

Voluntary Report – Voluntary - Public Distribution

Date: August 05,2020

Report Number: E42020-0043

Report Name: EU Court of Justice Case on Country of Origin Labeling May Derail Labeling Ambitions of the Commission

Country: European Union

Post: Brussels USEU

Report Category: Agriculture in the News, Dairy and Products

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Report Highlights:

An Advocate General of the Court of Justice of the EU delivered a non-binding opinion on a dairy labeling case stating that mandatory country of origin labeling may not be justified. The final ruling of the Court is expected for fall 2020. That ruling could have consequences for Member States' national origin-labeling laws and the European Commission's proposal for additional mandatory origin labeling for new categories of food products.

EU Court of Justice Case on Country of Origin Labeling May Derail Commission's Labeling Ambitions

General Information:

On July 16, 2020, a Court of Justice of the EU (ECJ) Advocate General (AG) delivered a [non-binding opinion](#) on a dairy origin-labeling case. The final ECJ ruling is expected in autumn 2020. Generally, the Court follows the AG's opinion.¹

The case is between the plaintiff, dairy group Lactalis, and the defendant, the French Government, regarding the 2017 [French decree](#) requiring dairy products sold in France to state their country of origin. France was the first Member State to introduce national country of origin labeling measures in the EU, but other Member States, such as Italy and Greece, quickly followed suit. Indeed, the EU's "gastronomical nationalism" has been on the rise in recent years and accelerating with the COVID-19 crisis. In surveys, EU consumers largely support country of origin labeling measures. This may signal an unawareness of or a willingness to pay for the added costs mandatory origin-labeling schemes may create. More information can be found in the FAS GAIN report: [EU Country of Origin Labeling - Member State Initiatives](#).

Many of the EU's major industry groups have vigorously criticized these national laws. Industry groups argue that these measures undermine the European Single Market. For them, origin measures limit the free movement of goods within the EU by incentivizing food producers to buy agricultural products from a particular country, thus "renationalizing" supply chains.

In his opinion on the case brought forward by Lactalis, AG Gerard Hogan stated that mandatory national origin labeling can be used in an EU country only if the origin of a foodstuff has a tangible impact on the product itself- "a proven link between some qualities of that food and its origin." He added that "any other conclusion would ultimately pave the way for the indirect reintroduction of national rules regarding food products which were designed to appeal to purely nationalistic — even chauvinistic — instincts on the part of consumers."

If the Court follows the opinion of the AG, the final ruling could have consequences for other mandatory origin labeling laws adopted by EU member states. The ruling could also have consequence for the European Commission's Farm to Fork strategy (F2F), which calls for additional mandatory origin labeling for new categories of food products. For more information about the F2F proposals, please see [GAIN Report on F2F labeling initiatives](#).

Attachments:

No Attachments.

¹ Statistically, the opinion of the Advocate General is followed in 80% of the cases brought in front of the Court. More information can be found in "An Econometric Analysis of the Influence of the Advocate General on the Court of Justice of the European Union", *Cambridge Journal of Comparative and International Law*, Vol. 5, No. 1, www.shorturl.at/mzHNP