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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE EVALUATION

of

**marketing standards (contained in the CMO Regulation, the ‘Breakfast Directives’ and
CMO secondary legislation)**

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EXECUTIVE SUMMARY

Since the early days of the common agricultural policy (CAP), marketing standards have been a feature of agricultural and food product quality policies; their aim has been to address consumer expectations, to help improve the economic conditions for producing and marketing agricultural products, and to improve their quality¹. Under today's CAP, EU marketing standards aim to ensure that the market can be easily supplied with products of a standardised and satisfactory quality; they do this through technical definitions, classification, presentation, marking and labelling, packaging, the production method, conservation, storage, transport, related administrative documents, certification and time limits, restrictions of use and disposal².

The EU marketing standards currently in force are set out in three main bodies of legislation:

- the common market organisation ('single CMO') established by Regulation (EU) No 1308/2013³;
- a number of regulations ('secondary CMO legislation') setting product-specific marketing standards⁴;
- a number of directives establishing rules on the description, definition, characteristics and labelling of a number of agricultural and food products usually consumed for breakfast⁵ (those Directives are therefore known as the 'Breakfast Directives').

The evaluation aimed to determine if the EU marketing standards for food products currently in force are meeting their objectives, and/or are useful and sufficient for the stakeholders concerned (producers, processors, traders, retailers, consumers, Member States' administrations). The evaluation covers the period from 2014, when the current Common Market Organisation Regulation entered into force, and covers all EU Member States⁶. The evaluation covers a wide range of sectors that are subject to marketing standards.

The findings of the evaluation should be interpreted knowing that there were a number of limitations, notably a heavier reliance on qualitative, rather than quantitative analysis and a limited availability of reliable data; this results in an uneven level of detail of the analysis across sectors, making it difficult to draw general conclusions on marketing standards.

The evaluation concludes that EU marketing standards have generally been effective in achieving their intended objectives, without causing significant unintended/unexpected

¹ See Regulation (EU) No 1308/2013, recital 65.

² See Regulation (EU) No 1308/2013, recital 71.

³ The 'single CMO' Regulation sets A) marketing standards for: olive oil and table olives; fruit and vegetables; processed fruit and vegetable products; bananas; live plants; eggs; poultry meat; spreadable fats intended for human consumption; hops; B) definitions, designations and sales descriptions for: beef and veal; wine; milk and milk products intended for human consumption; poultry meat; eggs; spreadable fats intended for human consumption; olive oil and table olives; C) optional reserved terms for: poultry meat, eggs and olive oil.

⁴ Setting marketing standards for: olive oils; fresh and processed fruits and vegetables; bananas; eggs; hatching eggs and poultry chicks; poultry meat; bovine meat; hops; spreadable fats; milk and milk products.

⁵ Coffee and chicory extracts; cocoa and chocolate products; sugars intended for human consumption; fruit jams, jellies and marmalades and sweetened chestnut purée intended for human consumption; dehydrated milk; fruit juices; honey.

⁶ Including the United Kingdom

effects (including ‘deadweight’⁷). The few limitations of marketing standards in terms of effectiveness concern specific sectors and relate to specific aspects, mainly due to the lack of robust quantitative data. The assessment identifies a number of success stories of the effectiveness of EU marketing standards, such as the rules on the optional reserved terms (types of farming) for poultry meat and the rules for indicating the farming methods applied for laying hens.

Although neither costs nor benefits are fully quantifiable, most Member States and the majority of the business associations and operators consulted consider the costs of EU marketing standards to be justifiable and proportionate to the benefits achieved regardless of the sector. Overall, limited potential was found for the simplification of EU marketing standards, including the certification procedure for hops and the marketing standards for fresh fruit and vegetables and olive oil. Consumers seemed insufficiently aware of marketing standards and their benefits, to make a robust assessment of whether from their point of view the cost of EU marketing standards was proportional to the benefits.

There is some room for improving the relevance of EU marketing standards. Even if EU marketing standards are found to be generally pertinent to the needs identified by stakeholders, the assessment revealed that their capacity to address new needs, problems and emerging novel issues encountered by stakeholders could be improved. In particular, the assessment identified some limitations of EU marketing standards in keeping up with the changes in technology, marketing strategies and consumer preferences without impeding innovation, and in addressing potential side effects in terms of food waste in certain sectors.

The evaluation concludes positively that EU marketing standards are coherent, within the related CAP regulatory framework (internal coherence) and with other EU rules that are relevant for producing and marketing agricultural and food products, as well as with international and private marketing standards (external coherence). There is however a significant cross-sectoral issue of coherence due to the combination of various requirements under EU marketing standards relating to product quality, food safety (e.g. requirements on storage temperatures, or minimum durability with ‘best before’ date for eggs) and the provision of food information to consumers (product labelling requirements). According to some of the national competent authorities consulted, such a combination results in overlaps and inconsistencies, posing challenges for enforcement and controlling activities.

EU marketing standards also add significant value to international and private marketing standards. This added value mainly stems from their mandatory nature (i.e. the related requirements must be complied with across the EU), from requirements being tailored to the specific operational and market situation of the EU, and due to the rather demanding minimum quality requirements for many products. The evaluation finds potential advantages in setting EU marketing standards for sectors/products currently not covered (e.g. cheese and cider), mainly to tackle unaddressed needs and increase the benefits for stakeholders⁸.

⁷ ‘Deadweight’: effects that would have arisen even without the intervention – i.e. without the establishment EU marketing standards - had not taken place.

⁸ Notably: improved market access for producers; improved transparency on the market; promotion of intra-EU trade in the products concerned stemming from harmonisation of varying national legislation (i.e. removal of technical barriers to trade); definition of minimum quality standards for the products concerned, to the benefit of both consumers and business stakeholders; contribution to improved average quality of the products

The results of the evaluation may contribute to the reflection and debate on a need for regulatory changes for marketing standards, including the potential for simplification. The findings may also feed into a Commission report to the European Parliament and to the European Council, which, in accordance with Article 75(6) of Regulation 1308/2013, is required before any change can be made in the list of products covered by marketing standards.