

EUROPEAN COMMISSION HEALTH & CONSUMER PROTECTION DIRECTORATE-GENERAL

Director-General

SANCO 1 0. 02. 2006

1.4

Brussels, SANCO/E4/JB/eo/D540053 (2006)

NOTE FOR THE ATTENTION OF MR H. ZOUREK, DIRECTOR-GENERAL ENTR MR J-L DEMARTY, DIRECTOR-GENERAL AGRI MR M.P. CARL, DIRECTOR-GENERAL ENV MR D. O'SULLIVAN, DIRECTOR-GENERAL TRADE MR A. SCHAUB, DIRECTOR-GENERAL MARKT

<u>Subject</u>: Labelling: its contribution to consumer information in a "better regulation" world.

DG SANCO has on the horizon some sector specific rendez-vous relating to labelling: in the alcohol context, in the food chain and so on. In order to provide a more coherent basis for the proposals we need to make, we have launched a dialogue with our key stakeholders in our established consultative fora, to redefine the foundations of our approach.

This process will go forward in the first half of this year. I attach for your information a copy of the background paper that we are using to frame these discussions. This will be presented at the following meetings;

• European Consumer Consultative Group (29 March)

• Health Policy Forum (5 April).

• Advisory Group on the Food Chain and Animal and Plant Health (date to be confirmed, likely to be 19 May),

• Consumer Policy Network of senior consumer officials (14 June)

Commission européenne, B-1049 Bruxelles / Europese Commissie, B-1049 Brussel - Belgium. Telephone: (32-2) 299 11 11. Office: B232. Telephone: direct line (32-2) 2963338. Fax: (32-2) 2996298. P:\Vertoer\RM notes\Labelling - contribution to consumer information.doc E-mail: Robert.Madelin@cec.eu.int I am sending this paper to you because your DGs are also closely interested in labelling issues, from various perspectives. Please feel free to table the papers with stakeholders of your own whom you feel may wish to contribute to our thinking. I would, of course, also welcome participation by your own expert colleagues in any of the above fora.

If, in addition, there is appetite for an initial discussion between ourselves, either at DG level or otherwise, please let me know so that we can also arrange that in good time.

Aqued by Robert Madelin____ and signed in his absence Robert Madelin

Encl.:

Labelling: Competitiveness, Consumer Information and Better Regulation for the EU.

Copy:

Messrs Margaritis Schinas, Philippe Brunet, (CAB KYPRIANOU), Ms Catherine Day (SG), Ms Jaana Husu-Kallio (SANCO DDG), Mr John Bell (SANCO.02), SANCO Directors, Assistants.

2

Labelling: Competitiveness, Consumer Information and Better Regulation for the EU

A DG SANCO Consultative Document

INTRODUCTION

1. Labelling is everywhere. In the EU, there are many rules affecting labels, and there is much debate about the proper use of labels and the best parameters for labelling. Given the fact that a number of aspects of labelling legislation are currently scheduled for review in 2006-2008, there is a need to identify as far as possible a coherent overall approach to labelling. This takes place in the political context of the renewed Lisbon Strategy and where the Commission focuses on better regulation as a means to contribute to achieving growth and jobs and on broad dialogue as a contribution to Better Regulation.

2. DG SANCO is keen to obtain thoughts from stakeholders on how far there is scope to rethink the way the EU deals with labelling issues. This document sets out the context for considering a change, identifies the strategic goal, and gives an overview of the current situation for specific labelling issues. This is a consultative document which is designed to facilitate discussion, notably at the meetings of the:

- Advisory Group on the Food Chain and Animal and Plant Health (date to be confirmed),
- European Consumer Consultative Group (29 March)
- Consumer Policy Network of senior consumer officials (14 June)
- Health Policy Forum (5 April).

In addition, all individual responses are very welcome. Responses should reach the dedicated e-mail box <u>SANCO-LABELLING@cec.eu.int</u> by 16 June 2006. They may include general comments but should otherwise be structured to match the sections in this text.

CONTEXT

3. Labelling is an important market tool which should be viewed as an integral part of communication between societal players (business to consumers, directly and via intermediaries, authorities to consumers, etc.). Labelling is no longer the only reliable route for communicating information to the consumer, as it once was. But it remains an effective tool.

4. The benefits of consumer information in general and labelling in particular are clear. For the consumer, it provides the means for the operator to pass on essential information about products (use-by dates, safety warnings, etc.) as well as information which, whilst perhaps not essential, is considered useful (nutrition labelling, recycling details, etc.). As such, the label has the role of allowing the consumer to make an informed choice at the point of sale about whether to purchase a product and, if they do so, to consider how best it should be used. 5. For the industry, labelling is a powerful tool which, when used effectively and responsibly, not only ensures operators pass on essential information, but also enables them to highlight the benefits of their products when compared to those of their competitors. An important factor if there is additional cost in providing these benefits and an operator needs to convince the consumer to pay a higher price than for competing products on the market. Indeed a sociological study carried out in Europe revealed that a lack of labelling on production methods was preventing consumers from possibly shifting towards such products¹.

6. However, although labelling should be a win-win situation for both the consumer and operator, in practice there is often a market failure and many stakeholders would argue that labelling is not fulfilling its full potential. Simply put, consumer use of labels is inconsistent and the effectiveness of labelling as a communication tool can be questioned. The reasons for this failure are varied, but perhaps start with a simple lack of consumer interest in the information a label provides. Even if the consumer is interested, many find using labels difficult as they contain too much information, much of which is not understood, is confusing and is poorly presented.

STRATEGIC GOAL

7. DG SANCO action on labelling, including any legislation on labelling, should take account of the broader context of communicating with the consumer. This should encompass the data/information requirements that support a particular aspect of a product (what the consumer needs from the label), the execution aspects of the labelling (how to make the most efficient label for the stated purpose) and the effective empowerment of the consumer as the receiver of the message of communication (education, understanding, etc.). The strategic goal is to have an overall approach for labelling which will;

- provide consumers with necessary information to enable them to make safe, healthy and sustainable choices.
- create a pro-competitive market environment in which dynamic, efficient, innovative operators can make full use of the power of labelling to sell their products.
- be consistent, coherent and transparent.
- create common framework and rules in order to eliminate barriers to free circulation of goods.

8. Any discussions on labelling should also be seen in the wider context of consumer information. Labelling came to be an important regulatory tool because, before the development of an information society (internet, freephone numbers), it was the only way to ensure information reached the consumers. Consumer choices were also focused on the point of sale. Markets, products and consumer expectations and information gathering habits have, however, become considerably more complex and ways to communicate information to consumers more sophisticated. Consumers use trusted intermediaries as well as their own judgement to analyse information to help them make choices. Full disclosure of information, even if not all via labels, may be important to allow intermediaries to play their role in the market or for minority information wishes to be addressed.

"Consumer concerns about animal welfare and the impact on food choice". EU FAIR-CT36-3678. Dr Spencer Henson and Dr Gemma Harper, University of Reading.

9. In considering specific labelling issues, it will be important to take into account the results of consultations and relevant research. The former can provide an overview of current legislation, identifying stakeholders views on its effectiveness, any problems with implementation, and possible suggestions for amendments. Research, especially where it involves consumers, can be helpful in assessing whether current labelling rules are working and what changes might be required in any revision of the legislation. It can also be useful as a way of 'testing' innovative ideas for labelling.

10. Consumer research can also indicate what type of information consumers want to see (or do not want to see) on labels. However, whilst this is useful, the results of such research are not necessarily a sufficient basis for translation into labelling legislation. As far as mandatory information on labels is concerned, legislation should also be based on whether a given piece of information is necessary to enable consumers to make their choice. Deciding on that is a political choice of the legislator, taking into account a 'balance of interests', and the level of consumer protection at a given time, on the basis of an impact assessment. If it is decided that mandatory labelling is not required for a specific issue, other options such as self-regulation, codes of best practice, or providing the information off-pack could be considered.

11. There is a need to consider how far DG SANCO's current approach to labelling meets this strategic goal and objectives outlined above and what changes, if any, are required. For example, would there be any benefits in simplifying and clarifying the structure and scope of the existing labelling legislation, both horizontal and vertical, and bringing all of the common aspects together? Is it practical to consider food and non-food labelling together or should they be dealt with separately? Should there be more or less prescription in labelling legislation? Is there sufficient flexibility to allow industry to quickly adapt to changing consumer needs and demands? Is there any role for self-regulation or co-regulation in relation to labelling issues?

12. In addressing these questions, it is important to recognise possible options that DG SANCO has for dealing with labelling issues. Should these be taken forward as a package under a 'framework' piece of legislation? Should they be taken forward in parallel, i.e. separate pieces of work but with links in relation to timing and approach? Should they continue to be dealt with individually? A further step is to what extent a Commission-wide approach to all labelling is necessary or desirable. Many labelling requirements related to non-food product safety are set out in legislation managed by other parts of the Commission. To what extent is a comprehensive approach possible?

Unfair Commercial Practices

13. In considering DG SANCO's current approach to labelling it will be important to take into account the Unfair Commercial Practice (UCP) Directive (2005/29/EC) of 11 May 2005. This is applicable to all business-to-consumer commercial practices, and would cover misleading aspects of labelling. Especially with reference to 'commercial', i.e. nonmandatory, labelling. UCP may be used as a tool to contribute to uniform and correct application of existing and future EU information/labelling requirements. It provides general rules ensuring that labels do not mislead but, where *Lex specialis* exists, it takes precedence. However, where EU labelling requirements exist in *Lex specialis*, UCP may improve their enforcement, because it provides national consumer protection authorities with an additional legal basis to enforce the information requirements included in the labelling legislation. 14. An omission to provide material information which the average consumer needs can be misleading under UCP. Therefore, UCP may also be used as a tool to fill in gaps in labelling legislation, but interpretation of UCP through case law is slow and the UCP Directive foresees no committee. However, the Commission could consider the possibilities to work on some kind of informal "guidance" to alert business and enforcement authorities of Commission's interpretation of misleading practices. Although Member States could not be obliged legally to comply with Commission interpretations, this approach has proved helpful to food chain economic operators in many similar cases where new law risked creating uncertainty.

Common Themes

15. In considering the strategic goal for labelling, it is recognised that there will be differences in areas such as nutrition, animal welfare, country of origin, ingredients, GMOs and product safety. However, equally there are many common themes and it is envisaged that the DG SANCO approach will seek, as far as possible, to deal with each of these in a consistent way. Not least by sharing lessons learnt. Common themes include;

- The need to consider alternatives to legislation, e.g. self-regulation or codes of best practice.
- How to deal with small and medium sized enterprises (SMEs). The costs of introducing labelling changes will generally be higher for SMEs and ways of minimising these costs need to be considered.
- Ensuring the **presentation of labels** is suitable. Consumers are often dissatisfied with this aspect of labelling, finding labels difficult to read and thus to understand. This holds particularly true for the labelling of food products.
- The potential use of logos or symbols. Whilst attractive in relation to the internal market, minimising the space needed for multi-lingual labelling and ensuring a common understanding across Europe, there may be practical difficulties in development and implementation.
- Achieving the balance between a prescriptive approach to labelling, which ensures consistency but can be rigid and prevent innovation, and one which is too flexible and leads to a loss of the internal market.
- Co-ordinating the implementation of legislation to minimise the effect of multiple labelling changes on sectors of the industry.
- Ensuring the quality of any research undertaken in support of the development of legislation and, where applicable, co-ordinating research across labelling issues.
- An awareness that we are dealing with 'consumers' and not 'the consumer', i.e. in relation to a specific labelling issue there may be no 'one size fits all' situation and different approaches for the provision of the information may be needed to reach all target groups.
- There is only a finite amount of space on labels and there may be a need to prioritise what should go on a label and what might be better provided elsewhere (i.e. offpack).

GENERAL FOOD LABELLING AND NUTRITION LABELLING

General Food Labelling

General food labelling (GFL) is governed by Directive 2000/13/EC, which is a 16. codified version of Directive 79/112/EC. Although one major recent amendment was introduced in 2003 (labelling of allergenic ingredients), most of the provisions date back to 1978. The evolution of both the foodstuffs market and consumers' expectations as to the information given on these foodstuffs renders the update of this legislation necessary.

An external evaluation supervised by DG SANCO was carried out to better identify 17. points on which to focus modernisation efforts. The results from this evaluation, the conclusions of which were published in 2004², and from the subsequent comments of the Member States on the evaluation, indicated that any revision should concentrate on the following aspects.

Structure of the legislation

What is the most appropriate legislative instrument to implement these laws more 18. homogenously in the European market (Member States have regularly spoken in favour of a regulation instead of a directive) and how should the labelling provisions be brought together? It is absolutely true that labelling or labelling-related provisions are included in many pieces of legislation, but this is the consequence of the widely used rule of Lex generalis and Lex specialis. Common labelling requirements applicable to all foodstuffs are laid down in horizontal legislation (Directive 2000/13/EC and related texts), whilst specific provisions, because of specific needs to informing consumers, are included in vertical legislation, as a result of specific composition or quality standards to which they are closely linked. The same structure is used in Member States national legislation as well as in international standards of Codex alimentarius.

It would be very difficult to compile all specific information requirements, applicable 19. from fish to chocolate for example, in the same legislative package. Furthermore, such a work could result in new inconsistencies and would neither be easily usable by operators nor manageable by Public Authorities. It would perhaps be more feasible and hopeful to recast all horizontal provisions³ in a single proposal. Such an approach should also seek to present, simplify and clarify the provisions currently spread across these texts, which could be brought together in an annex.

³ The existing horizontal labelling legislation consists in the following texts :

-Directive 1999/10/EC (indication of the quantity of volatile ingredients);

² http://europa.eu.int/comm/food/food/labellingnutrition/foodlabelling/effl_conclu.pdf

⁻Directive 2000/13/EC as amended by Directives 2001/101/EC (category name "meat") and 2003/89/EC (allergenic ingredients);

⁻Directive 87/250/EEC (indication of alcoholic strength);

⁻Directive 89/396/EC (lot);

⁻Directive 94/54/EEC (additional indications on labelling provided for in cases where certain ingredients are present) as last amended by Directive 2004/77/EC (glycyrrhizinic acid);

⁻Directive 2002/76/EC (foods containing caffeine or quinine).

Scope of the legislation

20. Member States as well as operators agree that there is a need for clarifying several key point of the scope. A new approach could be studied in that purpose. For example, could the legislation distinguish the "*information*" that **must be provided** from that which **should be available** for the purchaser of the foodstuff, this purchaser being the final consumer, regardless of the place of consumption, a restaurant or mass caterer?

21. Moreover, could the legislation provide general rules for how the information is to be provided, depending on whether it is mandatory information or information that it would be useful to have available and, in addition, depending on whether the products are prepacked, not packed, delivered as such or not? According to these rules, the legislation could then stipulate that Member States decide on the detailed arrangements at national level where no implication arises on the single market.

Provisions concerning some compulsory information

22. Should the approach concerning the information on durability be modified to meet some member states' requests?

Alcoholic beverages

23. On **composition**, research shows that consumers have little interest in having information on all ingredients in beer or wine⁴ (spirits are not included in the study). More generally they do express a desire to have information in cases where ingredients are added to "natural products", but the sense of what is natural is not clearly defined.

24. Would the indication of at least substances which are likely to have adverse health effects in certain groups of consumers, as is the case for sulphites, be a sufficient option, or should food improvement agents also be labelled? Should mixed drinks like Alco-pop should be treated like all other foodstuffs regarding ingredient listing?

Voluntary information

25. Should the legislation provide for requirements to be fulfilled, or guidance to be followed with a view to preventing risk of misleading where voluntary information takes place?

Clear and readable labelling

26. Should the legislation be more prescriptive on format, size of the text, or could the objective be achieved through voluntary or soft legislation?

⁴ http://europa.eu.int/comm/consumers/topics/product_labelling_en.htm

Nutrition Labelling

27. Nutrition labelling of food is currently regulated by Directive 90/496/EEC, under which nutrition labelling is optional; it becomes compulsory when a nutrition claim is made in the labelling, presentation or advertising of a foodstuff. The Directive also lays down a standardised format in which nutrition labelling must be presented. A number of technical issues are covered in the Directive, some of which are relevant to other European food legislation, and the Commission is beginning to address these via the comitology procedure. However, it is recognised that there is also a need to revise the Directive to address more fundamental issues relating to nutrition labelling.

28. The extent of nutrition labelling varies between Member States, with many companies voluntarily providing this information (estimates suggest a range of between 30% and 85% for pre-packaged foods). Although research indicates that most consumers are keen to have such labelling, particularly on processed products, there is evidence that the majority of consumers do not actually make use of the nutrition label. Consequently there is a general consensus that the current system of nutrition labelling is not working and that it needs changing, however there is no agreement on the best way forward. The major issues to be addressed, many of which were covered in a consultation in 2003⁵, include;

- Should nutrition labelling be mandatory? Some consider this to be essential in order to increase consumer use of such labels, although some consider that the latest research shows that this labelling is very little used. If it is felt that manadatory labelling is useful, its introduction could adversely affect some businesses, especially smaller ones, who would find it hard to bear the costs. However, ways of minimising these, such as longer implementation dates, derogations for short production runs or low turnover businesses, providing tools or guidance to help implementation, could be considered.
- How much information is required? Providing too much information may be counterproductive, leading to consumer confusion about what is important and how the label should be used. Is there an optimum number of elements, i.e. energy and nutrients, that should be declared and, if so, what these should be?
- Are there alternative formats for providing nutrition information? If the consumer finds difficulties in using the current numerical format then are there alternative, better, ways of providing nutritional information on labels? Member States and industry are already considering options that might help the consumer to put the information on the label in context of their overall diet, with numerous systems being considered or in use. Whilst potentially of benefit, a proliferation of different approaches could cause consumer confusion and affect the internal market.
- Where should the nutrition label be put? Evidence suggests that simplified front of pack labelling ('signposting') may offer significant advantages in terms of increasing consumer use. How can this be taken forward in any revision of the legislation? Is there any benefit in having dual labelling the 'traditional' label on the back of the pack with a signpost on the front?
- How important is presentation of the information? Consumers often complain that nutrition labels are poorly presented, making them difficult to use. In particular concern is expressed that the labels contain too much information and the type size is too small (especially when multi-lingual labels are used on products). Whilst it might

⁵ http://europa.eu.int/comm/food/food/labellingnutrition/nutritionlabel/index_en.htm

be difficult to set down prescriptive rules on presentation, because of the many different types of packaging used, is this something that should be considered? Alternatively, would this be an opportunity for best practice to be developed by the industry?

121. 1

OTHER FOOD ISSUES - ORIGIN/WELFARE/GMOs/HEALTH

Origin Labelling

29. Common labelling requirements (name, composition, durability, etc.) applicable to all foodstuffs are laid down in horizontal legislation (Directive 2000/13/EC and related texts). In that framework, origin is normally not considered as necessary information to enable consumers to make an informed choice, because that origin is not an important element to characterise or to identify the product (such as for example biscuits, breakfast cereals or soft drinks). Besides the consumer can have some information on the origin by the compulsory identification (name and address) of the manufacturer or packager, or of a seller established within the Community. However, origin or provenance shall be indicated in case where consumers could be misled on the true origin of the product.

30. Because of a decision in the past that there exists a specific need to inform consumers, specific labelling provisions are included in vertical legislation applicable to products ranging from fruits and vegetables to meat, eggs, fish, wine, honey and chocolate. These rules often result from specific composition or quality standards, but may also request mandatory indication of origin/provenance. That information being deemed necessary for consumer choice regarding such foodstuffs, generally basic products, whose characteristics/quality are influenced by their origin. In these cases, detailed rules for indicating that origin are laid down within the legislation concerned. Research has shown that;

- Consumers would be interested in the origin of fresh meat, in addition to beef, because they feel that meat from their country is 'safer'.
- Origin is also associated with quality in the case of certain products, e.g. delicatessen, cheese, wine (but this need is already taken on board through the existing legislation).
- Consumers have difficulties in identifying food produced in compliance with certain animal welfare standards, because the information on labels is inappropriate, unclear or missing. Consumers have expressed a preference for simple, symbolic labelling (such as colour coding and logos) rather than textual information⁶.

31. There is at present much debate about consumer attitudes to origin, both for food (milk, poultry meat) and non food (textile, shoes) products. There is also renewed producer interest in using local (EU, national or regional) origin as a selling point. A DG SANCO approach might seek to balance the presentation of a coherent, though sometimes contested, internal market with a positive response to clearly expressed and justified consumer demands for more information.

⁶ http://europa.eu.int/comm/food/animal/welfare/eu_fair_project_en.pdf

- 32. In that respect, would the best options be:
 - A general mandatory indication of "member state"/"EU"/"third country" origin applicable to all foodstuffs? This would seem on present evidence to go beyond EU consumers' demands and there could be difficulties in implementation. For example, how to deal with products including raw materials and ingredients from different origins (member states, third countries)?
 - A mandatory indication "EU"/"third country" origin applicable to all foodstuffs? Such limited information does not seem of great interest for consumers, and could be confusing, deceptive or even misleading. EU origin for a processed product made here would not exclude ingredients from elsewhere. It would also create burden on operators.
 - A general process to frame consumer demand for mandatory indication of "member state"/"third country" origin applicable to certain food? This would imply setting out a procedure whereby requests for mandatory origin labelling were looked at more positively than under current internal market rules, but on the basis of a clearer requirement for proof that final consumers really want such labelling. If such proof were provided, there would still be a need for detailed technical rules for implementation.
 - New rules to prevent misleading on the true origin of foodstuffs or raw material? This is an area where DG SANCO could improve the existing situation to increase transparency and consumers' confidence. For example, by providing rules for situations where labels suggest or indicate a given origin but the information, though not false, is potentially misleading or deceptive (e.g. ham manufactured in a given country with meat from another). An issue to consider is whether such rules should be regulatory or laid down through guidelines.

Welfare Labelling

33. Consumers have difficulties in identifying food produced in compliance with certain animal welfare standards, because the information on labels is inappropriate, unclear or missing. When questionned, consumers have expressed a preference for simple, symbolic labelling (such as colour coding and logos) rather than textual information⁷.

34. As confirmed by a recent Eurobarometer survey⁸, consumer knowledge on the farming systems in use is not sufficient to allow them to be sufficiently perceptive in their purchasing behaviour. There might therefore be a need for information on welfare requirements to be made available, and be more easily accessible, to the consumer. Information is needed on the the appropriate labelling systems to put in place, taking into consideration existing voluntary schemes (e.g. *Freedom Food* in the UK).

35. The Community Action Plan on the Protection and Welfare of Animals, adopted in January 2006, foresees as one of the five main areas of action the introduction of standardised animal welfare indicators to classify the hierarchy of welfare standards applied (from minimum to higher standards). On this basis, options for labelling will be explored in a systematic manner.

⁷ http://europa.eu.int/comm/food/animal/welfare/eu_fair_project_en.pdf

⁸ http://europa.eu.int/comm/food/animal/welfare/euro_barometer25_en.pdf

36. Labelling related to animal welfare conditions makes particular sense if there are different standards allowed by Community legislation, e.g. for eggs where the different types of production could compete on the market in relation to the quality of welfare achieved. A similar approach could be taken in the legislation for other products of animal origin.

GMO Labelling

37. The labelling related to all genetically modified organisms (GMO) is currently regulated by Directive 2001/18/EC. In addition, specific labelling for food containing, consisting of, or produced from GMO are provided for in Regulation (EC) No 1829/2003. In some cases, food produced from GMO (e.g. some refined oils) do not differ from a physico-chemical point of view from products of non-GM origin. The labelling of such products relies on a dedicated system of traceability established by Regulation (EC) No 1830/2003.

38. The labelling requirements shall not apply to food containing material, which contains, consists of or is produced from GMOs in a proportion no higher than 0.9 % of the food ingredients considered individually or food consisting of a single ingredient, provided that this presence is adventitious or technically unavoidable.

39. The modalities of GM labelling of food are such that each substance from GM origin has to be accompanied with indications that include the words "genetically modified" within the list of food ingredients. In the absence of such a list, the indications shall appear clearly on the labelling or, in specific circumstances such as non-pre-packaged food, on the food display or immediately next to it.

40. A detailed report on the implementation of the GMO labelling provisions for food and feed will be provided in the forthcoming report on the implementation of Regulation (EC) No 1829/2003.

Health warnings on alcoholic beverages

41. Warning labels could be an effective means to inform consumers of alcoholic beverages about risks associated with inappropriate consumption of alcohol. Some Member States (France, Finland and Sweden) are planning to introduce health warning labels on alcoholic beverages containers to raise awareness on alcohol's negative health impact on the foetus. DG SANCO has responded to the French notification (23 November 2005; warning on labels of alcoholic drinks) that it is against taking action on the measure proposed by the French authorities. The labelling measure proposed by France will be an obstacle to the free movement of goods, but the measure is justified and proportionate and therefore in accordance with Article 30 of the Treaty.

42. Facing this development in some Member States, the Commission would need to explore the feasibility and viability to use warning labels on the containers of alcoholic beverages to raise awareness on the harmful effect of alcohol on health. This labelling issue merits discussion and evidence gathering now, in the run up to publication in 2006 of a comprehensive EU Alcohol Strategy.

NON- FOOD LABELLING

43. Sector legislation for many consumer products (toys, detergents, electronic appliances, cosmetics) requires safety labelling (symbols and safety phrases, composition and environmental information). Some of these product categories carry claim related voluntary labelling (health, sun protection, sensitive skins, biocidal properties, etc.). In addition, the horizontal General Product Safety Directive obliges manufacturers and distributors to provide consumers with sufficient clearly worded and easily comprehensible information on safety. Standards developed at EU and national levels also provide indications for safety labelling of specific products.

- For non food products (detergents, cosmetics, paints, do-it-yourself, toys, domestic electric appliances), consumers consider the safety features essential and base their purchasing decision on them but they do not recognise the safety symbols. In fact, on occasion danger symbols are misperceived as indicators of product efficacy. Consumers also cite too much information and the plethora of safety warnings, information and symbols as confusing.
- Consumers want more specific information on health (allergens in cosmetics, textiles, and furniture fabrics), environment (effects on ozone layer of aerosols, recycling, and biodegradability) and sustainability (production fibres for textiles, wood for furniture) in some product categories to address specific concerns.

Origin labelling for non-food products

44. In view of the growing concern over the mounting incidence of misleading and/or fraudulent origin marks being carried by imported non-food products, the Commission (DG Trade) launched, in 2004, a consultation process on the matter involving the main stakeholders (industry, trade unions, consumers and other institutions). This should lead to the adoption of a possible proposal on the introduction of a compulsory origin marking scheme covering a number of sectors, including textile and clothing products. The Commission aim will be to ensure that the proposals reflect the views/interests of consumers and that it covers all third countries.

Safety

45. In all the situations below, activities on labelling should take into account the current state of play and the need for simplification, which implies recourse to discrete, targeted initiatives.

- The Global Harmonisation System for labelling of chemical products (to be done at the same time as the new chemicals legislation REACH). Both execution/presentation and consumer education activities are likely to be needed to facilitate the implementation of this new system.
- implementation of this new system.
 On Cosmetics, the streamlining of labelling of sun protection products, on health aspects (e.g. sensitive skin), and on allergens could be necessary.
- On biocidal products labelling, streamlining certain aspects (sterilisation, hygiene etc) may be necessary.
- On other product categories (furniture, textiles) labelling on certain aspects (allergies) may be necessary.

- Common criteria for labelling requirements may need to be further defined via standards/guidelines (e.g. textual vs. symbol format on a case by case basis)
- Need to increase consumer's knowledge about the content of the various labels that accompany important consumer products such as textiles, detergents and cosmetics has been highlighted by consumer research and various parties work with interested stakeholders to achieve this might be required.

END

2.44

101