

Online Event:

Driving greener food & drink choices: Unlocking the potential of the European Commission's proposal on substantiating green claims



Thursday 21 April 2022, 12:00 – 13:30 CET Online Event

Hosted by MEP Franc Bogovič

Speakers:

- **MEP Franc Bogovič,** Vice-Chair of the European Parliament Intergroup on 'Climate Change, Biodiversity and Sustainable Development'
- **Emmanuelle Maire,** Head of B1 Unit on "Circular Economy, Sustainable Production & Consumption", DG ENV, European Commission
- Vincent Colomb, Project Manager, French Agency for Ecological Transition
- Camille Perrin, Senior Food Policy Officer and Team Leader, BEUC
- Gloria Gabellini, Environmental Policy Director at PepsiCo, & Co-chair of FoodDrinkEurope (FDE) Environmental Information Task Force (participating on behalf of FDE)
- Betty Chang, Research Area Lead, EUFIC
- Jago Pearson, Director, Foundation Earth

Welcome Remarks

MEP Franc Bogovič

"Harmonization through the introduction of a standard methodology known as 'Product Environmental Footprint' is essential to ensure the sustainability of products".

MEP Mr. Franc Bogovič started by highlighting that the **development of EU legislation** on **substantiating green claims** had been announced in the **Circular Economy Action Plan**. The European Green Deal, particularly the Farm-to-Fork Strategy, has also brought forward the creation of a **sustainable labelling framework** that would cover nutritional, climate, environmental and social aspects of food products. Currently, both consumers and companies have big **difficulties** in understanding the **multitude of environmental labels** and initiatives on the environmental performance of products. In the EU, over 200 environmental labels are active; these are **extremely diverse**, making them hard to comprehend. Therefore, **harmonization** through the introduction of a standard methodology known as **'Product Environmental Footprint' (PEF)** is essential to ensure products' sustainability. MEP Bogovič continued by emphasizing that the **demand** for proven green products is **growing increasingly quickly**. All initiatives **establishing green claims** should thus aim to include comparable, reliable and verifiable information in their framework.

Panel Discussion

Emmanuelle Maire, Head of B1 Unit on "Circular Economy, Sustainable Production & Consumption", DG ENV, European Commission

"If we want both to protect consumers and fair competition, it is crucial to ensure that voluntary claims made by companies on reducing their impact are real."

Ms. Emmanuelle Maire started by drawing the attention of the audience towards an initiative made by the European Commission in March, called "Empowering consumers in the green transition" and concerns a proposal on updated commercial practices. The Commission has suggested to forbid generic claims if they are not backed by evidence on environmental

performance. In the Green Claims initiative, the Commission wants to go a step further than misleading claims. Echoing MEP Bogovič, Ms. Maire underlined that green credentials have gained a lot of interest, and that this increased awareness of citizens must be matched with reliable voluntary claims that are real. Ms. Maire further elaborated on the Green Claims proposal, stating that this touches upon only the voluntary claims made by organizations. This must be kept in mind during the debate. Over the past decade, the European Commission has developed an environmental footprint method together with the scientific community and the Joint Research Center (JRC).

Vincent Colomb, Project Manager, French Agency for Ecological Transition

"France has built a strong experience on environmental labeling and gathered useful knowledge; for large scale eco-labelling, PEF is needed but is insufficient for now."

Mr. Vincent Colomb presented why environmental communication has been a significant point in France. After the launch of the Nutri-score system in 2014, quite positive feedback was received, as it specifically led to more efficient information for consumers. At the same time, there appears to be a demand from citizens to include more environmental information. Largescale labelling is also required under the French national "Climate Law" from 2020, while French authorities have gathered useful knowledge on how to use LCA and eco-design in companies and for environmental communication. Private initiatives are also popping up more and more, and it is interesting to see if these will become dominant or if harmonization by the government is needed. A key result from the national experiment was that any system must be low cost to be accessible for all companies, including SMEs. In addition, Mr. Colomb mentioned that the relevant government agency (ADEME) was able to design a science-based approach that is based on the **PEF** while at the same time incorporating some adjustments. Specific data is needed to ensure accurate information, but this can be quite expensive and must be balanced with the cost factor, especially for SMEs, as highlighted by Mr. Colomb. An ongoing roadmap is tackling this technical work, with the aim being to have a fully operational scheme in 2023. Mr. Colomb ended his presentation by stating that France has built a strong experience on environmental labelling and gathered useful knowledge. The time has now come for large scale eco-labelling at both a French and a European level, as France will carry out further tests to prove that a technically-feasible, science-based scheme can be operational at the national level.

Camille Perrin, Senior Food Policy Officer and Team Leader, BEUC

"BEUC has found that a lack of clear labelling is one of the major barriers to sustainable eating."

Within her intervention, Ms. Camille Perrin addressed environmental labeling from a consumer perspective. She mentioned that many consumers are concerned by the environmental crisis, leading them to buy more environmentally friendly products. Two thirds of consumers are willing to change their eating habits for the environment. However, BEUC has found that the current lack of clear labeling is one of the major barriers to sustainable eating. This problem is exacerbated by the many unsubstantiated and misleading claims that can be found on the market. Ms. Perrin continued by stressing that there is a general agreement that improvements are necessary. However, challenges remain on the methodology to be used. BEUC thinks that for a meaningful label to be developed, it must tick several boxes. First, a label should be developed transparently and be based on scientific evidence, which are free from commercial interests. Based on BEUC's experience, it also advocates for a label that is visual and has a color component. Third, an environmental label should allow one to distinguish between production systems and compare across product categories. Ms. Perrin mentioned that it is key to consider what signal a label should give a consumer; an environmental food label should drive consumers to change their diets, in line with the Farm-to-Fork strategy, goals and targets on pesticides, fertilizers and organic farming. From this angle, BEUC is concerned with the PEF method, echoing other civil society organizations. Indeed, PEF does not allow comparisons of products across categories; even more crucially, when applied to food, PEF tends to favor the most intensive methods of production. It also lacks indicators for several key environmental impacts, including biodiversity loss. Finally, it fails to capture some positive externalities of organic and extensive farming systems. Getting the methodology right is therefore crucial to steer consumers towards truly sustainable choices.

Gloria Gabellini, Environmental Policy Director at PepsiCo, & Co-chair of FoodDrinkEurope (FDE) Environmental Information Task Force

"The enemy of making trustworthy claims and providing information to consumers are grey areas and a lack of certainty."

Ms. Gloria Gabellini explained that FoodDrinkEurope (FDE) sees two main objectives regarding the European Commission's development of a framework for green claims. First, companies should be encouraged to provide transparent and trustworthy information to consumers, supporting them in making sustainable choices. Equally important, this policy framework should also help companies along the whole supply chain to improve their green actions. She stressed that companies will need some form of support from a technical point of view because of the complex nature of this issue. This applies particularly to SMEs, as it can be costly and hard to find the right experts. The data must be correct, so good-quality information can be provided to consumers. FDE estimates that PEF is the right methodology; however, the concerns of previous speakers were further echoed as transparency is crucial. The approach towards certain areas such as biodiversity, carbon sequestration and packaging must also be improved. Verification and enforcement will be essential, but the real barrier to trustworthy claims are grey areas and a lack of certainty in the methodology.

Dr. Betty Chang, Research – Area Lead, EUFIC

"A key challenge is to strike a balance between scientific and regulatory rigor on the one hand, while supporting the accessibility of sustainable food for consumers on the other hand."

Dr. Betty Chang commenced her intervention by stating that the **European Food Information Council** (EUFIC) is interested the most in communicating information about sustainable food and drinks to consumers. Echoing Ms. Perrin's point, Dr. Chang stressed that consumers must be able to **compare both within and between product categories**. Especially for the latter point, other information tools than labeling may be more appropriate. Dr. Chang made it clear that the implementation of the **Green Claims** initiative would affect consumer **perceptions** and **decisions** towards sustainable food. This effect may occur directly through the **labeling system**, but it may also **occur indirectly** through the financial and regulatory consequences of a labeling system

which can **affect consumers' perception** of what sustainable food is. A key challenge is therefore to balance scientific and regulatory rigor with the **accessibility of sustainable food** for consumers.

Jago Pearson, Director, Foundation Earth

"Foundation Earth has two objectives; to ensure that consumers receive the information they need; and to provide producers the knowledge they need to innovate sustainably."

Mr. Jago Pearson welcomed the recent action by the European Commission and mentioned that Foundation Earth has been set up as an international non-profit organization for **two objectives**; to ensure that consumers receive the information they need to make an informed, educated choice; and to provide land stewards, food producers, supermarkets and farmers with the knowledge they need to innovate in a more sustainable way. Foundation Earth has **put together** an **independent scientific committee** to create an optimum label based on PEF. The key principles for this are **high quality data**, **differentiation** between products and **pushing for innovation**. During his intervention, Mr. Pearson also clarified that a **multitude of technical solutions** are crucial too, in order to ensure the comparability of products. The **gathering of as much primary data** as possible is therefore fundamental. A clear and **scalable label** will **give consumers the information** they need and **businesses an approach** to innovation.

Continuing the panel discussion, **Ms. Maire** explained that the **impact assessment** is still ongoing, therefore some of its **elements could not be disclosed** yet. Ms. Maire however underlined that one issue is how to substantiate claims; another problem concerns communication, since one option is that companies that want to make green claims need to follow a **harmonized label**, while alternatively, companies could also be **given the freedom** to display the message the way they want, but this would be **subject to minimum requirements.** As highlighted, the European Commission is studying **voluntary claims** made by companies, not mandatory releases of information. **Regarding data**, their **availability** is central to all efforts. Commenting on Mr. Colomb's earlier intervention, it was added that France's efforts to move towards mandatory

labelling of food and drinks are pioneering. The European Commission is **steering in the same direction** as some national schemes, but the timing of the initiatives differs.

In addition, Mr. Colomb emphasized that France is acknowledging the need to **better frame green claims**. However, it should be **avoided** to **go against the broad scheme system** of green claims. It is necessary to find an **articulation** between green claims' proposals and the possibility of a large-scale collaborating scheme.

On the topic of providing information to consumers, Ms. Perrin stressed that it is **unfair to expect people** to make more sustainable choices, while **information is lacking**. A broad **range of actions** has to be as a result implemented for consumers to make sustainable choices.

Moreover, Ms. Gabellini mentioned that the possibility exists to use primary data, and the efforts of PepsiCo to automate this process were welcomed. However, since this is **complex** and **costly**, secondary data will remain important. However, secondary datasets must be **updated**, and it is important for the **relevant companies' sector to improve**, as if the data does not take into account improvements, this information will not reach consumers.

Dr. Chang also underlined that one of the most **important barriers** is sometimes the price of products. Consumers tend to choose the sustainable option, if it is not significantly more expensive. Other barriers imply that **sustainable alternatives** can be less available and less diverse. For consumers to choose sustainable products, supermarkets have to put comparable products side by side, in order to compare the label.

Moving into the panel discussion, Mr. Pearson highlighted **three risks**: firstly, the debate on **polarizing topics**, such as meat or plant-based diets. The second risk is having **multiple labels** on the markets which will confuse consumers. Thirdly, the big risk is focusing around **credibility**; it is vital to produce and facilitate a **credible system** to allow products to be compared, and allow primary data to have a role, pursuing a harmonized approach.

Ms. Maire stressed that the **challenges and risks** need to be addressed, and that **substantiating green claims** is very important. Last but not least, Ms. Maire drew attention on the public consultation on the new initiative on Sustainable EU food system. The public consultation for this initiative is open until summertime (21 July 2022) and the Commission adoption is planned for Q4 2023.

As a key take-away message, Mr. Colomb emphasized the **common vision** among the panelists. The discussion should continue on the **priorities** where no common ground has been reached yet. However, the **common goal** that speakers shared **is all stakeholders' interest in cooperation**. Ms. Perrin acknowledged this common vision as well. According to speakers, the Commission should establish **inclusive governance** to identify the labeling method most in line with the Farm-to-Fork objectives. Sustainable food choices should become the most **attractive and affordable** ones in the future. Ms. Gabellini further noted **three points of attention** requiring future cooperation, including **ownership of the label** and **responsibility of reporting**. Dr. Chang also argued that labeling is one of the **many tools** to **facilitate sustainable choices**. It is necessary to look at the solutions to **reduce the barriers**. Mr. Pearson concluded the panel discussion by stating that **green claims** will be provided, **decreasing environmental impacts** of the food industry.

Q&As Session

On behalf of the EP Intergroup Secretariat, Mr. Ilias Grampas kicked off the session by asking Ms. Maire to further elaborate on the policy options that are coming out of the green claim initiatives. Ms. Maire explained that it is difficult to predict what will happen since the initiative is not completed. As a follow-up question, it was asked what improvements are being considered by the European Commission in terms of comparability. Ms. Maire then highlighted that when you develop rules for a product, you have the liability for the entire sector to compare the performance of your product to an average. This comparability dimension is unique; comparing product-to-product gives the incentive to producers to perform better. Moreover, the product-to-product comparison will provide information to the consumers. In the course of the Q&A

session with the audience, Mr. Colomb was also asked how **compatible** the methods of eco-score and Foundation Earth are, as he answered by explaining that both are not operational yet, therefore it is difficult to reply. Speakers were also asked how the **robustness**, **quality and confidentiality** of the provided primary data can be **ensured**; Mr. Colomb answered by explaining that primary data is variable, depending on the company. Most companies **display a lack of transparency**, and it is extremely complex to control primary data. For this reason, the focus lies on secondary data. Ms. Gabellini stressed the **importance of confidentiality**; **a robust agreement** is put in place, to provide data to **reliable institutions**. Closing the session, Ms. Gabellini answered a follow-up question on whether **mandatory rules** on **green claims** should be applied to all actors for all products, where she answered that when such a **policy framework is in place**, anyone making products could apply such rules.

Closing Remarks

MEP Franc Bogovič

"A clear situation should be provided to consumers regarding green claims"

Mr. Bogovič concluded the event by stressing that a **clear situation** should be provided to consumers regarding **green claims**, as there are currently no clear rules for consumers in order to decide what to consume. Hosting MEP also underlined the importance of having **similar rules across Europe**, recognizing however that this could be challenging to achieve, as it is difficult to find a **common ground** across many countries. Last but not least, Mr. Bogovič moved on to underline the **necessity of improvement with reference to the methodology used**, specifically taking into consideration the key topic of **biodiversity**.