

FoodDrinkEurope views on substantiating green claims and the use of PEF

Introduction

FoodDrinkEurope members are committed to increasing transparency on the environmental footprint of food and drink products and provide clear and reliable information to consumers. We therefore support the European Commission's intention to propose policy on green claims which aims to establish an EU-harmonised legislative framework for the voluntary provision of product environmental footprint information to consumers.

We would like to provide further thoughts building on our earlier response to the public consultation on the green claims initiative. We call on the European Commission to take this input into account during the impact assessment of the green claims initiative. Our new comments revolve around the following:

- The scope of the new policy framework (incl. the definitions of 'environmental footprint' and 'green claims')
- Suggestions for the policy framework impact assessment
- The simplification of the Product Environmental Footprint (PEF) methodology
- Key principles for the communication of environmental footprint information to consumers
- Comparability of environmental footprint information
- The flexibility for making green claims

Scope of the new policy framework

FoodDrinkEurope supports the development of an EU-harmonised legislative framework for the provision of voluntary product environmental footprint information to consumers, so-called green claims initiative, as announced in the new Circular Economy Action Plan.

We believe that this framework will empower consumers to make more environmental sustainable choices and create a level playing field for market operators across the EU. It will also contribute to drive the market towards more sustainable products and supporting companies with improving their production chain in a coherent manner. This will encourage the sharing of credible information and prevent misleading claims and green washing and provide harmonization on the single market on the provision of such information to consumers.

In our view, the legislative proposal should be based on the EU-harmonised environmental footprint methodology/ communication which is based on the full Life Cycle Assessment -LCA of products, so called the PEF methodology.

The term 'Green claims' is a broad term which covers voluntary LCA-related claims (e.g. environmental footprint based on EU PEF methodology) and voluntary non-LCA related claims (e.g. recyclability of packaging, farming practices including animal welfare). It can include:



- Voluntary environmental footprint communications substantiated by a full PEF/ LCA study.
 Communication examples: claims on absolute value, comparison, improvement for one or several
 footprints (e.g., carbon reductions) /OR environmental footprint scoring schemes (e.g., Eco-score)
 used in business to business or business to consumer communication, and additional sets of
 information (biodiversity loss)
- Voluntary environmental communications on packaging attributes substantiated by recognised international standards, e.g. ISO 14021-2016. Communication examples: recyclable packaging, compostable materials, etc.
- Other voluntary sustainability communications substantiated by recognised international standards/reports (e.g. IPCC report). *Communication examples:* positive externalities of food process (e.g. biodiversity) or/and on messages encouraging consumers to make lifestyle changes (e.g. reduce food waste in consumption stage) or/and farming practices including animal welfare (e.g. information on feed composition and traceability will be required to support the claims)

The future green claims lesgislation should focus on the first type of claims listed above, i.e. the environmental footprint (LCA-based)

Policy framework impact assessment

We call for the impact assessment to consider:

- The implications and cost-effectiveness of the proposed measures on companies, including SMEs, so as not to incur inefficient use of company resources;
- Promoting innovation to reduce the environmental footprint of products along their life-cycle;
- The involvement of the private sector in the creation of EU-wide PEF product group and sectorspecific rules (PEFCRs), with input from other relevant stakeholders;
- Running new pilots for products that are not subject to category rules (with real life setting test with consumers).

Simplification of PEF

While the use of PEF presents advantages for companies, such as for the identification of hotspots, the methodology is complex, and it requires time for developing PEF Category Rules (PEFCRs). We call for the European Commission to accelerate efforts to simplify the PEF, in particular through:

- Based on the PEF Guide¹, developing specific guidelines/toolkit for the food, beverage and pet food sectors, which help identify the environmental impact indicators that are "required" and "recommended" by the policy framework, and provide requirements and examples applicable to these sectors;
- The above guidelines should also provide details on how to make comparison between products which are not covered by PEFCRs
- Ensuring easy access to up-to-date data (especially for SMEs);
- Increasing the use of secondary datasets and providing the possibility for companies to cite
 alternative datasets if information related to the environmental impacts of an ingredient is not
 available as per modular PEFCRs;

¹ 2013/179/EU: Commission Recommendation of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations. ANNEX II – Product Environmental Footprint (PEF) Guide.



• Improving the PEF methodologies in a time pace aligned with with product environmental innovations to include further measured environmental criteria.

Develop, in collaboration with EU food and beverage sectoral associations, simplified calculation tools which allow to calculate the life-cycle environmental footprint of food and drink products based on the PEF methodology. Such tools should follow basic rules, such as study boundary, emission characterisation factors, and weighting of the most relevant environmental impact indicators. Mechanisms for methodological updates should be foreseen to reflect scientific advancements. The review processes for PEF-LCA studies should also be less burdensome, moving from approving the results (control) to checking the process (assurance).

Communication to consumers

The green claims initiative should provide the EU-reference tools by which environmental footprint data (LCA based) can be translated into information that is comprehensible and easy-to-communicate along the supply chain, down to the consumers. The legislative framework should therefore prevail over other non-harmonised initiatives related to environmental claims – public or private.

Voluntary environmental footprint information can be provided to consumers in different ways. If this information is provided via a label using a scoring scheme (e.g. A-E scale, colour-coding), based on an PEF-LCA assessment, EU regulators should allow manufacturers to display additional information of the most relevant environmental impact indicators², as foreseen in the PEF Guide. On the other hand, when an environmental impact indicator, like eg. Carbon Footprint (GHG emissions), is by-far the most relevant indicator based on the current PEF definition of 'relevant'³ (i.e. based on the full PEF assessment), or based on consumer studies, then regulators should allow manufacturers to make claims on a single environmental impact indicator (e.g. reduction of carbon emissions). In any case, any information to consumers should be verifiable, credible, scientifically reliable, transparent, and easy to understand for consumers.

The provision of environmental footprint information to consumers for food and drink products should not come at the expense of other key information, such as nutritional information. In this context, alternative information channels to product labelling, particularly digital platforms, may be considered.

An ex-post verification system would be the most appropriate system to verify the validity of the claims. Such systems should be based on credible PEF-complaint 3rd-party certification schemes to communicate environmental footprint information.

Comparability of products

In the agri-food sector there is a trend to compare products on the basis of environmental information. Such comparison can be seen would also help improve the environmental footprint of products, if done well and in a credible manner. The comparison can be done on the same product over time, between product recipes, different products in a shelf, etc.

In order to ensure proper and reliable comparison between products, consumer behavior towards purchasing food and drink products according to environmental footprint information should be taken into account, in accordance with PEF/LCA methodology. At the moment there is insufficient knowledge and a number of studies aimed at modeling consumer behavior are ongoing (for example, the ongoing EUFIC

² EU <u>Product Environmental Footprint Category Rules Guidance</u>, version 6.3, December 2017. TABLE 4 – Summary of requirements to define the most relevant contributions.

³ <u>2013/179/EU</u>: Commission Recommendation of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations. Role of PEFCR. 2.1. General.



study⁴). The outcomes of these studies should provide useful insights on what could be an appropriate ground for comparing food and drink products from an environmental footprint perspective.

Flexibility on making claims

Until a broader number of PEFCRs are developed, the future EU legislation should allow manufactures to substantiate their communications using the basic PEF methodology for the food, beverage and pet food sector. Comparison under this framework would need to be well argued and scientifically proven.

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⁴ EUFIC has recently launched the project Bridging the gap between healthy and sustainable diets. This project employs a mixture of qualitative and quantitative methodologies to understand how consumers in multiple European countries think about foods/diets that are both healthy and environmentally sustainable, what kind of information they want to know about such foods/diets, and which communication means/tools/channels are most effective in delivering such information to consumers with the purpose of steering towards healthier and more sustainable food choices and eating patterns. EUFIC is currently in the process of collecting semi-qualitative data on consumer attitudes, needs, and wants in this domain. The results of this research will feed into a follow up experimental study that will examine the effectiveness of various types of communication about food-related healthiness and sustainability as they will emerge from the semi-qualitative data.