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AK Position Paper

Food information to consumers

About us

The Federal Chamber of Labour is by law representing the interests of about 3.2 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore the Austrian Federal Chamber of Labour is a part of the Austrian social partnership.

The AK EUROPA office in Brussels was established in 1991 to bring forward the interests of all its members directly vis-à-vis the European Institutions.

Organisation and Tasks of the Austrian Federal Chamber of Labour

The Austrian Federal Chamber of Labour is the umbrella organisation of the nine regional Chambers of Labour in Austria, which have together the statutory mandate to represent the interests of their members.

The Chambers of Labour provide their members a broad range of services, including for instance advice on matters of labour law, consumer rights, social insurance and educational matters.

Herbert Tumpel
President

More than three quarters of the 2 million member consultations carried out each year concern labour, social insurance and insolvency law. Furthermore the Austrian Federal Chamber of Labour makes use of its vested right to state its opinion in the legislation process of the European Union and in Austria in order to shape the interests of the employees and consumers towards the legislator.

All Austrian employees are subject to compulsory membership. The member fee is determined by law and is amounting to 0.5% of the members' gross wages or salaries (up to the social security payroll tax cap maximum). 560.000 – amongst others unemployed, persons on maternity (paternity) leave, community and military service – of the 3.2 million members are exempt from subscription payment, but are entitled to all services provided by the Austrian Federal Chambers of Labor.

Werner Muhm
Director

Executive Summary

A proposal on redrafting the Food Labelling Directive was introduced by the EU at the end of January 2008.

The Chamber of Labour (AK) is sceptical.

cognise how much fat or sugar the food contains. The AK therefore asks for a traffic light system.

Examinations by the AK in the past have shown that consumers often regard food labelling as insufficient.

The most important aspects

Examinations by the AK in the past have shown that consumers often regard food labelling as insufficient. Against this background, AK has assessed the submitted draft proposal.

Positive

- The draft proposal provides for the preservation of all currently already required labelling elements.
- A minimum font size will be required for labels.
- Nutritional information will be mandatory.

Negative

- Stating the country/source of origin will not be mandatory.
- In future, it will be easier to change the extent and the type of food labelling by Implementing Regulation of the Commission.
- No consumer friendly traffic light labelling of nutritional values: The food industry proposed a number and percentage description from which consumers may hardly re-

The AK position in detail

1. Serious problem: the font size of food packages is often too small

AK Vienna has commissioned various tests of products with regard to the readability and clarity of the labelling elements required by the Food Labelling Directive. For example, in 2006, an expert of the Food Testing & Research Institute Vienna, Blasstraße, Vienna, assessed a selection of 96 well readable and unreadable food labels on behalf of AK. The result was: the experts regarded the font sizes of the lists of ingredients between 0.76 and 1.14 millimetres as "difficult to read". The contrast of the unreadable lists of ingredients was in case of more than three quarters of the products examined rated as non satisfactory, insufficient or average. Although it was very good or good with a fifth of the products, the product label was unreadable because of the font used.

The experts regarded lists of ingredients with font sizes of about one millimetre up to 2.27 millimetres still as "easy to read". The contrast between writing and the background, however, was very good or good in 80 percent of these cases.

For two thirds of the food packages examined, the experts regarded the list of ingredients as difficult or just about possible to read, followed by the storage instructions (27 percent) and the best-before-date (23 percent).

Descriptions and filling quantities (weight) were unreadable in significantly fewer cases.

The too small font size of the labelling elements is also criticised in direct consumer tests (AK Survey 2005). Consumers assess the readability of font sizes only as satisfactory or very good when they are about 2 - 3 millimetres. Font sizes, which are significantly smaller than two millimetres are generally regarded as unacceptably difficult to read.

2. What is important for consumers?

2.1. More clarity with labelling

What kind of information must a label provide?

It should be mandatory for labels to show exactly what packed products must currently include in accordance with the Food Labelling Directive: description, name and address of the company (producer, packer or seller), net weight, best-before-date, nutrition information (ingredients and additives), typical value/analysis per 100 g, storage temperatures and conditions (if required to observe shelf life). Field of vision regulation: description, filling quantity, best-before-date and alcohol content must be included in the same field of vision. With regard to the best-before-date, it is also sufficient to

The AK criticises the lists of ingredients as "difficult to read".

The AK is against any reduction of the required labelling elements because detailed food labelling provides consumers with important information to aid them in their purchasing decision.

state where on the label the date can be found. It is also important that in future all information is directly on the product.

No fewer labelling elements

AK is against any reduction of the required labelling elements. Detailed food labelling provides consumers with important information to aid them in their purchasing decision.

Clear field of vision

In future, all labelling elements should be included in a uniform clearly structured field of vision – on the front and back – of the product.

Icons, symbols and images must not confuse

AK could imagine the use of icons, symbols or images in individual cases. Icons, symbols and images, however, must be generally comprehensible throughout the entire EU and may not be confusing.

2.2. Consumer-friendly label: uniform minimum font sizes

AK requests binding minimum font sizes to guarantee the readability of labels, whereby attention must also be paid to the font type and the contrast between writing and the colour of the label.

An AK survey of 50 consumers in 2005 has shown: font sizes of 0.6 to 1.5 millimetres with inadequate colour

contrast were assessed as unreadable by consumers. Font sizes between 1.5 and 2 millimetres with very good contrast were quite often regarded as fairly easy to read.

2.3. Mandatory country/source of origin and nutrition information, no exception for ingredients

Country of origin must be stated

AK wants it to be mandatory that the country of origin is stated for all processed products. And: it is not good enough to just state the EU but the respective country has to be named. Currently, the labeling regulations do not make it mandatory to state the country of origin on products. Exception: vegetable products and beef. How important it is for consumers to know the source/country of origin of food is also shown by the current study "Consumer Protection Issues 2008" (survey September 2007, to be published in spring). The results of the survey showed that about 50 % of all consumers interviewed still or frequently take note of the indication of source; another ca. 30 % use this information sometimes.

Mandatory nutrition information

AK demands the mandatory inclusion of nutrition information for all products, i.e. how much energy (kcal), fat, saturates, trans fatty acids, sugar or salt a product contains. Currently in the EU, nutrition information is only mandatory for packed food if certain nutrition-related information is provided; for example only if a product is advertised

as a “low sugar” product, it is required to specify the sugar content.

The depiction of essential information should be made more comprehensible in future for consumers by using graphic elements (traffic light labelling: red for a high content, yellow for a medium content and green for a low content of the denoted nutrition per 100 Gramm in the food).

The proposal on labelling the nutrition per portion is denied as insufficient (as portions are not standardised and do often not correspond the reality) as well as to refer to the nutrition content per portion for the recommended daily amount of a standard consumer – as required by the food industry. An easy estimation of the nutrition content of the products, as it would be necessary from a food political point of view, is not guaranteed by this system. Therefore, in the opinion of the AK a “multiple traffic light system” of the nutrition is more useful, more comprehensible and more adequate for easy product estimation.

Labelling of Ingredients

According to AK, a label should, without exception, include all ingredients. This should apply as much to auxiliary materials as to additives, which enter the food product via another ingredient and have no effect on the end product. The fact, that food might contain substances, which are not visible for consumers, is unsatisfactory.

According to the AK, a label should, without exception, include all ingredients.

2.4. Separate advertising and legally required labelling

All legally required labelling elements have to be included on the label. If there is only little space, promotional information has to take second place. Quite often casual advertising messages, images or fantasy names attract consumer expectations, which are not necessarily reflected in the list of ingredients or description or which result in contradictions or inconsistencies. In the case of snacks for children for example, advertisers favour milk, often underpinned with pictures – many of these snacks, however, do not contain any fresh whole milk.

3. EU wants to modernise and improve food labelling

A commission proposal to overhaul EU food labelling rules was submitted at the end of January 2008

3.1. On the content of the draft proposal:

All **currently valid labelling elements** should be preserved as binding labelling elements. In case of pre-packed products, these labelling elements must continue to be attached directly to the packaging (or an affixed label).

The new regulation proposes the consolidation of all previous changes of the Labelling Directive in **one single Directive**. This fundamentally increases the transparency of the current regulation for consumers.

The AK points out that this amending power does formally not relate to “non-significant” regulation aspects.

Unpacked products: the Draft proposal states more clearly than before that the required labelling elements must also be made available to consumers in case of unpacked products.

The proposal, however, also suggests that the Member States should continue to have the option of regulating both type and extent of the information made available at national level. Exception: ingredients with allergenic potential as well as the additive sulphur dioxide will in future have to be stated on unpacked products.

Obligations for companies: companies have the duty of providing all subsequent marketing levels as well as consumers with comprehensive information.

Labelling elements should have a **minimum font size of three millimetres**. It is also required that the contrast between labelling elements and background design/colour must be high and clear.

In future, **nutrition information** – with the exception of a catalogue of exemptions – regulated by law. It is mandatory that certain information is placed on the front of a product; this also includes the percentage contribution of the food product (per 100g or per portion) with regard to the guideline daily amounts of the components stated.

Changes to the labelling requirements are becoming easier: the Draft proposal authorizes the Commission in a number of points to change many details again later by means of an

Implementing Regulation – within the scope of a so-called “regulatory procedure with control”, without the need to amend the Directive itself; provided the permanent representatives of the Member States do not reject the change by majority. The European Parliament can thereby only reject the proposal if this exceeds the power to issue statutory instruments or if it is not consistent with the basic objectives of the Directive.

This amending power does formally not relate to “non-significant” regulation aspects. Listed as non-significant are most detailed regulations on labelling as well as the specific appendices which further elaborate on the labelling duty. This, for example, could apply to the entire extent of information to be made available to consumers, via the mandatory information to be detailed on labelling elements on pre-packed products up to the method used to attach the label or the font size of the labelling elements.

This would also make it possible to subsequently change the extent of the binding nutrition information and the regulations for their depiction again.

3.2. Position of AK on the Draft proposal:

Regarded as positive:

- The Draft proposal provides for the preservation of all currently already required labelling elements.
- A minimum font size is prescribed for the labelling.
- Nutrition information becomes mandatory.

The AK criticises that no mandatory information regarding the origin or source of products has been introduced.

Criticism on the draft:

No mandatory information regarding the **origin or source** of products has been introduced although this information would meet an increasing interest of customers with regard to their purchasing decision.

The **specification of additives** is still restricted to those substances which have a technological impact on the end product. An explicit obligation to disclose the presence of a substance in a food product (even if it does not show a technological effect) is still only limited to a single additive (sulphur dioxide) within the scope of allergenic information.

With regard to **labelling unpacked products, only** the specification of **allergenic ingredients** and the additive sulphur dioxide are **mandatory**. Regarding all other information, it is in the option of the Member States to restrict the extent of the labelling resp. the binding information and to configure the type of consumer information.

No specific labelling field to improve clarity:

In the opinion of AK, the improvement of the **clarity of the label** and a common depiction of binding labelling elements is also required, which would enable consumers to see the important information at a glance. A special field should be provided on the label preferably on the front of the package. The Draft proposal does not follow this possible improvement.

Field of vision regulation: the current regulation required that description, filling quantity, best-before-date and alcohol content, if applicable, would be specified in a **joint field of vision**, whereby all other required details could be placed anywhere on the label. This "field of vision" could also (not very clear) be placed on the back of the product. The draft proposal will retain the existing field of vision regulation, however, only in respect of description, filling quantity and perhaps alcohol content. In future, it might be possible in individual cases that one has to look for the best-before-date even more than before. A common, clear depiction of the labelling elements in a specifically provided information field was unfortunately not considered.

The nutrition information: the **traffic light labelling** of the nutritional contents as requested by AK, which enable the consumer to see at a glance whether the product has a low, medium or high content of energy, fat, sugar or salt, was not included.

The regulation, however, does at least leave enough scope for such labelling to be recommended at national level and that these are not excluded.

Amendment of the Directive content by empowering the Commission to implement regulations within the scope of the "regulatory procedure with control":

The possibility, of being able by **Implementing Regulation** to subsequently change almost all contents of the

The AK asks for a traffic light labelling of the nutritional contents, which enable the consumer to see at a glance whether the product has a low, medium or high content of energy, fat, sugar or salt.

Directive by Commission Authorization without the need to change the Directive itself, attracts a lot of criticism from AK.

Although this option is only available for non-significant aspects of the regulation, the Directive already concedes that most of the required detailed regulations for labelling cannot be regarded as non-significant contents.

This “regulatory procedure with control” allows that all content-related amendments of the labeling regulations can be carried out by the EU Commission without the need of changing the Directive itself, provided the permanent representatives of the Member States do not reject the change by majority. The European Parliament can thereby only reject the proposal if this exceeds the power to issue statutory instruments or if it proven that it is not consistent with the basic objectives of the Directive.

In accordance with the Draft proposal, it would also be possible for example to apply this simplified changing option to consumer relevant subject matters of the Directive as well as to the binding labelling elements in general, to the obligation of specifying packed products directly on the label, to the font size and to the type and extent of the nutrition information.

In the opinion of AK the submitted implementation authorisation is way too far reaching and goes beyond purely technical aspects, which would be still acceptable for such an implementation authorisation. The Directive must

therefore clearly specify in detail and distinctively which regulation aspects of food labelling may not be changed within the scope of the implementing rules, if such a regulation mechanism is to be accepted at all from the point of view of the consumers. Hence, such a general clause has to be rejected.

In the opinion of AK the submitted implementation authorisation is way too far reaching.



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