

codex alimentarius commission



FOOD AND AGRICULTURE
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Agenda Item 10

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JOINT FAO/WHO FOOD STANDARDS PROGRAMME CODEX COMMITTEE ON FOOD LABELLING

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DISCUSSION PAPER ON COUNTRY OF ORIGIN LABELLING

I. Introduction

1. At the 28th Session of the Codex Committee on Food Labelling (Ottawa, Canada, 5-9 May 2000) the United Kingdom Delegation, supported by the Delegations from Switzerland, Malaysia and the Observer from Consumers International, proposed that new work should be started on country of origin labelling. The proposal was prompted by concerns that labels are failing to provide consumers with the information they need to make informed choices.

2. This paper describes the current Codex rules and outlines the concerns which have prompted the proposal to review them. In Section V the paper outlines an initial draft text which could be used as a basis for this work.

3. Annex 1 describes existing national legislation in a number of Codex member countries and other relevant international activity.

II. Current Codex standards

4. Section 4.5 of the Codex General Standard for the Labelling of Prepackaged Foods currently contains the following provisions.

4.5 COUNTRY OF ORIGIN

4.5.1 The country of origin of the food shall be declared if its omission would mislead or deceive the consumer.

4.5.2 When a food undergoes processing in a second country which changes its nature, the country in which the processing is performed shall be considered to be the country of origin for the purposes of labelling.

5. Some 15 or so individual Codex cheese standards (eg Cheddar, Danbo, Edam etc), currently under review, contain the following country of origin provisions.

The country of origin (which means the country of manufacture, not the country in which the name originated) shall be declared. When the product undergoes substantial transformation* in a second country, the country in which the transformation is performed shall be considered to be the country of origin for the purpose of labelling.

***- for instance, packaging, cutting, slicing, shredding, and grating is not regarded as substantial transformation**

6. Other Codex standards generally contain no specific country of origin labelling requirements, and cross-refer to the labelling provisions of the Labelling Standard. However, two draft standards for bottled

waters require detailed labelling of the origin of the source water, which would include the country of origin.

III. Need for a review

7. The current Codex standard defines product origin as the place of processing. This does not reflect consumers' understanding of origin declarations, or take account of the potential for product origin claims to mislead as to the origin of ingredients. Research in the United Kingdom shows that this approach can be misleading when origin information identifies the country in which imported ingredients were processed to make the final product.

8. The current Codex standard only requires product origin information in very limited circumstances and makes no reference to information on ingredient origin. But research in the United Kingdom shows that both product and ingredient origin are important factors in determining food choice. There are a number of reasons for this, including links with quality perceptions; ethical, environmental and political factors; and, sometimes, safety concerns. For some products the expertise of the manufacturer may be more important to the purchaser than the source of the ingredients. But in other cases consumers are looking for information on ingredient origin. The absence of this information from many labels is restricting consumers' choice and, in some cases, contributing to their being misled.

9. Research also shows that consumers:

- see the origin of products and ingredients as important information when shopping
- are most interested in the origin of fresh meat, and the meat and dairy ingredients in products that contain them.
- interpret "produce of Britain" on a meat label as meaning from an animal born, reared and slaughtered in Britain.

10. It is clear that the current arrangements on origin labelling are failing to meet consumers' needs and therefore need to be reviewed.

IV. Issues any new regime must address

Cost and practicality

11. Changes to the existing rules have the potential to increase production costs, with associated increases in cost to the consumer. The labelling regime should be designed to increase the level of information available to consumers without changing production practice. It must therefore allow flexible sourcing and mixing of ingredients without requiring excessive label changes.

12. Any new regime needs to acknowledge the limited size of many labels and the importance of not overloading the label with excessive information.

Product origin

13. Consumers see the place of origin of a product – the place of agricultural production for a fresh product or the place of processing for a processed product - as an important contributor to its identity. This information is readily available to manufacturers and can be readily understood if it is carefully presented. It seems reasonable to require this information for all products and establish clear guidance on presentation to avoid misleading consumers.

14. For many consumers terms like 'produce of', 'product of', 'produced in', 'origin:' (or Malaysian, Californian etc) imply that the place of processing and the origin of ingredients are the same. These terms should only be used, therefore, where this is the case. The only exception would be for products, like chocolate, where certain ingredients, that is the cocoa beans in this case, cannot come from the country in question. The revised rules should establish a clear definition of the circumstances in which these terms can be used without misleading consumers.

15. Meat introduces an additional complication because livestock may be born, reared and slaughtered in different countries. Consumers expect meat labelled 'produce of', 'product of', 'produced in', 'origin' (or New Zealand, Argentinian) to have been born, reared, fattened and slaughtered in that country or region.

The definition referred to above (paragraph 14) will need to reflect this, restricting use of these terms to meat from animals born, raised and slaughtered in a single country. Labels on meat from animals with more complicated histories will need to make this clear. The beef labelling arrangements in the EU take this approach.

16. Origin information on products which do not qualify for use of terms like 'produce of' need to be worded carefully. The wording used for these declarations should be chosen carefully to be as helpful as possible. For example, declarations like 'home produce' may mislead when used on imported pork cured in a second country, but labelling like 'imported pork cured in X' (or ham described as "made in X from imported pork") gives clear unambiguous information. Other useful terms are 'baked in', 'pressed in', etc. More general terms like 'made in', 'manufactured in' etc are less likely than 'produce of' etc. to be taken as implying ingredient origin, and may also be used where appropriate.

17. Some products have a complicated multi-stage production history; in these cases the label should give information on the step which is most likely to be of interest to consumers. For example, the purchaser of a sliced sausage will be more interested in the origin of ingredients and place of preparation than the place of slicing.

18. Consumer perception of product origin may be affected by the product name, the choice of colours for the label, and other material, such as pictures, that appear on the label. Where these may give a false impression of product origin, the declaration must be sufficiently prominent to avoid misleading consumers.

Origin of ingredients

19. Origin labelling of products, particularly if it uses a general term like 'made in', can be taken as implying the origin of ingredients. For example a chicken ready meal marked 'made in X' might be taken as containing chicken reared in that country. The origin of any ingredient should be declared where its omission might mislead.

20. Whilst labels need to give more information on the origin of ingredients it is important not to overload the label with information that is not seen as important by consumers. This could be tackled by targeting:

- **main ingredients.** This would avoid requiring information on minor ingredients. A weight or cost based threshold could be introduced; if it were relatively high (eg 25% or 50%), however, it might miss some ingredients which consumers are particularly interested in. For example, the meat in a ready prepared meal may be present in relatively low amounts (eg 15% or 20%).
- **characterising ingredients,** that is those ingredients that are mentioned in the name of the food (eg "pork pie") or usually associated with that name by consumers (eg the bacon and the cheese in a "quiche lorraine"). Characterising ingredients can be present in small amounts, and information on these minor ingredients may not be of great interest to consumers (eg the garlic in garlic butter). It might be necessary to have a minimum threshold (eg 5% of weight or value).
- **specific ingredients, such as meat.** This would ensure that origin of those ingredients known to be of interest to consumers are covered. A minimum threshold might be needed to avoid over complicated labelling.

21. If the main or characterising option were chosen it would be necessary to consider how to deal with processed ingredients, such as the sausage on a pizza.

22. Annex 2 illustrates how a range of products might be labelled under each of these three options.

Form of the declaration

23. For products there seems to be no practical difficulty in requiring the origin information to refer to a geographical area no greater than a country (eg "United Kingdom"; "United States of America"). Manufacturers may want to use smaller regions, and this can give additional valuable information. Since consumers may not recognise the name of the region being used there should be an additional country of origin declaration.

24. For ingredients, mixing of raw materials and flexible sourcing policies require a different approach. Declarations based on a single country will be most helpful to consumers, but where this is not possible lists of alternative supplier countries, groups of countries recognisable to consumers or terms like "product of more than one country" or "origin will vary" etc. are more helpful than no information at all.

V. Proposal to Revise Section 4.5 of the Codex General Standard for the Labelling of Prepackaged Foods

25. A revised Section 4.5 of the Codex General Standard for the Labelling of Prepackaged Foods follows, based on an initial consideration of these issues. This is offered as a starting point for the proposed revision of the current rules.

4.5 COUNTRY OF ORIGIN

PRODUCTS

4.5.1 The country of origin of the food shall be declared.

4.5.1.1 The term ‘produce of’ (or equivalent, such as ‘product of’, ‘produced in’, ‘origin’, Swiss etc) shall only be used where all the significant ingredients or components come from the identified country and virtually all of the production/manufacturing processes associated with the food occur within that place or country. An exception is allowed where significant ingredients cannot come from the country in question.

4.5.1.2 For meat, the country of origin is the place of birth, rearing and slaughter. If these places differ, then each shall be declared.

4.5.1.3 Where the term ‘produce of’ or equivalent is not used the origin declaration should identify the country in which the food last underwent a substantial change in its nature and use appropriate terminology, such as "cured in", "made in", "prepared in", "manufactured in". Packing, cutting, slicing, mincing, shredding, grating and other similar processes are not, for these purposes, processes that substantially change the nature of the food.

4.5.2 Where the label carries other material that may imply origin, the declaration should be sufficiently prominent to avoid misleading consumers

INGREDIENTS

4.5.3 The origin of any ingredient must be given if its omission would mislead or deceive the consumer. This is particularly important where the labelling implies that the country of origin of the ingredients is the same as the country of processing.

4.5.4 Except where the country of origin of the ingredient in question is the same as the country of origin of the product, the origin shall always be declared for:

- [the main ingredients (threshold to be determined)], or
- [specific identified ingredients, (eg meat and dairy products, threshold to be determined)], or
- [ingredients that are mentioned in the name of the food, or which are usually associated with that name by the consumer, unless they have been used in small quantities (threshold to be determined)]

4.5.5 Declarations of ingredient origin should, whenever possible, relate to a single country. In other cases the declaration may refer to groups of countries or use phrases like ‘origin may vary’ or ‘produce of more than one country’.

EXISTING NATIONAL LEGISLATION AND OTHER RELEVANT INTERNATIONAL ACTIVITY

United Kingdom

The United Kingdom's rules on country of origin reflect those applicable in all other member states of the European Union and in the Codex General Standard for the Labelling of Prepackaged Foods. These require particulars of the place of origin or provenance of a food to be given where failure to give such particulars might mislead the consumer to a material degree as to the true origin or provenance of the food. In the United Kingdom, non-statutory guidance notes supplement these rules. These provide informal advice on the circumstances in which the omission of information on place of origin might mislead consumers to a material degree about a food's true origin, and what action should be taken in such circumstances.

Switzerland

Switzerland has supplemented its general rules on country of origin with rules requiring the country of origin of the essential raw materials, including meat, of a food to be given. These rules apply in those cases where the country of origin labelling of a food might otherwise mislead the consumer as to the effective provenance of its main raw materials. A main ingredient, or "essential raw material", is one that accounts for more than 50% by weight of the food.

Marketing standards and beef labelling

At European level, measures set up to regulate the marketing of specific foods contain detailed provisions about the composition, labelling and manner of presentation of those foods to the consumer. Many of them contain specific rules on origin marking (eg those on wine, fish and shellfish, certain fresh fruits and vegetables, certain bottled waters, eggs, and poultry meat). Others, like those for olive oils, contain controls on the use of optional geographical designations. Recently agreed changes to the marketing standards for eggs, which will require the compulsory indication of farming method on eggs and egg packs, will come into force in January 2004 and will also provide for the continuing compulsory indication of country origin for those eggs originating outside the EU.

The first stage of the new compulsory EU beef labelling system came into force on 1 September 2000. It requires the compulsory labelling of fresh and frozen beef and veal with partial origin information: the country of slaughter and cutting with the approval numbers of the plants, and a reference code tracing the beef back to the original animal or group of animals. The second stage will be in force from 1 January 2002 requiring, in addition, labelling with the country of birth and raising.

Rules of origin for imports and exports

The EC (European Community) is a customs union, and applies a common external tariff, or customs duty, to goods imported from outside the EC. The EC applies "rules of origin" to identify the country in which a product originates, or "acquires origin", for these purposes. Generally, a product acquires origin if it is wholly produced in a preferential partner country, or sufficiently processed or worked in a preferential partner country. Broadly speaking, preferential partner countries are members of the European Free Trade Area; countries of central, eastern and southern Europe; most countries bordering the Mediterranean; many developing countries; the African, Caribbean and Pacific States; and overseas countries and territories of EU member states

As part of the GATT Uruguay Round of Multilateral Trade Negotiations, an agreement was reached to introduce harmonised non-preferential origin rules within the World Trade Organisation framework. The harmonisation exercise is currently in progress.

ORIGIN OF INGREDIENTS

Origin of ingredients based on:

	Main ingredients (eg>25%)	Characterising ingredients	Specific ingredients (eg meat)
<u>Pork Sausage</u>			
(containing 40% pork, 10% beef)	Pork	Pork	Pork, Beef
<u>Lasagne</u>			
(containing 30% beef, 18% pasta, 10% tomato, 10% cheese)	Beef	Beef, Pasta, Tomato, Cheese	Beef
<u>Quiche lorraine</u>			
(containing 10% bacon, 10% cream, 20% cheese, 30% egg and 30% pastry)	Egg, Pastry	Bacon, Cheese, Egg	Bacon
<u>Cassoulet</u>			
(containing 30% haricot beans, 15% pork sausage, 10% meat)	Beans	Beans, Sausage	Pork, Meat
<u>Gulaschsuppe</u>			
(containing 70% water, 10% beef, 3% onions and <1% paprika)	Water	Beef, Onions	Beef
<u>Summer pudding</u>			
(containing 16% strawberries, 16% raspberries, 16% blackberries, 16% redcurrants, 16% sugar and 19% bread)	-	Fruit, Bread	-

Origin of ingredients based on:

	Main ingredients (eg>25%)	Characterising ingredients	Specific ingredients (eg meat)
<u>Mixed vegetable conserve</u>			
(containing 40% peas, 40% carrots and 20% black salsify)	Peas, Carrots	Peas, Carrots, Salsify	-
<u>Chocolate</u>			
(containing more than 50% cocoa ingredients)	Cocoa	Cocoa	-