

Product safety

Consumer associations opposed to 'Made in' label

By Ophélie Spanneut | Tuesday 04 June 2013

The European Consumers' Organisation (BEUC) has it in for the principle of indicating the country of origin on non-food products. BEUC takes the view that this type of labelling is misleading for consumers. This has come as a major surprise for MEPs and enterprise representatives, who are in favour of this principle.

On the occasion of the adoption, on 13 February, of legislative measures on product safety, the European Commission has proposed new rules obliging producers to indicate the country of origin on their products (see *Europolitics*4585). Under the proposal, manufacturers and importers need to ensure that the country of origin is indicated on each non-food product sold in the EU. For products made in a member state, the "Made in" label can read either "EU" or whichever specific member state it was made in.

BEUC considers that information based on customs codes does not work for the people it targets. BEUC's Director-General, Monique Goyens, holds that it would have been a good idea to ask consumers what information they want on origin labelling. "If a T-shirt is made in India but the collar has been added in Germany, it could be labelled made in Germany but that is misleading for the customer."

And yet, when Commissioner Tonio Borg, who is in charge of consumer protection, presented the text, he noted that the producer country should be the country in which the production had been carried out for the most part. Goyens notes her disappointment at the fact that this point is the focus of all discussions on the legislative package. "The Commission should rethink it since neither businesses nor consumers want it." Goyens told MEPs: "Don't spend too much time on it, get rid of it".

MEPS IN FAVOUR

But MEPs do not seem to want to get rid of it. An overwhelming majority of the EP supported the proposal in two resolutions. And "the Commission listens to MEPs," the representative of DG Enterprise said somewhat scathingly. Resorting to customs codes to define the country of production is "an elegant way to solve the protectionism problem," especially since manufacturers will be able to use the label "Made in the EU".

As for the industry, Cofindustria, the Italian trade union, supports the initiative. "It is a way – as the member states and other regions in the world already do – of indicating whether a product comes from a country that respects social and environmental standards," said Cofindustria's representative. Accordingly, BEUC's position surprises him.

In fact, MEPs were equally surprised. Catherine Stihler (S&D, UK) notes that in her constituency consumers want information on the country of origin. Rapporteur Christel Schaldemose (S&D, Denmark) wants to ensure that the rules are effective so that consumers can get information that is of

interest to them. At the hearing in the Committee on the Internal Market (IMCO), on 29 May, Matteo Salvini (EFD, Italy) asked: “Are we working to further the interests of European manufacturers and consumers or for those delocalising to Bangladesh or Pakistan?”

Markus Wiesner, director of the association of European furniture manufacturers, is convinced that consumers should have access to the social context in which a product has been manufactured. “More transparency carries with it more security as it makes the work of the market surveillance authorities easier and makes the manufacturer more responsible.”

But not all businesses agree. Business-Europe is not currently prepared to indicate which position it takes on the matter. An expert at BusinessEurope explained that some members of the federation are in favour of the move (Italy, Portugal, Lithuania), but the majority are against it, arguing that it represents an extra constraint for businesses without added benefits for consumers. In any case, in the expert’s view, the traceability argument does not hold: if the name and the address of the manufacturer are already on the product, information on the country of origin does not make traceability any easier.

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