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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

**OF THE INITIATIVE TO LIMIT INDUSTRIAL TRANS FATS INTAKES IN THE
EU**

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Executive Summary Sheet

EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT OF THE INITIATIVE TO LIMIT INDUSTRIAL TRANS FATS INTAKES IN THE EU

A. Need for action

Why? What is the problem being addressed? Maximum 11 lines

Trans fats are an important risk factor for the development of coronary heart disease, the single leading cause of mortality in the EU. Industrially manufactured trans fats are used in some foods, such as biscuits or chocolates to high levels, for technological reasons and due to their competitive price. Trans fats are also naturally present in ruminant products, however, on average, they contribute to a limited extent to high trans fat intakes. Some population groups are at risk of high intakes of industrially manufactured trans fats. At the same time, there is low consumer awareness of the risks associated with trans fat consumption. Without EU action, consumer health is likely to be at risk due to persistent offer and continuous introduction of new products with industrially manufactured trans fats on the market. At the same time, some Member States have taken action to limit the presence of industrially manufactured trans fats, creating obstacles to the free movement of goods. Consumers and food producers (which are mainly SMEs), as well as national authorities supervising food producers, would be affected by EU action.

What is this initiative expected to achieve? Maximum 8 lines

EU action on industrially manufactured trans fats is expected to ensure a high level of health protection for EU consumers, and thus contribute to reducing health inequalities. Furthermore, EU action will contribute to the effective functioning of the Internal Market for food. The impact assessment allowed for a quantification of the compared options in terms of impacts on health costs and on disability-adjusted life years, on costs for businesses and public authorities. It further allowed for a qualitative assessment of consumer prices, product attributes, effect on the Internal Market, competitiveness and trade and environmental impacts. With regard to the cost assessment, impacts on producers which are SMEs were also assessed.

What is the value added of action at the EU level? Maximum 7 lines

EU action would ensure a level playing field for food producers, who are currently subject to measures limiting the presence of industrially manufactured trans fats in food which are different in scope in some Member States.

B. Solutions

What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why? Maximum 14 lines

The preferred option, in terms of positive effects on health, but also in terms of costs for producers, is the introduction of a legal limit for the presence of industrially manufactured trans fats in foods. Other options, which are less effective and efficient, have been considered, including a voluntary agreement with operators to set a limit for industrially manufactured trans fats, the introduction of a labelling obligation for industrially manufactured trans fats, a prohibition to use partially hydrogenated oils (which contain trans fats) or a voluntary measure to reduce the use of to use partially hydrogenated oils.

Who supports which option? Maximum 7 lines

Food business operators, consumers including health NGOs and a large number of Member States support EU action to limit the presence of industrially manufactured trans fats in foods. The European Parliament has called for action as well. EU action would also support calls at international (WHO) level to eliminate industrially manufactured trans fats from the food supply chain.

C. Impacts of the preferred option

What are the benefits of the preferred option (if any, otherwise main ones)? Maximum 12 lines

The preferred option (introduction of a legal limit for the presence of industrially manufactured trans fats in foods) has positive impacts in terms of health benefits and reduction of health inequalities, a contribution to equal food quality in Europe for the benefit of consumers, and improvements for businesses in the functioning of the Internal Market. Costs savings associated with lower disease burden have been quantified to be between 58 to 304 billion € depending on the assumptions that without EU action, trans fats would be phased out within 10 years or remain at present levels in the future, respectively. Health benefits in terms of disability-adjusted life years have been quantified to be between 4 to 66 million, assuming that without EU action, trans fats would be phased out within 10 years or remain at present levels in the future, respectively.

What are the costs of the preferred option (if any, otherwise main ones)? Maximum 12 lines

Costs for businesses have been quantified at 0.0066% of the output value of the sectors concerned (as opposed to 0.235 % for the non-preferred labelling option). Only very small increases in consumer prices have been estimated, while in the absence of pertinent data, no quantification was possible.

How will businesses, SMEs and micro-enterprises be affected? Maximum 8 lines

SMEs and micro-enterprises, as other businesses, are potentially affected by the new rules as costs will incur for the time spend understanding their obligations, determining compliance and deciding on their response. SMEs may also incur costs in testing their products to determine industrial trans fats content to assess compliance. Other costs that may affect SMEs and micro-enterprises that produce non-compliant products are compliance costs (costs of product testing, of reformulating products, of ingredients). It is expected that many SMEs and micro-enterprises will adopt solutions developed by suppliers, limiting costs. Furthermore, business associations have announced that, together with large manufacturers, will support SMEs and micro-enterprises by transferring know-how and best practices on achieving compliance.

Will there be significant impacts on national budgets and administrations? Maximum 4 lines

For the preferred option, public administrative costs for establishing the policy of 5 million € and costs for monitoring and enforcement of 6.1 million € for years one and two, and of 3.4 million € annually from year 3 onwards are expected.

Will there be other significant impacts? Max 6 lines

EU action will help EU producers on markets outside the EU where legal limits on the presence of industrially manufactured trans fats in food have already been established. However, any such impact is likely to be limited as products produced with industrially manufactured trans fats represent only a small proportion of external trade.

D. Follow up

When will the policy be reviewed? Maximum 4 lines

Health impacts will be monitored by the regular reviews on "the State of Health in the EU". The evolution of levels of industrially manufactured trans fats will be assessed by Member States' authorities.