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Introduction to innovations in food labelling

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Abstract: National labelling laws, international norms and guidelines as well as private standards aim to protect consumers from deception and businesses from unfair competition. Food labelling is also becoming a policy tool for motivating change in consumer behaviour and shifts in food production practices. In this process of developing labels, the interactions between private actors and public institutions are dynamic and complex, especially given the need to harmonize labels to facilitate trade. This book provides information about the rights and responsibilities that are the foundation for food labelling, and illustrates how labelling policies are developed. Labelling topics include the Codex Committee on Food Labelling, international trade agreements and human rights, nutrition, allergens, organic, eco-labelling for fish, fair trade, geographic indication and genetically modified foods.

Key words: labelling principles, international food standards, labelling and health, labelling and environment, labelling and socioeconomic conditions.

1.1 Introduction: the evolution of food labelling

In their broadest and most conventional application, food labelling policies have a dual purpose: to protect consumers and to ensure fair marketing. National laws, international norms and guidelines as well as private standards prohibit labelling that misrepresents the quality of a product and deceives consumers. Prevention of false claims protects businesses from unfair competition. These basic principles were established long ago and they are still highly relevant.

2 Innovations in food labelling

All consumers need to be able to rely upon the truthfulness of information on a package, which helps them to distinguish among products and to make proper use of the products. At best, labels are part of the environment that enables consumers to make food choices according to their needs and desires. For labels to serve their intended purposes they should be accompanied by education and information. Yet, all too often, these resources are not available. This is why it is essential that labels are easy to understand and that those responsible for food package information do not take advantage of vulnerabilities.

For some, food labelling is seen as more than a form of minimal protection; it is a policy tool for motivating change in consumer behaviour and different food production practices. Increasingly, labelling relates specific products to consumers' interests in health, the environment, culture and social well-being. As labelling policies encompass a larger number of topics, there are more interactions between private actors and public institutions. Each decision reflects a particular regulatory approach and state of knowledge, with the influences of different actors, agencies and events varying greatly. This leads to inconsistent approaches regarding labels and differences of opinion, even among experts. Within the same country or organization, one can find labelling policies that are very restrictive and others that are very permissive in terms of the type of information that may be placed on a package.

When considering international standards, the situation becomes even more intricate as each national organization brings its labelling ideas into the international arena and the process of harmonization begins. As more food is traded and labelling must meet the needs of consumers in different countries, the process for establishing specific labelling standards has become very challenging. The implications of every detail of a label are scrutinized before governments reach consensus on a standard, and the label gains acceptance of stakeholders. There is large scope for interpretation of the basic principles for specific foods and markets and a trend towards expansion of the principles, which can lead to contentious, lengthy and costly debates.

To facilitate the development and use of food labelling, more understanding of good labelling practices is needed among governments, industry, civil society organizations and consumers. This book aims to contribute to this goal by providing essential information about the rights and responsibilities that are the foundation for food labelling, and providing case studies of labels that are currently at different stages of development. Collectively, the chapters in this book provide a rich picture of the dynamic and multi-faceted topic of food labelling. While the subject of each chapter is different, there are common features and processes that can be discerned.

1.2 Standards and legal issues

Every food label must comply with food laws and standards. Because of the increased importance of the food trade, national authorities often pay close

attention to harmonizing their laws with international standards. The Codex Alimentarius Commission is the recognized international authority for food standards setting. Since the Food and Agriculture Organization and the World Health Organization established the programme in 1962, labelling has been a fundamental aspect of the work. In fact, the first Codex food standard was a labelling standard. In Chapter 2, Randell explains the major labelling standards developed by Codex and how the work of the Codex Committee on Food Labelling is evolving. The Codex standards are increasingly relevant, particularly because they are recognized in international trade agreements of the World Trade Organization. In Chapter 3, Vidar explains the key international trade agreements and relates them to the international commitments and treaties to protect the rights of consumers. She notes that consumers have a right to affordable foods, thus it is important to consider the costs as well as the benefits of labelling.

1.3 Labelling to protect and promote health

In the 21st century, the information that is considered to be necessary or desirable for consumers to protect their health is changing dramatically. With the accumulation of scientific evidence linking food and health, there is a trend towards voluntary and mandatory food labelling as a tool to address nutrition-related problems. The latest trends in nutrition labelling are discussed by Hawkes in Chapter 4. As new foods become available in different markets, additional measures are being taken to protect consumers who may be allergic to certain foods, yet unaware that the foods are ingredients in unfamiliar products. These consumers need labels to warn them since they cannot detect which products contain ingredients that cause allergic reactions on their own. In Chapter 5, Hattersley and Chun-Han explain how food authorities ensure that the necessary information is available, without causing unnecessary dietary restrictions.

1.4 Labelling to protect the environment and promote sustainable food production

Labelling contributes to the efficient functioning of the market by enabling consumers to express their preferences, which may be based on values and interest as well as tastes, budgets and health. Public concern about the impact of food production on the environment has stimulated interest in labelling of organic foods and eco-labelling. Environmental organizations have promoted the use of food labels as a strategy of providing market incentives to encourage more sustainable production practices. The aims of the organic food industry and public and private procedures for protecting the integrity of their product labels are discussed by Compagnoni in Chapter 6. In Chapter 7, Willmann, Cochrane and Emerson explain the need for sustainable marine fishing practices and how eco-labelling may motivate better practices. The latest information on an international code

within this industry is described and the process of developing the code is reviewed.

1.5 Labelling to promote social well-being and protect culture

Consumers may express their interest in preservation of traditional cultures and specific foods through their purchasing decisions. Others wish to support food producers in developing countries and food production that provides decent economic and social conditions. Labelling is a means for food producers to inform consumers about their ways of producing foods. With markets for products being thousands of miles from the place of production, consumers cannot determine whether the claims about production practices are true without certification by independent sources. Through certification, consumers gain confidence in the truthfulness of a specific label. In Chapter 7, Liu describes the business case for certification in relation to fair trade products. In Chapter 8, Vandecandelaere raises our awareness of the social dimension in food labelling in discussing geographic indicators (GI). GI labels have been used for centuries to distinguish foods with unique qualities; today they are being used to raise esteem and earnings for local producers. GI labels are intended to recognize and protect producer's rights and protect culture and traditions.

1.6 Labelling in relation to new technologies

Governments and food producers need to stimulate economic growth and innovation, which may occur with new technologies for food production. At the same time, they must respect the views of citizens who may not be in favour of particular technological changes. Labelling is often preferred as a policy tool in such situations because it does not restrict a product from being marketed but it allows consumers to express their views through their purchases. In theory, the market will determine whether a technology will succeed since labelling provides information to buyers and their actions give a signal to sellers about consumer preferences. As shown in the examples above, the food producer expects to be rewarded for practices that are desired by consumers. Labelling can also enable consumers to reject a product, with the loss in sales causing the producer to remove the product from the market.

In the case of genetically modified foods, labelling has been proposed as a way to allow consumers to demonstrate their views about the technology. In Chapter 10, Albert reports on the seven major labelling options for GM foods found among the countries that belong to the Codex Alimentarius Commission. She provides information about two of the most controversial approaches, the voluntary approach of the United States of America and the mandatory approach of the European Union.