



# **Recommendations for policy makers on enhancing transparency in the food chain**

**Campden BRI Magyarország Nonprofit Kft., Hungary  
City University, United Kingdom**

**November, 2011**

Transparent\_Food project is financed by the European Commission under the 7<sup>th</sup> Framework Programme. Contract No.: FP7-KBBE-2009-245003



## **Recommendations for policy makers on enhancing transparency in the food chain**

Transparency means measures, through which the weakening of trust of consumers in fair and competent behaviour of businesses can be balanced, the responsible practices of food businesses to ensure food safety can be demonstrated and the credibility of claims on benefits and attractive characteristics and fair pricing of food products can be established.

Transparency is achieved by making appropriate signals and/or information available to the consumers and other users, which enable their informed decisions and also generate a perception that they are properly informed. The reasonable demand of consumers and businesses for more detailed information must be satisfied, but it has limits, since the valid right of information owners to protect information having a value for their business should be considered as well. Thus a fair balance should be achieved between the needs for transparency information and justified confidentiality.

Traceability does not provide transparency in itself, but it is the base on which transparency can be built. Policy makers should ensure that the misleading of the consumers is avoided. At endorsing or setting standards, where policy makers are involved the current and predictable transparency needs of the society should be considered.

The measures, which ensure that include:

- explanation of the specific benefits, which are provided to the users, when the operation of the food chain members meet the requirements of a standard;
- paralelly the explanation of the associated risks – if there are any;
- information on the requirements of a standard – described in an easily understandable, clear way;
- accessibility of the necessary evidences, which support the credibility of the information on products and processes, on food chain members and on the business and market environment, on which the statements and claims are based.

Actions should be made to achieve that the policies and the legal framework provide the necessary controls, which ensure that the consumers have access to the necessary and appropriate information for their informed decisions.

Policy measures should not be limited to serving the current explicit transparency needs of the society but they should make people aware of those requirements, which are necessary to meet the grand challenges for the mankind, even if they may not be properly reflected by the



current consumer needs in certain parts of Europe yet, such as sustainability, social responsibility and ethical behaviour. Policy instruments should support the acknowledgement of the value related to these aspects as well.

Food transparency schemes are identified through the use of labels and logos and/or traceability requirements. Food labelling and logos can serve as a policy instruments to achieve further policy objectives and regulatory goals. Such goals cover wide ranging areas but include; the clear provision of information to consumers to enable trust and confidence and consumer choice, support for producers and strengthening of EU market (s); increasing environmental sustainability of food production.

The analysis of regulatory and policy goals can be categorized under three main domains, such as

- 1) Food Safety;
- 2) Food Quality and
- 3) Food (chain) Integrity.

The interpretation of Food Quality is broadening to represent more than the composition and characteristics of food. quality to include farming attributes including process and production methods and environmental impacts. Public health policy goals such as reducing the rates of obesity and so diet related diseases are also being addressed by labelling criteria for foods.

Labelling and logos based on certification schemes are seen as potential policy instruments to advance a range of policy goals: from signalling a common base-line standard as with the EU Organic logo, to rewarding farmers for their wider role in maintaining public goods such as natural landscapes, to ameliorating the carbon and other adverse impacts of food chains and food products. The aspiration to further food based labelling schemes is still restricted by lack of clear and accepted methodologies to provide a basis for clear measurement of the impact of a food process or of the final product. This is the case with animal welfare and carbon impacts at present. Private schemes are ahead of legislation on signalling environmental and social and ethical impacts of food, and in some areas, such as Fair Trade, the European Commission considers the innovation and dynamism of private market based schemes to be the more effective approach at present.

When policies, regulations are set the potential for provision of non-label based information in addition to label based information should be considered.

Food transparency schemes are considered to have a real or potential role in both the meeting of and the communication of policy goals. Thus, the complexity of the ever broadening food



policy landscape is reflected in the policy and regulatory decisions making bodies of the EU and their reliance on the use of logos and labels.