

OPINION

European Economic and Social Committee

Towards a sustainable food labelling framework to empower consumers to make sustainable food choices

Towards a sustainable food labelling framework to empower consumers to make sustainable food choices [own-initiative opinion]

NAT/857

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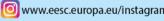
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Plenary Assembly decision 18/01/2022

Legal basis Rule 52(2) of the Rules of Procedure

Own-initiative opinion

Section responsible Section for Agriculture, Rural Development and the Environment

Adopted in section 05/10/2022 Adopted at plenary 27/10/2022

Plenary session No 573

Outcome of vote

(for/against/abstentions) 147/5/1

1. Conclusions and recommendations

The European Economic and Social Committee (EESC)

- 1.1 **welcomes** the European Commission's initiative to establish a legal framework for sustainable food systems, including rules on sustainable food labelling. There is clearly a need for rules and a certain level of standardisation and harmonisation in order to ensure credibility and a level playing-field;
- 1.2 **stresses** that sustainability is a multidimensional concept, which should always give equal consideration to the economic, environmental and social dimension;
- 1.3 **points out** that people's eating habits are very diverse, depend on different factors, and are very persistent. Expectations for a sustainability labelling scheme should therefore be realistic from the outset. However, there is a general interest in changing to more sustainable consumption patterns;
- 1.4 **recommends**, therefore, establishing a sustainable food labelling framework that is transparent, based on science and as simple and pragmatic as possible, both helping economic operators to assess and improve the sustainability of products and providing useful information to help consumers make informed choices;
- 1.5 **suggests**, in the interests of ease and pragmatism, also making do with sub-elements of a fully defined and rated sustainability, such as animal welfare or social or environmental criteria. However, the term "sustainable" should not be used in this case, as this should only be used in the context of a comprehensive rating approach;
- 1.6 **advocates, firstly**, a voluntary approach, which should, however, impose mandatory conditions if it is applied. Sustainability labels or sustainability claims that are not based on these conditions should therefore be banned;
- 1.7 **takes the view** that labelling systems that use a rating scale (e.g. in the form of a traffic light system) can help consumers make informed choices. At the same time, such rating systems can also promote sustainability leadership and can encourage companies to improve their processes to that end, right along the food chain;
- 1.8 **points out** that rating algorithms are crucial for a scale model. These must be scientifically based and made transparent to consumers in an appropriate manner;
- 1.9 considers that existing EU quality schemes, such as organic farming and geographical indications, already include elements that contribute to greater sustainability in the food system. This should be recognised accordingly. The EESC also recommends that the existing rules undergo a sustainability check and, where appropriate, be supplemented by adequate sustainability provisions;

1.10 emphasises the crucial role education plays in providing a basic understanding of sustainability aspects relating to food. Awareness raising campaigns and adequate measures to support the affordability of sustainable food products can also promote the transition towards more sustainable food systems.

2. **Background to the opinion**

- 2.1 The Farm to Fork Strategy¹ is a key element of the European Green Deal. Its aim is to make food systems fair, healthy and environmentally friendly. The Farm to Fork Strategy's action plan includes, among other things, measures to promote sustainable food consumption and ease the shift towards healthy and sustainable diets. In the meantime, the European Commission has already started preparing a cross-cutting framework law to accelerate and facilitate the transition towards sustainability. It also aims to ensure that food placed on the market in the EU becomes increasingly sustainable.
- 2.2 The EESC has already developed a solid framework for action through the development of a strategic vision on how to promote a comprehensive food policy. The building blocks of this vision are contained in opinions such as "Comprehensive food policy"², "Sustainable and healthy diets"³, "Short food supply chains/agroecology"⁴, "Sustainable consumption"⁵ and "Aligning food business strategies and operations with SDGs for a sustainable post-COVID-19 recovery"⁶.
- 2.3 Companies have a great responsibility to drive, on the one hand, consumers towards healthy and less environmentally impactful choices and, on the other hand, the sustainable transformation of food systems through the adoption of sustainable farming, processing and packaging practices. Companies should be part of the entire journey towards developing the sustainable food labelling framework.
- 2.4 In addition to companies and stakeholders in the area of food production, consumers also play a crucial role in the transition towards more sustainable food systems. In principle, every purchase decision triggers the next production order. Stronger demand for sustainable food products will therefore also steer the supply side towards greater sustainability.
- 2.5 Against this background, the objective of this own-initiative opinion is to explore possible options for a sustainable food labelling framework and to come forward with conclusions and recommendations to support the European Commission in developing such a policy framework from an early stage.

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¹ https://ec.europa.eu/food/horizontal-topics/farm-fork-strategy_en.

EESC own-initiative opinion on Civil society's contribution to the development of a comprehensive food policy in the EU, OJ C 129, 11.4.2018, p. 18.

³ EESC own-initiative opinion on Promoting healthy and sustainable diets in the EU, OJ C 190, 5.6.2019, p. 9.

EESC own initiative opinion on <u>Promoting short and alternative food supply chains in the EU: the role of agroecology, OJ C 353, 18.10.2019, p. 65.</u>

⁵ EESC own initiative opinion on <u>Towards an EU strategy on sustainable consumption</u>, <u>OJ C 429, 11.12.2020, p. 51</u>.

EESC own initiative opinion on Aligning the food industry with the Sustainable Development Goals, OJ C 152, 6.4.2022, p 63.

3. General comments

- 3.1 Sustainability is a multidimensional concept which should always give equal consideration to the economic, environmental and social dimensions. According to the FAO's definition, a sustainable food system is "a food system that delivers food security and nutrition for all in such a way that the economic, social and environmental bases to generate food security and nutrition for future generations are not compromised"⁷. In a nutshell: a one-sided focus on the environmental part of sustainability, as is often the case today, or a one-sided focus on the socio-economic pillars of sustainability is by definition not sustainable. The aim should be to cover the entire value chain in all three dimensions of sustainability.
- 3.2 A labelling framework should not aim at classifying food as sustainable or unsustainable, but should instead support the development towards a more sustainable food system. The labelling framework is designed to help economic operators assess and improve the sustainability of products (methodologies that incentivise improvements, for example a benchmarking system or a reference system) and to provide useful guidance to consumers. This labelling framework should be developed in an open and transparent manner with the involvement of relevant stakeholders and it should build on a clear, science-based methodology. To this end, companies should have access to indicators, methodologies and the results achieved on the basis of the labelling scheme. Above all, it must be simple.
- 3.3 Clear rules are needed in order to reduce the current confusion in the market owing to the inflationary use of the term "sustainable" (a form of green washing). Sustainability labels or sustainability claims that are not based on a widely recognised certification scheme should be prohibited.
- 3.4 Sustainable food labelling should be based on the whole production process and should, for the moment, be voluntary. However, it is essential that any sustainable food labelling framework is based, from the outset, on a clear definition/methodology that builds equally on all three pillars of sustainability (environmental, social, and economic). This should encompass the entire food value chain from production to consumption. Further down the line, it should be evaluated whether an obligation to label sustainability may be needed. The EU framework should allow adequate scope for national and regional systems, but definitions and evaluation rules must be harmonised across the EU.
- 3.5 At the same time, the role of labelling must not be overestimated. There should be a realistic and pragmatic understanding of what sustainability labelling can and cannot deliver. According to the World Health Organization, for labelling to support consumers in making informed food purchases and healthier eating choices, consumers must be aware of, and recognise the label, understand what it means, be able to use it correctly, and be motivated to use it⁸. It will be important to raise awareness of EU sustainability and quality labelling schemes. This, together

^{7 &}lt;a href="https://www.fao.org/in-action/territorios-inteligentes/componentes/produccion-agricola/contexto-general/en/">https://www.fao.org/in-action/territorios-inteligentes/componentes/produccion-agricola/contexto-general/en/.

 $[\]frac{8}{\text{https://apps.who.int/iris/bitstream/handle/10665/336988/WHO-EURO-2020-1569-41320-56234-eng.pdf?sequence=1\&isAllowed=y.}$

with public procurement and education measures, can strengthen the demand for sustainable food products. Policy-makers should also look into adequate measures to support the affordability and accessibility of sustainable food.

- 3.6 Sustainability labelling is important in cases where the manufacturer cannot provide the necessary information directly. Where the manufacturer can provide the relevant information directly to the consumer (e.g. at a local farmers market or a farm shop) a labelling scheme is not necessary. This is also important to avoid bureaucratic burden for small producers.
- 3.7 Education plays a crucial role in providing a basic understanding of aspects of sustainability relating to food products. It is important to invest in education on sustainable diets from an early age in order to help young people appreciate the value of food. In addition, we can expect that children will "educate" their parents to become more sustainable, as was seen, for example, in the area of waste sorting and recycling. For example, the EU school scheme for fruit, vegetables and milk should also focus more on important sustainability issues.
- 3.8 The EESC points to its recommendation to develop new sustainable dietary guidelines, which take into account cultural and geographical differences between and within Member States. New sustainable dietary guidelines would help give farmers, processors, retailers and food services clearer direction. The agri-food system would benefit from a new "framework" for producing, processing, distributing and selling healthier and more sustainable food at a fairer price⁹.

4. Specific comments

- 4.1 People's eating habits are diverse and strongly influenced by their personal and cultural environment. Moreover, eating habits are very persistent: if people are to change their diets, this will only happen in small steps and over longer periods of time. People's lifestyles and social environment are other relevant factors determining whether sustainability plays a role in consumption patterns. However, a large and growing percentage of consumers say that they are willing to change their consumption habits for sustainability reasons. There is an interest in sustainability information to enable informed choices.
- 4.2 More generally, sustainability labelling often appeals to those who are already interested in the issue. Sustainability labelling is intended to make it easier for this core group to make sustainable consumption decisions.
- 4.3 The question is therefore also whether or not to reach out to those who do not have an interest in sustainability, and, if so, how. However, the role model effect of core target groups with respect to sustainability can lead to behavioural change through imitation. It is also a step forward if target groups that are less interested in the topic make sustainable food choices, at least occasionally or in sub-areas. These are just a few aspects, to make the expectations of a sustainability label realistic from the outset.

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EESC own-initiative opinion on Promoting healthy and sustainable diets in the EU, OJ C 190, 5.6.2019, p. 9.

- 4.4 The key prerequisites for successful labelling of sustainable food products are to ensure proper awareness and acceptance among consumers and to have a clear message. The labelling itself must be clear, simple and trustworthy. Alongside this, accompanying measures should be put in place on the consumer side, promoting education and information on sustainable diets, increasing trust and acceptance in a labelling system, and encouraging more sustainable consumption.
- 4.5 Sustainability claims should be based on the following principles: reliability, transparency, relevance, accessibility and clarity (UN guidelines for providing product sustainability information 10). The certification system must ensure that the structural background is sufficiently taken into account so as not to penalise small structures, such as farmers, SMEs, farm gate sales, weekly markets, etc.
- 4.6 Labels with a rating scale (e.g. in the form of a traffic light system) could help consumers make informed choices. At the same time, such rating systems can also promote sustainability leadership and can encourage companies to improve their processes to that end, right along the food chain. However, in order to avoid confusion, there should be a certain degree of consistency across the various labelling schemes.
- 4.7 The development of an appropriate sustainability labelling framework should, as far as possible, take a holistic approach, in the interests of "sustainable production and consumption" rather than just "sustainable food". Consumer behaviour is an essential building block in the overall picture of a sustainable food system. Packaging and transport (origin of the product) are equally relevant areas. At the same time, it will be necessary to show some pragmatism when it comes to defining the relevant sustainability indicators (e.g. which information/data is available in a reliable form). In any case, a harmonised set of rules on sustainability labelling should be established as soon as possible. Having an ever-increasing number of different sustainability labels at national and business level only creates confusion and leads to a loss of trust.
- 4.8 European food retailers are already gaining their first experience with pilot projects on sustainable food labelling. Preliminary findings include: the perception of labelled products tends to be more positive than for non-labelled products with little influence on the purchasing decision; positive feedback mainly comes from younger target groups; sometimes, when a scoring system is used, the "nutriscore" causes confusion, and there is a desire to have information on the packaging, rather than only on the price tag. Key issues include the credibility of the evaluation system (independent, science-based), the clarity of the information (understandability), having an approach that is as consistent as possible across the sector, and transparency ("clarify" rather than "simplify", for example by using a bar code storing relevant information).
- 4.9 Considering the social and socio-economic dimension is crucial, although the indicators for this may not necessarily be obvious. The Member States have different legal provisions, particularly in the social field, such as working conditions and the minimum wage, which are likely to

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^{10 &}lt;a href="https://www.oneplanetnetwork.org/knowledge-centre/resources/guidelines-providing-product-sustainability-information">https://www.oneplanetnetwork.org/knowledge-centre/resources/guidelines-providing-product-sustainability-information.

complicate efforts to develop a harmonised approach across the EU. In spite of this, it is important to include the socio-economic dimension in sustainability labelling.

- 4.10 As part of a pragmatic approach, it seems logical to recognise existing EU certification schemes such as organic farming and the protected geographical indication (PGI), protected designation of origin (PDO) and traditional speciality guaranteed (TSG) statues, in order to promote sustainability in the food system. While these schemes may not fully cover the issue of sustainability, they include elements that contribute to greater sustainability in the food system. The existing rules should undergo a sustainability check and, where appropriate, be supplemented by adequate sustainability provisions.
- 4.11 Regional/local products and short supply chains can play a role in making food systems more sustainable. Regional producers often produce in the immediate vicinity of the local population, thus gaining some "societal control", which should tend to drive sustainable production methods.
- 4.12 The issue of "seasonality" has an impact on the level of sustainability, especially in the case of fruit and vegetables. Information and education can raise awareness to boost low-resource consumption of this highly perishable, water-intensive food category.
- 4.13 The recent CAP reform and the implementation of the European Green Deal (Biodiversity Strategy, Farm to Fork Strategy) in European agriculture aim to ensure that agricultural production in Europe becomes even more sustainable. Labelling the origin of agricultural raw materials therefore also makes it possible to draw conclusions about their level of sustainability.

Brussels, 27 October 2022

Christa Schweng

The president of the European Economic and Social Committee