



## *Report of the President*

**Dear Presidents, dear colleagues, ladies and gentlemen ...**

**... Allow me to address the following issues of relevance in free order:**

### **Craft businesses create jobs!**

Good news at first glance, but alas it is the administrative jobs that are increasing, unproductive by definition, but necessary due to the administrative burden imposed on business. This burden weighs heavily on the profitability and the competitiveness of our companies. What seems logical in theory becomes indigestible when put into practice.

The equation of 125000 € turnover per year per employee is common practice in the construction sector. This analytical calculation is illusory in the food sector and illustrates the gap between pricing in the bakery sector and other sectors of the economy.

### **Micro-entities**

The initiative from the European Council to exempt micro-entities with less than 10 employees is not balanced. SMEs in the food sector, represented by our CEBP are above that threshold and must comply with all the constraints and regulation of the European internal market. Large international structures, single-product producers have an advantage and use regulation as a commercial asset in labelling, in traceability and non cross-contamination. They are unfair competition to our businesses. We support differentiated regulation for SMEs, but no exemptions.

### **Consumers' freedom of choice?**

To adopt the Anglo-Saxon way of life in Europe, which means to gradually eliminate bread from our tables, is to commit the



original sin! The traditional breakfast makes way for a breakfast where you find eggs, potatoes and cereal porridge. Bread is lacking there.

The consumer doesn't really have a free choice. He is often invaded by processed goods and he has to search hard to find real handcraft products.

The mistake we must not make is to stigmatize our products by accusing them of containing too much sugar, too much salt or too much fat for our daily intake. We must avoid the useless debates about reducing a few grams here and replacing them by some substitute there, to lower our products by pleading guilty in front of public opinion. Our profession deserves better.

A healthy diet is a balanced diet.

## The green paper

The green paper published by the European Commission launches the debate on the revision of European policy towards food. It outlines the idea to release a budget line to promote regional products in the domestic market but also to promote exports outside the European Union.

### A communication by the Commission raises a number of important questions:

- What role for private companies?
- What are the brands of national origin and what are the promotional activities to undertake in case of a crisis?

The text takes into account the results of a public consultation launched by the green paper that was published in June 2011 and the conclusions of the agriculture Council from last December. The Commission will present legislative proposals before the end of 2012.

The reform of the Common Agricultural Policy (CAP) should be accompanied by a promotion policy, making it possible to exploit the full potential of the food sector to promote growth and jobs in the EU. Overall, in 2010 the EU was the second largest exporter of agricultural products, with €91 billion, only preceded by the United States (€92 billion), and the largest importer (€84 billion).

Over time, in the share of finished and processed products of all European exports, it is food that has constantly increased. In value, these products present more than two thirds of the EU's total agriculture exports

Promotion and information are co-financed by the EU (maximum contribution of 50% in most cases); professional organizations (20% minimum) and the Member States concerned (the rest). The annual budget of the Community for this purpose is approximately € 50 million, a quarter goes to foreign markets. These products are to be determined, but bread must feature in a prominent place.

*Henri Wagener*



## 1. Claims Regulation - European Parliament Vetoes “Now contains x% less” Label Claims



In early February 2012, the European Parliament supported the resolution to refuse the regulation proposal of the commission for the addition of the appendix of the claims regulation (regulation (EC) No. 1924/2006) on “now contains x% less” label claims. Regardless of the positive vote of the member states, this type of label claim is now off the table. Details of reduced nutrient contents are only permissible if the difference amounts to at least 30%.

In contrast, for a limited period of one year the regulation proposal of the commission had planned to permit the “now contains x% less” label claim with “reformulated” products if the difference between the new and old recipe amounts to at least 15% and if the content of the reduced nutrient is also mentioned from before the reduction.

The resolution, which received 393 votes, 161 dissenting votes and 21 abstentions, was above all justified by the fact that this form of label claim has great potential for confusion or can be misleading to the public. It would therefore not be compatible with the objective of the Health Claims regulation, as exclusive comparisons with a company’s own products and not with market averages can mislead consumers, and the fact that the reduction is half in relation to the general indication of reduction. The supporters of the resolution

and the commission had argued that it would be favourable to the aim of “reformulating” if the smaller stages – often indispensable for technological or sensory reasons – could be communicated to consumers. The label should also have a time limit to eliminate any potential for confusion.

The European Parliament has now requested that the commission submit a revised proposal of the regulation. The definition might prove difficult, however, as the parliamentary resolution rejects this kind of the nutritional label claim to such an extent that there is hardly any room for an “improved” proposal.

Internal commission consultations are currently being held on whether to put forward a new proposal and with which content. It is expected that there will be a repeat attempt to adapt reductions and increases in label claims to comply with the guidelines of the Codex Alimentarius and the “without salt additive” label. Paola Testori Coggi, Director General of DG SANCO announced that a new proposal will not be published before next year. The reason is an obligatory impact assessment. It seems that the commission will not pick up the aforementioned 30% difference and will not be amending this item in the Codex specification on reduction and increase claims (currently 25%).

## *2. Proposal for a Regulation by the European Parliament and Council of Europe on a Consumer Programme 2014 - 2020*

In November 2011, the European commission presented a draft regulation for a Consumer Programme 2014 - 2020 (No. 2011/0340 (COD)). The core objective of the draft is it to place the consumer at the centre of the domestic market by picking up on the existing EU Consumer Policy Strategy 2007 - 2013 and on the EU Growth Strategy for 2020.

The commission's interim report on the EU Consumer Policy Strategy 2007 - 2013 and the assessment of results form the basis of the new project. Measures are to be introduced to ensure consumers are informed in full and to safeguard their rights effectively. First, financing needs to be secured for databases on product safety (e.g. RAPEX), for the Consumer Protection Cooperation (CPC) network and for operating a network of European consumer centres, also with the help of co-financing.

Next, an online platform is to be developed and run to support the planned alternative dispute settlements on the national level. In addition, across the European Union, data will be collected on consumer contracts.



By the end of 2013 the regulation proposal should be ratified in Parliament and in the Council following an open debate. The draft cites the aims of the proposal as follows:

“The aim of the Consumer Programme is to support the policy objective of placing the empowered consumer at the centre of the Single Market. The Programme will do so by contributing to protecting the health, safety and economic interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests. The Programme will complement, support and monitor the policies of Member States.

### **The actions will support the following four specific objectives:**

- I) Safety: to consolidate and enhance product Safety through effective market surveillance throughout the EU;
- II) Information and education: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations.
- III) Rights and redress: to consolidate consumer rights in particular through regulatory action and improving access to redress including alternative dispute resolution.
- IV) Enforcement: to support enforcement of consumer rights by strengthening cooperation between national enforcement bodies and by supporting consumers with advice.

These objectives support the objectives of Europe 2020 as regards growth and competitiveness. They will integrate specific Europe 2020 concerns on digital agenda (ensure that digitalisation actually leads to increased consumer welfare), sustainable growth (moving towards more sustainable patterns of consumption), social inclusion (taking into account the specific situation of vulnerable consumers and the need of an ageing population), smart regulation (consumer market monitoring to help in designing smart and targeted regulations).”

### ***3. Green Light for Ratification of the First Part of the Article 13 List***

The regulation proposal of the commission for the first part of the Article 13 list with 222 health claim entries now has green light for formal ratification. A resolution request against ratification of the regulation was rejected by the Environmental Committee of the European Parliament on the 21st of March 2012.

Nevertheless, the preceding debate had made clear that a large number of delegates shared criticism of the regulation. The criticism was mainly levelled at the fact that no ratification by stages was intended in the Health Claims regulation of the Article 13 list, and at the fact that the relevant scientific assessment standards were only specified after conclusion of data collection by the member states. In addition, no “other kind of evaluation and permission” for the claims in the Article 13 list planned in the regulation was included. The conservative EPP parliamentary party worded their criticism in a statement as follows: “The evaluation of claims by stages can have a discriminatory effect: “Products, whose claims have already been rejected under the application procedure for individual claims or in the list are being disadvantaged in comparison to botanical claims or claims on hold, since these claims can be made until their evaluation is finalized. Therefore, the publication of the list is premature.

The separate evaluation of claims might result in unequal treatment: “Given the difficulty to assess botanical claims, the Commission decided to review the evaluation criteria applied in the scrutiny process for this food category and to evaluate them at a later stage. However, this might result in unequal treatment. We are specifically concerned that pharmaceutical criteria might be applied when assessing foods such as herbal teas. Most foods cannot be up to such a tight standard.

The method of evaluation is too restrictive: “The evaluation method of the scientific evidence on some claims appears to be exaggerated for food-stuff. The requirement of clinical trial studies equals the approval procedure for pharmaceuticals. As a result, some decisions on claims contradict nutrition recommendations by internationally respected bodies such as WHO.

The rejection of claims despite favourable EFSA opinion is unscientific: “The decision by the Commission to prohibit claims on the effect of sodium and fats, although these claims have been positively assessed by EFSA, contradicts the scientific approach of the evaluation procedure. The argumentation of the Commission that positive advertising should not be allowed on “allegedly” unhealthy products, clearly results from the intention of the Commission to develop nutrition profiles. Since the profiles have yet to be established and have to undergo a scrutiny procedure, the rejection of these positively assessed claims is premature and of political nature. It is not acceptable that the Commission makes political decisions whilst ignoring the European Parliament.

The evaluation process discriminates against SMEs: “The evaluation procedure imposes obstacles which can hardly be met by SMEs. We do therefore consider it necessary to have an SME representative in the management board of EFSA.”

No concrete schedule is planned for ratification. The assumption is that the regulation will be published and come into force in May/June 2012. It would then apply from November/December 2012.

### ***4. Nutritional Profiles***

A decision on the diction of nutritional values is still pending. The process has come to a halt more than three years after the first announcement of the last working papers in the spring of 2009. The debate based on the new papers or a

concrete regulation proposal will probably be taken up again after ratification of the first part of the Article 13 list. However, no concrete schedule is available, nor is any information on the possible content of the next commission proposal.

## *The Swedish Association of bakers & confectioners*

The Swedish Association of bakers & confectioners, Sveriges Bagare & Konditorer, was first founded in 1900.

Until approximately 25 years ago, before uniting as a single competence organisation, all of the various bakers' and confectioners' associations were individual societies to themselves. Now, the single association can offer members and, above all, trainees the best possible conditions. In its current form, the association bundles seven different regions, with each regional chairperson automatically appointed as a board member in the state organisation.

The association was modernised ten years ago and now brings together all of the industry's actors after accepting the three largest industrial bakeries as members. This step helped further finance the association, created new perspectives and opened new opportunities.

Sweden has approximately 1,000 bakeries and confectioneries mainly run as mixed operations. Of these almost 50% are members in the association, besides the three largest industrial bakeries. With around 15,000 employees, the companies together generate revenues of approximately €1.8 billion per year.

With a share of 55%, the association is the largest member of the Confederation of Swedish Enterprise (Svenskt Näringsliv, or SN) in which the Swedish food industry is also well represented. Besides wage bargaining, weekend and night tariffs are also an issue for the confederation.

Following modernisation of the SBK, the association decided to step up its PR efforts and established various committees with different areas of responsibility (competition, trainees, customer information, international contacts, industrial innovations, etc.) headed by the industry's leading spokespersons on an honorary basis. The office also receives assistance from five specialists for marketing, nutritional science and computing.



The association's own magazine is published 13 times a year and has been running for 113 years, with news and updates for the association's members. To recruit trainees, a special edition (BRÖD) is published once a year and sent to elementary schools around the country. It contains plenty of information on work as a baker/confectioner.

The BRÖD Institute offers a further service for our association by having a nutritional specialist answer members' and consumers' questions online. The specialist also publishes in the scientific press, is available for debates and panel discussions and counters any negative publicity on the association's products with concrete arguments. The homepage is very popular among consumers and considered a respectable, scientifically substantiated source. The various competitions held by the association, including one for young bakers, confectioner of the year, the bakers'/confectioners' school championships, the Swed-

ish sandwich tournament and especially the international competitions are an important part of the association's work. Without a doubt, one of the most successful events recently was the wedding cake for crown princess Victoria, which generated priceless publicity in the press, TV and radio for the association and its members. Last but not least, it isn't only the national contacts, but the international relations that are also very important to the association. Membership in the CEBP, the UIB and the UIPCG

and the northern meetings have helped the association advance its goals and build a worldwide network of contacts.

"In my opinion it is our obligation to preserve our association's tradition and pass it on to the young people, so that the next generation of our wonderful occupation is filled with sharp, inquisitive and talented people. Only then can we keep on giving our customers what they love most."

## Events:

Country/Association:	Event:	Date:	Place:
Sweden	Swedish bakers' and confectioners' annual general meeting	10 <sup>th</sup> – 13 <sup>th</sup> May 2012	San Sebastian
Sweden	Tauf tårte (baptism cake) for the newly born Princess Estelle	22 <sup>th</sup> May 2012	-
Austria	Competition for Young Austrian Bakers	17 <sup>th</sup> – 18 <sup>th</sup> June 2012	Oberwart
France	Statutory general meeting	18 <sup>th</sup> June 2012	-
Switzerland	Congress SBKV	18 <sup>th</sup> June 2012	Bern
Austria	Board Meeting	19 <sup>th</sup> June 2012	Oberwart
CEBP	Board meeting and parliamentary evening	20 <sup>th</sup> June 2012	Brussels
CEBP	General meeting	21 <sup>th</sup> June 2012	Brussels
Sweden	Nordic meeting in Spitsbergen	9 <sup>th</sup> – 11 <sup>th</sup> September 2012	Svalbard / N
Germany	iba summit	15 <sup>th</sup> September 2012	Munich
Germany	UIB Congress at iba Munich	16 <sup>th</sup> – 17 <sup>th</sup> September 2012	Munich
Germany	iba-Cup Bakers	16 <sup>th</sup> – 18 <sup>th</sup> September 2012	Munich
Germany	iba	16 <sup>th</sup> – 21 <sup>th</sup> September 2012	Munich
Germany	German Championship of Bakers, the finale will take place at the iba	19 <sup>th</sup> September 2012	Munich
Germany	iba-Cup Confectioners	20 <sup>th</sup> – 21 <sup>th</sup> September 2012	Munich
Sweden	Cinnamon Bun Day	4 <sup>th</sup> October 2012	-
Germany	General Assembly	7 <sup>th</sup> – 9 <sup>th</sup> October 2012	Hanover
Sweden	Princesstårten (princess cake) week	20 <sup>th</sup> – 28 <sup>th</sup> October 2012	-
Sweden	Nordic Bakery Championships	26 <sup>th</sup> – 27 <sup>th</sup> October 2012	Oslo
France	Contest and award ceremony of the ILWB	5 <sup>th</sup> – 8 <sup>th</sup> November 2012	Rouen
Switzerland	Swiss Championship for Bakers and Confectioners	19 <sup>th</sup> – 21 <sup>th</sup> November 2012	Luzern
Sweden	SBK board meeting	22 <sup>th</sup> November 2012	Stockholm

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