Dear members,

With this newsletter, we will bring you up to date on relevant future developments in Europe, three times a year. In doing so, the main focus of our reports will be on political and legal topics. Besides these, we will naturally also address business and marketing-related subjects. At the end of each Journal, you will find an overview of our member federations’ most important events. In addition to this, each association will have an opportunity to introduce itself in our “Federations” column. We hope you enjoy our Journal.

“Defrosted“
The understanding of „defrosted.“

The question of whether or not to label a product as „defrosted“ is handled very differently in each member state. Even the question of defining whether a product is frozen or merely chilled appears to result in inconsistent responses. Added to this, there is the difficulty of how to handle labelling when only parts of the food have been frozen.

Under German or UK regulations, for example, the word “frozen” has a specific meaning. It is only applicable to products whose temperature has been reduced below a certain degree. In addition, these countries only have „defrosted“ labelling regulations for pre-packed foods.

In France, the name of the food is to be accompanied by details of the “physical condition of the food” or the specific treatment it has been subject to (for example: powdered, freeze-dried, quick-frozen, concentrated, smoked) in all cases where the omission of such information could mislead the consumer. Food that has been frozen before sale and then sold in a defrosted state must be accordingly labelled. When a restaurant buys a fish, freezes it and then later sells the cooked fish, the fish does not have to be labelled as defrosted. But if, for example, a chocolate éclair or a dessert is frozen and stored to be sold once it is defrosted, it must be declared as „defrosted,“ even if smaller constituent parts are still to be added, such as decorations. For this reason, 20 years ago, the Confederation of Bakers and Confectionary Organizations developed icons in form of a penguin or an igloo to indicate that the product was “defrosted.”

In Finland, if the bakery product has been stored deep-frozen or frozen and is sold in a thawed state (unfrozen) at +4°C to +6°C, this must be declared. The consumer must be informed, either via the labelling or, for unpackaged products, in a brochure that the product has been frozen and cannot be refrozen.

In Luxembourg, the recommended freezing temperature of a pastry or other food is 40°C. The storage temperature is 18°C. A pastry for sale on the same day must be kept refrigerated in the display case with a minimum core temperature of +4°C. There is no requirement to indicate whether a product has been subject to freezing during its manufacture.

The new composition of the CEBP board

The board of the CEBP was reorganised in October 2010. In the process, Mr Henri Wagener of Luxembourg was re-elected to the office of President of the CEBP, and, as a new member, Mr Peter Becker, President of the German Baker’s Confederation, was unanimously elected as Vice President of the CEBP. Likewise, Mr Jean-Pierre Crouzet from France was newly elected to the position of Vice President. The new Secretary General of the CEBP, Amin Werner, Secretary General of the German Baker’s Confederation, was also unanimously elected with effect from 1 January 2011. Below is an overview of the entire board:

![Henri Wagener](https://via.placeholder.com/150)

**President**

waghenri@pt.lu

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![Peter Becker](https://via.placeholder.com/150)

**Vice President**

president@baeckerhandwerk.de

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![Jean-Pierre Crouzet](https://via.placeholder.com/150)

**Vice President**

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![Amin Werner](https://via.placeholder.com/150)

**Secretary General**

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![Carsten Wickmann](https://via.placeholder.com/150)

**Board Member**

cw@bkd.dk

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![J. M. Fernandez del Vallado](https://via.placeholder.com/150)

**Board Member**

jmv@ceopan.es

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CEBP VP, Peter Becker, represents food SMEs at EU High Level Forum

The High Level Forum for a Better Functioning Food Supply Chain held its first meeting in Brussels on Tuesday, 16 November 2010. The High Level Forum was set up by the European Commission and is predominantly made up of representatives from selected member states, European companies dealing with food production, processing or distribution, professional associations and non-governmental organisations representing public interests. Vice President Tajani is leading this exercise together with his fellow Commissioners in charge of Internal Market and Services, Health and Consumer Protection and Agriculture and Rural Development. The Forum has a two-year mandate ending on 31 December 2012.

Vice President of the CEBP and President of the German Bakers’ Confederation, Peter Becker has been selected to represent UEAPME, the European Organisation of Craft and Small and Medium Sized Enterprises. Though craft enterprises and SMEs represent 99% of the number of food companies in Europe and - with over 4 million people - employ more than other companies in the sector, Peter Becker remains the only representative of SMEs in the High Level Forum. The work of the High Level Forum is accompanied by a Sherpa group which mirrors the memberships of the Forum and whose main task is the preparation of the Forum’s work in close cooperation with the Commission services and several expert platforms, namely on contractual practices, price monitoring tools, competitiveness, and agricultural logistics. Amin Werner, Secretary General of both the CEBP and the German Bakers’ Confederation has been nominated as member of the Sherpa group; Christopher Kruse, Managing Director of the German Bakers’ Confederation joins the expert platforms on competitiveness and contractual practices. We will keep you constantly up to date on the progress and the results of the platforms, the Sherpa group, and the Forum itself and would greatly appreciate your support and comments.

more informations:

http://ec.europa.eu/enterprise/sectors/food/competitiveness/forum_food/index_en.htm
Fat tax in Denmark

The Danish Government has initiated the so-called Fat Tax Act, an initiative for additional taxation of (saturated) fat. There are a number of problems in the government’s recent proposal to tax saturated fat and it largely appears to be just another way to raise taxes on the premise of national health. The proposed tax on saturated fats would be an inappropriate distortion of competition.

The Danish fat tax hits bakers very hard, particularly in light of the fact that taxes on other bakers’ primary commodities (almonds, chocolate, nuts and coconut) were already raised in Denmark by an average of 25% between 2009 and 2010. Imposing a further tax on another primary ingredient (fat) will simply overload the already strained bakery economy.

Danish bakers will have to pay the fat tax on the amount of fat used during the production process - not on the actual amount of fat contained in the final product. Importers must pay a reimbursement duty on finished or semi-finished products (cakes etc), meaning that the importer must pay a tax on the amount of saturated fat in the product and on the amount of saturated fat used during production. Controlling the importer will be virtually impossible, since very few (if any) producers are willing to reveal their recipes in order to satisfy the needs of the Danish tax authorities. In other words, the importers will most likely only pay tax for the saturated fat that is contained in the product and can thus be tested. On the other hand, the master baker must pay tax on the entire amount of fat purchased - irrespective of whether the fat goes into the final product or not. This leads to diversity in the cake market in a way that is clearly disadvantageous to master bakers of handmade cakes, but greatly beneficial for imports. The consequence will be that consumers pay less for imported commercial doughnuts in the kiosk than for the freshly baked variety at the bakery.

This means that master bakers will have to pay fat tax on all the purchased fat, whether it ultimately ends up on the consumer’s plate or not. In effect, tax must be paid for fat that consumers do not consume. Since a master baker has to produce more than he/she sells, a lot of tax-money ends up in the bin every day. The master baker has no other alternative but to pass on the increased costs to the consumer by raising prices.

Further time schedule for the Food Information Regulation

It has since become known that official adoption of the Common Position of the Council of Ministers will take place/took place on Monday, 21 February 2011. The reason for postponement of the adoption date was most likely due to required corrections in the text of the regulation. It is unclear what consequences this will have on the further time schedule for consultations on the regulation.

The current status quo (17 February 2011) is that the Common Position of the Council of Ministers will be officially submitted to the European Parliament (EP) in February or, at the latest, by the beginning of March 2011. Within the framework of the 2nd reading in parliament, the EP then has a three month-period for consultations on the Council of Ministers’ paper. It is planned that the rapporteur, Dr. Renate Sommer, will submit her report for the 2nd reading as early as 16 March and that just two days will remain for supplementary amendment proposals from the other delegates. Balloting in the Environment Committee is to take place on 12 April, before the plenary assembly of the EP again decides on the (possibly further amended) paper on 7 July.

Informal discussions have already commenced between the EP, the Council and the Commission. The rapporteur has already held discussions, inter alia, with the Hungarian Council Presidency. At the beginning of March, the Working Group of the Council of Ministers will also recommence its work. Thus, in the coming weeks, it will decide whether the regulation can be adopted in the 2nd reading or whether there is a need for a mediation process. Even though it is certainly not easy to make prediction, there is a prevailing expectation that it will succeed, given that the Commission, Council and EP positions on the majority of subjects are not so far apart as to make agreement appear impossible.
**ZEW index: Stable growth in Europe**

As reported by the news broadcaster, N-TV, the ZEW index of the Mannheim Centre for European Economic Research and the European Statistics Bureau, Eurostat, simultaneously published data on the collective gross domestic product (GDP) of the Euro member states. According to these, the European economy continued to grow at the end of 2010.

Based on an initial estimate, EU statisticians disclosed a GDP-increase in the fourth quarter of 2010 of 0.3 percent compared to the previous quarter. According to assessment by the Centre for European Economic Research, growth in the first half of winter was just as strong as during the autumn quarter. Viewed over the year 2010, economic performance climbed by 2.0 percent. Nevertheless, the statisticians did have to mix one fly into the ointment: The upswing in the Eurozone had even greater momentum at the beginning of the past year. However, growth became considerably weaker over the course of the year. In the second quarter the rate still stood at 1.0 percent. The economy in the Euro countries grew by 1.7 percent over the whole of 2010.

**French bakers - the nation’s most popular local stores**

The CEBP is currently made up of 18 federations with differing set-ups from country to country. Here, we would like to introduce you to our members, one by one:

**France**

Every day in France, some 32,000 bakers put their skills to work to produce the bread that is still an integral part of the modern French culture and way of life. And if proof were needed, 15 million people a day call in to their local baker's! In 2007, the domestic bread market in France represented 3.02 million tonnes, 64.7% of which was generated by bakeries.

The skills and experience of bakers are universally appreciated. According to the INSEE¹, bakeries are the nation’s most popular local stores, with an average of two thirds of French households visiting the bakers 4 times a week.

The daily consumption of bread is a stable 138 g per person. In 2006, the bakery industry produced a gross turnover of 8.1 billion Euros and created more than 110,000 new jobs.

¹ INSEE: French National Institute of Statistics
Social media
Media behaviour of young people is changing across the world.

Many marketing executives consider e-mail, Facebook, Twitter and co. to be competing channels. But why? Consumers may well use these channels differently, but never in isolation from one another. Instead, they use the strengths of each individual channel for their communications – and it is precisely these synergy effects that should be exploited for successful federation marketing. An even more differentiated picture emerges, if one observes the media behaviour of young people. As a communication platform, the internet is a firm component of everyday life, particularly for 12 to 19-year-olds across the world. An example of this is shown by the JIM Study for Germany. Here, telephone surveys have been conducted with 1,000 households for the past 13 years. According to the 2010 JIM Study, almost 100% of young people have internet access. They spend 138 minutes a day on the internet and use the majority of this period for communication. Every second young person in Germany logs into an online community on a daily basis – in the majority of cases, several times a day. (www.mpfs.de/fileadmin/JIM-pdf10/JIM2010.pdf)

These representative figures also reveal the following picture across Europe:
Young people are communications junkies; they are linked up almost at all times and in all places and have access to a practically boundless global online offering. If I want to address this young generation effectively, these are exactly the online communication channels I have to occupy and combine with classical media. The German Bakers’ Confederation realised this with its online young talent campaign in 2010. A media mix with an online marketing focus takes this changed media behaviour into consideration in the acquisition of qualified young baker talent.

more informations:
www.back-dir-deine-zukunft.de

Events:

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