

# CIAA Flash

Publication addressed to CIAA members

## Highlight

*The EP adopted its first reading of the 'Food Improvement Agents Package' on 10/07. The result of the vote was on the whole positive for industry with one of the major achievements being the rejection of the co-decision procedure and acceptance of comitology (with scrutiny for the EP) for authorisations. On additives, MEPs rejected the amendments changing the definition of processing aids as well as a number of other potentially damaging amendments, including allergenicity considerations as a condition of use for additives and severe restrictions on the use of colours and sweeteners for children up to age 12. The EP did, however, adopt amendments calling for a rolling re-evaluation programme for additives. On enzymes, MEPs adopted amendments on simplified business-to-business labelling but also stricter conditions of use and increased labelling provisions. In the flavourings proposal, the EP confirmed the vote in the ENVI Cttee and adopted the 95/5 ratio for the source material for the labelling of natural, but industry was successful in getting another amendment adopted which would allow the continued use of the general designation 'natural flavouring(s)' as is current practice. On BAPs the EP confirmed the approach of the ENVI Committee whereby maximum levels should only be set if there is a justified scientific concern. MEPs did also, however, call for 'reasonable technological need' as a condition of use for flavourings. In the three proposals, amendments for a streamlined authorisation procedure for GM derived substances were also accepted. The Council Common Positions on the package are expected in the autumn and second reading by the EP in spring next year at the earliest.*

## Codex Alimentarius Commission

### *CIAA Attends 30th Session of Codex Alimentarius Commission*

On 4-5/07, CIAA attended the 30th session of the Codex Alimentarius Commission in Rome, at which a series of draft standards and related texts were adopted at Step 8, including draft Maximum Levels for Tin in Canned Foods (other than Beverages) and Canned Vegetables, and draft Working Principles for Risk Analysis for Food Safety for Application by Governments.

Proposals to undertake new work in a number of areas were also discussed, including work which is currently underway at Codex working group level on an Annex on the low-level presence (LLP) of r-DNA plant material, for addition to the Guideline for the Conduct of the Food Safety Assessment of Foods derived from r-DNA Plants. The European Community strongly supported this work, stressing that the Annex should be developed in parallel with the establishment of a mechanism for data-sharing and information exchange to support the actions of food control authorities in situations of LLP of unauthorised r-DNA plant materials, and urged the FAO to take a lead to coordinate with other relevant international organisations and stakeholders with a view to facilitating construction of this mechanism.

Also included on the agenda was an item on specific actions that could be taken by Codex to implement the Global Strategy on Diet, Physical Activity and Health, however, as in previous years, the floor was not opened for discussion on this subject, which was instead deferred to the 2008 session of the CAC in order that the outcome of the May 2008 session of the Codex Committee on Food Labelling (CCFL) could be considered.

Finally, both the Proposed Draft Amendment to the General Standard for the Labelling of Pre-packaged Foods (Quantitative Declaration of Ingredients) and the Proposed Draft definition of Advertising in relation to health and nutrition claims were both adopted at Step 5 and will now advance to Step 6.

Further details can be found in the draft report of the meeting, which is available on the CIAA Intranet. The final report should be made available within the coming weeks.

## EU promotion policy

### *CIAA highlights its priorities*

In a statement published recently, jointly with COPA-COGECA and CELCAA, CIAA urged the Commission, the Member States and the EP to identify the EU promotion policy as a political priority over the next few years. Indeed, while the objectives of the promotion policy remain valid both in the EU and on expanding world markets, the existing rules governing this policy tend to jeopardise the efficiency of the projects.

The promotion policy is under scrutiny in the context of the technical simplification process. CIAA supports the recasting of the existing two Council Regulations. However, as currently designed, the exercise is insufficient to meet operators' expectations. Moreover, the EU has already gained sufficient experience in the past, since the implementation of the EU promotion policy in 1998, to assess the policy and provide the necessary improvements.

Beyond the simple merge of regulations, the food industry considers that it is the time to reflect more in-depth on the effectiveness of the current system and to review the promotion policy substantially in order to develop a modern, flexible and efficient instrument.

CIAA will present these proposals to the Commission and the EP, and work to improve the promotion instrument.

## Biofuels

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During the International Conference on biofuels organised by DG Relex on 5-6/07, Commissioner Mandelson stressed that Europe should be open to accepting that the EU will import a large part of its biofuel resources. Moreover, he added that the EU should certainly not contemplate favouring EU production of biofuels with a weak carbon performance if it can import cheaper, cleaner, biofuels. Several speakers called for the establishment of a framework to create a global market of sustainable biofuels. President Lula explained the Brazilian success story of bioethanol that helped to alleviate poverty, enabled to create more than 6 million jobs and avoided a massive rural exodus. Finally, the 4 EU Commissioners participating in the conference indicated that the Commission is preparing a directive which will incorporate biofuels measures alongside other measures needed to reach the share of renewable energy up to 20%. It will be presented to the Council and the EP by the end of 2007.

## Customs

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The Council reached a political agreement on the proposal for a Modernised Customs Code (MCC) on 25/06. It has now to be translated in a common position of the Council - which will be very similar to the text on which the political agreement was obtained - before being confirmed by the EP in a second reading. The MCC should be adopted mid-2008. DG Taxud has already started to work on the implementing rules of the MCC, notably regarding the special procedures with economic impact. CIAA follows the reform of the Inward Processing Regime closely.

## Benchmarking Report Update

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### *CIAA publishes its 2nd edition of the Benchmarking Report analysing the competitiveness of Europe's food and drink industry*

The 2007 update of the CIAA Benchmarking Report on the competitiveness of the EU food and drink industry presents data for a number of key indicators, gives further insight into the challenges that the industry is facing and formulates detailed proposals to meet these challenges.

Over the years, the food and drink industry has responded to changing consumer preferences and the growing demand for value added goods. Greater international challenges and concentrated retail and distribution sectors continue to put strong pressures on the industry's competitive position. There are essentially two ways of generating growth in the food and drink industry:

- Moving up the value chain, producing higher value added goods and putting more emphasis on innovative products;
- Making better use of growth opportunities in international markets to sustain or expand export performance.

### *Incoming Portuguese EU Presidency*

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#### *CIAA publishes Memorandum to the incoming Portuguese EU Presidency*

The 28-page Memorandum highlights the priorities, objectives and commitments of the EU food and drink industry in the short to medium-term.

The document is available for download now on CIAA's website or clicking on the links below.

Printed copies can also be ordered via the Brochures section of the CIAA website ([www.ciaa.eu](http://www.ciaa.eu)).