

## European Tourism Forum

### Panel 3: The Regulatory Framework in Tourism

**Reply by Mr. Kent Nyström, President of HOTREC to the question: “What is HOTREC’s position concerning the EU’s proposed food labelling legislation?”**

*Brussels, 9 October 2009*

Ladies and gentlemen,

It is a great honour to speak at the European Tourism Forum and I thank the Commission for giving me the opportunity to express HOTREC (39 National Associations in 24 different European countries) views on the proposed regulation to review EU rules on food labelling.

This proposal is a clear example of **how the competitiveness of the European hospitality industry can be severely affected by a legislation that simply ignores the characteristics of our sector.**

Let me briefly explain the issue:

So far, EU legislation did not impose any obligation of labelling in relation to meals served in restaurants, cafés, pubs and so on. However, the situation would change completely if this proposal were to be adopted as it stands.

The structure and content of the proposal clearly show that it was conceived to apply to prepacked food only! If adopted as it stands, the regulation would require restaurants to indicate for each item on their menus: the full list of ingredients; the quantity of certain ingredients; the net quantity of the food; any ingredient potentially causing allergies or intolerances as well as a nutrition declaration, including the energy value, the amounts of fat, carbohydrates and salt.

Let's be realistic. Complying with the regulation would not only impose heavy burdens and costs on the industry: it would simply be unworkable for traditional restaurants and cafés, the vast majority of which employs less than 10 persons.

Staying in business would only be possible by reducing and standardising the menu-offer; using ready-made and pre-labelled foods instead of fresh products. Is this really what EU policy makers want?

HOTREC is of the strong opinion that restaurants should not be subject to the same regulatory requirements as major food processing companies! A one-size-fits-all approach is certainly not appropriate... Meals served by traditional restaurants are not, and should never become, standardised products. Imagine, a restaurant would serve only fast food... Diversity must be defended!

Even the solution of limiting mandatory labelling to allergens would be *de facto* unworkable, because of the high risk of cross-contamination in establishments with limited working areas. The risk that a dish may accidentally contain traces of allergens used for the preparation of other dishes is unfortunately unavoidable in restaurants. No stickers, menus or verbal communication will avoid all risks. We fully understand the objective of protecting consumers suffering from severe food allergies, currently estimated to affect only between 1% and 2% of the adult population according to the figures quoted in the Commission Impact Assessment Report.

However, allergens labelling in restaurants could lead to the opposite result, giving the false impression of a total absence of allergens to consumers, whereas cross-contamination can never be excluded.

HOTREC and its member associations take the view that EU legislation should not regulate the provision of information with regard to meals served in restaurants. As gastronomic traditions and consumer expectations vary greatly from country to country, the decision to adopt rules concerning non-prepacked food should be left to Member States.

We now hope that the Council and the Parliament will thoroughly review this Commission proposal, taking into account the characteristics of the hospitality sector.

Finally, ladies and gentlemen, let me conclude with a few general remarks.

In the midst of the global economic crisis, the worst so far, hospitality entrepreneurs are not asking for direct financial support, EU subsidies or “bail-outs”; they only expect the EU to focus on essential priorities, such as bringing back confidence on the marketplace through a favourable political and regulatory environment!

As the “initiator” of EU legislation, the Commission should play a major role in redirecting the development of EU measures away from imposing unnecessary burdens on enterprises, which in the end will raise the cost of the restaurant operations and increase the prices to consumers or provoke jobs cuts.

In these difficult times, the principle of “*better regulation*” should be applied more strictly than ever to all new EU legislative proposals: proper impact assessments

need to precede every single piece of draft legislation. In this case, the Commission impact assessment simply states that “*no systematic research answered the question of how much such a provision would cost*”. This is a real shame as our own impact assessment gives an estimated cost of over 1.500 million € per year for the sole labelling of allergens in restaurants in Europe. This conservative calculation is based on the assumption that the listing of allergens would not take more than one hour per week of the chef in a restaurant changing its menu weekly.

Thank you for your kind attention.

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