



EUROPEAN COMMISSION
Impact Assessment Board

Brussels,
D(2013)

Opinion

Title

DG AGRI – Impact Assessment on Mandatory origin indication for unprocessed pig, poultry, sheep and goat meat

(draft version of 22 May 2013)*

(A) Context

Regulation (EU) 1169/2011 on the provision of food information to consumers sets out mandatory indication of country of origin or place or provenance for pre-packed unprocessed meat of pigs, poultry, sheep and goats, as from 13 December 2014. The Commission has to adopt implementing acts by 13 December 2013 following impact assessments that shall consider the options for implementing the rules of origin labelling with respect to place of birth, rearing and slaughter of animals. Currently, labelling of origin can be applied on a voluntary basis for these types of meat, except for imported poultry meat where origin must be indicated. The aim of this initiative is to provide consumers with information on the origin of meat, while avoiding unnecessary burdens for the meat supply chain and administration, unwanted impacts on consumer prices and trade disruptions.

(B) Overall opinion: POSITIVE

The report should be improved in a number of respects. First, it should better present the policy context by clarifying the links with other relevant EU initiatives, and by elaborating on existing arrangements in Member States for voluntary meat labelling and traceability. Second, the report should better present the options by explaining how they relate to these existing arrangements, so that potentially additional requirements from this initiative become apparent. It should better assess the impacts of possible mitigating measures on SMEs and micro enterprises and present more clearly the methodology used to assess the costs of the different options. Finally, the report should better integrate stakeholders' views throughout the text and explain how their concerns have been addressed.

In their written communication with the Board DG AGRI accepted to amend the report along the lines of these recommendations.

(C) Main recommendations for improvements

(1) Better present the policy context and clarify the coherence with other initiatives. Given that origin information at country level is already available on a voluntary basis for around 86% of the meat sold in the EU, the report should first briefly recall why the origin of meat at country level still appears to be a major (consumer) concern. It should then explain which (voluntary) labelling schemes for which types of meat are already in

* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted

place in the Member States. It should also better explain the links with the certification schemes (Protected Designation of Origin, Protected Geographical Indication and Traditional Specialities Guaranteed) and with other related initiatives, in particular with the "Official Controls Regulation" for compliance and enforcement aspects. The report should also provide a more detailed overview of the market players involved (farmers, slaughterhouses, cutting plants, processing plants, trade outlets) and should explain how they are affected by the identified problems, distinguishing between different sizes of market players, in particular SMEs and microenterprises. Moreover, the report should be more detailed on the Member States' experience/evaluation of introducing mandatory labelling for the beef meat in terms of benefits and costs. Finally, the report should develop a baseline scenario showing how the problems would evolve in absence of further EU action.

(2) Better present and assess the options. The report should clarify how the options relate to existing requirements on animal identification and explain to what extent the provision of origin information puts additional burden on the economic actors throughout the value chain beyond those already required for traceability purposes. In doing so, it should discuss the potential enforcement and compliance challenges for business and public authorities. It should provide evidence that labelling origin as "EU/non-EU" is considered as insufficient by consumers and other stakeholders. The report should better analyse the impacts on SMEs, including microenterprises, with regard to possible effects of lighter or specific transition regimes. It should also discuss in greater detail how the costs of mandatory labelling will be distributed along the meat supply chain. Administrative costs for national authorities and compliance costs for business of new labelling requirements should be quantified whenever significant. The report should be clearer on the methodology by briefly describing the model used, its underlying assumptions (e.g. perfect competition, cost pass-through rate, firm size distribution) and any resulting uncertainties. The report should ensure the consistency between the impact summary/comparison of options and rest of analysis.

(3) Better present stakeholder views and elaborate monitoring and evaluation arrangements. The report should better present and weight throughout the report the views of different stakeholder groups that are likely to be affected, e.g. farmers, industry, trade, consumers, animal welfare and environmental organisations. Moreover, it should explain why an open public consultation was not carried out and how the minimum consultation standards have been respected. The report should propose plausible and operational monitoring arrangements and elaborate on foreseen evaluation arrangements (e.g. progress indicators, timing of evaluation).

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

The annexes should be more comprehensive on the results of the external study concerning country of origin, for example, impacts on individual Member States and results of consumer studies. A glossary that explains abbreviations and one including definitions of technical terms should be added.

(E) IAB scrutiny process	
Reference number	2013/AGRI/019
External expertise used	No
Date of IAB meeting	Written procedure (19 June 2013)