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GAIN Report

Global Agricultural Information Network

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Commission Briefing on New Origin Labeling Rules

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Report Highlights:

The European Commission published [Implementing Regulation 2018/775](#) setting out Country of Origin Labeling rules for the primary ingredient in prepacked foods. The Commission is conducting outreach and soliciting questions on scope and applicability for its follow-up implementation guidance document it will develop.

European Commission Briefing on New Origin Labeling Rules

Introduction

When the country of origin is given or visually implied on the label of a food product but the origin is not the same as that of its main ingredient, dual origin labeling is now required, per [Implementing Regulation 2018/775](#) published on May 29, 2018. Producers can simply state that the main ingredient does not originate from the country of origin of the food or label it as “EU”, “non-EU”, the name of a third country or one of the other options listed in Regulation 2018/775 (for detailed information see [GAIN report “European Commission Publishes Draft Rules on Dual COOL.”](#)) Commission officials pledged to release implementing guidance six months before the rule will go into effect (April 1, 2020). This GAIN report covers the main questions raised on the new origin labeling at a recent outreach meeting to third country representatives.

Mandatory or Voluntary?

Regulation 2018/775 sets out rules for the implementation of Article 26 of the Food Information to Consumers (FIC) regulation 1169/2011. Origin labeling is mandatory if the omission might mislead the consumer as to the true origin of the food product. For example, when the package of a pasta product produced in the United States carries an Italian flag, it is mandatory to indicate the actual country of origin in order to be sold in the EU. Food manufacturers, who voluntarily indicate the country or place of origin on food products but the main ingredient comes from a different origin, will have to comply with the dual origin labeling rules set out in Implementing Regulation 2018/775. Statements such “made in USA” or printing the American flag on the package of products whose main ingredient comes from a different origin will trigger the application of regulation 2018/775.

Excluded from the Scope

The new rules do not cover Geographical Indications (GI’s) and registered trademarks because the original impact assessment carried out in preparation of the implementing regulation did not explicitly address them. The Commission needs to further examine how the origin of the primary ingredient in products registered as GI’s and trademarks should be indicated. Generic and customary names, which include geographic terms but whose common understanding is not an indication of origin, such as Frankfurter sausage or Bolognese sauce, are also excluded from the scope of regulation 2018/775.

No More Member State Schemes?

It took the Commission almost five years to adopt implementing regulation 2018/755 due to the controversies and complications surrounding origin labeling. In the absence of EU-harmonized rules, several Member States adopted national mandatory origin labeling schemes for a variety of products— a move that undermines the single market as it renationalizes the supply chains. These national schemes are two-year pilots. Several Member States and third countries have expressed concern about the potential business impact of the national schemes and about the co-existence of national and EU rules. As France initiated its origin labeling pilot for dairy products in 2017, Belgium reported that its milk exports to France dropped 17 percent. As Italy instituted origin labeling for durum wheat in pasta,

Canadian exports of durum wheat fell dramatically. Prior to implementation, Canada was the top durum wheat exporter to Italy.

According to the Commission, regulation 2018/755 fills an important legal gap in EU law. The adoption of EU-harmonized horizontal origin rules applicable to all products for which no specific rules exist could prompt Member States to reconsider the fate of their existing national schemes and obviate the need for new ones. The Commission noted that there is no automatic continuation for the national origin schemes in place once the two-year pilot projects expire. Member States wishing to continue their national schemes must resubmit a proposal to the Commission and follow the procedural steps outlined in Article 45 of the [FIC regulation](#).

What is a main ingredient?

The FIC regulation defines “primary ingredient” as “an ingredient or ingredients of a food that represent more than 50 percent of that food or which are usually associated with the name of the food by the consumer and for which in most cases a quantitative indication is required.” Regulation 2018/775 does not provide any further clarification. For many products, it is clear how the new regulation would apply, but there appears to be many exceptional cases, which is prompting the Commission to develop implementation guidance. There will be further discussions on the concept of “primary ingredient” with the Member States in order to prepare a guidance document on the implementation of regulation 2018/755. The Commission also invited input from non-EU country representatives to help them prepare the guidance document, scheduled for publication in the second half of 20 19.

What Next?

The Commission expects the first evaluation reports on the national schemes in the fall and will further reflect on next steps. It has already stressed that it favors voluntary labeling over mandatory labeling. It is not yet clear which procedure the Commission will follow to prepare the guidance document but third countries would be able to comment and provide input. To provide comments for consideration in the guidance document please email the European Commission’s Directorate General for Health and Food Safety: sante-consult-e1@ec.europa.eu.