



ARTICLE

More than just a traffic-light

A complex future for food labelling

Whether it's the alphabet, a traffic light or even a battery, European consumers will have come across one of a myriad of food scoring systems across the EU in past years. As the European Commission moves to harmonize systems across the EU the conversation has become even more complex. The COVID-19 pandemic has accelerated a change in food purchasing habits, as consumers looked for ways to support local manufacturers in a time of solidarity and economic struggle. Climate, health, and sustainability have all become part of the new picture, and one that companies, and retailers have just as quickly moved to signpost with labelling.

Nutritional labelling remains the focus for now, however its very premise – to signpost healthier options – remains challenging to implement. Different systems favour some ingredients over others, sugar replacements score high, naturally occurring fats perhaps less so, and they aren't always compatible with other origin labelling systems. The path towards harmonised labelling across the 27 Member States remains undecided.

A clear winner in sight?

Food scoring is currently voluntary in the EU, but the European Commission wants to make front-of-pack food labelling mandatory by the end of 2022 in an effort to help consumers make healthier and more sustainable food choices.

Nutri-score appears to be leading the pack when it comes to adoption in Europe. Classifying food on a scale from A to E, with traffic-light style colouring based on nutrient

information per 100g, it is the most widespread of labels, despite national systems persevering in some markets. However, it isn't without its detractors. Countries such as France and Spain provide an insight into some of the key issues on the table.

A bumpy road towards harmony in labelling

As countries with a strong history regional or origin labelled products, France and Spain shine a light on some of the market-specific limitations that challenge the application of food scoring, but also reveal some of the potential unintended economic consequences of the program.

In both countries, farmers and manufacturers of regional flagship products (such as olive oil, cured meat or cheese) highlight that rating the nutritional value of a product is often incompatible with quality and origin labels (e.g. AOP, Label Rouge, organic). The Regional Institute for Food Quality in the French Occitanie region neatly summarised

the challenge in a recent [press release](#) by asking: “*What to choose between a diet soda, rated B because it is sugar-free but contains sweeteners, and an unprocessed organic farm apple juice, rated C?*”

In Spain, inspiration is being taken from the experiences of fellow Mediterranean countries such as Italy, to consider new ways of addressing the challenge to better reflect the value of typical regional products (such as olive oil, which would be classified as C or D under Nutri-Score).

Front of pack shifting consumer and retailer behaviour

In France, the Nutri-Score scheme has already led to significant changes in consumer behaviour and health since it was introduced voluntarily by certain brands in 2017. The market share of brands committed to the Nutri-Score approach in France reaches 50% of the volumes in 2020. 94% of consumers say they are in favour of the logo being displayed on packaging and 89% think that it should be made compulsory. Recent [research](#) in France has also shown there has been an increase in sales of the best rated products, highlighting that consumers are sensitive to this issue.

These trends are providing a genuine incentive for manufacturers to reformulate their products to win over consumers. For example, breakfast food leader [Kellogg's](#) recently launched a project in France to reformulate its recipes for children, aiming to have them all labelled A or B on Nutri-Score by 2022. [McDonald's](#) will even start to display the Nutri-Score on its products by this summer, becoming the first fast-food chain in France to do so.

Political support divided

Economic recovery from the COVID-19 pandemic has added another layer of complication. Conversations around supply chain security and sovereignty haven't escaped the food sector, especially not in France and Spain. In France, for example, MPs and regional political representatives frequently urge the Minister of Agriculture and Food to support local industries, gastronomical heritage, and traditional know-how by excluding certain products from Nutri-Score ratings.

The French Minister of Agriculture has not yet responded to the critics and the Minister of Health meanwhile continues to fully support Nutri-Score, including at EU level.

In Spain the Minister of Consumer Affairs has also decided to endorse¹ the voluntary implementation of Nutri-Score in the country before the end of 2021. There is no consensus, however, with the Ministry of Agriculture on how to implement it, in large part because of widespread criticism from farmers and food producers.

Nutri-Score's winning moment

February 2021 marked a defining moment in Nutri-score establishing prominence. Germany, France, Spain, Belgium, the Netherlands, Switzerland, and Luxembourg joined forces to establish a “transnational coordination mechanism” to ensure coordination and “efficient implementation” of the scheme². The initiative has placed increasing pressure on the European Commission to harmonise front-of-pack nutrition information. For its part, the Commission has launched a stakeholder consultation process as it considers adopting Nutri-Score across the EU (among other labelling options such as endorsement logos or numerical labelling), and it is expected to publish its proposal in the fourth quarter of 2022.

It is highly likely that Nutri-Score will be approved by the Commission: only a handful of Southern European Member States oppose it, it has clear support from the six Member States involved in coordination, and most other countries are either undecided or not firmly against it (with some even allowing international brands to already implement it nationally).

A future beyond food labelling

In the long-term, the EU is expected to go beyond mere nutritional labelling to develop a more comprehensive sustainable food system framework by 2023. This framework will enable food companies and retailers to progressively raise their sustainability standards to a new norm for all food products on the EU market. It is expected to combine certification and labelling on the sustainability performance, and even production of food products.

Some retailers are anticipating this next move by implementing wider sustainable labelling schemes, a good example being the Colruyt Eco-Score³ initiative in Belgium. This scheme looks at additional criteria such as sustainable packaging and sourcing along with production methods but appearing alongside Nutri-Score does appear to add a layer of consumer confusion.

1 <https://www.lamoncloa.gob.es/serviciosdepremsa/notasprensa/consumo/Paginas/2020/260620-consumo.aspx>

2 https://gouvernement.lu/en/actualites/toutes_actualites/communiqués/2021/02-fevrier/12-mpc-nutriscore.html

3 <https://www.colruytgroup.com/wps/portal/cg/en/home/stories/Why-an-Eco-Score>

Independent non-manufacturer-led app-based alternatives are also gaining ground (Yuka, a product-scanning app for example). These may see new challenges to the scientific basis and legitimacy of existing labels, especially their exclusion of parameters such as additives.

Nutri-Score doesn't have a clear path to dominance, and which of the myriad of labelling systems will prevail however remains unclear, so food companies and retailers are having to remain flexible.

Preparing for the future: 5 actions that food companies and retailers should take

1. Anticipate and be ready to rapidly adapt in the face of changing regulations that might challenge your compliance, traceability and ultimately your licence to operate.
2. Make sure your brand reflects a sense of purpose that resonates with your ecosystem, to protect your reputation in the long-term.
3. Use enhanced competition as a positive externality to stimulate innovation and dare to develop new products that challenge conventions.
4. Do not underestimate accessibility when finding the right balance between quality and affordability – consumers are not where you expect them anymore.
5. Assess the impact of cultural factors on your brand to anticipate potential regulations or trends.

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