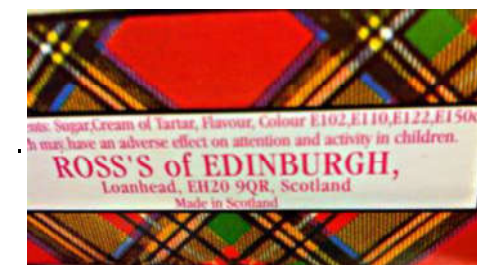
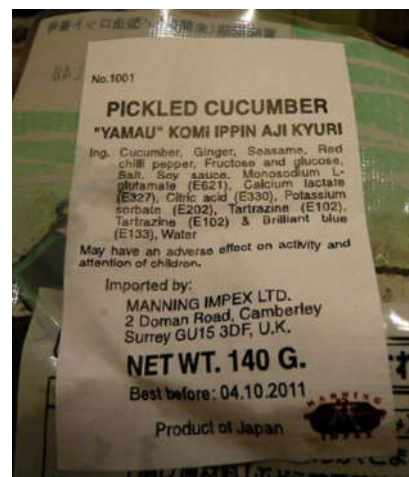




## Food Coloring

### EU warning labels on synthetic food coloring

“may have an adverse effect on activity and attention in children”



## Economic and Regulatory Impact of Food Additive Changes

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## Background

- 2006
  - Southampton U. Study
- 2008
  - EU Parliament and Council of Ministers Agreement
  - EFSA Opinion
- July 2009
  - EU Notifies the WTO as an amendment
- July 20 2010
  - Implementation begins



## U.S. Timeline

- Aug 2009 – Comments Made to EU
- SPS Meetings
  - Oct 2009, March 2010, Oct 2010
- Ambassador Kirk & EU Commissioner Dalli
  - May 2010 visit to DC
  - June 2010 Follow-up letter
  - July 2010 Rejection
- July 2010
  - Colors Industry Forming Coalition
- Sept 2010 to Present
  - Industry & FAS meet with U.S. Ag Negotiator Isi Siddiqui
  - Ag Posts individually dealing with the issue



## U.S. Impact



- \$6.4B worth of trade in jeopardy
  - 3 of 6 colors account for 85% of all food coloring in the US
- Industry Actions
  - Relabeling
  - Reformulating
  - Pulling out of EU Market

## Global Impact

- Countries Following suit
  - Israel lowering ADIs
  - Peru's ban on Yellow 5 (retracted)
  - Saudi Arabia attempts to ban Yellow 5 and Red 40 (retracted, implemented 2015)
  - Korea notifies WTO to ban synthetic food colors in 2009
    - Impact Est. \$2.3B market
    - Jan 2010 - Rule returned to ~~KFDA~~ after FAS meets with Korea Prime Minister



## Korea Impact



U.S. Trade to South Korea January - June  
Cumulative To Date Values in Thousands of dollars

Product	2009	2010	2011	% Change (2011 vs 2009)
Canned Vegetables	12,301	9,594	9,189	-25%
Salty Snacks	14,487	8,553	8,539	-41%
Baked Sweet Snacks	5,198	3,031	5,368	3%
Milk and Milk-Like	1,650	632	2,732	66%
Breakfast Cereal Groats	6,410	3,601	1,677	-74%
Fruit Intermediate Product	1,329	78	137	-90%
Soft Drinks	7,133	152	116	-98%
Vegetable Intermediate Product	168	13	48	-71%
Yogurt	204	152	24	-88%
Savory Snacks	334	44	0	-100%
Grand Total	49,214	25,850	27,830	-43%

## Economic Consequences

- Economic Issues
  - Supply & Demand
- Public perceptions
  - Carmine Red



## Thank You



## Questions?

