Annex 4: Analysis of SME panel results

Summary of results

A. Profile of respondents

- This SME Panel was conducted in the context of the ongoing Fitness Check of the General Food law, during May-June 2015.
- Nearly two thirds of the respondents were processors/manufacturers of food products.
- The main target of the Panel were SMEs (up to 250 employees; 94% of the respondents). Of these, over a third were micro enterprises (from self employed – 9 employees), nearly another third were small size (10-49 employees) and nearly a quarter were medium size (10-49 employees).
- The vast majority of respondents buys from or sells to their national markets. More than half indicated to trade in the EU market, one third in markets outside the EU. Small and micro enterprises trade less on the EU or world market.
- The results are separately analysed for the small and micro enterprises group. There are no substantial differences between small and micro enterprises and the full sample. None of the differences in the results are higher than 5%.

B. Findings

1. The vast majority of respondents are well aware of the various basic legal requirements that companies in this sector must meet (not aware: up to 5%, depending on the requirement). Companies are particularly well aware of the requirement to place safe food/feed on the EU market, to carry out their own checks to make sure food/feed law requirements (e.g. labelling, safety, product specifications) are met and to withdraw/recall unsafe food/feed products. The awareness of small and micro enterprises is lower (around 10% less).

2. The majority of respondents rarely/never find it hard to meet most of these legal requirements, particularly the requirement to withdraw/recall unsafe food/feed products. Nonetheless, a quarter to a third of respondents finds it hard, whether this is frequently or sometimes. Carrying out their own checks to ensure compliance with food/feed law requirements (e.g. labelling, safety, product specifications) is one requirement that respondents find most hard to meet, as indicated by nearly half of respondents. Small and micro enterprises find it slightly harder to meet legal requirements, although differences are minor.

3. Two thirds of the respondents have never hired an external consultant to help them comply with EU food/feed law.

4. Respondents were asked about the prevalence of certain food/feed safety requirements in their contracts with suppliers or customers. For every stated requirement, around 7-10% of respondents weren't able to answer. The most prevailing requirements - where half of the respondents are often/sometimes asked to comply - are specific private standards, guidelines/codes of practice issued by industry/associations and communication of results of own tests to the supplier/customer. Less common - about a third of respondents are often/sometimes asked to comply - is the requirement to tell the supplier/customer the results of tests carried out by authorities and to have a more detailed traceability system than one step back & one step forward, with more than half of the respondents rarely/never required by suppliers or customers to do so. The prevalence of food/feed safety requirements in contracts with suppliers or customers is less common for small/micro-enterprises in comparison with large/medium enterprises (except for the following requirements: informing on tests carried out by authorities and the requirement to have a more detailed traceability system than one step back & one step forward).

5. For nearly half of the respondents, the one step back-one step forward traceability requirement goes beyond a normal book-keeping exercise. It is noted that over a quarter of respondents do not know.

6. A vast majority of the respondents indicate clear benefits of the traceability system: it makes it easier to manage risk in food/feed safety incidents (85% of respondents); helps identify which products need to be withdrawn from the market (83%); and, maintains consumer trust by providing accurate information on products affected by a food safety incident (75%). A smaller majority of respondents indicated that the system prevents unnecessary disruption to trade (54%) and improves business management (60%), although a relatively important share of respondents do not know whether the traceability system has these particular benefits (23% and 13% respectively). Small and micro enterprises are less convinced on the benefits of a traceability system (the difference in rsponses from this group compared to the full group is over 10%), except for the contibution of the traceability system to consumer trust.

7. Around 75% of the respondents have an internal traceability system within the organisation (i.e. a system establishing a link between incoming and outgoing products which may also include records identifying how batches are split and combined to create particular products or new batches).

8. Nearly two thirds of these internal traceability systems were set up at businesses' own initiative. Nonetheless, only about a quarter of those businesses that have an internal traceability system in place indicated that this has provided additional benefits beyond those of having the basic traceability requirements, while a fifth of those businesses do not know. More medium and large enterprises have an internal traceability system (over 20% more than small/micro enterprises), which was more often set up at own business initiative (10% difference).

9. Three quarters of respondents have an internal system for withdrawing food/feed that is a safety risk, while it is still in their immediate control. Less than half of those that have an internal system have actually ever used it. A higher share of medium and large enterprises have an internal system (over 20% more than small/micro enterprises), which they also had to use more (10% more than small/micro enterprises).

10. More than half of the respondents indicated that national authorities always/usually or sometimes help them meet food/feed law requirements (e.g. by providing information on food/feed rules specific to small/medium businesses, or guidelines). Over one third indicated that authorities rarely/never help.

11. Respondents ranked the costs of complying with traceability, labelling, authorisation, registration and certification as the most costly of all EU food/feed law requirements. This is followed by the costs of meeting the requirement for in-house checks of food/feed safety, with the costs of meeting contractual obligations/private standards coming in third place.

12. Respondents indicated that the three most demanding administrative tasks carried out under EU food/feed law obligations are traceability record keeping, certifying products or processes, and Information labelling for customers and consumers.

13. The share of administrative costs spent on EU feed/food law administration varies considerably amongst businesses. For over a quarter of respondents costs for EU food/feed law account for 0-5% of total administrative costs, for nearly one fifth around 5-10%, for one tenth between 10-15% and for another tenth they account for 20% or more. It is nonetheless noted that nearly 30% of respondents indicated that they do not know.

14. When comparing the benefits and costs of EU food/feed law, 18% of respondents indicated that benefits outweigh costs, 24% that benefits break even with costs, while for 32% of respondents benefits do not outweigh costs. Nonetheless, nearly a quarter of respondents indicated that they do not to know.

Full sample (all size categories)

A. Profile of respondents

- This SME Panel was conducted in the context of the ongoing Fitness Check of the General Food law, during May-June 2015

What is your business category?

		Answers	Ratio
Processor/manufacturer of feed products		79	8.54%
Processor/manufacturer of food products		623	67.35%
Manufacturer of agricultural inputs, other than food/feed (e.g. plant protection products)		11	1.19%
Wholesaler of food/feed products (including import/export)		136	14.7%
Retailer (mainly selling food/feed, specialised or non-specialised)		155	16.76%
Caterer/restaurant		155	16.76%
Transport/storage/packaging (mainly for the food/feed sector, specialised or non-specialised)		60	6.49%

- Nearly two thirds of the respondents were processors/manufacturers of food products.

How big is your company?

		Answers	Ratio
large (250 employees or more)		53	5.73%
medium-sized (50-249 employees)		219	23.68%
small (10-49 employees)		310	33.51%
micro (1-9 employees)		293	31.68%
micro (self-employed)		50	5.41%

- The main target of the Panel were SMEs (up to 250 employees; 94% of the respondents). Of these, over a third were micro enterprises (from self employed – 9 employees), nearly another third were small size (10-49 employees) and nearly a quarter were medium size (10-49 employees).

Do you buy from or sell to any of these markets?

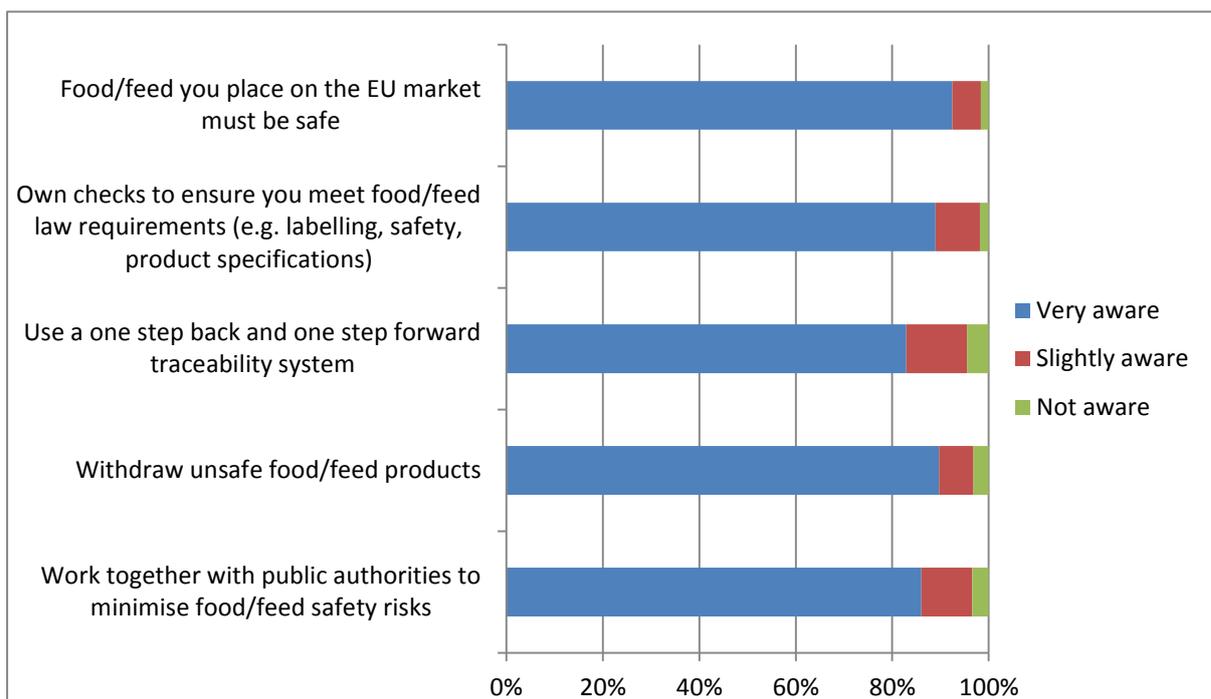|		Answers	Ratio
Your national market		818	88.43%
EU market		524	56.65%
Markets outside the EU		335	36.22%

- The vast majority of respondents buys from or sells to their national markets. More than half indicated to trade in the EU market, one third in markets outside the EU. Small and micro enterprises trade less on the EU or world market.

B. Findings[1]

1. How aware are you that your business must meet the following legal requirements?

- The vast majority of respondents are well aware of the various basic legal requirements that companies in this sector must meet (not aware: up to 5%, depending on the requirement). Companies are particularly well aware of the requirement to place safe food/feed on the EU market, to carry out their own checks to make sure food/feed law requirements (e.g. labelling, safety, product specifications) are met and to withdraw/recall unsafe food/feed products. The awareness of small and micro enterprises is lower (around 10% less).

How aware are you that your business must meet the following legal requirements?

a. Food/feed you place on the EU market must be safe

		Answers	Ratio
Very aware		842	91.03%
Slightly aware		54	5.84%
Not aware		15	1.62%

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[1] Note: The results are separately analysed for the small and micro enterprises group. There are no substantial differences between small and micro enterprises and the full sample. None of the differences in the results are higher than 5%.

b. **You must carry out your own checks to make sure you have met food/feed law requirements (e.g. labelling, safety, product specifications)**

		Answers	Ratio
Very aware		815	88.11%
Slightly aware		84	9.08%
Not aware		17	1.84%

c. **You must use a one step back and one step forward traceability system to track food/feed through the supply chain (showing where it has come from and will be delivered to)**

		Answers	Ratio
Very aware		756	81.73%
Slightly aware		115	12.43%
Not aware		41	4.43%

d. **You must withdraw/recall unsafe food/feed products**

		Answers	Ratio
Very aware		820	88.65%
Slightly aware		65	7.03%
Not aware		29	3.14%

e. **You must work together with public authorities to minimise food/feed safety risks**

		Answers	Ratio
Very aware		776	83.89%
Slightly aware		95	10.27%
Not aware		31	3.35%

2. Do you ever find it hard to meet these legal requirements?

- The majority of respondents rarely/never find it hard to meet most of these legal requirements, particularly the requirement to withdraw/recall unsafe food/feed products. Nonetheless, a quarter to a third of respondents finds it hard, whether this is frequently or sometimes. Carrying out their own checks to ensure compliance with food/feed law requirements (e.g. labelling, safety, product specifications) is one requirement that respondents find most hard to meet, as indicated by nearly half of respondents**.** Small and micro enterprises find it slightly harder to meet legal requirements, although differences are minor.

Do you ever find it hard to meet these legal requirements?
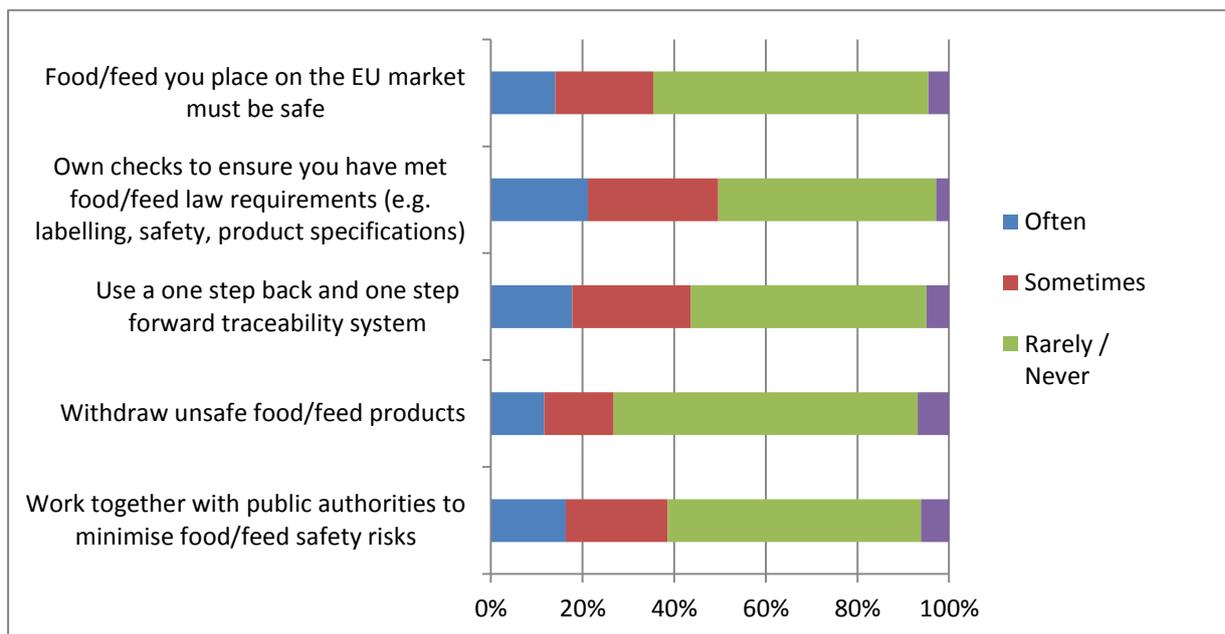
a. Food/feed you place on the EU market must be safe

		Answers	**Ratio**
Yes, often		127	13.73%
Yes, sometimes		194	20.97%
Rarely / Never		543	58.7%
Don't know		41	4.43%

b. **You must carry out your own checks to make sure you have met food/feed law requirements (e.g. labelling, safety, product specifications)**

		Answers	Ratio
Yes, often		193	20.86%
Yes, sometimes		259	28%
Rarely / Never		433	46.81%
Don't know		26	2.81%

c. **You must use a one step back and one step forward traceability system to track food/feed through the supply chain (showing where it has come from and will be delivered to)**

		Answers	Ratio
Yes, often		161	17.41%
Yes, sometimes		235	25.41%
Rarely / Never		466	50.38%
Don't know		45	4.86%

d. **You must withdraw/recall unsafe food/feed products**

		Answers	Ratio
Yes, often		105	11.35%
Yes, sometimes		137	14.81%
Rarely / Never		598	64.65%
Don't know		62	6.7%

e. **You must work together with public authorities to minimise food/feed safety risks**

		Answers	Ratio
Yes, often		147	15.89%
Yes, sometimes		200	21.62%

		Answers	Ratio
Rarely / Never		496	53.62%
Don't know		55	5.95%

3. **Have you ever hired an external consultant to help you comply with EU food/feed law?**
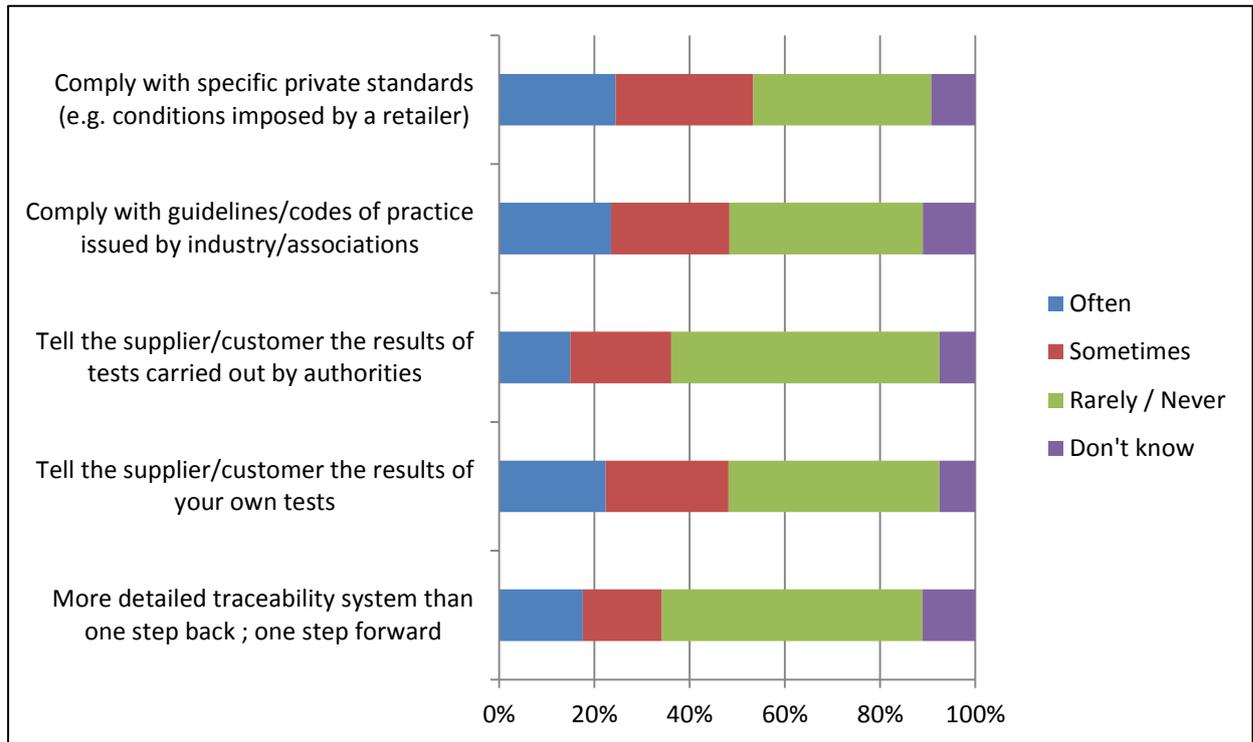
		Answers	Ratio
Yes		297	32.11%
No		614	66.38%

- Two thirds of the respondents have never hired an external consultant to help them comply with EU food/feed law.

4. **Thinking now of your contracts with suppliers or customers, do they ever ask you to do any of the following to ensure food/feed safety?**

- Respondents were asked about the prevalence of certain food/feed safety requirements in their contracts with suppliers or customers. For every stated requirement, around 7-10% of respondents weren't able to answer. The most prevailing requirements - where half of the respondents are often/sometimes asked to comply - are specific private standards, guidelines/codes of practice issued by industry/associations and communication of results of own tests to the supplier/customer. Less common - about a third of respondents are often/sometimes asked to comply - is the requirement to tell the supplier/customer the results of tests carried out by authorities and to have a more detailed traceability system than one step back & one step forward, with more than half of the respondents rarely/never required by suppliers or customers to do so. The prevalence of food/feed safety requirements in contracts with suppliers or customers is less common for small/micro-enterprises in comparison with large/medium enterprises (except for the following requirements: informing on tests carried out by authorities and the requirement to have a more detailed traceability system than one step back & one step forward).

Do your suppliers or customers ever ask you in their contracts to do any of the following to ensure food/feed safety?

a. Comply with specific private standards (e.g. conditions imposed by a retailer)

		Answers	Ratio
Yes, often		223	24.11%
Yes, sometimes		263	28.43%
Rarely /Never		340	36.76%
Don't know / does not apply		84	9.08%

b. Comply with guidelines/codes of practice issued by industry/associations

		Answers	Ratio
Yes, often		212	22.92%
Yes, sometimes		224	24.22%
Rarely /Never		366	39.57%
Don't know / does not apply		99	10.7%

c. Tell the supplier/customer the results of tests carried out by authorities

		Answers	Ratio
Yes, often		136	14.7%
Yes, sometimes		193	20.86%
Rarely /Never		512	55.35%
Don't know / does not apply		68	7.35%

d. Tell the supplier/customer the results of your own tests

		Answers	Ratio
Yes, often		203	21.95%
Yes, sometimes		234	25.3%
Rarely /Never		402	43.46%
Don't know / does not apply		68	7.35%

e. Have a more detailed traceability system than one step back & one step forward;

		Answers	Ratio
Yes, often		159	17.19%
Yes, sometimes		150	16.22%
Rarely /Never		495	53.51%
Don't know/ does not apply		100	10.81%

5. Does the one step back-one step forward traceability requirement go beyond a normal book-keeping exercise?

- For nearly half of the respondents, the one step back-one step forward traceability requirement goes beyond a normal book-keeping exercise. It is noted that over a quarter of respondents do not know.

		Answers	Ratio
Yes		446	48.22%
No		216	23.35%
Don't know		242	26.16%

6. Would you agree that a traceability system has the following benefits?

- A vast majority of the respondents indicate clear benefits of the traceability system: it makes it easier to manage risk in food/feed safety incidents (85% of respondents); helps identify which products need to be withdrawn from the market (83%); and, maintains consumer trust by providing accurate information on products affected by a food safety incident (75%). A smaller majority of respondents indicated that the system prevents unnecessary disruption to trade (54%) and improves business management (60%), although a relatively important share of respondents do not know whether the traceability system has these particular benefits (23% and 13% respectively). Small and micro enterprises are less convinced on the benefits of a traceability system (the difference in rsponses from this group compared to the full group is over 10%), except for the contibution of the traceability system to consumer trust.

Would you agree that a traceability system has the following benefits?

a. Makes it easier to manage risk in food/feed safety incidents

		Answers	Ratio
Yes		787	85.08%
No		62	6.7%
Don't know		66	7.14%

b. Helps identify exactly which food/feed products need to be withdrawn/recalled from the market

		Answers	Ratio
Yes		769	83.14%
No		63	6.81%
Don't know		79	8.54%

c. Prevents unnecessary disruption to trade

		Answers	Ratio
Yes		500	54.05%
No		188	20.32%
Don't know		215	23.24%

d. Maintains consumer trust by providing accurate information on products affected by a food safety incident

		Answers	Ratio
Yes		692	74.81%
No		108	11.68%
Don't know		104	11.24%

e. Improves business management in general

		Answers	Ratio
Yes		552	59.68%
No		226	24.43%
Don't know		121	13.08%

7. Do you have an internal traceability system (i.e. a system establishing a link between incoming and outgoing products which may also include records identifying how batches are split and combined to create particular products or new batches) within the organisation?

- Around 75% of the respondents have an internal traceability system within the organisation (i.e. a system establishing a link between incoming and outgoing products which may also include records identifying how batches are split and combined to create particular products or new batches).

		Answers	Ratio
Yes		676	73.08%
No		202	21.84%
Don't know		25	2.7%

8. If you answered yes:

- Nearly two thirds of these internal traceability systems were set up at businesses' own initiative. Nonetheless, only about a quarter of those businesses that have an internal traceability system in place indicated that this has provided additional benefits beyond those of having the basic traceability requirements, while a fifth of those businesses do not know. More medium and large enterprises have an internal traceability system (over 20% more than small/micro enterprises), which was more often set up at own business initiative (10% difference).

a. Was it set up at your business's own initiative?

		Answers	Ratio
Yes		448	48.43%
No		134	14.49%
Don't know		30	3.24%

b. Does it have extra benefits, other than those mentioned in the previous question?

		Answers	Ratio
Yes		182	19.68%
No		269	29.08%
Don't know		138	14.92%
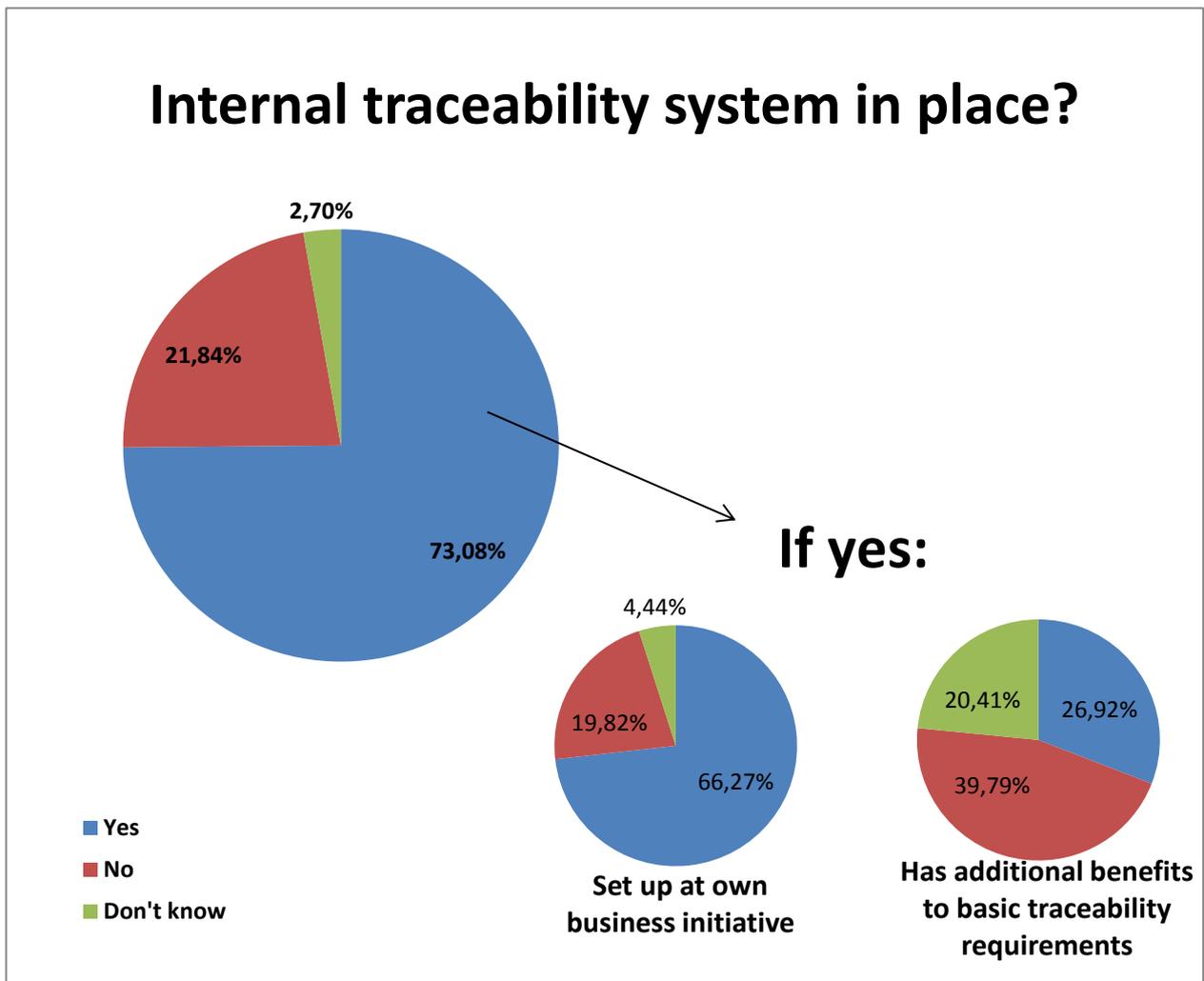
Internal traceability system in place?

2,70%

21,84%

73,08%

If yes:

4,44%

19,82%

66,27%

Set up at own business initiative

20,41%   26,92%

39,79%

Has additional benefits to basic traceability requirements

- Yes
- No
- Don't know

9. **Do you have an internal system for withdrawing food/feed that is a safety risk, while it is still in your immediate control (e.g. on your premises)?**

- Three quarters of respondents have an internal system for withdrawing food/feed that is a safety risk, while it is still in their immediate control. Less than half of those that have an internal system have actually ever used it. A higher share of medium and large enterprises have an internal system (over 20% more than small/micro enterprises), which they also had to use more (10% more than small/micro enterprises).

		Answers	Ratio
Yes		696	75.24%
No		167	18.05%
Don't know		45	4.86%

a. **If yes, have you ever used it?**

		Answers	Ratio
Yes		319	34.49%
No		285	30.81%
Don't know		39	4.22%
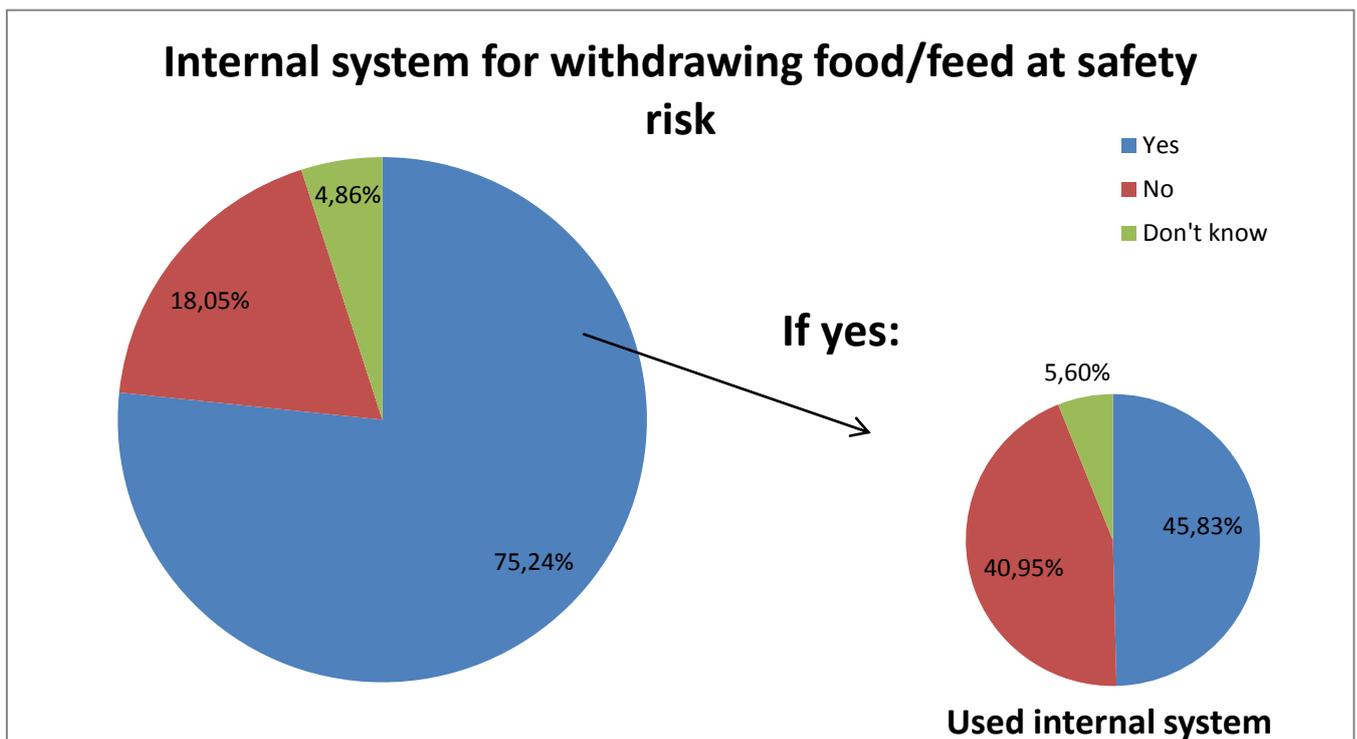
10. **Do the authorities in your country help you meet food/feed law requirements (e.g. by providing information on food/feed rules specific to small/medium businesses, or guidelines)?**

- More than half of the respondents indicated that national authorities always/usually or sometimes help them meet food/feed law requirements (e.g. by providing information on food/feed rules specific to small/medium businesses, or guidelines). Over one third indicated that authorities rarely/never help.

		Answers	Ratio
Yes, always/usually		186	20.11%
Yes, sometimes		330	35.68%
Rarely/Never		327	35.35%
Don't know / does not apply		63	6.81%

11. **Please rank, in order of size, the following costs of complying with food/feed law, based on total costs over the last 3 years:**

- Respondents ranked the costs of complying with traceability, labelling, authorisation, registration and certification as the most costly of all EU food/feed law requirements. This is followed by the costs of meeting the requirement for in-house checks of food/feed safety, with the costs of meeting contractual obligations/private standards coming in third place. No substantial differences were noted between the responses of small/micro enterprises and medium/large enterprises.

Rank, in order of size, the following costs of complying with food/feed law, based on total costs over the last 3 years
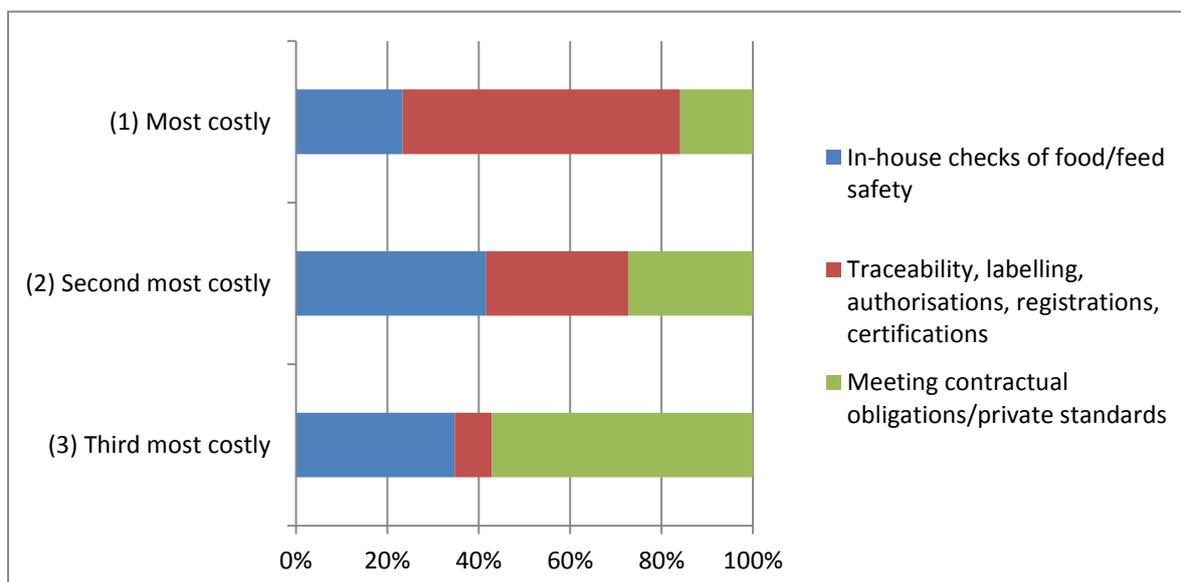
a. In-house checks of food/feed safety

		Answers	Ratio
(1) Most costly		202	21.84%
(2) Second most costly		363	39.24%
(3) Third most costly		296	32%

b. Traceability, labelling, authorisations, registrations, certifications

		Answers	Ratio
(1) Most costly		527	56.97%
(2) Second most costly		272	29.41%
(3) Third most costly		70	7.57%

c. Meeting contractual obligations/private standards

		Answers	Ratio
(1) Most costly		138	14.92%
(2) Second most costly		237	25.62%
(3) Third most costly		487	52.65%

12.   What are the top 3 most demanding administrative tasks you have to carry out under EU food/feed law?

- Respondents indicated that the three most demanding administrative tasks carried out under EU food/feed law obligations are traceability record keeping, certifying products or processes, and Information labelling for customers and consumers. No substantial differences were noted between the responses of small/micro enterprises and medium/large enterprises.

What are the top 3 most demanding administrative tasks you have to carry out under EU food/feed law?
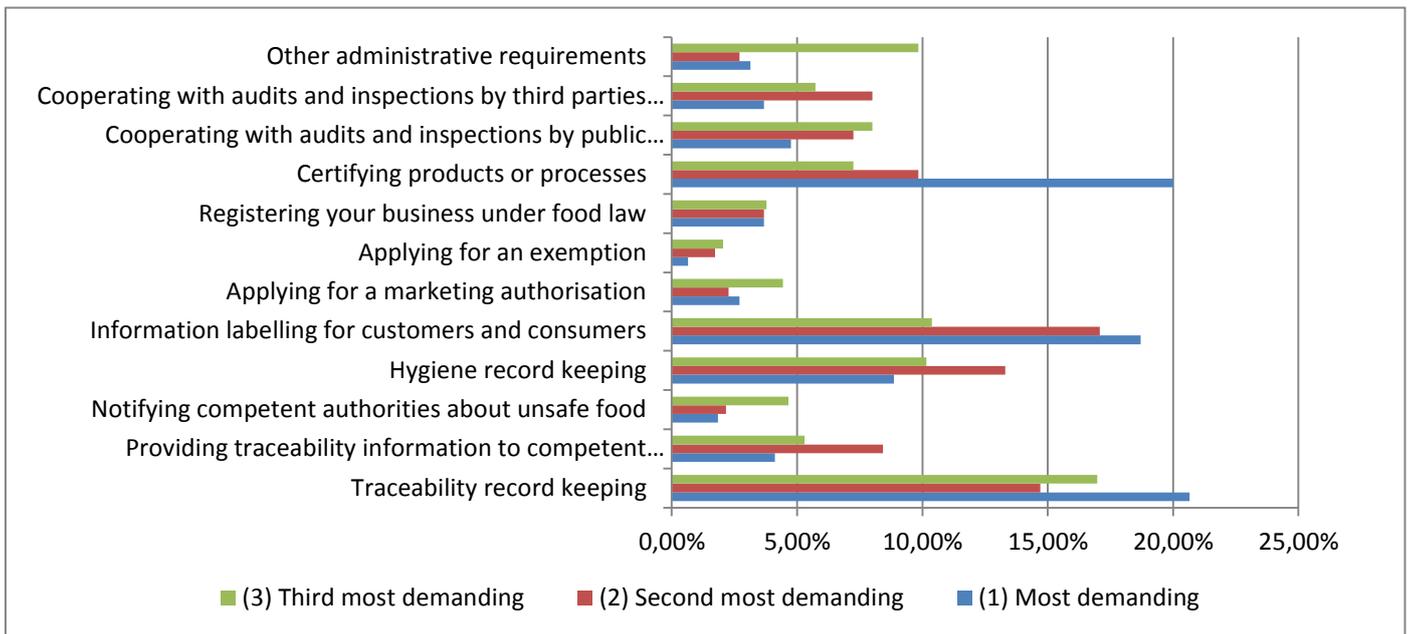
a. Traceability record keeping

		Answers	Ratio
(1) Most demanding		191	20.65%
(2) Second most demanding		136	14.7%
(3) Third most demanding		157	16.97%

b. Providing traceability information to competent authorities

		Answers	Ratio
(1) Most demanding		38	4.11%
(2) Second most demanding		78	8.43%
(3) Third most demanding		49	5.3%

c. Notifying competent authorities about unsafe food

		Answers	Ratio
(1) Most demanding		17	1.84%
(2) Second most demanding		20	2.16%
(3) Third most demanding		43	4.65%

d. Hygiene record keeping

		Answers	Ratio
(1) Most demanding		82	8.86%
(2) Second most demanding		123	13.3%
(3) Third most demanding		94	10.16%

e. Information labelling for customers and consumers

		Answers	Ratio
(1) Most demanding		173	18.7%
(2) Second most demanding		158	17.08%
(3) Third most demanding		96	10.38%

f. Applying for a marketing authorisation

		Answers	Ratio
(1) Most demanding		25	2.7%
(2) Second most demanding		21	2.27%
(3) Third most demanding		41	4.43%

g. Applying for an exemption

		Answers	Ratio
(1) Most demanding		6	0.65%
(2) Second most demanding		16	1.73%
(3) Third most demanding		19	2.05%

h. Registering your business under food law

		Answers	Ratio
(1) Most demanding		34	3.68%
(2) Second most demanding		34	3.68%
(3) Third most demanding		35	3.78%

i. Certifying products or processes

		Answers	Ratio
(1) Most demanding		185	20%
(2) Second most demanding		91	9.84%
(3) Third most demanding		67	7.24%

j. Cooperating with audits and inspections by public authorities

		Answers	Ratio
(1) Most demanding		44	4.76%
(2) Second most demanding		67	7.24%
(3) Third most demanding		74	8%

k. Cooperating with audits and inspections by third parties

		Answers	Ratio
(1) Most demanding		34	3.68%
(2) Second most demanding		74	8%
(3) Third most demanding		53	5.73%

l. Other administrative requirements

		Answers	Ratio
(1) Most demanding		29	3.14%
(2) Second most demanding		25	2.7%
(3) Third most demanding		91	9.84%

13. What percentage of your administrative costs do you spend on EU feed/food law administration?

- The share of administrative costs spent on EU feed/food law administration varies considerably amongst businesses. For over a quarter of respondents costs for EU food/feed law account for 0-5% of total administrative costs, for nearly one fifth around 5-10%, for one tenth between 10-15% and for another tenth they account for 20% or more. It is nonetheless noted that nearly 30% of respondents indicated that they do not know.

		Answers	Ratio
0-5%		245	26.49%
5-10%		183	19.78%
10-15%		102	11.03%
20% or more		93	10.05%
Don't know		275	29.73%

14.   How would you compare the benefits and costs of EU food/feed law?

- When comparing the benefits and costs of EU food/feed law, 18% of respondents indicated that benefits outweigh costs, 24% that benefits break even with costs, while for 32% of respondents benefits do not outweigh costs. Nonetheless, nearly a quarter of respondents indicated that they do not to know.

		Answers	Ratio
Benefits far outweigh costs		162	17.51%
Benefits are about the same as costs (break-even)		224	24.22%
Costs outweigh benefits		297	32.11%
Don't know		218	23.57%

Analysis of comments: focus on micro and small enterprises

A. Compliance with legal obligations

- Many respondents reported difficulties in responding to constantly changing legal requirements as operators often do not have enough time and resources to follow and adopt them. In some cases, legislative changes might result in financial loses e.g. if operators have to destroy all stocks that do not meet new labelling requirements.
- A large number of respondents find it hard to understand and interpret requirements set by the EU legislation. According to respondents, they are often too complex and can be interpreted in many ways. Respondents added that the interpretations of legal requirements in the EU countries might differ, creating additional costs and uncertainty for operators (e.g. certain active substances banned in France are authorized in other EU countries). Respondents also indicated the need of free trainings on how to interpret the EU legislation.
- For many responders it is not clear where to find the relevant information on legal requirements and which authorities should be addressed in order to obtain it. Furthermore, a large number of respondents complained that local and national authorities are often unwilling to cooperate with operators and fail to provide them with an updated information and clarifications regarding the implementation of legal requirements.

B. Hiring of an external consultant

- A large number of respondents reported that they hired an external consultant for traceability and HACCP system implementation, and implementation of labelling requirements.
- Consultants were also hired to help with the application of legal requirements in general and training of the personnel.
- Few respondents reported that consultants helped them with internal audit, GMP certification, setting up of quality dossiers.

C. Obligations and conditions imposed by suppliers/customers

- Many respondents find it hard to obtain required information from their suppliers e.g. information on the country of origin of the product. As there are no official controls imposed on suppliers, sometimes they do not fulfil food safety requirements; provide incomplete documentation and no certificates to guarantee the quality of raw materials supplied.
- Respondents indicated that many customers require the adoption of additional food quality and safety standards that are not obligatory by the EU law (e.g. DIN EN ISO 9001, IFS, GFSI, HALAL). According to respondents, proliferation of such private standards increases the production costs.
- Respondents reported that customers also ask for certificates and additional evidence that standards are implemented in the company e.g. eco-food certificate, GMP+B3 (Good Manufacturing Practice). Sometimes customers also demand to provide laboratory analysis reports.

- In many cases clients require at least participation in regular audits or ask to execute external audits.

D. Internal traceability system

- A large number of respondents commented that costs are high to operate and maintain ongoing monitoring and traceability procedures for large product ranges that are often produced in small enterprises. These companies do not have enough resources to hire additional personnel in order to maintain traceability procedures.
- According to responders, there is a huge quantity of traceability information to be managed e.g. surveillance of allergens entering into the production process. The management of this information requires burdensome procedures and unnecessary documentation that consume too much time and resources, especially in small enterprises that lack resources to hire additional staff.
- Respondents made some positive comments on the implementation of traceability system, stressing that it helps to attract new customers and expand to new markets. Furthermore, it gives consumer an accurate information on the product and maintains consumer' trust.

E. General comments

- Overall, a large number of respondents representing small and micro enterprises emphasized that the EU legal requirements regarding food safety are established for large companies as for smaller companies the costs of their implementation are too high and might be detrimental for businesses. There were also suggestions to establish separate legislation that small businesses should comply with.
- Respondents stressed that the variety of products in the food retail sector makes it difficult for small companies to comply with labelling obligations. Bakeries and other artisanal producers are especially concerned as often they change ingredients used and expand their range of products. Hence, for them to adapt to changing and complex labelling requirements is particularly burdensome.
- Respondents noticed that complying with labelling requirements increase the cost of a product and that might make it less competitive in export markets. There is also a lack of understanding among third country producers and suppliers about costly labelling requirements in the EU.
- There are different labelling requirements in export destinations that operators have to comply with, e.g. products with labelling accepted in France can be refused on the Swiss or the US market.
- Respondents replied that they need help in dealing with a wide range of issues related to the EU food safety legislation, such as the implementation of HACCP principles, traceability, CE marking, food safety specifications, labelling rules under the Regulation 1169/2011, internal audits, setting up of quality dossiers and implementation of food quality systems, understanding novel food regulation. Operators also need advice and trainings regarding the interpretation of the food safety and hygiene and also labelling rules.

Micro and small enterprises: results

A. Profile of respondents

What is your business category?

		Answers	Ratio
Processor/manufacturer of feed products		51	7.81%
Processor/manufacturer of food products		403	61.72%
Manufacturer of agricultural inputs, other than food/feed (e.g. plant protection products)		7	1.07%
Wholesaler of food/feed products (including import/export)		106	16.23%
Retailer (mainly selling food/feed, specialised or non-specialised)		119	18.22%
Caterer/restaurant		120	18.38%
Transport/storage/packaging (mainly for the food/feed sector, specialised or non-specialised)		38	5.82%

How big is your company?

		Answers	Ratio
large (250 employees or more)		0	0%
medium-sized (50-249 employees)		0	0%
small (10-49 employees)		310	47.47%
micro (1-9 employees)		293	44.87%
micro (self-employed)		50	7.66%

Do you buy from or sell to any of these markets?

		Answers	Ratio
Your national market		577	88.36%
EU market		318	48.7%

Markets outside the EU	▬	181	27.72%

B. Questions

1. **How aware are you that your business must meet the following legal requirements?**
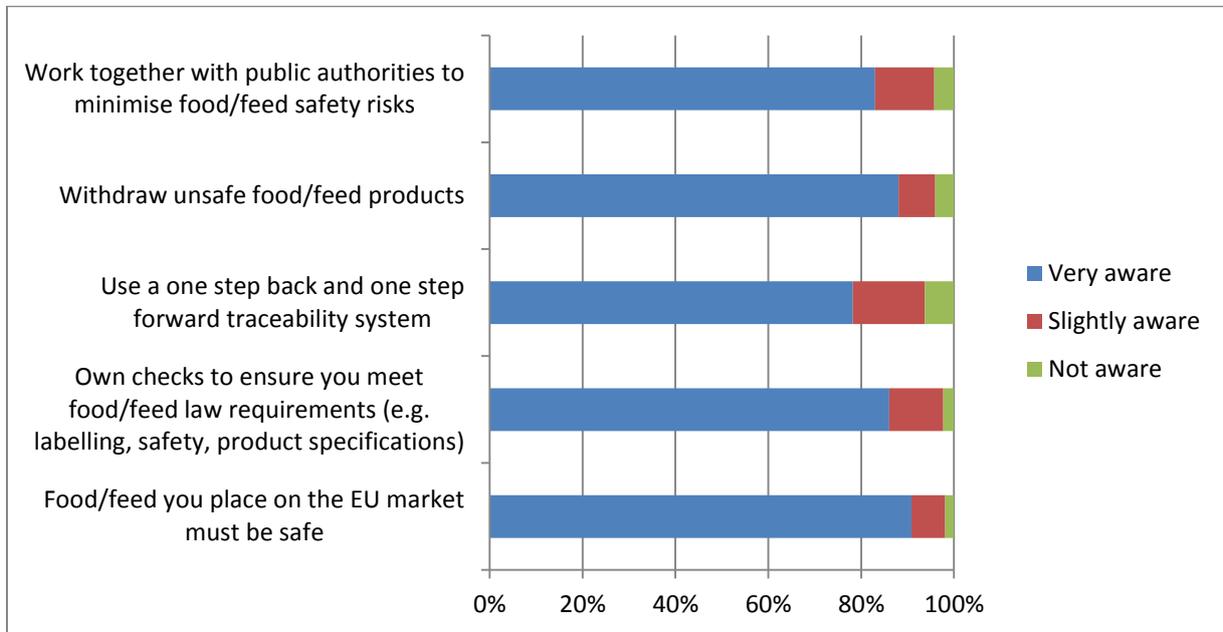
a. **Food/feed you place on the EU market must be safe**

		Answers	Ratio
Very aware	▬▬▬▬	583	89.28%
Slightly aware	▪	47	7.2%
Not aware	▎	12	1.84%

b. **You must carry out your own checks to make sure you have met food/feed law requirements (e.g. labelling, safety, product specifications)**

		Answers	Ratio
Very aware	▬▬▬▬	555	84.99%
Slightly aware	▪	75	11.49%
Not aware	▎	15	2.3%

c.   **You must use a one step back and one step forward traceability system to track food/feed through the supply chain (showing where it has come from and will be delivered to)**

		Answers	Ratio
Very aware		502	76.88%
Slightly aware		100	15.31%
Not aware		40	6.13%

d.   **You must withdraw/recall unsafe food/feed products**

		Answers	Ratio
Very aware		566	86.68%
Slightly aware		51	7.81%
Not aware		26	3.98%

e.   **You must work together with public authorities to minimise food/feed safety risks**

		Answers	Ratio
Very aware		526	80.55%
Slightly aware		81	12.4%
Not aware		27	4.13%

2.   **Do you ever find it hard to meet these legal requirements?**
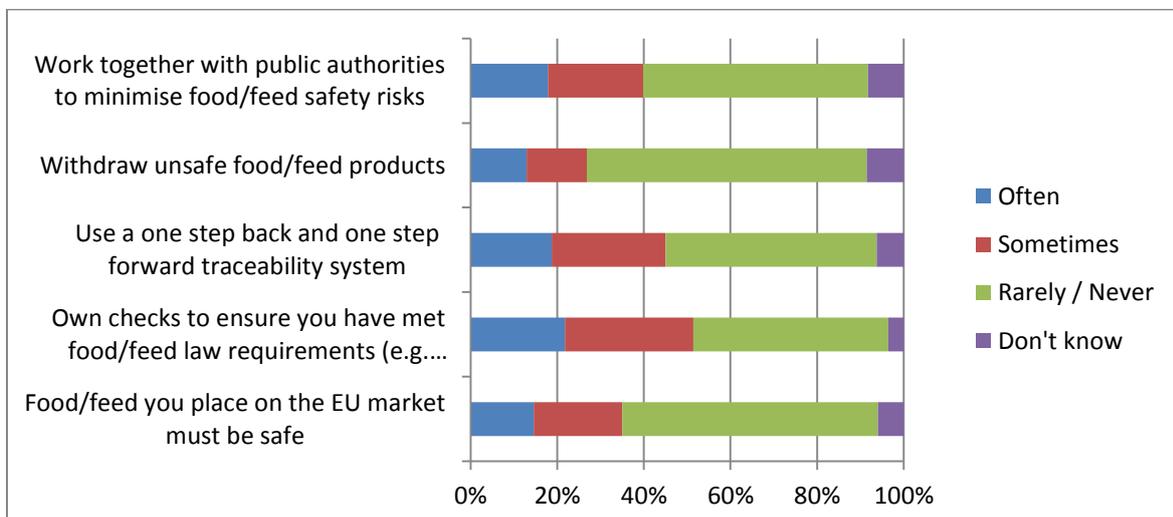
a. **Food/feed you place on the EU market must be safe**

		Answers	Ratio
Yes, often		93	14.24%
Yes, sometimes		130	19.91%
Rarely / Never		376	57.58%
Don't know		38	5.82%

b. **You must carry out your own checks to make sure you have met food/feed law requirements (e.g. labelling, safety, product specifications)**

		Answers	Ratio
Yes, often		140	21.44%
Yes, sometimes		190	29.1%
Rarely / Never		289	44.26%
Don't know		23	3.52%

c. **You must use a one step back and one step forward traceability system to track food/feed through the supply chain (showing where it has come from and will be delivered to)**

		Answers	Ratio
Yes, often		120	18.38%
Yes, sometimes		168	25.73%
Rarely / Never		311	47.63%
Don't know		40	6.13%

d. **You must withdraw/recall unsafe food/feed products**

		Answers	Ratio
Yes, often		82	12.56%
Yes, sometimes		88	13.48%
Rarely / Never		409	62.63%

		Answers	Ratio
Don't know		54	8.27%

e. You must work together with public authorities to minimise food/feed safety risks

		Answers	Ratio
Yes, often		113	17.3%
Yes, sometimes		139	21.29%
Rarely / Never		328	50.23%
Don't know		52	7.96%

3. Have you ever hired an external consultant to help you comply with EU food/feed law?

		Answers	Ratio
Yes		203	31.09%
No		441	67.53%

4. Thinking now of your contracts with suppliers or customers, do they ever ask you to do any of the following to ensure food/feed safety?
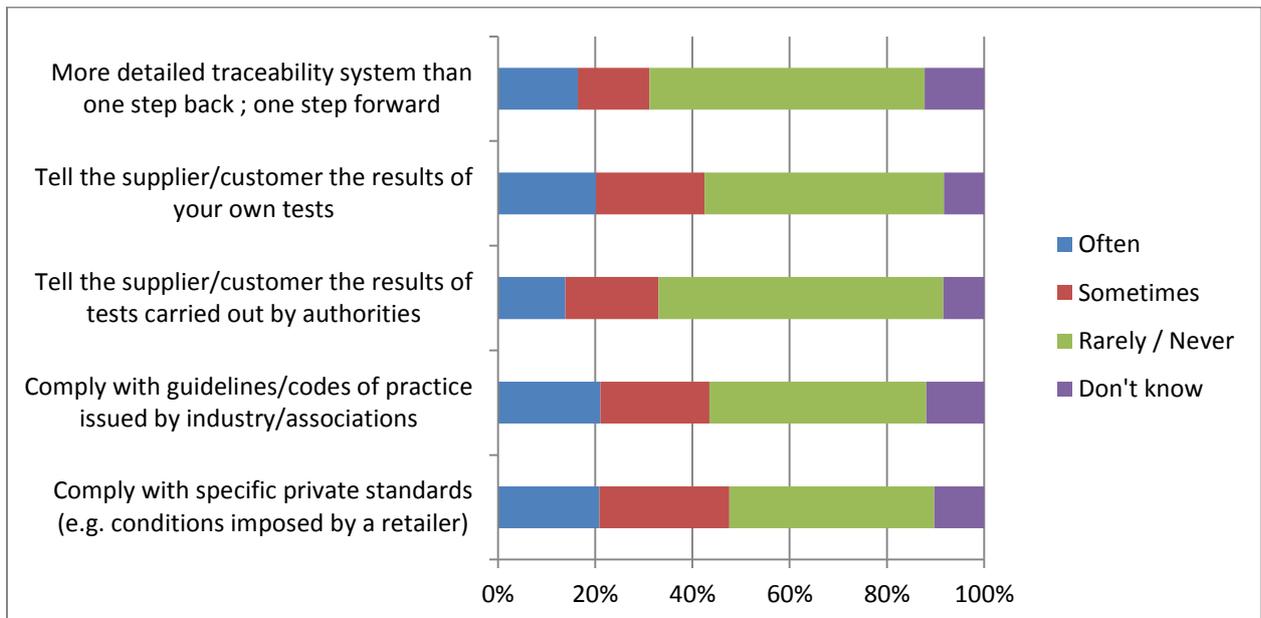
a. Comply with specific private standards (e.g. conditions imposed by a retailer)

		Answers	Ratio

		Answers	Ratio
Yes, often	▬	134	20.52%
Yes, sometimes	▬	172	26.34%
Rarely /Never	▬▬	271	41.5%
Don't know/ does not apply	▪	66	10.11%

b. Comply with guidelines/codes of practice issued by industry/associations

		Answers	Ratio
Yes, often	▬	134	20.52%
Yes, sometimes	▬	143	21.9%
Rarely /Never	▬▬	284	43.49%
Don't know/ does not apply	▪	76	11.64%

c. Tell the supplier/customer the results of tests carried out by authorities

		Answers	Ratio
Yes, often	▪	89	13.63%
Yes, sometimes	▪	123	18.84%
Rarely /Never	▬▬▬	375	57.43%
Don't know/ does not apply	▪	54	8.27%

d. Tell the supplier/customer the results of your own tests

		Answers	Ratio
Yes, often	▬	129	19.75%
Yes, sometimes	▬	143	21.9%
Rarely /Never	▬▬	315	48.24%
Don't know/ does not apply	▪	53	8.12%

e. Have a more detailed traceability system than one step back & one step forward

		Answers	Ratio
Yes, often		105	16.08%
Yes, sometimes		94	14.4%
Rarely /Never		361	55.28%
Don't know/ does not apply		78	11.94%

5. Does the one step back-one step forward traceability requirement go beyond a normal book-keeping exercise?

		Answers	Ratio
Yes		294	45.02%
No		146	22.36%
I don't know		196	30.02%

6. Would you agree that a traceability system has the following benefits?
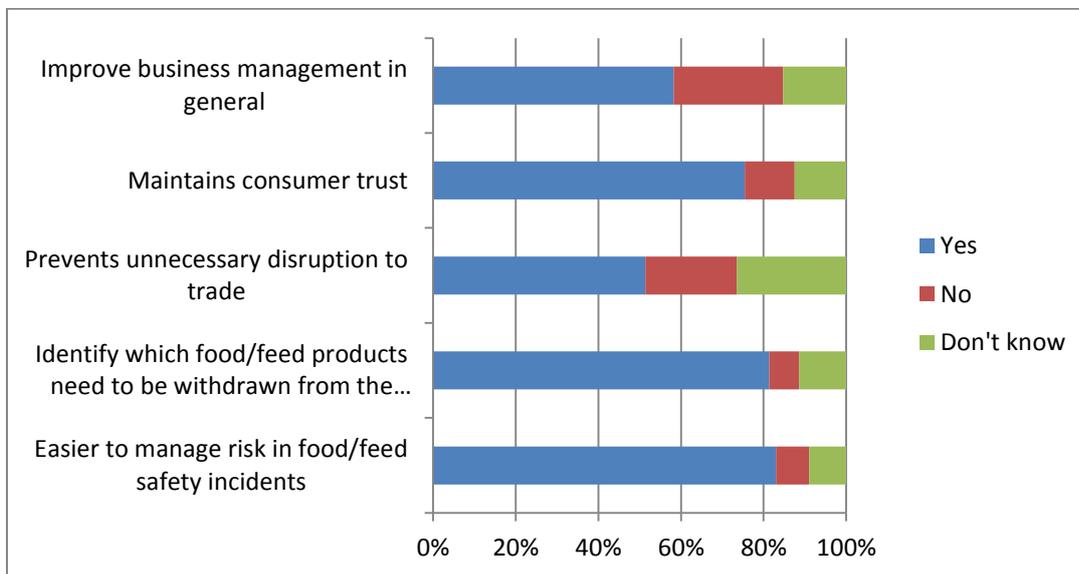
a. Makes it easier to manage risk in food/feed safety incidents

		Answers	Ratio
Yes		536	82.08%
No		52	7.96%

		Answers	Ratio
Don't know		58	8.88%

b. **Helps identify exactly which food/feed products need to be withdrawn/recalled from the market**

		Answers	Ratio
Yes		523	80.09%
No		47	7.2%
Don't know		73	11.18%

c. **Prevents unnecessary disruption to trade**

		Answers	Ratio
Yes		328	50.23%
No		141	21.59%
Don't know		169	25.88%

d. **Maintains consumer trust by providing accurate information on products affected by a food safety incident**

		Answers	Ratio
Yes		482	73.81%
No		77	11.79%
Don't know		80	12.25%

e. **Improves business management in general**

		Answers	Ratio
Yes		369	56.51%
No		168	25.73%
Don't know		97	14.85%

7. **Do you have an internal traceability system (i.e. a system establishing a link between incoming and outgoing products which may also include records identifying how batches are split and combined to create particular products or new batches) within the organisation?: Internal traceability system in place?**

		Answers	Ratio
Yes		441	67.53%
No		174	26.65%
Don't know		18	2.76%

8. **If you answered yes:**

    a. **Was it set up at your business own initiative?**

		Answers	Ratio
Yes		279	63.27%
No		102	23.13%
Don't know		19	4.31%

    b. **Does it have extra benefits, other than those mentioned in the previous question?**

		Answers	Ratio
Yes		108	24.49%
No		182	41.27%
Don't know		95	21.54%
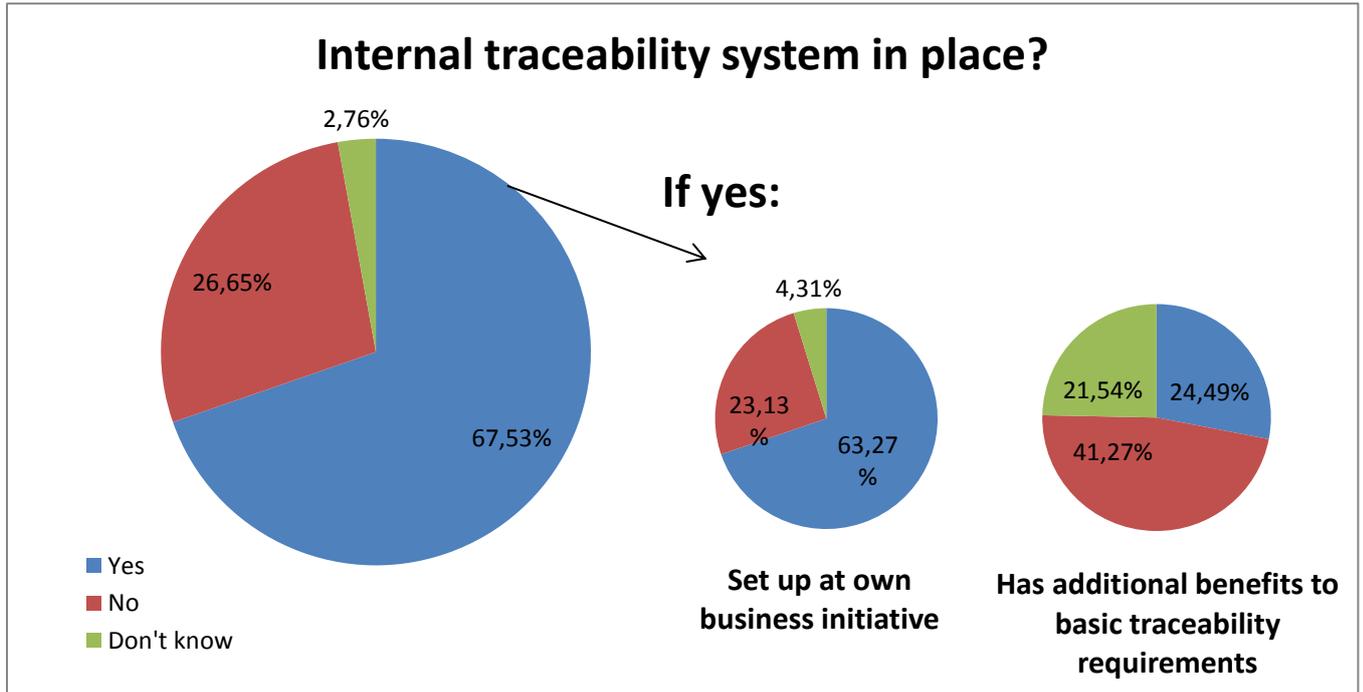
Internal traceability system in place?

Legend: Yes, No, Don't know

Main pie: Yes 67,53%; No 26,65%; Don't know 2,76%

If yes:

Set up at own business initiative: 63,27%, 23,13%, 4,31%

Has additional benefits to basic traceability requirements: 24,49%, 41,27%, 21,54%

9. **Do you have an internal system for withdrawing food/feed that is a safety risk, while it is still in your immediate control (e.g. on your premises)?**

		Answers	Ratio
Yes		459	70.29%
No		141	21.59%
Don't know		42	6.43%

a. **If yes; have you ever used it?**

		Answers	Ratio
Yes		197	42.92%
No		204	44.44%
Don't know		26	5.66%
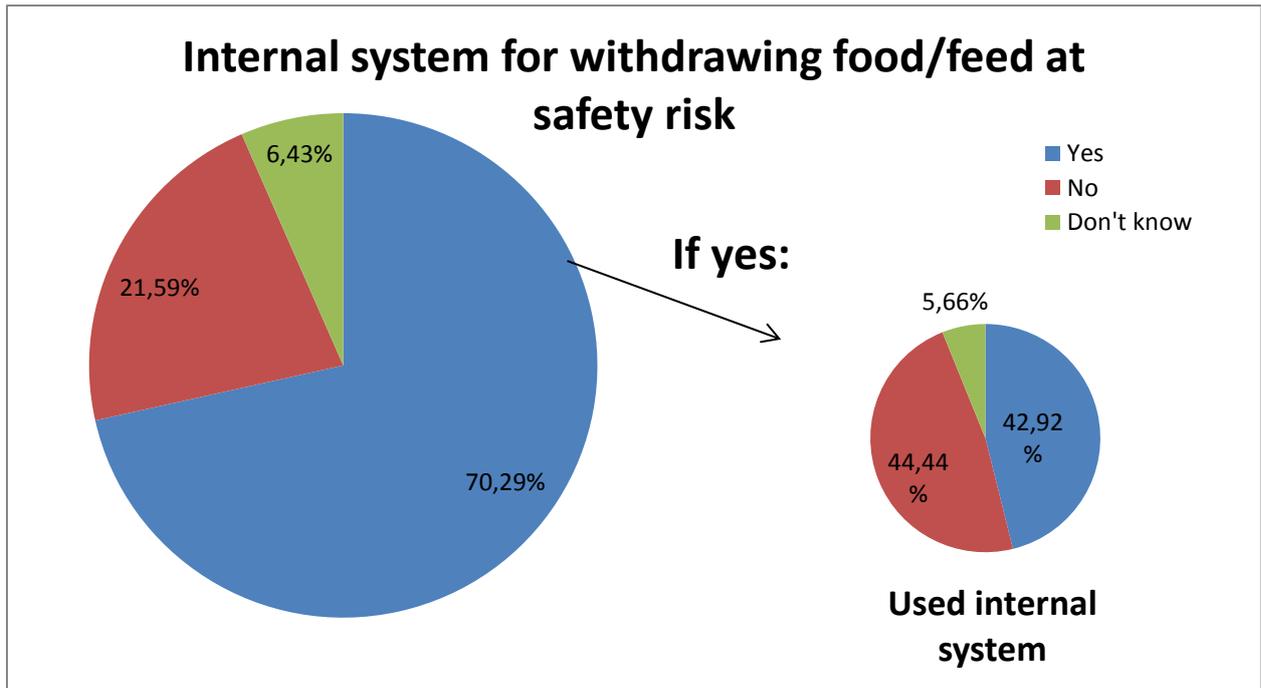
Internal system for withdrawing food/feed at safety risk

Legend:
- Yes
- No
- Don't know

- 6,43%
- 21,59%
- 70,29%

If yes:

Used internal system

- 5,66%
- 42,92%
- 44,44%

10. **Do the authorities in your country help you meet food/feed law requirements (e.g. by providing information on food/feed rules specific to small/medium businesses, or guidelines)?**

		Answers	Ratio
Yes, always/usually		122	18.68%
Yes, sometimes		236	36.14%
Rarely/Never		232	35.53%
Don't know/ does not apply		53	8.12%

11. **Please rank, in order of size, the following costs of complying with food/feed law, based on total costs over the last 3 years.**
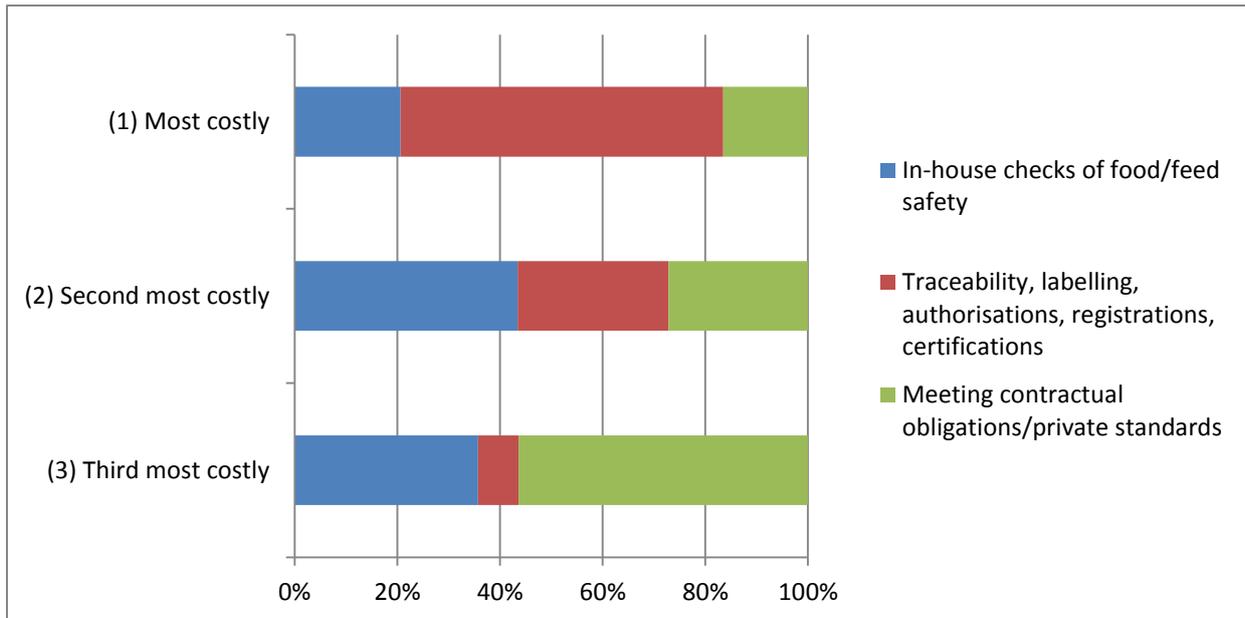
a. In-house checks of food/feed safety

		Answers	Ratio
(1) Most costly		126	19.3%
(2) Second most costly		267	40.89%
(3) Third most costly		216	33.08%

b. Traceability, labelling, authorisations, registrations, certifications

		Answers	Ratio
(1) Most costly		384	58.81%
(2) Second most costly		181	27.72%
(3) Third most costly		48	7.35%

c. Meeting contractual obligations/private standards

		Answers	Ratio
(1) Most costly		101	15.47%
(2) Second most costly		167	25.57%
(3) Third most costly		341	52.22%

12. What are the top 3 most demanding administrative tasks you have to carry out under EU food/feed law?
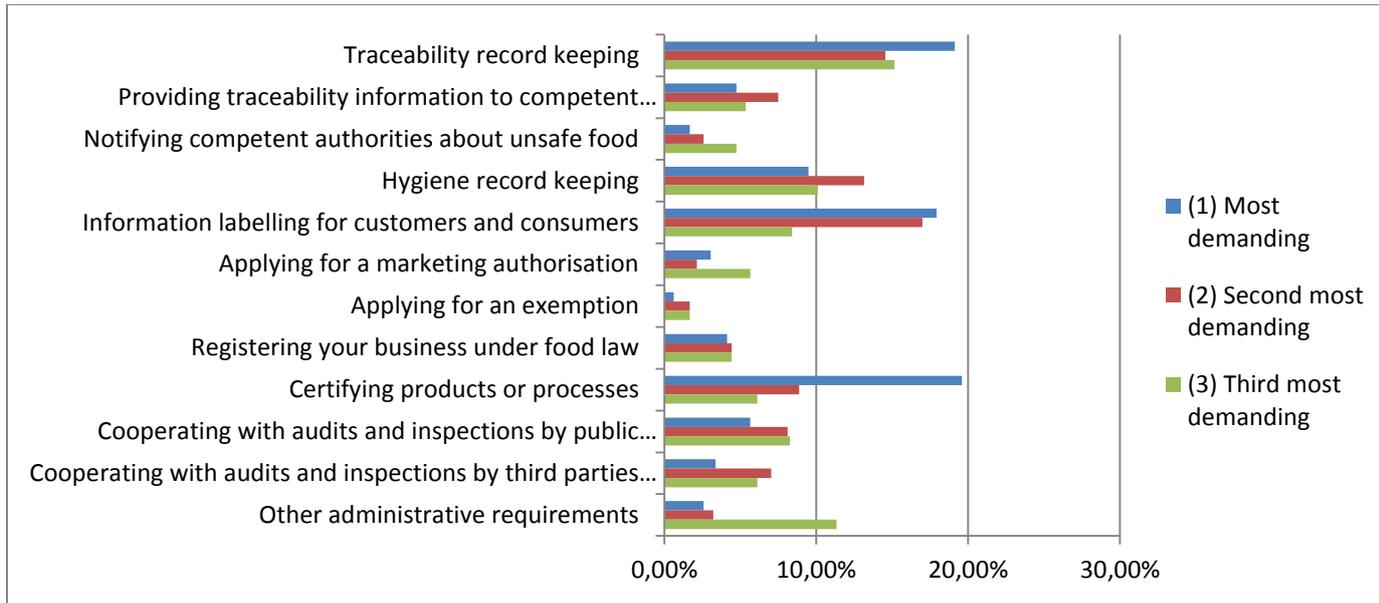
a. Traceability record keeping

		Answers	Ratio
(1) Most demanding		125	19.14%
(2) Second most demanding		95	14.55%
(3) Third most demanding		99	15.16%

b. Providing traceability information to competent authorities

		Answers	Ratio
(1) Most demanding		31	4.75%
(2) Second most demanding		49	7.5%
(3) Third most demanding		35	5.36%

c. Notifying competent authorities about unsafe food

		Answers	Ratio
(1) Most demanding		11	1.68%
(2) Second most demanding		17	2.6%

(3) Third most demanding		31	4.75%

d. Hygiene record keeping

		Answers	Ratio
(1) Most demanding		62	9.49%
(2) Second most demanding		86	13.17%
(3) Third most demanding		66	10.11%

e. Information labelling for customers and consumers

		Answers	Ratio
(1) Most demanding		117	17.92%
(2) Second most demanding		111	17%
(3) Third most demanding		55	8.42%

f. Applying for a marketing authorisation

		Answers	Ratio
(1) Most demanding		20	3.06%
(2) Second most demanding		14	2.14%
(3) Third most demanding		37	5.67%

g. Applying for an exemption

		Answers	Ratio
(1) Most demanding		4	0.61%
(2) Second most demanding		11	1.68%
(3) Third most demanding		11	1.68%

h. Registering your business under food law

		Answers	Ratio
(1) Most demanding		27	4.13%
(2) Second most demanding		29	4.44%
(3) Third most demanding		29	4.44%

i. Certifying products or processes

		Answers	Ratio
(1) Most demanding		128	19.6%
(2) Second most demanding		58	8.88%
(3) Third most demanding		40	6.13%

j. Cooperating with audits and inspections by public authorities

		Answers	Ratio
(1) Most demanding		37	5.67%
(2) Second most demanding		53	8.12%
(3) Third most demanding		54	8.27%

k. Cooperating with audits and inspections by third parties;

		Answers	Ratio
(1) Most demanding		22	3.37%
(2) Second most demanding		46	7.04%
(3) Third most demanding		40	6.13%

l. Other administrative requirements

		Answers	Ratio
(1) Most demanding		17	2.6%
(2) Second most demanding		21	3.22%

(3) Third most demanding		74	11.33%

13. What percentage of your administrative costs do you spend on EU feed/food law administration?

		Answers	Ratio
0-5%		177	27.11%
5-10%		136	20.83%
10-15%		77	11.79%
20% or more		59	9.04%
Don't know		183	28.02%

14. How would you compare the benefits & costs of EU food/feed law?

		Answers	Ratio
Benefits far outweigh costs		115	17.61%
Benefits are about the same as costs (break-even)		147	22.51%
Costs outweigh benefits		219	33.54%
Don't know		156	23.89%

Medium and large enterprises: results

A. Profile of respondents

What is your business category?

		Answers	Ratio
Processor/manufacturer of feed products	▪	28	10.29%
Processor/manufacturer of food products	▬▬▬	220	80.88%
Manufacturer of agricultural inputs, other than food/feed (e.g. plant protection products)	I	4	1.47%
Wholesaler of food/feed products (including import/export)	▪	30	11.03%
Retailer (mainly selling food/feed, specialised or non-specialised)	▪	36	13.24%
Caterer/restaurant	▪	35	12.87%
Transport/storage/packaging (mainly for the food/feed sector, specialised or non-specialised)	▪	22	8.09%

How big is your company?

		Answers	Ratio
large (250 employees or more)	▪	53	19.49%
medium-sized (50-249 employees)	▬▬	219	80.51%
small (10-49 employees)		0	0%
micro (1-9 employees)		0	0%
micro (self-employed)		0	0%

Do you buy from or sell to any of these markets?

		Answers	Ratio
Your national market	▬▬	241	88.6%
EU market	▬▬	206	75.74%

Markets outside the EU		154	56.62%

B. Questions

1. How aware are you that your business must meet the following legal requirements?
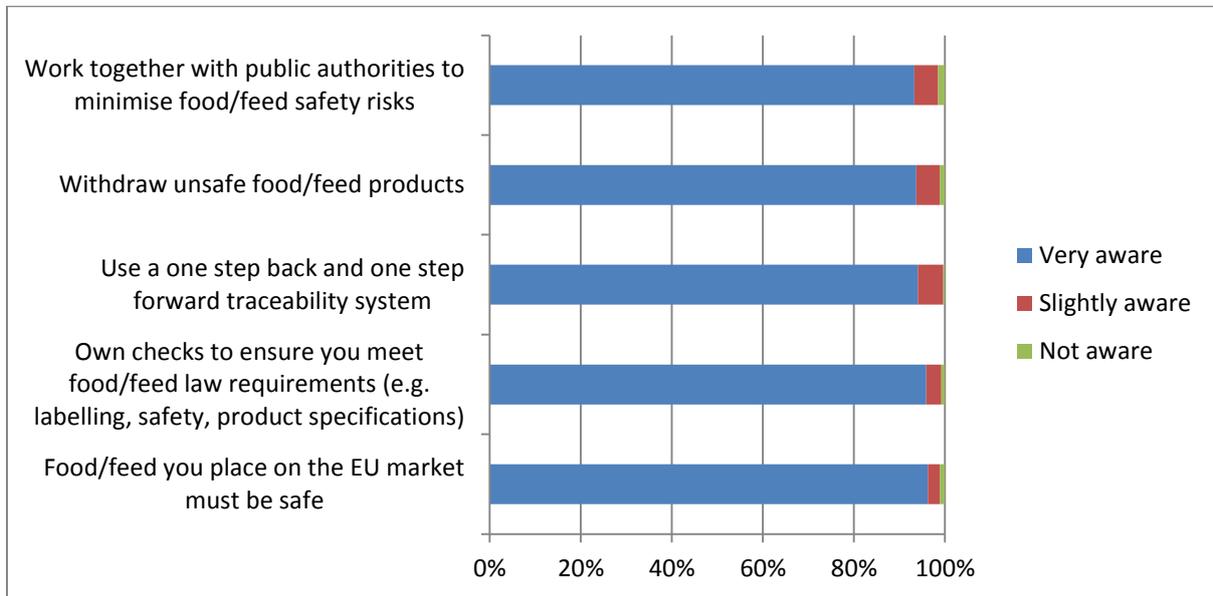
a. **Food/feed you place on the EU market must be safe**

		Answers	Ratio
Very aware		259	95.22%
Slightly aware		7	2.57%
Not aware		3	1.1%

b. **You must carry out your own checks to make sure you have met food/feed law requirements (e.g. labelling, safety, product specifications)**

		Answers	Ratio
Very aware		260	95.59%
Slightly aware		9	3.31%
Not aware		2	0.74%

c. **You must use a one step back and one step forward traceability system to track food/feed through the supply chain (showing where it has come from and will be delivered to)**

		Answers	Ratio
Very aware		254	93.38%
Slightly aware		15	5.51%
Not aware		1	0.37%

d. You must withdraw/recall unsafe food/feed products

		Answers	Ratio
Very aware		254	93.38%
Slightly aware		14	5.15%
Not aware		3	1.1%

e. You must work together with public authorities to minimise food/feed safety risks

		Answers	Ratio
Very aware		250	91.91%
Slightly aware		14	5.15%
Not aware		4	1.47%

2. Do you ever find it hard to meet these legal requirements?
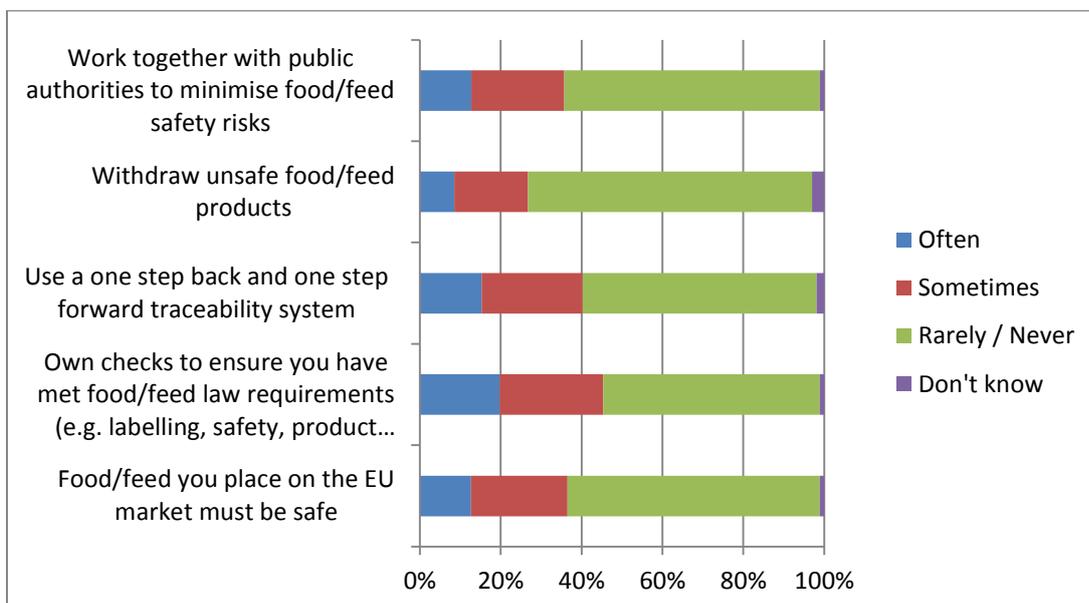
a. **Food/feed you place on the EU market must be safe**

		Answers	Ratio
Yes, often		34	12.5%
Yes, sometimes		64	23.53%
Rarely / Never		167	61.4%
Don't know		3	1.1%

b. **You must carry out your own checks to make sure you have met food/feed law requirements (e.g. labelling, safety, product specifications)**

		Answers	Ratio
Yes, often		53	19.49%
Yes, sometimes		69	25.37%
Rarely / Never		144	52.94%
Don't know		3	1.1%

c. **You must use a one step back and one step forward traceability system to track food/feed through the supply chain (showing where it has come from and will be delivered to)**

		Answers	Ratio
Yes, often		41	15.07%
Yes, sometimes		67	24.63%
Rarely / Never		155	56.99%
Don't know		5	1.84%

d. **You must withdraw/recall unsafe food/feed products**

		Answers	Ratio
Yes, often		23	8.46%
Yes, sometimes		49	18.01%
Rarely / Never		189	69.49%

		Answers	Ratio
Don't know		8	2.94%

e. You must work together with public authorities to minimise food/feed safety risks

		Answers	Ratio
Yes, often		34	12.5%
Yes, sometimes		61	22.43%
Rarely / Never		168	61.76%
Don't know		3	1.1%

3. Have you ever hired an external consultant to help you comply with EU food/feed law?

		Answers	Ratio
Yes		94	34.56%
No		173	63.6%

4. Thinking now of your contracts with suppliers or customers, do they ever ask you to do any of the following to ensure food/feed safety?
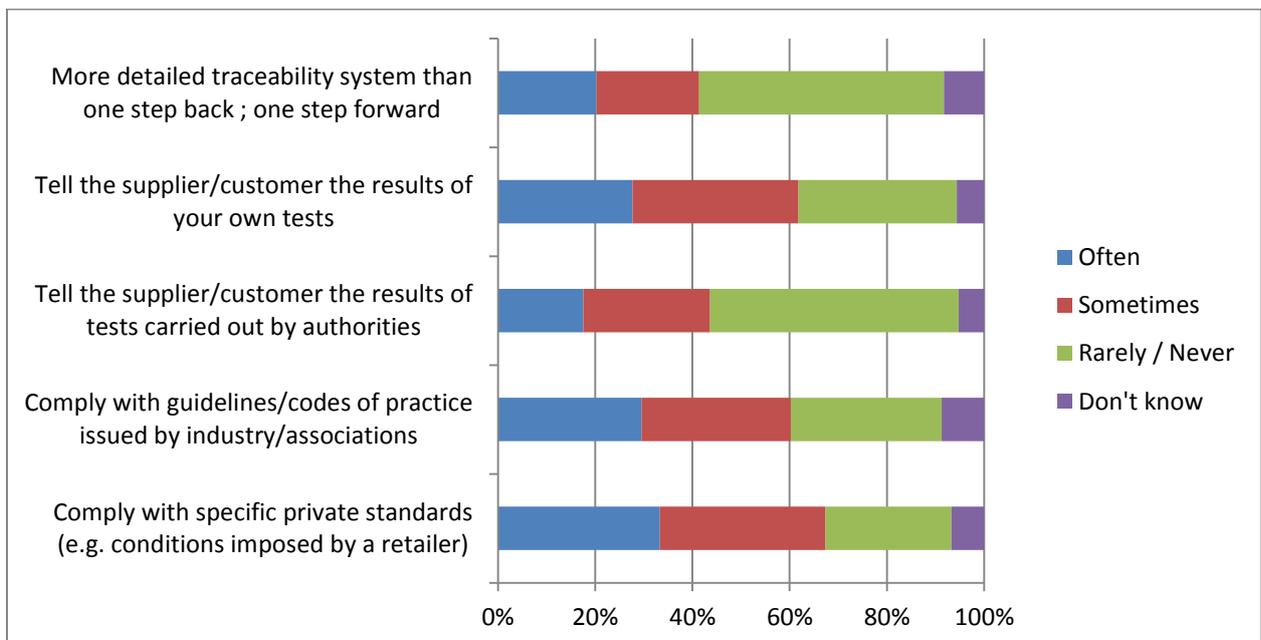
a. Comply with specific private standards (e.g. conditions imposed by a retailer)

		Answers	Ratio
Yes, often		89	32.72%
Yes, sometimes		91	33.46%
Rarely /Never		69	25.37%
Don't know/ does not apply		18	6.62%

b. Comply with guidelines/codes of practice issued by industry/associations

		Answers	Ratio
Yes, often		78	28.68%
Yes, sometimes		81	29.78%
Rarely /Never		82	30.15%
Don't know/ does not apply		23	8.46%

c. Tell the supplier/customer the results of tests carried out by authorities

		Answers	Ratio
Yes, often		47	17.28%
Yes, sometimes		70	25.74%
Rarely /Never		137	50.37%
Don't know/ does not apply		14	5.15%

d. Tell the supplier/customer the results of your own tests

		Answers	Ratio
Yes, often		74	27.21%
Yes, sometimes		91	33.46%
Rarely /Never		87	31.99%
Don't know/ does not apply		15	5.51%

e. Have a more detailed traceability system than one step back & one step forward

		Answers	Ratio
Yes, often		54	19.85%
Yes, sometimes		56	20.59%
Rarely /Never		134	49.26%
Don't know/ does not apply		22	8.09%

5. Does the one step back-one step forward traceability requirement go beyond a normal book-keeping exercise?

		Answers	Ratio
Yes		152	55.88%
No		70	25.74%
I don't know		46	16.91%

6. Would you agree that a traceability system has the following benefits?
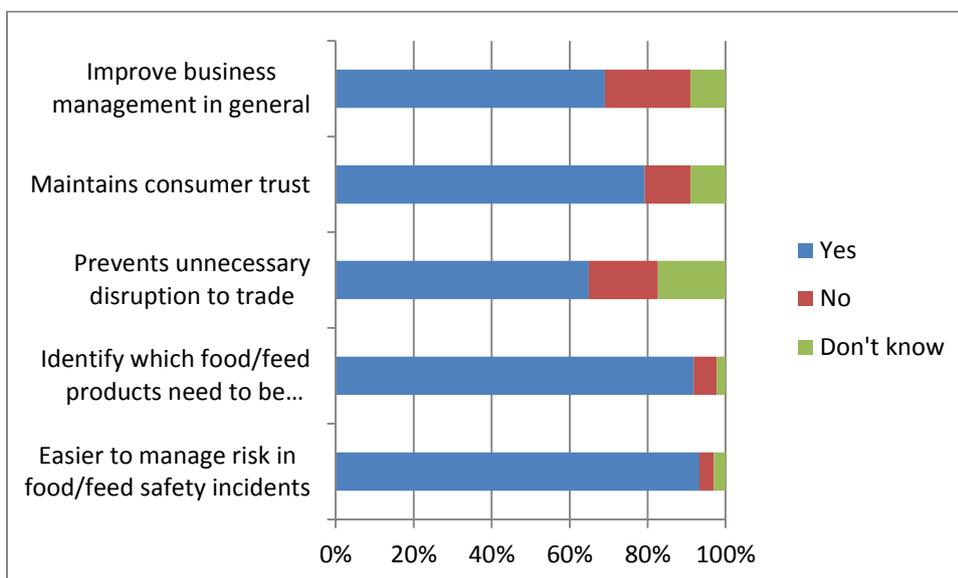
a. Makes it easier to manage risk in food/feed safety incidents

		Answers	Ratio
Yes		251	92.28%

		Answers	Ratio
No	▎	10	3.68%
Don't know	▎	8	2.94%

b. **Helps identify exactly which food/feed products need to be withdrawn/recalled from the market**

		Answers	Ratio
Yes	▬▬▬▬	246	90.44%
No	▎	16	5.88%
Don't know	▎	6	2.21%

c. **Prevents unnecessary disruption to trade**

		Answers	Ratio
Yes	▬▬▬	172	63.24%
No	▪	47	17.28%
Don't know	▪	46	16.91%

d. **Maintains consumer trust by providing accurate information on products affected by a food safety incident**

		Answers	Ratio
Yes	▬▬▬	210	77.21%
No	▪	31	11.4%
Don't know	▪	24	8.82%

e. **Improves business management in general**

		Answers	Ratio
Yes	▬▬▬	183	67.28%
No	▪	58	21.32%
Don't know	▪	24	8.82%

7. Do you have an internal traceability system (i.e. a system establishing a link between incoming and outgoing products which may also include records identifying how batches are split and combined to create particular products or new batches) within the organisation? Internal traceability system in place?

		Answers	Ratio
Yes		235	86.4%
No		28	10.29%
Don't know		7	2.57%

8. If you answered yes:

    a.   Was it set up at your business own initiative?

		Answers	Ratio
Yes		169	71.91%
No		32	13.62%
Don't know		11	4.68%

    b.   Does it have extra benefits, other than those mentioned in the previous question?

		Answers	Ratio
Yes		74	31.49%
No		87	37.02%
Don't know		43	18.30%
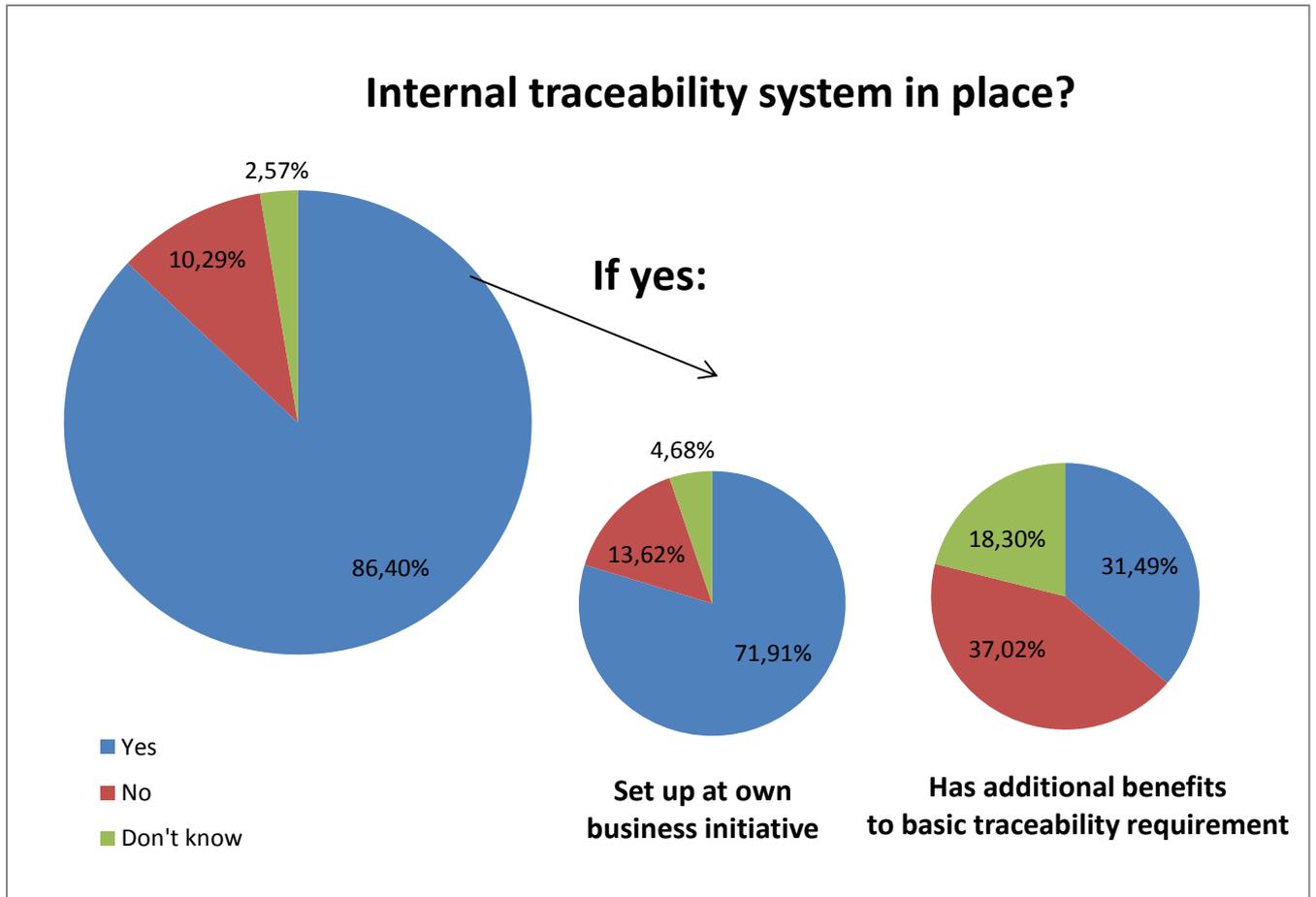
Internal traceability system in place?

If yes:

Set up at own
business initiative

Has additional benefits
to basic traceability requirement
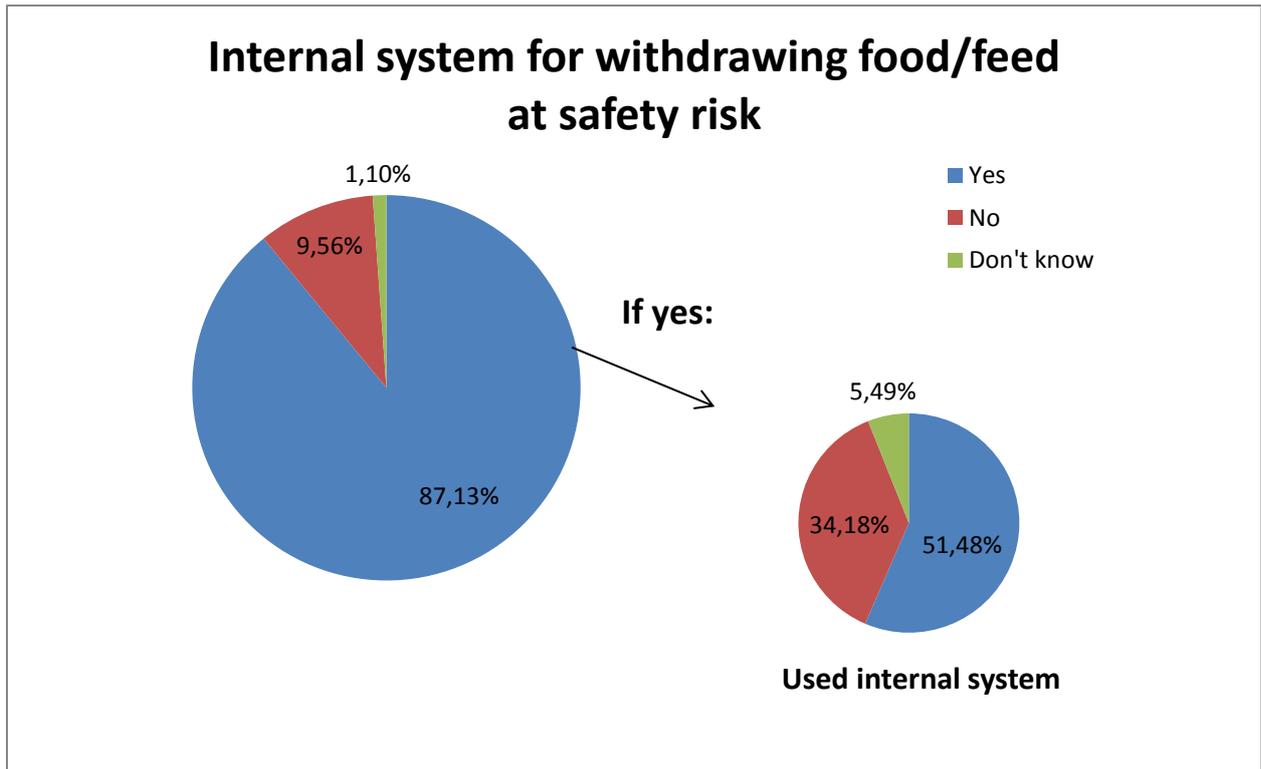
Legend:
- Yes
- No
- Don't know

9. Do you have an internal system for withdrawing food/feed that is a safety risk, while it is still in your immediate control (e.g. on your premises)?

		Answers	Ratio
Yes		237	87.13%
No		26	9.56%
Don't know		3	1.1%

a. If yes, have you ever used it?

		Answers	Ratio
Yes		122	51.48%
No		81	34.18%
Don't know		13	5.49%

Internal system for withdrawing food/feed at safety risk

1,10%
9,56%
87,13%

If yes:

Legend:
- Yes
- No
- Don't know

5,49%
34,18%
51,48%

Used internal system

10. Do the authorities in your country help you meet food/feed law requirements (e.g. by providing information on food/feed rules specific to small/medium businesses, or guidelines)?

		Answers	Ratio
Yes, always/usually		64	23.53%
Yes, sometimes		94	34.56%
Rarely/Never		95	34.93%
Don't know/ does not apply		10	3.68%

11. Please rank, in order of size, the following costs of complying with food/feed law, based on total costs over the last 3 years
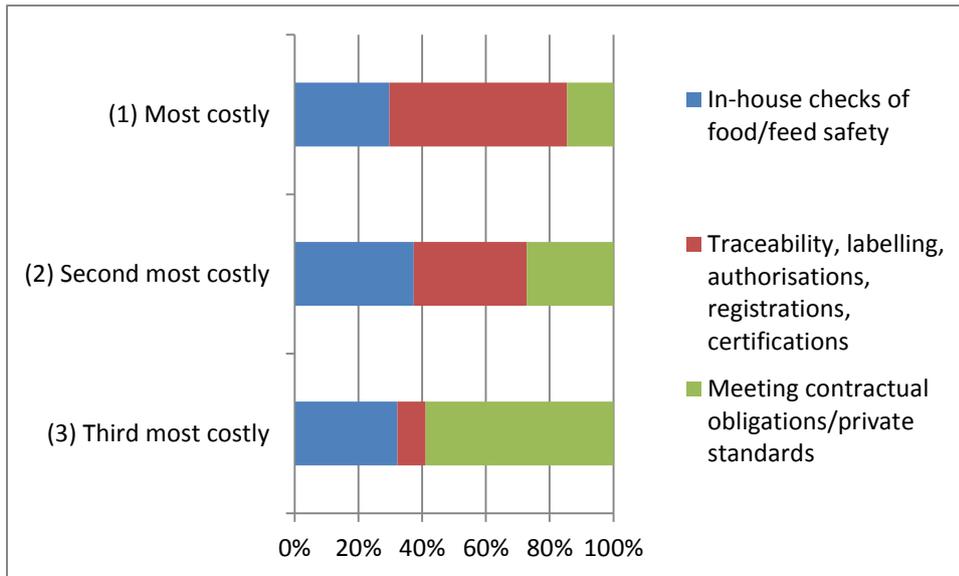
a. In-house checks of food/feed safety

		Answers	Ratio
(1) Most costly		76	27.94%
(2) Second most costly		96	35.29%
(3) Third most costly		80	29.41%

b. Traceability, labelling, authorisations, registrations, certifications

		Answers	Ratio
(1) Most costly		143	52.57%
(2) Second most costly		91	33.46%
(3) Third most costly		22	8.09%

c. Meeting contractual obligations/private standards

		Answers	Ratio
(1) Most costly		37	13.6%
(2) Second most costly		70	25.74%
(3) Third most costly		146	53.68%

12. What are the top 3 most demanding administrative tasks you have to carry out under EU food/feed law?
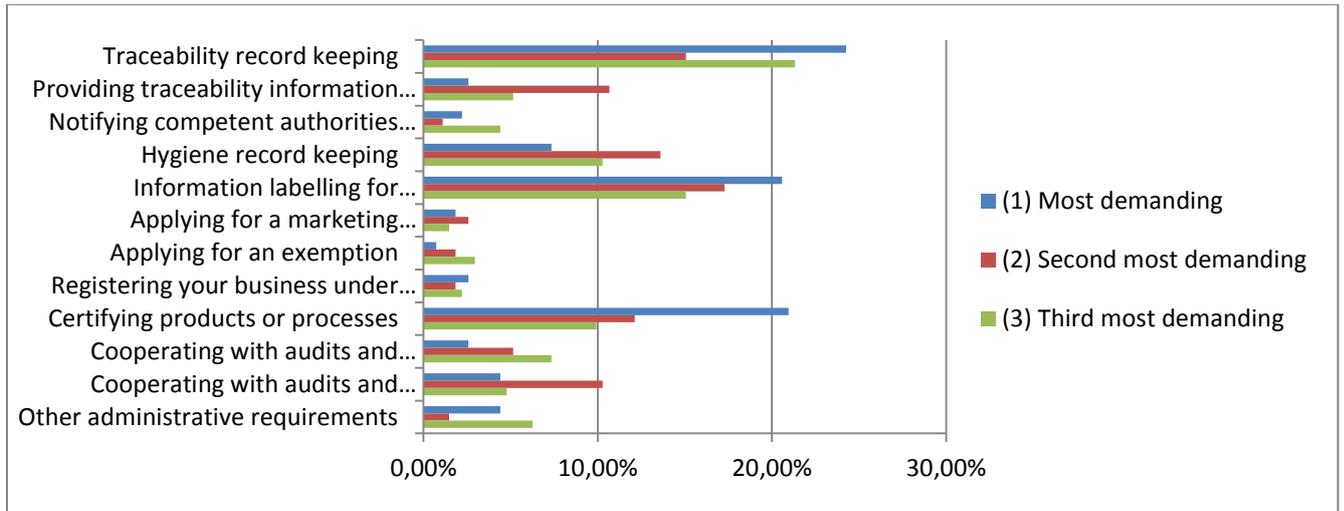
a. **Traceability record keeping**

		Answers	Ratio
(1) Most demanding		66	24.26%
(2) Second most demanding		41	15.07%
(3) Third most demanding		58	21.32%

b. **Providing traceability information to competent authorities**

		Answers	Ratio
(1) Most demanding		7	2.57%
(2) Second most demanding		29	10.66%
(3) Third most demanding		14	5.15%

c. **Notifying competent authorities about unsafe food**

		Answers	Ratio
(1) Most demanding		6	2.21%
(2) Second most demanding		3	1.1%
(3) Third most demanding		12	4.41%

d. Hygiene record keeping

		Answers	Ratio
(1) Most demanding	■	20	7.35%
(2) Second most demanding	■	37	13.6%
(3) Third most demanding	■	28	10.29%

e. Information labelling for customers and consumers

		Answers	Ratio
(1) Most demanding	■	56	20.59%
(2) Second most demanding	■	47	17.28%
(3) Third most demanding	■	41	15.07%

f. Applying for a marketing authorisation

		Answers	Ratio
(1) Most demanding	▏	5	1.84%
(2) Second most demanding	▏	7	2.57%
(3) Third most demanding	▏	4	1.47%

g. Applying for an exemption

		Answers	Ratio
(1) Most demanding	▏	2	0.74%
(2) Second most demanding	▏	5	1.84%
(3) Third most demanding	▏	8	2.94%

h. Registering your business under food law

		Answers	Ratio
(1) Most demanding	▏	7	2.57%

(2) Second most demanding		5	1.84%
(3) Third most demanding		6	2.21%

i.   Certifying products or processes

		Answers	Ratio
(1) Most demanding		57	20.96%
(2) Second most demanding		33	12.13%
(3) Third most demanding		27	9.93%

j.   Cooperating with audits and inspections by public authorities

		Answers	Ratio
(1) Most demanding		7	2.57%
(2) Second most demanding		14	5.15%
(3) Third most demanding		20	7.35%

k.   Cooperating with audits and inspections by third parties

		Answers	Ratio
(1) Most demanding		12	4.41%
(2) Second most demanding		28	10.29%
(3) Third most demanding		13	4.78%

l.   Other administrative requirements

		Answers	Ratio
(1) Most demanding		12	4.41%
(2) Second most demanding		4	1.47%
(3) Third most demanding		17	6.25%

13. What percentage of your administrative costs do you spend on EU feed/food law administration?

		Answers	Ratio
0-5%		68	25%
5-10%		47	17.28%
10-15%		25	9.19%
20% or more		34	12.5%
Don't know		92	33.82%

14. How would you compare the benefits & costs of EU food/feed law?

		Answers	Ratio
Benefits far outweigh costs		47	17.28%
Benefits are about the same as costs (break-even)		77	28.31%
Costs outweigh benefits		78	28.68%
Don't know		62	22.79%