

Demonstrating environmental sustainability in labelling





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Green claims in UK & EU

Luke Murphy

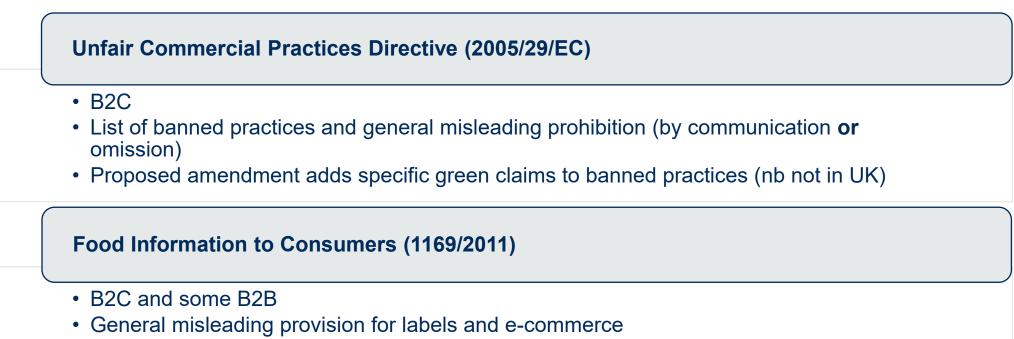
VP, Key Accounts, Global Regulatory & Scientific Affairs



Session agenda: Green claims

- Introductions
- What are green claims according to EU proposals?
- How green claims are regulated now: UK and Europe
- More detail on European proposals: Unfair commercial practices and green claims
- EU and UK provisions on green claims Now and in the future
- Discussion & close

Current legislative framework – Europe and UK



• Proposed update in 2024 (nb not in UK)

Directive 2006/114/EC on misleading and comparative advertising

- B2B
- Designed to protect traders from misleading goods or services

UK competition and market authority 'Green claims code'

- Voluntary code for B2B and B2C to help enforcement of the rules detailed on previous slide
- Defines green claims as "claims that show how a product, service, brand or business provides a benefit or is less harmful to the environment"
- Green claims MUST:
 - 1. Be truthful and accurate:
 - 2. Be clear and unambiguous:
 - 3. Not omit or hide important information:
 - 4. Only make fair and meaningful comparisons:
 - 5. Consider the full life cycle of the product:
 - 6. Be substantiated:

EU: Proposed banned practices relating to green claims (amendment to unfair commercial practices directive)

- Displaying a sustainability label which is not based on a certification scheme or not established by public authorities
- Making a generic environmental claim (e.g. 'environmentally friendly', 'eco-friendly') for which the trader is not able to demonstrate recognised excellent environmental performance relevant to the claim
- Making an environmental claim about the entire product when it actually only concerns a certain aspect of the product
- Presenting requirements imposed by law on all products within the relevant product category on the Union market as a distinctive feature of the trader's offer
- Publication 2024-2025 (estimated) with min 18 months transition

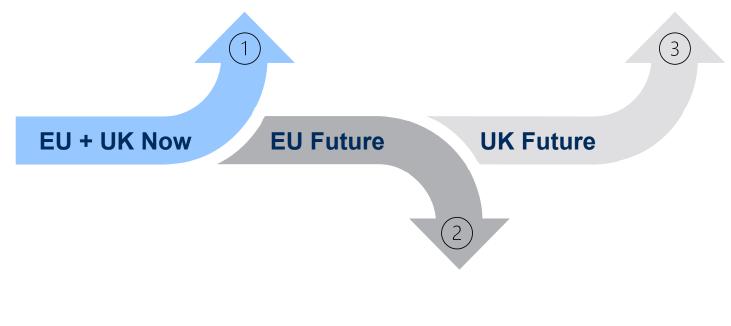
EU: Main provisions of green claims proposal

- Covers 'explicit environmental claims' made voluntarily on labels and in communications
- Provisions covered by other legislation (e.g. organic, recycling logos) are excluded
- Establishes a pre-market approval process for claims
- Additional provisions for 'comparative explicit environmental claims'
- Member states to ensure companies carry out an assessment to substantiate environmental claims.
- Member states shall set up procedures for verifying substantiation and communication of claims as well as compliance of environmental labelling schemes.
- Pre-market verification of claims and labelling schemes will be carried out before a claim/label is made public or displayed by a trader. The verifier needs to draw up a certificate of conformity which shall be recognised by competent authorities.
- Final text expected mid-2024

EU and UK provisions on Green claims – Now and in the future

- Control through various frameworks
- Voluntary guidance in UK
- Controlled post market by various authorities

- No plans to replance voluntary CMA code
- To be controlled through same frameworks as currently



 New Directive would mean pre-market approval needed in EU member states Packaging and packaging waste

Dr Caroline Potter VP Sustainability

Mariko Kubo Head of Global Regulatory & Scientific Affairs



There are several criteria for packaging to be considered recyclable

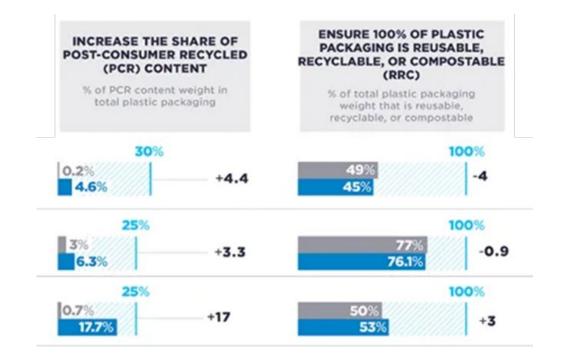
- In the PPWR, packaging shall be considered recyclable where:
 - It is designed for recycling
 - It is effectively and efficiently separately collected
 - It is **sorted** into defined waste streams without affecting the recyclability of other waste streams
 - It can be recycled so that the resulting secondary raw materials are of sufficient quality to substitute primary raw materials
 - It can be recycled at **scale**

To meet PPWR 2030 recycling targets the EU's recycling capacity will need to significantly increase between now and 2030.



Most companies have set their own sustainable packaging goals and targets for 2025 but these will be difficult to meet in many cases

- Largely based on the Ellen MacArthur Foundation Global Commitment
- Also fit with the aims of PPWD
- However most companies will miss these 2025 targets
- In particular they will miss
 - 100% of packaging to be recyclable, reusable or compostable
 - Due to the fact that there isn't infrastructure to collect, sort or recycle some packaging items particularly flexible packaging
 - Target % of recycled content
 - Again due to the scale available and in particular obtaining food contact material

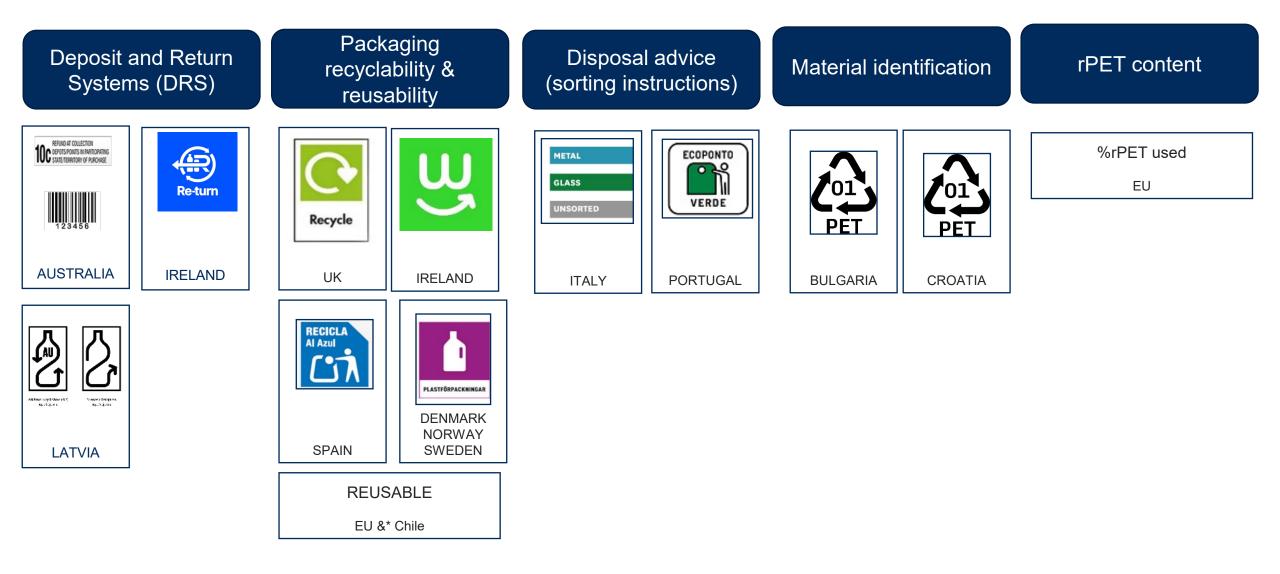


Data from Global Commitment Progress Report 2022 from the Ellen MacArthur Foundation (<u>Packaging producers and users (emf.org</u>))

Question feedback and comparison with our UK survey

Question	% agree with the statement
I would be willing to pay more for a product with sustainable packaging (e.g., packaging made with recycled paper/cardboard, biodegradable plastics and recycled plastics, plant-based packaging)	16%
I understand the recycling logos advising me on how to dispose of packaging	39%
When I don't understand a recycling logo, I recycle the packaging anyway	24%
I believe that a standardised system for recycling labelling will help reduce confusion and increase recycling	62%

Packaging and packaging waste labelling



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'Food Waste Reduction' Labelling

Dr Pretima Titoria

Principal Consultant



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- What is happening in the EU?
- The onuses on EU's manufacturers and consumers

Why look at food waste?

Europe

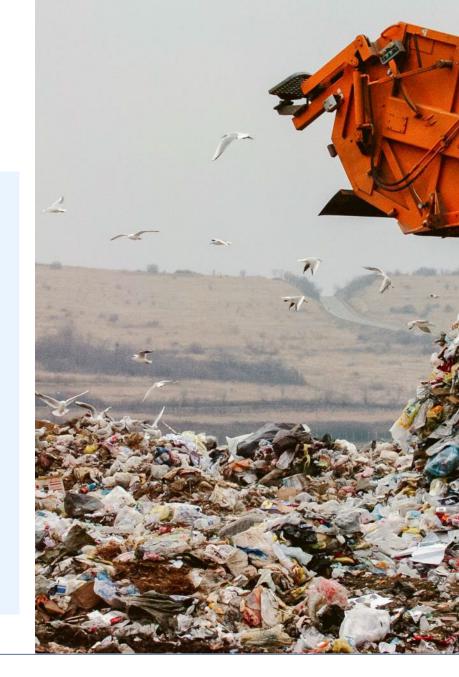
- ~59,000,000 tonnes of food waste (131 kg per inhabitant) are generated annually
- Represents an annual market cost of around €132,000,000,000...

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Food waste has a significant environmental impact, accounting for ~250 million tonnes of carbon dioxide, which is equivalent to 16% of the total greenhouse gas emissions from the EU food system



Why look at food waste?

- Addressing food waste will lead to following benefits:
 - 1. Saves food for human consumption
 - 2. Lowers the environmental impact of food production and consumption
 - 3. Supports businesses and consumers in saving money
- Europe is leading the way for regulation of food waste, revising its Food Waste Directive.



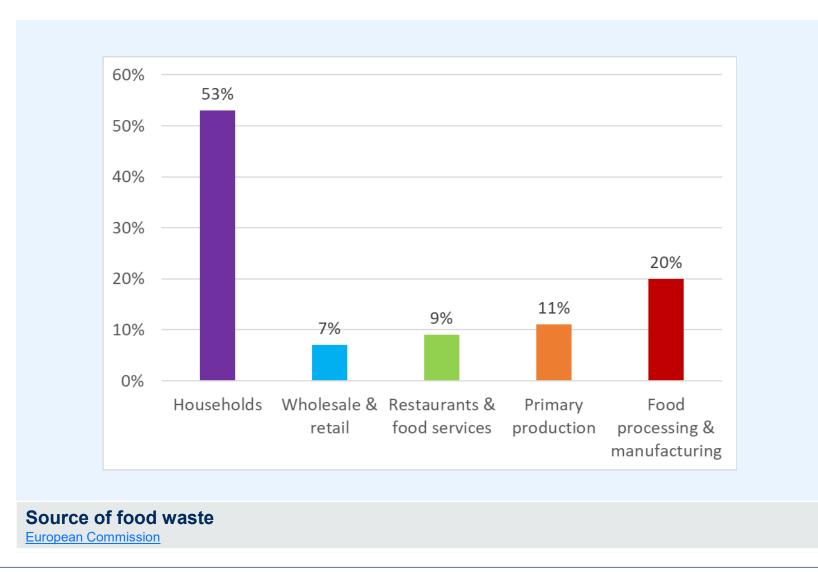
Through its **Waste Framework Directive** (July 2023), the EC has set legally binding food waste reduction targets to be achieved by 2030

Source of food waste	Targets for 2030
Retail, restaurants, food services & households	30% (per capita)
Processing & Manufacturing	10%

- A formal review of progress by the end of 2027, with the 2020 data used as a baseline - depending on the results, this may upgrade further the targets to 50% by 2030
- Member States to set initiatives to:
 - Support industry to meet food waste reduction targets
 - Consider labelling advice on food waste
- Part of the Farm to Fork (F2F) Strategy

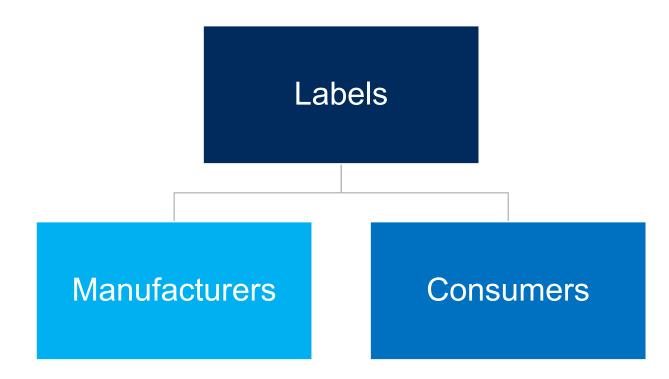


Source of Food Waste: Eurostat



Source of pictorial: IMPACT ASSESSMENT REPORT_SWD_2023_421_part1_0.pdf (europa.eu)

Labelling plays a huge role in incentivising reduction of food waste across the supply chain from primary production to consumption

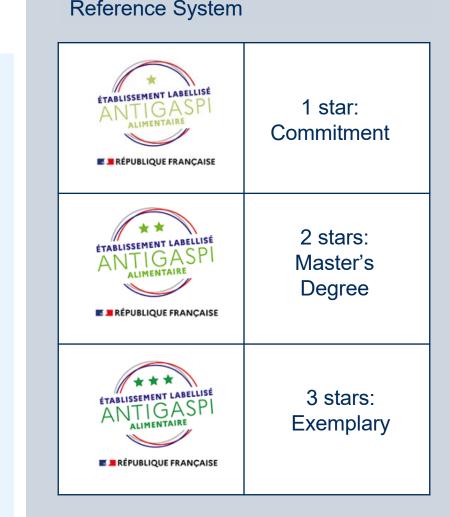


The Onus on Manufacturers: France is leading the way with its anti-waste law and has introduced a national antifood waste label for manufacturers

• France has set specific targets for waste reduction as shown below:

Target year	Target	Responsibility
2025	50%	Fields of food distribution and collective catering
2030	50%	Fields of consumption, production, processing and commercial catering

- The label at the right is a state mark issued by accredited certification bodies; the reference system contains three levels against which the company's fight against food waste will be measured
- These labels are for the first sector, which include country's large and mediumsized stores, wholesalers, butchers, etc. – this is currently in force
- The next sector to follow is the food manufacturing, for which a reference system is yet to be confirmed; no timelines has been published yet



The onus on consumers: Consumers misunderstand and misuse the date marking on the products

- As one of the Farm-to-Fork strategies, the European Commission is proposing to change the rules on date marking of food products to enable better consumer understanding
- Consumers often misunderstand and misuse the date marking, therefore prompting the EC to revise the requirements for the date marking



• The Commission is expected to announce a proposal in 2023 – some options are provided...



Market study on date marking and other information provided on food labels and food waste prevention - Publications Office of the EU (europa.eu)

FIC Regulation requires that food labelling must display one of the two types of dates;

: a "best before" date: the date until which the labelled food retains its specific properties when properly stored, also known as the "date of minimum durability"34; or

- a "use by" date: the deadline for consumption of the labelled food, after which it will be deemed unsafe for human consumption even when properly stored throughout the preceding period.

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What percentage of all food waste generated did the EC recently conclude could be linked to date marking and the use of both "best before" and "use by" dates?

A study carried out by the European Commission

estimates that up to 10% of food waste generated

annually in the EU is linked to date marking

Date marking and food waste prevention European Commission



"Where a food product is not required to bear a date marking, it is better if a 'best before' date is not provided on a voluntary basis to avoid food waste"

68%

of the respondents agreed ('Strongly agree' or

'Agree') with the statement.

Food labelling – revision of rules on information provided to consumers European Commission



Thank you

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