A Manifesto for Mandatory Method of Production Labelling

Representing a range of civil society, farming and food organisations, the Consortium for Labelling for the Environment, Animal Welfare and Regenerative Farming (CLEAR) bring together a range of views and expertise. A full list of the organisations within the consortium and those supporting this manifesto are listed below.

The Consortium welcomes the Government's commitment to review the food labelling regulations. This manifesto outlines our shared vision for the need for **transparent and verifiable mandatory method of production labelling for food products sold in the UK**. We would welcome the opportunity of working closely with Government agencies to achieve this substantive improvement to current food labelling arrangements.

We believe that developing clear accessible food labels that identify method of production will respond to the consumer's desire for greater transparency over how their food is produced. It will also help deliver against the 25 Year Environment Plan's promise to "become the first generation to leave that environment in a better state than we found it and pass on to the next generation a natural environment protected and enhanced for the future"¹.

With that in mind, we have set out our ambitions and objectives for the Government's new labelling system. Ultimately, we would like to see;

- Mandatory method of production labelling with adequate enforcement mechanisms for all foods, including imports
- Independent assessment requiring verifiable benchmarking against key metrics
- Clear accessible presentation (i.e. on package)

In order to achieve this and in light of the current challenges and fluidity in trade and agricultural policy, the following steps can be taken immediately (henceforth referred to as phase one) to ensure there is a clear regulatory framework to support the full implementation of mandatory labelling which will take place over a longer period (phase two):

- Mandatory animal welfare labelling for poultry and pork, focused on method of production
- Extend country of origin labelling requirements
- Regulatory basis for the use of specific sustainability terms
- The capacity for enforcement

The Roadmap below for CLEAR outlines in greater depth the process to deliver these ambitions.

¹ UK Government, 25 Year Environment Plan, 2018, available here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/693158/25-year-environmentplan.pdf

Consortium for Labelling for the Environment, Animal welfare and Regenerative farming

Road Map for CLEAR Labels

Scene-Setting

While the Agriculture Act was moving through Parliament, the Government indicated that it planned to consider the future of food labelling, and the regulations that underpin them. The Minister of Agriculture, Lord Gardiner, said: "*The Government has committed to a rapid review and consultation on the role of labelling to promote high standards and animal welfare, and remains committed to delivering informative food and drink labelling and marketing standards to protect consumer interests, ensuring that consumers can have confidence in the food and drink they buy.*"

The British public has repeatedly made clear their desire to have transparent information so as to better understand the origin of their food and how it was produced. The UK's recent Climate Assembly² highlighted public desire to make better choices for the environment, biodiversity and animal welfare. However, current labelling regulations are not up to the task to provide this transparency to enable these choices to be made. With a number of different assurance schemes currently being used on package, consumers are often confused as to how to assess one against another. Creating a robust labelling system is essential to create transparency within our food system to allow the public to better understand how their food is produced.

As we enter into new trade deals following departure from the EU, the British public has made their support of high British farm standards clear with over a million citizens signing the NFU's petition to protect UK food standards. In response to public pressure, Government has repeatedly indicated a commitment to the review of labelling. In January 2021, Defra Minister Victoria Prentis said that *"The Government has committed to consult on what can be done through labelling to promote high standards and high welfare across the UK market ... This will feed into the Government's wide-ranging review on food labelling to ensure that consumers can have confidence in the food they buy and to facilitate the trade of quality British food at home and abroad. The consultation will seek stakeholder and public views on how consumer information should be presented and on a range of policy options including mandatory/voluntary labelling reforms and enforcement."*

The implementation process

We recognise that UK agriculture policy is currently at a very fluid point. Each nation within the UK is in the process of designing their new agricultural support scheme, and consequently, there is still a high level of uncertainty. Additionally, trade relationships are also in flux. A new labelling scheme must have a framework which is **flexible enough to evolve** with the changing policy environment and external pressures to ensure that it lasts into the future.

² UK Gov, <u>The path to net zero, 2020, available here: https://www.climateassembly.uk/report/read/executive-summary.html#executive-summary</u>

In recognition of the current challenges and fluidity, we are proposing a two-phase approach. We believe that significant progress towards clear method of production labelling can be made quickly and implemented through the proposed regulations in the short term. These immediate steps would provide the basis for a clear legal framework for the full implementation of mandatory labelling as the finer details are worked out. Both phases can commence from the outset.

Within **phase one**, we want to see;

- Mandatory animal welfare labelling for poultry and pork, focused on method of production. This could act as a pilot for the wider rollout.
- Extension of country of origin labelling requirements to include all raw and processed foods. By requiring country-of-origin labels on all food products, the Government would allow UK producers to compete with imports on a level playing field and let them distinguish themselves from competitors from abroad.
- Delivery of a regulated definition of key terms frequently used on-package to evoke perceptions of sustainability and falsely convey method of production that consumers find misleading.
- The Government commit to a road map to deliver legislation on mandatory method of production labels for all food products, including imports. This should be informed by consultation with key stakeholders and a wider civic conversation about the value and priorities of the method of production labelling.

Phase two will take longer to design and enact. This should commence simultaneously to phase one. In phase two, we want to see;

- The national adoption of a standardised and mandatory method of production labelling for all foods, presented is an accessible manner (i.e. on package). This would include raw and processed food. We also want to see a solution provided for labelling in catering environments.
- A Government-designed (with wide consultation) framework that underpins the labelling scheme that is data-driven and transparent. This should be self-assessed by producers and audited by pre-existing certification bodies (CBs) that have the resources to ensure compliance. A robust inspection scheme, including unannounced visits, must be part of the CB offer.

Phase One: A measured but purposeful progression

The goal of the first phase would be to move forward on the consumer understanding of the provenance of their food. This would require the following to be implemented immediately;

- Animal Welfare labelling for poultry and pork

As stated above, our ultimate goal is to create mandatory method of production labelling for all food. However, this will take a significant time and effort to develop. While that longer term ambition is in process, there are opportunities to take initial steps and pilot certain aspects in the short term. Consequently, we would advocate for the immediate development and implementation of a mandatory animal welfare label for pork and poultry.

The public has repeatedly demonstrated a concern over animal welfare and has repeatedly expressed a desire for more transparency over how their meat has been produced to ensure that it has been raised humanely.³ Government should meet this by developing a mandatory animal welfare label for pork and poultry. This new labelling scheme could be based along the same framework as egg labelling (e.g. organic, free-range, barn, cage), which has been a success in improving transparency.⁴ Expanding this scheme to pork and poultry would be relatively straightforward and deliverable in the short term, and would support the development for method of production labels for ruminants.

- Regulatory standards for terms

The terminology used on food packages should be better regulated. Consumers are increasingly keen to understand more about the provenance, welfare and environmental impacts associated with their food (particularly meat). 75% of UK consumers want supermarkets to only supply sustainably and ethically sourced products.⁵ Because of this growing trend, brands have begun to use terms that evoke sustainability to command a premium price or affect consumer choice. However, these terms have no set definition, and consequently, there is no standard against which sustainability claims can be made.

Creating regulatory standards for the terms used on-package has been done with success in the nutrition arena. Terms such a low-fat and high-protein having legal standards that foods are required to meet if those terms are to be applied. Producers can face a number of penalties ranging from significant fines to criminal conviction for using terms falsely.

To ensure that the consumer is not misinformed or deceived by sustainability marketing, it is essential to better regulate terms that imply sustainability. Natural England reflected this need in their response to the 2009 Food Standards Agency consultation into front-of-packet labelling, saying, *"It is recommended that the [Food Standards Agency] should develop, in close consultation with Natural England and Defra, guidance on the use of the terms 'grass-fed', 'outdoor-bred', and*

³ Eating Better, 2020, Growing public support for less and better meat, available online: <u>https://www.eating-better.org/blog/growing-public-support-for-less-better-meat-public-survey-uk</u>

⁴ Gov.uk (2021), Guidance Eggs: Marketing and Trade, available online: <u>https://www.gov.uk/guidance/eggs-trade-regulations#marking-your-eggs</u>

⁵ Lloyd's Register (2019). *UK Food Trends: A snapshot in Time*. Available online:: <u>https://www.lr.org/en-gb/insights/articles/uk-food-trends-snapshot/</u>

'free-range' (for meat and dairy products) in addition to guidance on the terms 'local', 'seasonal', and 'farmers markets'.⁶

The Consortium supports the efforts of the Rare Breed Survival Trust and the Pasture-Fed Livestock Association, which have both respectively been asking for a stronger legal basis for the use of on-package terms. For instance, the use of the terms;

- Grass-fed
- Pasture-raised
- Humanely raised

- Traditional or native breed
- Rare breed
- Nature-friendly

It could be worth reviewing the use of other terms including the use of fake farms for marketing purposes since it is misinforming the consumer and creating a false perception around the food that they are purchasing. Similarly, farm imagery is often used deceptively on package to create a false perception. We would also want to see the **strengthening of the existing Advertising Standards Agency regulations** (with additional resource for enforcement) so that there could be improved safeguards for misrepresentation to the consumer.

- Country-of-Origin labelling

We would advocate for country-of-origin labelling to be expanded to all foods, raw and processed. Twothirds of the public already check country-of-origin labelling when buying food, and this is likely to grow after fears about lower standards of imports post Brexit.⁷ Currently, country of origin labels are for certain food products in the UK (such as veal and olive oil) but not for all products.⁸ This is insufficient and country of origin labelling should be expanded to encompass all products. By requiring country of origin labelling for all foods, the Government would increase transparency within the food sector, and allow UK consumers to **easily differentiate domestically produced food** from imports.

Whilst we recognise the challenges that will need to be addressed regarding multiple ingredient products, it is important the consumer is able to know where the food has been produced, and therefore make an informed decision. For instance, it may be preferable to require revision to the definition of country of origin being "the country in which they last underwent a treatment or process resulting in a substantial change".

In the past, concerns have previously been raised about country-of-origin labelling and its compliance with the World Trade Organization (WTO) standards. The US has been challenged over its use of country-of-origin labelling. However, we believe that it would not present a barrier to trade since we would

⁶ Uk Gov, Responses To The Consultation On The Food Standards Agency Strategy For 2010 To 2015, 2009, available online: <u>https://webarchive.nationalarchives.gov.uk/20130422115125/http://www.food.gov.uk/multimedia/pdfs/board/fsa090907.pdf</u>

⁷ Unison, Savanta ComRes (2020). *Unison, Meat Standards – January 2020*. Available online:

https://www.unison.org.uk/content/uploads/2020/02/Final-Unison-Meat-Standards-Tables-270120-2c0d1h5.pdf ⁸ UK Gov, Food Labelling and Packaging, 2021, available here: <u>https://www.gov.uk/food-labelling-and-packaging/food-labelling-</u> what-you-must-show

require the same labelling standard for UK produced food too, and would not distinguish between domestically produced versus imported foods.⁹

<u>Phase Two</u>

As the future of UK agriculture policy and the dynamics of our trade deals become clearer, a more complete and robust labelling system must be developed. Creating this label would help the public better understand how their food is produced and support producers to differentiate themselves within the market. This will take place on the back of the regulations which will have established:

- A mandatory approach

It is essential that the Government legislate for a mandatory approach to food labelling. The voluntary approach has been tried, but it has failed to deliver the changes that we need to see. Moreover, **a voluntary approach has created confusion** for the consumers who do not understand how labelling schemes fit together, compare to each other, or the level of integrity behind them.¹⁰ To combat this confusion and create clarity for the consumer, the Government needs to create one overarching labelling system that is common to all products with clearly defined parameters to improve public understanding. Some initial scoping work was done on this topic for the Gold Standard Metric project.

For many businesses, certification is valued solely as a marketing exercise. Once that is achieved, there is little impetus to reach beyond this and to further improve the supply chain since there is little market benefit. By requiring a mandatory label that is underpinned by a rigorous, industry agreed, framework, producers will be required to take steps to **ensure transparency and integrity in their production**. There could also be an opportunity to design the labelling scheme for farmers to demonstrate improvements in their production methods year-on-year.

We believe that there needs to be mandatory **labelling for all foods - raw and processed** foods. This is because the majority of food consumed in the UK is processed. 64.4% of food consumed by adults over 19 in the UK is processed (54.3% ultra-processed).¹¹ This figure is likely to continue to rise. Consequently, it is essential to include processed food within the mandatory labelling scheme.

A solution also needs to be found for the catering sector. At present, out-of-home food does not need to have any method of production labelling. In 2019, 39% of all food and drink spending in the UK (excluding alcohol) was in catering environments.¹² Such a significant share of the market would mean that for any method of production labelling solution to be meaningful, **the catering sector needs to be included**, and the information should be provided to the public in an easily accessible manner.

⁹16 Transnat'l L. & Contemp. Probs. 291 (2006-2007) Can a Consumer's Right to Know Survive the WTO: The Case of Food Labeling, available online; <u>https://heinonline.org/HOL/LandingPage?handle=hein.journals/tlcp16&div=14&id=&page=</u>

¹⁰ AO.com (2019). From Farm to Fridge. Available online: <u>https://www.greenjournal.co.uk/2019/09/from-farm-to-fridge/</u>

¹¹ Rauber F, Steele EM, Louzada MLdC, Millett C, Monteiro CA, Levy RB (2020) Ultra-processed food consumption and indicators of obesity in the United Kingdom population (2008-2016). PLoS ONE 15(5): e0232676. https://doi.org/10.1371/journal.pone.0232676

¹² DEFRA (2020). Food Statistics Pocketbook. Available online: <u>https://www.gov.uk/government/statistics/food-statistics-pocketbook</u>

- Method of production labelling

The only way to ensure that the environmental and animal welfare outcomes the Government is championing are achieved in practice is to have a mandatory method of production label on all food sold in the UK. This would focus on;

- **on-farm elements of the environmental footprint**, such as the use and impacts of artificial fertilisers, antibiotics, herbicide and pesticide usage, biodiversity impacts and GHGs emissions. An additional step would be to consider the environmental impact of processing post-farmgate.
- Animal welfare is critical to the method of production. If we are to be a country of high animal welfare, we need to ensure that this is benchmarked for all farms and communicated to clearly consumers. Phase Two would see the mandatory animal welfare labels for pork and poultry implemented under Phase One extended to ruminant livestock products.
- Labour and wage could be included to demonstrate whether on-farm workers have been paid a living wage or the or the minimum wage. Many low-skilled workers in the food sector are undervalued and underpaid (particularly in horticulture and in meat processing) and labelling could help address this issue.

Given that we are in an age of innovation and new technologies are emerging rapidly within the food sector, the framework behind the label needs to be **flexible enough to keep pace** with new entrants to the market. There is the possibility of gene-editing or genetically modified foods to be approved for sale in the UK in the future, and any food produced with genetically-edited or genetically-engineered ingredients should be labelled as such.

By creating mandatory method of production labelling, it will allow more environmentally sustainable and higher welfare producers to differentiate themselves within the market and **communicate their standards directly to consumers**. Currently, the cost of production is higher for more sustainable producers, which is inevitably passed onto the public. By creating a label by which producers can indicate their method of production, they would be better able to inform the consumer of the environmental good of their product. That said, we recognise that there would need to be different rules for farmgate sales to support micro-businesses.

To be an effective tool for consumer choice, <u>all</u> food sold in the UK should have mandatory method of production labelling. We would want to see **imported foods labelled to demonstrate how it has been produced**, just as we have advocated for mandatory method of production for domestically produced food. There would be a role for blockchain technology to play in guaranteeing integrity across the entire supply chain. Establishing method of production labels would allow for direct comparison and would mean that UK producers are not undercut since the Government would be **providing a level playing field**.

- Independent assessment

The framework by which the method of production is measured must be **based on measurable**, data, **not subjective assessments**, and ideally outcome based. As the metrics for the scheme are selected,

it would be worthwhile considering how the data provided through the new Environmental Land Management scheme might be used to inform this process. Doing so would streamline the process, reduce duplication and make it less cumbersome for producers. Similarly, in each of the devolved nations the labelling framework could use the data required by their respective agricultural support system instead. For example, the future Welsh Sustainable Farming Scheme (SFS) and the associated farm sustainability assessments. Using the metrics required by each of the devolved nations respectively, one could consider including country-of-origin labelling that specifies each of the devolved nations individually. It would also be worth considering how the Sustainable Food Trust's on-farm harmonised metrics approach could be included in the assessment.

Government should design the framework (in consultation with stakeholders) and oversee the review process. Producers would then **self-assess against the Government's framework**. In order to avoid additional cost or resource to the public purse, producers would report that **self-assessed data** to assurance schemes and certification bodies (CBs), such as the Soil Association Certification, RSPCA, OF&G or Red Tractor. There could be a process of earned recognition to streamline the process. These CBs would take the responsibility for compliance, although additional funding for **spot checks and enforcement** should be made available. In order to ensure consistency, we would advocate for a new **national accreditation scheme** for assessors and auditors to ensure a thorough understanding of the new labelling requirements. Taking such an approach would allow the scheme to be implemented more quickly and save public money, while maintaining the integrity of the scheme.

- Accessible labelling

Mandatory method of production labelling needs to be easily accessible and indelible to deliver **clear**, **equitable or transparent information** to the consumer. Any step that a consumer is required to take to access the information provides a barrier to that information. For adequate transparency, the information needs to be immediately accessible when they make the decision to purchase that product. For packaged foods, this will require the label to be placed in a prominent place on the packaging itself. For unpackaged foods (for example, baked goods, fruit and vegetables), the information would need to be displayed in a prominent place on the shelf or otherwise prominently available in the store.

Digital labels do not deliver **clear**, **equitable or transparent information**. While QR codes do offer many benefits, including negligible production cost and the potential to provide a much greater depth of information, there are significant issues with access that would make it essential to have accessible labels, including;

- Disparity of smartphone ownership across income groups
- Lack of connectivity in rural areas
- A significant inconvenience factor

Conclusion

It is essential that the Government use the unique opportunity of our departure from the European Union to create greater clarity and transparency within the UK food system. This can only be achieved with:

- Mandatory and accessible method of production labelling that has;
- A rigorous data driven Government-agreed framework against which producers can self-assess, with
- Auditing provided by existing Certification Bodies,
- Consistency and integrity across all the UK nations supported by,
 - Country-of-origin labelling and,
 - The legal definition of sustainability terms, both to be implemented immediately.

It will support and drive the changes that Government wishes to see in agriculture by joining up the supply chain such that the consumers can support farmers who are delivering to higher method of production standards. It will allow for genuine and meaningful differentiation in the marketplace, something that does not happen at present.

March 2021

Policy Lead; Honor May Eldridge, <u>honormayeldridge@gmail.com</u>

Research Assistant; Lachlan McKessar

Government Affairs Lead; Robert Lingard, robert@whitestorkconsultancy.co.uk

Chair; Fidelity Weston, romshed@weald.co.uk