areas. However, alternatives to legislation can often provide equivalent or even more effective guidelines to market players and must be given due consideration; and
- **An integrated food policy** that focuses on the needs and role of the sector as a whole is essential.

In the European Union, the food industry is a significant economic sector whose competitive position, however, has been challenged of late. The sector has flourished over the years, but has recently been facing new threats and demands.

In this context, an EU High Level Group on the Competitiveness of the Agri-Food industry, led by Vice-President Verheugen and composed mainly of representatives of select Member States, the European agri-food industry, professional associations and civil society was officially established and launched on 12 June 2008. Over the course of a year the HLG:

- identified the factors that influence the competitive position and sustainability of the Community agri-food industry, including future challenges and trends likely to impact on its competitiveness; and
- formulated a set of sector-specific recommendations addressed to policy makers at the Community level.

By 6 July 2009, the HLG had adopted a Report, a list of 30 Policy Recommendations and a Roadmap (set of accompanying actions) all of which aim at boosting the performance of the food and drink industry.

Under the Spanish Presidency, CIAA calls for the swift and timely implementation of the Recommendations and EU policies, in particular with regard to: adopting a holistic approach to policy at the Community and local level; the food supply chain; the creation of the food chain forum; the study on private labels; nutrition information to consumers; quality of agriculture products; late payments and promotion.

The food and drink industry is confident that the HLG will meet again under the Spanish Presidency to assess the state of play of implementation on the Recommendations.



European Commission Proposal on the provision of food information to consumers

CIAA supports harmonisation at the EU level in relation to food information and believes that this is the only way to guarantee the single market and free movement of goods while enabling consumers to make informed choices and safeguarding the competitiveness of producers.

In January 2008, the European Commission adopted a proposal revising existing EU labelling rules (Directive 2000/13/EC). The proposal also includes nutrition labelling (Directive 90/496/EC). CIAA welcomed the European Commission's proposal, which follows the spirit of Better Regulation and focuses on simplifying existing legislative measures and cutting administrative red tape for industry.

The food and drink industry is committed to providing consumers with science-based, clear, consistent and non-judgemental information from which they can make informed choices about their food so as to evaluate its place within their daily diet. Moreover, CIAA believes that consumer education plays a key role in the area of food labelling.

In 2006, CIAA made a commitment to implement a voluntary nutrition labelling scheme for the entire food and drink industry, across all EU Member States. This CIAA scheme is based on internationally-accepted, scientifically-derived Guideline Daily Amounts (GDAs), the reference values for which were confirmed by the EFSA Opinion of 13 March 2009.

GDAs have made rapid progress across Europe, demonstrated by the increasing number of companies - large and small - and major retailers who are implementing the scheme. By the end of 2009, at least ten of the biggest food and drink companies in Europe will be using this nutrition labelling system on 100% of their product lines.

CIAA strongly encourages public authorities to build on the efforts and achievements made by industry thus far and believes the following considerations should be taken into account:

- The development of national schemes would substantially weaken the Single Market and confuse consumers. As a result, CIAA is in favour of a Regulation which foresees full harmonisation at the EU level, while providing flexibility for manufacturers to include additional, voluntary information as appropriate.
- Legibility is a complex issue dependant on a number of inter-related factors that extend beyond font size. CIAA considers Guidelines for the Legibility of Labelling as a much more flexible, workable solution than legislation. These industry Guidelines provide guidance and best practice for manufacturers on the key factors affecting legibility, namely, layout, font, colour and contrast.
- CIAA fully supports the provision of mandatory nutrition information on "Big 8 nutrients" per 100g/ml on the back-of-pack in accordance with the current labelling rules under Directive 1990/496/EC. This allows for the comparability between products. However, consumers also want simple, 'at-a-glance' information. CIAA therefore supports the GDA icon for Energy on the front-of-pack (i.e. values for energy are expressed in the absolute amount per portion and its percentage of the GDAs), in line with the CIAA "GDA Style Guide".
- CIAA supports maintaining the existing framework for origin labelling. Current EU law already requires labelling product origin when the absence of such information may mislead the consumer as to the true origin of the food. In addition, the provision of origin information is permitted on a voluntary basis. CIAA calls for a pragmatic approach, which requires no further legal requirements.

CIAA looks forward to discussing its position with the Spanish Presidency during the coming months.



European Technology Platform (ETP)

European Technology Platforms focus on strategic areas in which the future achievement of European growth, competitiveness and sustainability depend upon major technological advances. The Platforms bring together stakeholders, led by industry, to define medium to long-term research and technological objectives and lay down benchmarks for their achievement.

In line with the principles of the Lisbon Strategy, the European Technology Platform (ETP) "Food for Life" was created in 2005 under the auspices of the Confederation of the Food and Drink Industry of the EU (CIAA).

The vision of the ETP Food for Life is to create the effective integration of strategically focused, transnational, concerted research in the nutritional, food and consumer sciences and food chain management. The aim is to deliver innovative, novel and improved food products for national, regional and global markets in line with consumer needs and expectations.

The ETP Food for Life Strategic Research Agenda (SRA) was established in September 2007 and identifies seven inter-disciplinary challenges deemed necessary to stimulate innovation, which include:

- Ensuring that the healthy choice is the easy choice for consumers;
- Delivering a healthy diet, developing value-added food products with superior quality, convenience, availability and affordability; and
- Providing safe foods which consumers can trust.

An Implementation Action Plan (IAP) was published in October 2008 to explain how the research priorities identified in the Strategic Research Agenda of the ETP Food for Life can be implemented most effectively. The IAP focuses on three key research goals:

1. Improving health, well-being and longevity;
2. Building consumer trust in the food chain; and
3. Supporting sustainable and ethical production.

The outputs of the ETP have already had a major impact by:

- Bringing together a wide cross-section of European researchers and other stakeholders to recognise the most important challenges that the sector faces in the coming decades or so;
- Establishing an active network of 36 National Food for Life Technology Platforms ;
- Establishing a Member State Mirror Group, composed of representatives from Ministries and national funding bodies; and
- Influencing research priorities within recent calls for proposals under the Food, Agriculture & Fisheries, and Biotechnology theme of the Cooperation pillar of the 7th Framework Programme (FP7) of the EU.

CIAA hopes that SRA priorities will be reflected in future calls for proposals in line with others topics from the FP7 Theme 2: "Agriculture, Food and Biotechnology."

(1) Albania, Austria, Belgium (Flanders' Food platform), Belgium (Wagralim platform), Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Iceland, Israel, Italy, Latvia, Lithuania, Norway, Poland, Portugal, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland (Swiss Food Research), the Netherlands, Turkey, Ukraine and the United Kingdom.

CIAA believes in the importance of developing a coherent research strategy for the agri-food sector, based on a common vision of diverse stakeholders, including the food and drink industry. This strategy would:

- Join forces across Europe to work toward finding solutions to societal challenges;
- Support research coordination across Member States;
- Take calls for major, sustained investment on multi-disciplinary, trans-national knowledge into account in a transparent manner;
- Ensure that knowledge generated through research is transferred into technologies and processes.

Increased EU funding dedicated to food research through future calls for proposals under the EU 7th Research Framework Programme (FP7) is therefore a necessary complement to national and industry financing.



Novel Foods

The revision of the Regulation should stimulate innovation in the food and drink industry, protect the functioning of the internal market and public health, and, at the same time, facilitate market access for novel food products.

In 2007, the European Commission announced its intention to revise Regulation 258/97/EC on Novel Foods and Novel Foods Ingredients. CIAA welcomed this announcement as initial discussions revealed that administrative burdens, timing and legal uncertainty add costs to the overall procedure. In response to the proposed amendments to the legislation, CIAA, together with the Platform for Ingredients in Europe (PIE), commissioned a UK economist, Graham Brookes, to undertake an extensive study with leading European food and drink ingredients companies to investigate why the industry was reluctant to come forward with new products. The report concluded that food innovation in Europe was not possible without a fundamental reform of existing EU procedures. Exclusive access to the market for innovative products, combined with short,

predictable and proportionate procedures have been consistent demands of Europe's food and drink industry.

The European Commission adopted its revised proposal for a Regulation on Novel Foods in January 2008, covering all new foods without a significant history of consumption within the European Union before 1997. The proposal meets several of the demands raised by the food and drink industry, most notably, the introduction of a centralised authorisation procedure, and includes data protection provisions for newly developed, innovative foods.

CIAA hopes that the European Parliament will shortly complete its Second Reading, enabling the Spanish Presidency to conclude this dossier.

While CIAA welcomed the Commission's revised proposal on Novel Foods (Regulation 97/258/EC), we maintain that some key areas - supported by the Parliament's First Reading- still need to be addressed more carefully. In doing so, this will ensure that the competitiveness of the food and drink industry is maintained and that SMEs in particular can benefit from simpler procedures going forward, thereby encouraging them to invest in innovation. We would favour the following:

- An operable relationship between the Novel Foods and Health Claims Regulations;
- The introduction of a simplified notification procedure for foods and ingredients with a history of safe use, or which has already been approved for other food uses in the EU. Such a procedure would be beneficial for operators with limited research capacities, such as SMEs;
- Finally, there should be a clear procedure for dealing with pending applications submitted under the old Regulation when the new Regulation comes into force, thereby avoiding unnecessary delays in the approval procedures.

Moreover, CIAA is also concerned that:

- Allowing Member States to reclassify an approved novel food as a medicinal product at national level could undermine the intended harmonisation of rules.
- Vitamins and minerals, obtained by using new production methods or sources, as currently suggested, do not belong within the scope of the novel food legislation since specialised legislation on such matters is already in place.

CIAA hopes that the Spanish Presidency will pursue these points.



Environmental Sustainability

The food and drink industry proactively delivers continuous environmental improvement of its products and processes, both independently and with its food chain partners at national, EU and global level. The sector also operates in under increasingly stringent EU legislation in areas like climate change, industrial emissions and packaging. EU policies must support continuous environmental improvement in the sector by considering the interactions at all stages of the food chain and by promoting scientifically reliable and coherent methodologies.

1. Voluntary initiatives:

The industry is playing a leading role in a series of environmental sustainability initiatives together with its food chain partners. Below is an example at the EU level:

Food Sustainable Consumption and Production (SCP) Round Table:

The food industry supports the voluntary provision of reliable and understandable environmental product information to consumers, based on a robust EU-wide assessment methodology. Incoherent approaches across the EU can only confuse consumers, raise unnecessary costs along the supply chain and undermine real environmental improvement.

To this end, in 2009, CIAA, together with its food chain partners and the European Commission launched the European Food SCP Round Table. Its aim is to establish scientifically reliable, EU-wide environmental assessment methods for food and drink products, to identify suitable tools for the communication of voluntary information to consumers and to promote continuous environmental improvement across the food chain.

2. EU environment legislation

The industry also operates in an increasingly stringent EU regulatory framework on the environment. Below are three examples:

Climate Change (EU ETS): The food manufacturing industry accounts for about 1,5% of EU-27 greenhouse gas (GHG) emissions. About 900 food processing installations are covered by the EU Emissions Trading Scheme (ETS) and deliver continuous cuts in CO₂ emissions.

Industrial Emissions (IPPC): CIAA is concerned about a possible move towards a rigid implementation of the Best Available Techniques (BAT) reference documents (BREFs).

Packaging: Packaging recovery and recycling is highly successful in the EU. Any future EU and national policies in the field must respect the vital contribution of packaging to ensuring food safety and product quality and to optimising food and drink products' overall environmental performance.

Key issues to be addressed under the Spanish Presidency:

CIAA invites the Spanish Presidency to play an active role in gathering all Member States behind the Food SCP Round Table's objective of creating a science-based and consistent European framework for voluntary action on sustainable food and drink production and consumption.

In implementing the revised ETS Directive, it is crucial to safeguard the competitiveness of internationally exposed food sub-sectors. The design of CO₂ benchmarks must respect the immense diversity of food and drink products. In view of the UN Climate Change Conference in Copenhagen and subsequent negotiations, CIAA calls upon governments to undertake all efforts to ensure a legally binding, environmentally effective and globally equitable global agreement.

As no two industrial installations in the EU are identical, the flexibility principle in the current IPPC Directive must be safeguarded to ensure both environmental effectiveness and economic efficiency.

National measures in the field of packaging must be designed in such a way as to avoid any obstacles to the proper functioning of the internal market.





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