Market Report

# Jointly prepared by the New Zealand Embassies in Berlin, Brussels and Paris

## **Summary**

- Voluntary front-of-pack nutrition labelling is becoming increasingly common in the EU.
- France's Nutri-Score label is now also being adopted in other member states, including Germany, Spain and the Netherlands. Major food and beverage companies such as Nestlé or Danone are already using it. The scheme is also open to third-country imports.
- The EU, member states and stakeholders are now actively discussing whether such nutrition labelling should be harmonised across the EU, and possibly become mandatory in the future.

## **Report**

#### Nutrition labelling in Europe: back of pack/front of pack, mandatory/voluntary

Nutrition labelling — used to help consumers make health-conscious food choices — is increasingly common in the EU. A nutrition declaration on (the back of) most pre-packed, processed foods has been mandatory for some years. In addition, simplified (front-of-pack) nutrition labelling is becoming more popular in a growing number of European markets. Whilst not mandatory, EU legislation provides for this possibility on a voluntary basis, allowing for a wide variety of formats provided some basic criteria are met. There are several schemes in use across the EU (see this European Commission Report from May 2020 for an overview), however the French scheme, Nutri-Score, is proving particularly successful. Outside of France, Nutri-Score has already been officially rolled out in Belgium, with Germany, Luxemburg, Spain and the Netherlands expected to follow in the coming months. A voluntary food label that could soon speak to every second EU consumer is worth a closer look.

#### What is the Nutri-Score?

The Nutri-Score is a 5-colour nutrition label initially developed in France and selected by the French Government in 2017 to be applied to food products on a voluntary basis. It is similar to Australia/New Zealand's Health Star Ratings in the sense that it is equally based on an algorithm that calculates an overall nutritional score based on roughly the same features of a food product. Instead of using stars on a range between 0.5 and 5, the Nutri-Score ranges from A (green) to E (red). Both labels are free of charge and the scores can be calculated independently. But unlike the Health Star, using the Nutri-Score requires registration with the relevant authority, Santé Publique France (see <a href="here">here</a> for detailed Q&A in English). Furthermore, food producers or distributors wishing to participate are required to apply the label for all products marketed under the registered brand. The scheme is currently being evaluated, and therefore the methodology and procedures may change somewhat in the future.

#### Uptake by EU member states and food producers

France rolled out the label in 2017, and Belgium followed in 2019 (as did, outside the EU, Switzerland). Germany and Luxemburg are expected to have the relevant regulations in force by the end of this year, and Spain and the Netherlands are set to follow next year. The participating countries are now in discussions on a 'global agreement' to jointly regulate the Nutri-Score going forward.

A number of major food producers and retailers – such as Nestlé, Danone, and Carrefour – are already using the Nutri-Score in the aforementioned countries, as well as in other EU markets such as Austria and Portugal, where authorities have yet to legislate on the issue. Once a brand has been registered with the French competent authority, food producers are eligible to use the same label in any other European market where domestic regulation allows them to do so. Surveys suggest that most European consumers warmly welcome the Nutri-Score or similar labels, although findings remain somewhat inconclusive so far with regards to their impact on purchasing decisions.

Other EU member states, most notably Italy, are openly opposed to the Nutri-Score label, which they consider to be reductive and misleading. Some sectors have criticised the French categorisation and algorithm, suggesting it would discriminate against certain groups of products (e.g. cheese with its fat content or fruit juice with its natural sugar content).

#### What's next - EU-wide harmonisation, mandatory labelling?

The European Commission and EU member states are actively discussing whether front-of-pack visual nutrition labelling should be harmonised across the EU, and if so, whether any label would be voluntary or mandatory. In its Farm to Fork Strategy presented this May, the Commission proposed the latter but stopped short at this stage of recommending a specific label. An impact assessment of different options is expected later this year, and a legislative proposal will be presented by the end of 2022.

The European food industry seems to be divided on the issue. Some heavyweights have joined consumer organisations and leading retailers in a <u>call</u> on the EU to make the Nutri-Score mandatory. By contrast, leading industry groups such as food industry confederation FoodDrink Europe favour EU harmonisation but urge regulators to keep front-of-pack visual labelling voluntary.

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