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## **Committee on Technical Barriers to Trade**

## EUROPEAN UNION - APPLICATION OF REGULATION NO. 1169/2011 AND REGULATION (EC) NO. 1924/2006 AS REGARDS THE LABELLING OF FOOD PRODUCTS, IN NOT PROHIBITING OR EXAMINING THE USE OF "PALM OIL FREE" LABELS

## STATEMENT BY INDONESIA TO THE COMMITTEE ON TECHNICAL BARRIERS TO TRADE 20 AND 21 JUNE 2019

The following communication, dated 1 July 2019, is being circulated at the request of the delegation of Indonesia.

- 1. The Government of Indonesia would like to reiterate its concerns about the use of "Palm Oil Free" labeling by several food product companies in the EU.
- 2. The Regulation (EU) 1169/2011 govern the food information, in particular food labelling. Article 7 (1) (c) of the Regulation provides that food information must not be misleading for the customers, particularly "by suggesting that the food possess special characteristics when in fact all similar food possesses similar characteristics, in particular by specifically emphasizing the presence of absence of certain ingredients and/or nutrients." Palm oil has similar characteristics with rapeseed oil, sunflower oil or any vegetable oils. Therefore, it is unnecessary, irrelevant, and illegal to specifically labelling any foodstuffs with "Palm Oil Free" as it is creating unsubstantiated misleading generalization to the customers.
- 3. The practice of palm oil free labelling has lead customers into confusion, as well as misunderstanding on the impact and/or affect of food products containing palm oil. Allowing food exporters to apply this labelling in the absence of scientific evidence creates unfair and unnecessary barrier to trade. Indonesia encourages the EU to be consistent with EU Regulation 1169 Chapter V Article 36 point 2, which states that "(a) it shall not mislead the consumer, as referred to in Article 7; (b) it shall not be ambiguous or confusing for the customers, and (c) it shall, where appropriate, be based on the relevant scientific data."
- 4. Article 18 (1) of the Regulation provides that the list of ingredients shall include all substances that are used to manufacture the food product and not the substance that is not used in manufacturing or preparing the food product. While Article 9 and 21 of the Regulation require foodstuff producers to make clear of the presence of certain substance in the labelling of the food products, it is only limited to substances that are causing allergies or intolerances, in which, according to Annex II of the Regulation does not include palm oil as a substance that is causing allergies or intolerances. Therefore, mentioning palm oil as a substance that is absence from the list of ingredients of foodstuffs is also contravening the Regulation.
- 5. Moreover, based on EU Regulation 1924/2006 on nutrition and health claims made on foods, the EU does not give authorization to food producers in claim related to carotenes contain in the palm oil due to the fact of the insufficient scientific evidence. This is on the contrary with current situation on which the EU allowing food producer to use palm oil free labelling without scientific justification.
- 6. Indonesia emphasizes the EU to refer to the International Codex standards related to general food labeling (GENERAL STANDARD FOR THE LABELING OF PREPACKAGED FOODS CXS 1-1985), especially regarding the basic principles of labeling not mislead and not related to other products that confuse consumers.

- 7. We believe that free palm oil label, exploited by non-governmental bodies within the EU, without accurate scientific evidence on the impact of palm oil in food products on human health is a mere black advertisement to mislead and deceive the customers. Therefore, Indonesia urges the EU to apply the principle of non-discrimination on the treatment given to palm oil compared to other vegetable oils (sunflower, soybean, rapeseed oil).
- 8. Indonesia emphasizes that the EU need to be consistent with the WTO TBT Agreement in Article 2.1 on non-discrimination, Article 3.4 and 3.5 on measures by local governments and non-governmental bodies that shall be in line with the WTO TBT Agreement. Indonesia urges EU to take necessary action to ensure that their NGOs and local governments apply measures consistently with EU Regulation 1169 and WTO TBT Agreements.