CIAA Priorities
for the Polish Presidency of the Council of the European Union

July-December 2011
Introducing the CIAA

The CIAA represents the food and drink industries of the EU, the largest manufacturing sector in the EU in terms of turnover and employment. It boasts an annual turnover of €954 billion and employs 4.2 million people (12.9% and 13.5% of the EU’s total manufacturing sector respectively). It is a fragmented industry with 310,000 companies, 99.1% of which are small and medium-sized enterprises (SMEs), accounting for 48.2% of the total turnover and 62.8% of the total employment in the sector.

The CIAA’s direct membership includes 26 national federations (with three observers), 26 EU sector associations and 19 large food and drink companies.

The CIAA’s mission is to facilitate an environment in which all European food and drink companies, whatever their size, can meet changing consumer demands while competing for smart, sustainable and inclusive growth. Central to realising this vision for economic growth is the need to bolster food manufacturers’ capacity to innovate, making the industry more competitive and better able to provide Europe’s 500 million consumers with safe, nutritious and sustainable food and drink products.

The changing world in which we live brings with it many new challenges which require new responses. Innovation can play a leading role in addressing complex diet and lifestyle challenges, empowering consumers to make informed choices; it can unlock new opportunities for more environmentally sustainable products and processes, promoting sustainable growth.

As the largest manufacturing sector in the EU, the industry looks to Poland’s Presidency of the Council of the EU to achieve their priorities and those of Europe’s food industry in the coming six months.

The CIAA calls on the Presidency to work in close collaboration with key stakeholders – including policy makers, industry representatives and non-governmental organisations – through the High Level Forum (HLF) for a Better Functioning Food Supply Chain, the European Technology Platform (ETP) Food for Life, the EU Platform for Action on Diet, Physical Activity and Health (DPAH) and the Sustainable Consumption and Production Round Table (SCP RT) – where stakeholders gather together to develop Europe-wide solutions to Europe-wide challenges.
Towards a more competitive industry

The CIAA calls on the Polish Presidency to implement the Europe 2020 Strategy’s objectives to secure smart, inclusive and sustainable growth for Europe’s food industry:

**The Single Market Act (SMA):** The CIAA calls for the completion of the single market, removing barriers to the free movement of food and drink products. In particular, the industry would like see the Presidency support the initiatives introduced in the SMA. The CIAA also looks forward to the Single Market Forum in October, organised by the Presidency.

**Multilateral and bilateral trade relations:** The food and drink industry exported €68.5 billion in food and drink products to third countries and registered a positive trade balance of approximately €1.9 billion in 2010. To promote trade prospects for Europe’s food and drink products, manufacturers look to the Polish Presidency to maintain a strong rule based multilateral trade system and, in relation to Eastern Partnerships, to work towards concluding a free trade agreement with Ukraine.

**The Internationalisation of small and medium-sized enterprises (SMEs):** There are 310,000 food and drink companies in Europe, 99.1% of which are SMEs. As a result, the CIAA calls on the Polish Presidency to prioritise the Commission’s proposal to help Europe’s SMEs gain better access to markets.

**Security of supply and the Common Agricultural Policy (CAP):** Industry needs access to a secure supply of high quality agricultural raw materials and the CAP reform is central to meeting this objective, given that the industry purchases and processes 70% of EU agricultural production. As the reform enters a decisive stage, the CIAA calls for a CAP which meets the objectives: security of supply, sustainability and market orientation. The CIAA also calls on the Council, under the Polish Presidency, to reach a common position on Agricultural Product Quality Policy and to ensure the Markets in Financial Instruments Directive (MiFID) contributes to well-functioning agricultural commodity derivatives markets, making them more transparent.

**The High Level Forum (HLF) for a Better Functioning Food Supply Chain:** The CIAA asks Poland, as a member of the HLF, to work towards implementing the 30 recommendations of the High Level Group (HLG) (now dealt with under the HLF) and to tackle food supply chain issues, particularly through the Platform on business-to-business contractual relations.
Innovating for industry and consumers

Innovation is instrumental to increasing the food industry’s competitiveness. We are living in a changing world, with new challenges which require new responses. Science and science-based regulation have an important role to play in helping the food industry to meet these challenges – namely, by developing new products and using new technologies which bring benefits to the consumer. The CIAA calls on the Polish Presidency to work towards the Innovation Union, removing bottlenecks to innovation in order to bring new products to market:

Future EU Research and Innovation Funding: Under the Common Strategic Framework for Future EU Research and Innovation Funding, the CIAA calls on the Polish Presidency to create a mechanism to finance regional research infrastructure. This mechanism should also integrate regional and national policies into European structures, working towards the 8th Framework Programme.

The Better Regulation Initiative: The CIAA calls on the Polish Presidency to make progress on the implementation of the strategy to simplify existing legislation and reduce administrative burdens for the 310,000 food and drink companies in Europe, 99.1% of which are SMEs.

Novel Foods Regulation: The CIAA regrets the failure to reach an agreement on the Novel Foods Regulation in March 2011. It would have encouraged innovation in the food and drink industry, engendering greater consumer choice and facilitating market access for novel foods. As a result, the CIAA calls on the Presidency to encourage the European Commission to come forward with a new proposal, including the elements the institutions have already agreed upon, as soon as possible.

A definition of nanotechnology: Nanotechnology in the food and drink industry is still at the R&D stage and the decision to use these and other new technologies will always be based on scientific research, regulatory compliance and consumer acceptance. The CIAA calls on the Polish Presidency to support a clear definition of engineered nanomaterials, providing manufacturers with greater legal certainty.

European Technology Platform (ETP) Food for Life: As the ETP’s secretariat, CIAA encourages the Polish Presidency to promote the ETP and its work in presenting research opportunities and improving knowledge transfer (particularly to SMEs) across Europe. The Presidency is called upon to promote research into healthy ageing, including dietary regimes and lifestyles, thereby contributing to adding years to life for Europe’s increasingly ageing population.
Encouraging consumers to eat a balanced diet and lead a healthy lifestyle is a major challenge for society as a whole, influenced by a number of socio-economic and environmental factors. There are, however, a number of tools which exist to help address this challenge. For example, reformulation, driven by science, is crucial to the industry to develop new products, providing consumers with improved nutritional composition and, ultimately, greater product choice. The industry must also be able to communicate its improvements and innovations to consumers:

**Food Information to Consumers:** Food information provides consumers with clear labelling, enabling them to make informed choices. To achieve this, the CIAA looks to the institutions to reach a balanced agreement on the Food Information proposal under the Polish Presidency.

The CIAA calls on the Presidency to support Guideline Daily Amounts (GDAs) – a labelling scheme which provides nutrition information to consumers on a per portion basis (in addition to the existing per 100g/100ml in the nutrient declaration) – and to ensure any extension to current country of origin labelling rules is, at minimum, preceded by an impact assessment to consider the feasibility, practicability and consumer benefit.

Overall, the CIAA hopes for a pragmatic approach to ensure that food labels are not overcomplicated for the consumer and, at the same time, that the final outcome presents a workable piece of legislation for manufacturers, helping to bolster the industry’s capacity to innovate and become more competitive.

**Nutrition and Health Claims:** The CIAA looks to Poland and other member states to work towards creating a list of approved EU-wide claims, creating a level playing field on which manufacturers can innovate and compete, underpinned by legal certainty.

**The Strategy for Europe on Nutrition, Overweight and Obesity related health issues:** The CIAA asks Poland, as a member of the High Level Group on Nutrition and Physical Activity, to recognise the industry’s efforts under the EU Platform for Action on Diet, Physical Activity and Health (DPAH) to achieve the objectives set out under the Strategy. The Commission’s evaluation found industry has made progress in crucial areas, such as reformulation, but, in general, stakeholders’ commitments could go further. As a result, the CIAA asks the Presidency to encourage all stakeholders to continue their efforts to achieve tangible results.
Sustainability makes good business sense. It plays a key role in food and drink companies’ long-term competitiveness. The industry needs a secure and sustainable supply of agricultural raw materials and innovation is central to unlocking new opportunities for more sustainable products and processes. Meanwhile, the industry is developing uniform, science-based methodologies to assess a food or drink product’s environmental sustainability and looking at ways in which to communicate this to the consumer. The CIAA asks the Polish Presidency to give the following environmental priorities close consideration:

**The United Nations Climate Change Conference (COP17):** The CIAA looks to the Polish Presidency to ensure an ambitious, binding international agreement to address climate change and food security, providing incentives for investment and guaranteeing legal certainty.

**Energy efficiency:** The CIAA asks the Polish Presidency to promote energy efficiency, incentivising energy efficient technologies such as combined heat and power. In particular, the CIAA would like to see progress on the Directive on Energy Efficiency during the Presidency.

**Resource efficiency:** The CIAA calls on the Presidency to take the Commission’s Roadmap for a Resource Efficient Europe forward. Central to this, efforts should be made to minimise food waste along the food chain and ensure sustainable water use. As a result, the CIAA asks the Presidency to support the development of the Blueprint for Safeguarding Europe’s Water.

**EU Biodiversity Action Plan:** The food and drink sector’s raw materials are grown in the natural environment. The CIAA calls on the Presidency to further its work to implement the EU Biodiversity Action Plan, supporting sustainable practices to protect and promote natural resources.

**Sustainable Consumption and Production Round Table (SCP RT):** As a founding member of the multi-stakeholder initiative, the CIAA asks Poland (also a member) to work towards the RT’s goal to establish uniform, science-based impact assessment methodologies, providing consumers with reliable and understandable information on a product’s environmental impact. At the moment, different methods are used to assess different environmental factors, such as a product’s carbon footprint, food miles, air-freight etc. and these competing schemes can confuse consumers and increase the costs for all actors along the food chain.
For more information on the CIAA

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