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European Commission Publishes Draft Rules on Dual COOL

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SP2 - Prevent or Resolve Barriers to Trade that Hinder

U.S. Food and Agricultural Exports

Trade Policy Monitoring

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Report Highlights:

On January 4, 2018, the European Commission published draft rules on how a food product must be labeled when the country of origin indicated on the label is different from that of its main ingredient. The draft rules are published on the European Commission's feedback website and are open for comment until February 1, 2018.

European Commission Publishes Draft Rules on Dual Country of Origin Labeling

On January 4, 2018, the European Commission published <u>draft rules</u> on how the origin of a food product must be labeled when the country of origin indicated on the label is different from that of its main ingredient. Article 26 of the <u>EU's Food Information to Consumers (FIC) regulation 1169/2011</u> sets out general rules on mandatory and voluntary country of origin labeling (COOL). Under Article 26.2(a), COOL is mandatory when its absence could mislead consumers as to the true origin of the final food, e.g. an Italian flag on a lasagna produced in Belgium. Under Article 26.3, COOL becomes mandatory when the country of origin is provided on a voluntary basis but the origin of the main ingredient is not the same as that of production. Article 26 of the FIC regulation required the Commission to draft rules for the implementation of the aforementioned dual origin labeling provisions.

For a wide range of food products, mandatory EU-harmonized COOL requirements do not yet exist (for detailed information see http://www.usda-eu.org/trade-with-the-eu/eu-import-rules/eu-labeling-requirements/country-of-origin-labeling/). However, U.S. exporters should be aware that the future dual origin labeling rules will also apply to imports from third countries. In practice this means that when the country of origin is indicated on the label of products that are not subject to mandatory COOL, but the main ingredient comes from a different country, the labeling requirements set out in the implementing regulation become applicable.

The <u>draft implementing regulation</u> is published on the Commission's feedback website and is **open for comments until February 1, 2018**.

Labeling Options

The draft implementing regulation offers several options to comply with the dual origin labeling requirement. Producers can simply state that "(name of the primary ingredient) do/does not originate from the country of origin or place of provenance of the food" or any similar wording or use one of the following options:

- "EU", "non-EU" or "EU and non-EU"
- The name of a Member State or third country
- The country of origin or place of provenance in accordance with specific EU provisions in place for the primary ingredient (e.g. beef)
- Region or any other geographical area within a Member State or third country which is "well understood by normally informed average consumers"
- Region of any other geographical area either within several Member States or third countries, if defined as such under public international law or well understood by normally informed average consumers
- FAO Fishing area, sea or freshwater body, if defined as such under international law or well understood by normally informed average consumers

The information on the origin of the main ingredient must appear in the same field of vision as the indication of the country of origin/place of provenance of the food. The implementing regulation would

apply from April 1, 2019, but foods already on the market or labeled before that date may be sold until stocks expire.

Identification marks, required by the EU's Food Hygiene regulation 853/2004 for food of animal origin, do not qualify as indications of the country of origin.

Member State Initiatives

Several Member States have introduced or proposed national mandatory COOL requirements citing the absence of EU-harmonized rules. Italy, for example, has published mandatory COOL rules for durum wheat in pasta while Spain has notified the Commission of its intention to introduce mandatory COOL for milk and milk products unless the Commission adopts the relevant implementing regulations. The adoption of the Commission's draft implementing regulation may motivate certain Member States to withdraw their national initiatives as they may not be compliant with the new EU rules and/or prevent others from introducing national rules.

Related Reports

- EU Country of Origin Labeling Member State Initiatives
- EU Agriculture Ministers Divided over National COOL Measures
- The EU's Country of Origin Labeling Policy

Useful Links

- FAS/USEU website: http://www.usda-eu.org/trade-with-the-eu/eu-import-rules/eu-labeling-requirements/country-of-origin-labeling/
- European Commission website: https://ec.europa.eu/food/safety/labelling_nutrition/labelling_legislation_en