



## Internet consultation reformulation

Breda, 16 April 2021

### Introduction and general remarks

First of all, Ferrero would like to express its appreciation for the Ministry's thorough approach towards product reformulation, and for involving the stakeholder community including the food industry in the process. As this consultation round is the first moment in which the confectionary industry is directly consulted, we would like to stress some points of general interest for our product categories, prior to addressing the consultation questions.

#### *Portion size*

For "Indulgence" product categories, lowering, for example, sugar and / or fats can in some products be less desirable. In addition, for many of these products, there are few incentives for product improvement. Criteria are often unrealistically strict, Nutri-Score will remain mostly red, and consumers do not expect these products to contribute to a generally perceived healthy diet based on daily consumption.

A far greater gain can therefore be achieved by working on portion sizes in order to achieve a reasonable reduction on the market, as is included in the National Prevention Agreement. Monitoring results from the sector (VBZ) show that the sector has reached its target: 71% of products have correct portion labelling (above the 70% target) and the target of +10% more products with <100 kcal on the market has also been achieved for each of the subcategories. Data on portion sizes are currently being processed in the database (GS1) and are therefore easy to monitor.

We are aware of the fact that according to the draft report, the options for drafting limit values will be examined in relation to the portion size at a later stage. It is our opinion that the focus for the food category pastry and confectionary should primarily be on portion size. In the fight against obesity, it is the overall calories that count. From the beginning, Ferrero products have always been available as individually wrapped portions, 91%\* of the marketed volume 2018/2019 are less than 130kcal<sup>1</sup>. We are exploring new recipes and marketing techniques to help consumers choose small portioned products with fewer calories and less sugar – consumer taste is paramount. Drafting limit values for sugar

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\*The percentage is updated every year.

<sup>1</sup> [Ferrero Group, Sustainability Report 2019](#).



and saturated fat can be considered in a next step, focusing on those subcategories for which reductions are feasible.

#### *Incentives for product reformulation*

In the previous consultation round, the food industry was also asked to provide input on the proposed ideas for incentives.

The incentives that are currently being elaborated are:

1. Publication and ranking of the performance of product improvement according to the new approach via trade journals, press releases and website to be developed.
2. Offering companies the opportunity to communicate about product improvement. For example, companies can state their score on the label with the food choice logo Nutri-Score. Part of the business community and supermarkets already indicate that Nutri-Score is the incentive for them to implement product improvements. The sector is already working hard to obtain a better score for Nutri-Score by improving the product (s). In addition, it is investigated to what extent it is possible to state small reduction steps (less than 30%) in connection with European regulations on nutrition and health claims.
3. Facilitating companies and other organizations by providing a digital platform where they can consult all information about product improvement and express their own steps, goals and information.
4. Facilitate knowledge (dissemination) / research (incentives).
5. Set product improvement as a purchasing criterion for catering in the public sector.

These 5 incentives provide little incentive for producers of chocolate, pastry & confectionary and sweet bread toppings to reformulate. Nutri-Score is considered as one of the most important incentives for the industry to reformulate. However currently, Nutri-Score does not provide an incentive for many of the products and product categories as the Score will remain, even with an impacting reformulation, generally red (D or E). This is the case for all products that are inherently high in sugar, sodium and / or saturated fat (higher than the corresponding Nutri-Score points system). For these products, other incentives / strategies are therefore likely to be more effective, especially if we consider that the main objective of such actions should be the public health and wellbeing of citizens and consumers.

We therefore strongly recommend to give an important role to portion size reduction – such as already exist in the Prevention agreement.

#### *International context*

As Ferrero is a multinational company, producing products for several markets at the same time, it is important for us that a new system for product reformulation and portion size reduction is in line with international developments.

There is an ongoing assessment at the European (EU) level - involving the European Commission with the scientific support of Joint Research Centre and European Food



Safety Authority - to facilitate the shift to healthier diets and stimulate product reformulation. This also includes setting up nutrient profiles to restrict the promotion (via nutrition or health claims) of foods high in fat, sugars and salt. Therefore, it would be opportune to be aligned to the EU process and targets that will be established. The timeframe for this action has been scheduled by the EU Commission for Q4 2021.

When we look at other neighbouring countries at the moment, we see that slightly different methods and thus reformulation targets are being set. For example, in the United Kingdom, Public Health England calls portion size for the categories chocolate confectionary and sweet confectionary the most relevant mechanism.<sup>2</sup>

### *Conclusion*

Ferrero is dedicated to being a part of the solution to the growing problem of unhealthy diets and obesity. In order to be most effective, it is our recommendation to focus efforts on the most effective strategy, which for our category is limitation of portion size. Carefully aligning with the international context, the currently proposed product improvement strategy with the National Prevention agreement, and rethinking the incentives and targets including portion size is therefore warranted.

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<sup>2</sup> [Public Health England, Sugar Reduction: Achieving the 20%, March 2017](#)



## Questions for consultation

1. What do you think of the standardized method for **classifying food groups** and the **limit values** as presented in the underlying draft report by the RIVM?
2. Are there aspects that you miss in the classification of the food groups and limit values?

## Standardized method for classifying food groups

### *Categorization and database*

The categories in the Prevention Agreement and the proposed system for product improvement do not match, and consequences for e.g. portion size targets should be looked into (see frame).

### **Categorization and database pastry & confectionary**

New system product improvement: Tarts & pastry, cake, biscuit, granola / fruit bars, gingerbread, waffles, cookies sand dough, cookies various, chocolate products, candy, ice cream, sweet sauces.

Database: LEDA

Prevention Agreement (categorization is based on subcategories defined by retailers): chocolate bar, chocolate (various), chocolate mini's, candy, in between bars, cookies.

Database: Nielsen and Brandbank (till end 2019), Nielsen and GS1(end 2020)

As can be read in the report of the sounding board meeting in February, there are questions about which products fall under which subgroups. We therefore stress that it is important to have clear definitions of the product groups and to know which products fall under which product group. The food group of pastry and confectionary includes a large variety of products, resulting in unrealistic limit values for some products. We are aware that it is mentioned in the report that subgroups within e.g. biscuits cannot be distinguished in the food database LEDA, but without further subcategorization, the system cannot be effective.

### *Contribution to daily intake*

The food group 'pastry and confectionary' consists of 12 subgroups. While the contribution of the total group is relevant (4.8% to sodium-, 18.1% to sugar- and 14.3% to safa-intake), the subgroups contribute only modestly to the daily intakes. E.g. the contribution of chocolate and biscuits to daily safa intake is 3% and 1%. For sugar this is 2.7% and 1.3%. Similar reasoning is valid for bread toppings: chocolate spread contributes to 3.1% of safa and 2.1% of sugar intake. All in all, the subcategories mentioned are not or only just within the value of 3%.



Ferrero is interested to know how the 3% cut-off for food groups that significantly contribute to nutrient intakes (and are therefore included in strategy), was established.

### **Limit values**

For the subgroup confectionary and the subgroup biscuits, the limit values for sugar and safa are unrealistic and will not provide incentives to reformulate. Examples: reducing sugar in a candy would change the texture, making it a completely different product. It seems unlikely that the majority of chocolate biscuits can move to a more favourable category with the current limit values.

### *5 step approach*

In the previous consultation round it was also proposed to investigate a 5-step system (P10-P20-P40-P60-P80), instead of a 3-step system (P25-P50-P75). This in order to have more realistic reduction steps. While respecting this decision, Ferrero would be interested to know why it has not been taken into account.

This point is discussed also in the “Manual to develop and implement front of pack nutrition labelling” of the World Health Organization.<sup>3</sup> Even though the guidance is related to front of pack nutrition labelling, here they mention that if for example thresholds to define healthier foods are very stringent in terms of nutrient content, they may appear unreachable for a large number of food manufacturers. In this case, they write that the inclusion of multiple thresholds (or a sufficient number of healthiness categories) may provide more scope to encourage reformulation.

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<sup>3</sup> Manual to develop and implement front-of-pack nutrition labelling: guidance for countries on the selection and testing of evidence-informed front-of-pack nutrition labelling systems in the WHO European Region. Copenhagen: WHO Regional Office for Europe; 2020.

