

CODEX ALIMENTARIUS COMMISSION

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Food and Agriculture
Organization of the
United Nations



World Health
Organization

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Agenda Item 9

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JOINT FAO/WHO FOOD STANDARDS PROGRAMME

CODEX COMMITTEE ON FOOD LABELLING

Forty-third Session

Ottawa, Ontario, Canada, 9 – 13 May 2016

(Comments from Costa Rica supported by Dominican Republic and Uruguay)

DISCUSSION PAPER ON CODEX HARMONISATION PRINCIPLES AND LABELLING

1. Topic

For some years, innovative regulations that aim at supporting that the consumer understand –more graphically, the nutritional features of prepackaged products offered in the market have been increasing. Additionally, there are some documents and actions that justify and support the establishment –by Governments, of this type of labelling as a means to help reduce the increasing obesity epidemics being faced worldwide.

Within the framework of the Codex Alimentarius, the Codex Guidelines on Nutrition Labelling (CAC/GL 2-1985) **are clear** regarding the ways to facilitate this information to consumers; therefore, it is possible to create regulations that inevitably impact international food trade, thus increasing the production costs and even confusing consumers.

Due to the aforementioned, in order to obtain the harmonization of innovative schemes of complementary nutritional information that effectively help consumers to better understand them and that, at the same, have less impact on production costs, thus increasing the price of products, Costa Rica submits this document for discussion.

2. Summary of the Situation

a. Background.

Globalization of international food trade in distant and emerging markets as a result of the GATT- General Agreement on Tariffs and Trade, which originated the World Trade Organization –WTO, in 1995, has resulted in new rules in trade exchange that aim at gradually eliminating the tariff barriers and at opening international trade within a context of transparency and fair competition.

Within this new framework of international food trade, the issues related to people’s health become highly relevant –both, for protecting consumers and for avoiding the creation of non-tariff barriers for food and agricultural products trade.

To this end, the WTO Agreement on the Application of Sanitary and Phytosanitary Measures and the Technical Barriers to Trade Agreement, acknowledge the Codex Alimentarius Commission as the competent international body in terms of standardization of foods –both, for guaranteeing safety and for ensuring fair practices for trading them. Additionally, the coordination of all work on food standards undertaken by governmental and non-governmental international organizations is promoted.

Because of this, the standards, guidelines, and recommendations of Codex become unprecedentedly significant because –according to the WTO Technical Barriers to Trade Agreement, the technical regulations in food standardization should be based on international standards and by the WTO Sanitary and Phytosanitary Measures Agreement. It is also established that in case that the countries adopt protection levels higher than that of Codex, they should scientifically justify them by using risk assessment techniques; otherwise, this would imply measures that unfairly hinder trade.

b. Problem.

Since the current text that appears in section 4. “*Complementary Nutrition Information*”, of the Nutrition Labelling Guidelines (CAC/GL 2-1985) is so wide, the harmonization of the regulation is more difficult, thus

allowing the existence of different schemes focused on complementary nutritional labelling –some of them are voluntary and some others mandatory. Here are some examples:

- “HIGH in”, “Medium in”, “Low in” signs
- GDA,
- Use of colour traffic light (yellow, green, and red).

Although the industry is aware of the problem faced by the obesity epidemic –and of its role to help reduce it, these schemes are causing serious economic implications. They are also causing social implications in the international food trade, especially to micro, small, and medium-sized businesses in developing countries dedicated to producing and marketing foods because they have to adapt their packages to be able to export the products to different markets while complying with the labeling requirements.

Due to international trade, it is possible to find –in small economy markets, product labels with requirements from other markets or double labelling in order to fulfil –by using the same label, the requirements in different countries. This is confusing for consumers and for the local authorities that inspect the products.

c. Status of Prepackaged Foods Trade.

Latin America produces about 9% of the world food production. This represents 419 billion dollars per year.

In 2015, Costa Rica exported \$1,785 million dollars in food products to countries it has trade with. \$170.75 millions out of those \$1785 millions went to Bolivia, Mexico, Peru, Chile, and Ecuador –countries where the labelling schemes different from those established by Codex are in force or are to be in force. This represents about 10% of Costa Rican exports.

Approximately 65% of exports of the Costa Rican food industry was sent to the United States and Central America. This represents about \$1,160 million dollars.

There are no problems to export to Central America because the standardized labelling scheme based on the Codex General Standard for the Labelling of Prepackaged Foods is applied.

Therefore, extracting 10% of the export production line to send it to other countries with different labelling schemes that are not standardized with the remaining set of countries where the Costa Rican industry exports to, implies that the related costs for making a different label for each country will make our country to possibly stop exporting to those countries because it does not have sufficient scale economies to finance such a high cost for producing labels.

d. Scientific Basis of the Codex.

The Global Strategy on Diet, Physical Activity, and Health approved by the World Health Organization (WHO) in May 2004, establishes that governments may require information about key nutrition aspects, according to the Codex Guidelines on Nutrition Labelling because consumers have the right to obtain accurate, standardized, and understandable information about the content in food products, which allows them to make healthy decisions. It also establishes that national strategies, policies, and action plans regarding food should be widely supported through scientific evidence. (The underlined is not part of the original text).

In this sense, the Codex Alimentarius already establishes the guidelines that should be followed to present the nutrition facts on labels in the following guidelines: Codex General Guidelines on Claims (CAC/GL 1-1979) and Guidelines on Nutrition Labelling of Codex Alimentarius, CAC/GL 2 -1985.

Due to the aforementioned, the scientific principles to establish the standards should prevail, and Codex Alimentarius –as an international standardization body, is the forum to harmonize topics related to trade and consumer protection.

The different nutrition labelling schemes are contrary to the standardization purpose –which is one of the tasks of Codex, and even contravenes what has been proposed by the WHO in the Global Strategy on Diet, Physical Activity, and Health. Similarly, exposing consumers to different schemes may confuse them instead of generating new options to present nutrition facts –taking into account that with markets opening, the consumer has access to foods from all over the world.

Due to the aforementioned, it can be asked if it is necessary to first research more about consumers' perceptions regarding the most effective way to inform them. In this way, it would be possible to verify if the goal of making the purchase decision easier is being fulfilled.

e. Conclusion.

A global proposal about the information scheme for the consumer –based on scientific evidence, which can be used as standardized reference to generate new labelling guidelines and which is scientifically supported,

clear, transparent and that makes food world trade and the development of the food production sector – especially that of developing economies, easier is required. We believe that the current general labelling standard has fulfilled these characteristics. Likewise, we believe that for every labelling scheme to effectively fulfill the goal it was created for, it should be necessary to complement it with a process of education, awareness, and communication for the consumer, thus emphasizing the importance of a healthy and nutritious diet, because the information included in the label does not necessarily guarantee a change in the decision regarding food consumption.

Currently, there are voluntary labelling models that have proven that some are more effective than others. This could be assessed in this forum in order not to generate more regulations that hinder trade.

3. Recommendations for the Committee.

Create an electronic work group with the following mandate:

- Review the trends regarding mandatory and voluntary optional front labelling systems that have arisen in the last years around the world, and identify their benefits and limitations, as well as the evidence of their effectiveness.
- Suggest amendments to Section 4 of the Nutrition Labelling Guidelines in order to address these new trends by creating guides and guidelines to be included in the General Labelling Standard for those countries that want to implement this type of scheme.