

SAFE Food Advocacy Europe - Position paper

"WeValueTrueNatural" campaign and green claims: how to ensure consumers are not misled by unsubstantiated claims

Introduction

In November 2020, SAFE launched the "<u>WeValueTrueNatural</u>" a campaign aiming at protecting consumers from the misleading use of the claim "natural" on food products. Ensuring correct labelling is a key step to help consumers to opt for more sustainable options, as confirmed in the new initiative of the Commission "Empowering the Consumer for the Green Transition".

In fact, consumers are not always in the conditions to be fully aware of their choices and to differentiate between real and unsubstantiated claims. One big problem consists in the lack of labelling information on the origin of ingredients contained in foods (whether it is from synthetic or natural origin) and a misleading use of the term "natural" on the final products.

In our <u>report</u>, we analysed several food products available on the market by comparing claims such as "100% natural ingredients" with the actual product's composition. We found that almost all the labelling were misleading consumers on informing them in products' properties, and that the criteria of these environment-friendly claims were not assessed either by food business operators or by public authorities, as the current legal framework does not provide any clear indication.

As the Commission recognised in the inception impact assessment of the <u>Initiative</u> that one of the main issues consists in "consumers having to contend with commercial practices that cause confusion and misinformation, or breed mistrust and dampen their interest in purchasing sustainable products", we believe our campaign follow under the issues highlighted by the initiative. Also, the Commission acknowledge that proceeding on a case-by-case analysis in the absence of specific rules in the areas covered by the initiative makes it difficult to address the issues effectively.

Now, we realise the problems in defining the term "natural" for consumers, but we believe that at least the current initiative should grant consumers a clear differentiation between natural and synthetic ingredients as a way to help them separating products made of substances of natural origin or with their synthetic equivalent.

 Establishing effective green claims for consumers: a way to avoid unsubstantiated "natural" claims to support consumers within the green transition

The Commission initiative to amend the Consumers Rights Directive (CRD) and the Unfair Commercial Practices Directive (UCPD) through the Directive proposal as regards to "Empowering the Consumer for the Green Transition" represents an outstanding opportunity to allow consumers being an active part in the fight against climate change and in making better and more sustainable choices.

More specifically, the proposal aims to contribute to a circular, clean and green EU economy by enabling consumers to take informed decision. It also wants to reduce all misleading information connected to unfair commercial practices and more consistent application of EU consumer rules. In fact, according



to the proposal, all sustainability labels not based on a certification scheme or not established by public authorities will be prohibited.

We strongly support the Commission's effort to empower consumers in the green transition, by making the environment-friendly choice the easy choice. To apply the principle of consistency¹ and to ensure that the objectives of the initiatives are met, we believe **it should make ensure that other food regulations** laying down specificities for food products (labelling criteria, denomination of substances original as per the difference between natural and synthetic) **do not create discrepancies with the objectives set in this Directive proposal**.

This will be a step necessary to make sure consumers rely and trust the information given on products, as they will be consistent and coherent with their expectations.

2. "Natural" "Eco" "green": are certain claims more misleading than others?

Civil society and NGOs have questioned aspects of proposed methodology to determine environmental profile of a product, saying it may give consumers a false impression of how green a product is. In this sense, a still standing confusion of substances origin denomination on whether it being natural or synthetic hampers the possibility for consumers to choose between different options.

Critics² say the proposed labelling is overly focused on carbon emissions, ignoring crucial factors such as recyclability and **biodegradability**. It is a fact that **products made of natural ingredients are fully biodegradable alike their synthetic counterpart**, being this an information that should be transmitted to consumers while purchasing.

On this regard, in the INI Report on the Farm to Fork (F2F) Strategy, the European Parliament (EP) alerted the Commission what could impede the achievement of the F2F's objectives, noting "that healthy products, including food, may contain natural or synthetic ingredients which have different impacts on the environment and the health of consumers". Notably, the EP also called "for the introduction of mandatory labelling schemes for healthy products, indicating whether an ingredient is of synthetic origin when obtained by a chemical synthesis, especially in cases where natural equivalents exist".

Mentioning the creation of "labelling scheme for healthy products" by indicating the origin of a substance appears in line with the objectives of the proposed Directive, as it would create a stimulating market where consumers can understand the different products composition, and it would prevent food business operators to use claims such as "natural" while the product is synthetic. In fact, according to the proposed Directive, sellers will not be able to use a sustainability label on their product unless recognised by a public authority. In addition, business operators will also be prohibited to make generic environmental claims such as "eco-friendly", "green" or "eco" if they cannot demonstrate environmental performance.

We believe it is crucial for consumers to be help navigating the overwhelming offers of green claims currently available and support the Commission's intention to create a system that allows verified information to be given to consumers. However, when consumers encounter labels as "100% natural",

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¹ Article 7 TFEU states that "the Union shall ensure consistency between its policies and activities, taking all of its objectives into account and in accordance with the principle of conferral of powers".

² European Environmental Bureau (EEB) https://eeb.org/library/the-eu-product-environmental-footprint-pef-methodology/ January 2018.

³ Para. 95 of the INI Report on the F2F Strategy



"eco", "sustainable" and "biodegradable", they will assume they are all equally monitored and authorised with no differences in their assessment. For this reason, business operators using ingredients of synthetic origin when a natural equivalent exists and labelling as "natural" can seriously harm consumers purchasing choices and prevent the achievement of the Green Deal's objectives.

2.1. The case of zeaxanthin: synthetic or natural origin?

Our report highlights a clear example of the opacity in labelling the difference between natural and synthetic ingredients exploring the case of denomination and labelling requirements of the substance "zeaxanthin", a type of carotene used in food which is available in both its natural or synthetic formulation.

On 13 August 2018, the Commission adopted <u>an implementing act</u> to authorise the change of the designation and the labelling requirements for the novel food synthetic zeaxanthin. The Commission agreed on labelling the substance only as "zeaxanthin" removing "synthetic" from the denomination.

The fact was then highlighted in a <u>written question</u> to the Commission from Paolo De Castro (S&D), Pascal Arimont (PPE) and Simona Bonafè (S&D), stating that "even if the term 'natural' is not used, EU consumers can still be misled and made to believe a product is of natural origin, in spite of the fact that it is not. **The removal of the term** 'synthetic' from the label is misleading in terms of consumers' perceptions of its origin".

The Commission explained that this change would ensure consistency in the labelling and designation with other synthetic substances which are not labelled as "synthetic".

Notwithstanding the understandable intensions of the Commission, requiring same labelling standards for different substances origins is creating confusions between the synthetic and natural equivalent preventing consumers to make conscious, and sustainable choices.

In conclusion, the uncertainty of the current legal framework does not allow consumers to properly differentiate and identify food components in final products. Confusing labelling requirements creates situations where consumers cannot properly differentiate between substances that may be of natural or synthetic origin.

3. Policy recommendations and conclusions

Our "WeValuetTrueNatural" campaign pointed at a clear problem that consumers are facing while trying to make better and more stainable choices. Along with what stated by the Parliament in the INI Report on the Farm to Fork Strategy, it would be important to ensure a labelling scheme where synthetic ingredients are clearly differentiated by natural ones, in order to avoid consumers to be misled and traders to use unsubstantiated claims.

By entering in fruitful debates with several stakeholders and representatives of the European Institutions, we realised that creating the definition of "natural" at EU level might take longer time and research. However, the term is still used in a misleading way and consumers are still suffering from this.



Therefore, we call on the Commission to ensure that natural and synthetic ingredients are properly differentiated and that synthetic ingredients are not used in combination of claims that resemble properties that do not belong to them. To achieve these objectives, our campaign calls to:

- Differentiate synthetic substances with natural ones by adding a (*) in the labelling
- Ensuring that characteristics of a product such as "biodegradability" are considered when allowing a sustainability label as to allow consumers having a broad view on product's performances
- Making sure that General Food Law and other food-related policies do not conflicts with the proposed legislation.

We thank the European Commission for the important initiative, and we keep supporting any step that can help us achieve the Green Deal objectives.