



WHAT'S NEXT ON THE EUROPEAN DIGITAL HIGHWAY



**DATA
EXCELLENCE
DAY**

7 SEPTEMBER 2023
COLOGNE, GERMANY

sponsored by























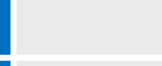
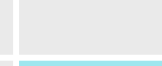






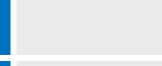





















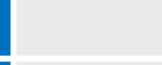




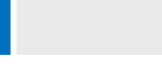
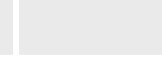
GS1 Competition Law Caution

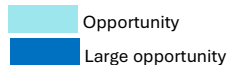
- GS1 operates under the GS1 Competition Law Caution. Strict compliance with competition laws is and always has been the policy of GS1.
- The best way to avoid problems is to remember that the purpose of the group is to enhance the ability of all industry members to compete more efficiently.
- This means:
 - **There shall be no discussion of prices, allocation of customers, or products, boycotts, refusals to deal, or market share**
 - If any participant believes the group is drifting toward impermissible discussion, the topic shall be tabled until the opinion of counsel can be obtained.
- The full caution is available via the link below, if you would like to read it in its entirety: <http://www.gs1.org/gs1-competition-law-caution>

Opening

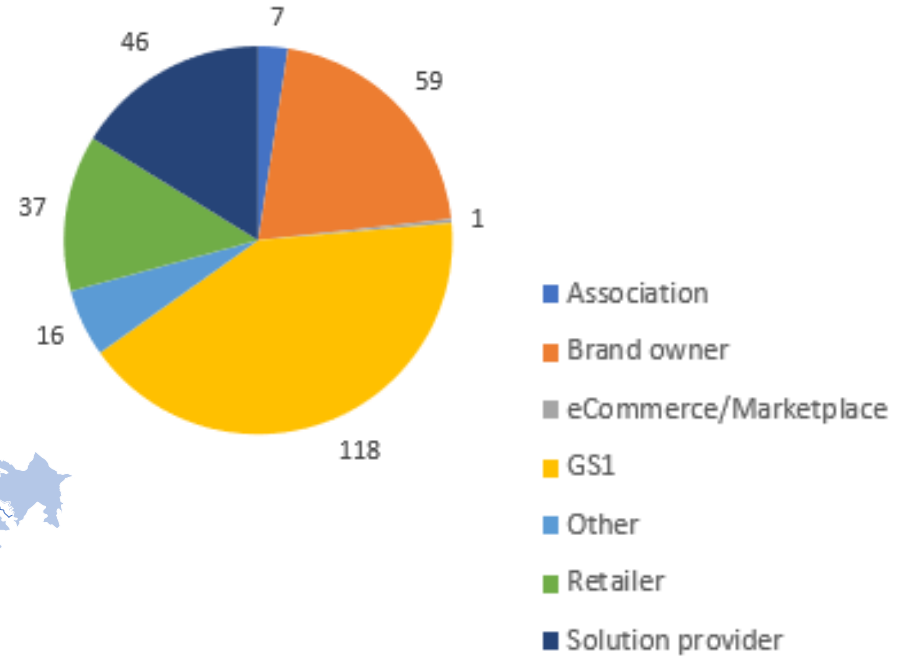
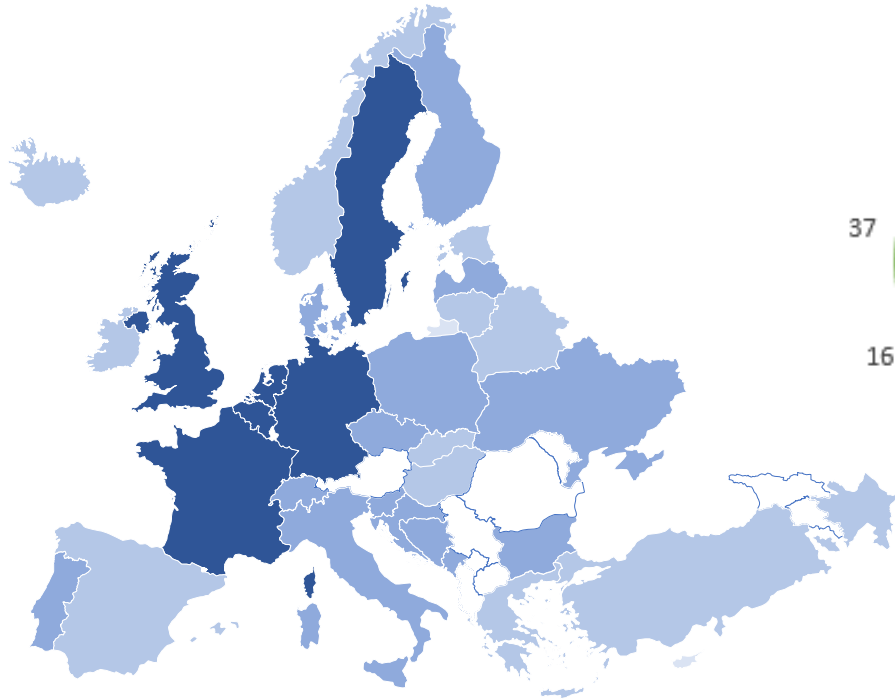
Jan Somers, GS1 Belgium & Luxembourg, GS1 in Europe
Henk-Jan Timmerman, GS1 in Europe

New legislation is a lever, and challenge for GS1

	GTIN/GLN	GDSN	Digital assets	Packaging attributes	EPR	DPP	ESG	Farm to fork	Intelligent sorting
FMCG & FS									
DIY, garden & pet									
Healthcare									
Fashion									
Construction									
Agriculture									
Cosmetics									
Other industries									



Data Excellence Day - Audience



Agenda



Caroline Bialek

Manager, Consumer Information

FoodDrinkEurope



Heino Clausen-Markefka

Managing Director

ProData GmbH



Wouter Schaekers

Director Product Supply (Global
Innovation, Capability and
Sustainability)

Procter & Gamble



Kristian Moeller

Project Lead Grievance
Mechanism

EHI Retail Institute



Francesca Poggiali

Chief Public Policy Officer Europe

GS1 Global Office

Meeting etiquette

Enjoy – stay connected

Post-event communication

Presentations will be shared

Questions in break or chat

GS1 – What's next on the European digital highway? Food and Drinks perspective

Caroline Bialek, FoodDrinkEurope

A woman with long dark hair is standing in a supermarket aisle, looking at a jar of jam in her right hand and a smartphone in her left hand. The shelves are stocked with various jars of jam and other food products. The background is slightly blurred, showing more of the supermarket interior.

GS1 – What's next on the European digital highway? Food and Drinks perspective

7 September 2023

FoodDrinkEurope

- Organisation of the European food and drink manufacturing industry founded in 1982
- Reference point for EU and international institutions
- Membership: 26 national federations, 27 EU sector associations & 27 companies
- Mission: *“To facilitate the development of an environment in which all European food and drink companies, whatever their size, can meet the needs of consumers and society, while competing effectively for sustainable growth”*



EU FOOD AND DRINK INDUSTRY FIGURES

Turnover

€1,093 billion

A leading manufacturing sector

Value added

1.9%

of EU gross value added

Consumption

21.5%

of household expenditure on food and drinks

Employment

4.5 million people

Leading employer in the EU

Number of companies

289,000

R&D expenditure

€1.9 billion

Sales within the Single Market

88%

of food and drink turnover

Small and medium-sized companies

40.5%

of food and drink turnover

58.4%

of food and drink employment

External trade

€145 billion

Exports

€78 billion

Imports

€67 billion

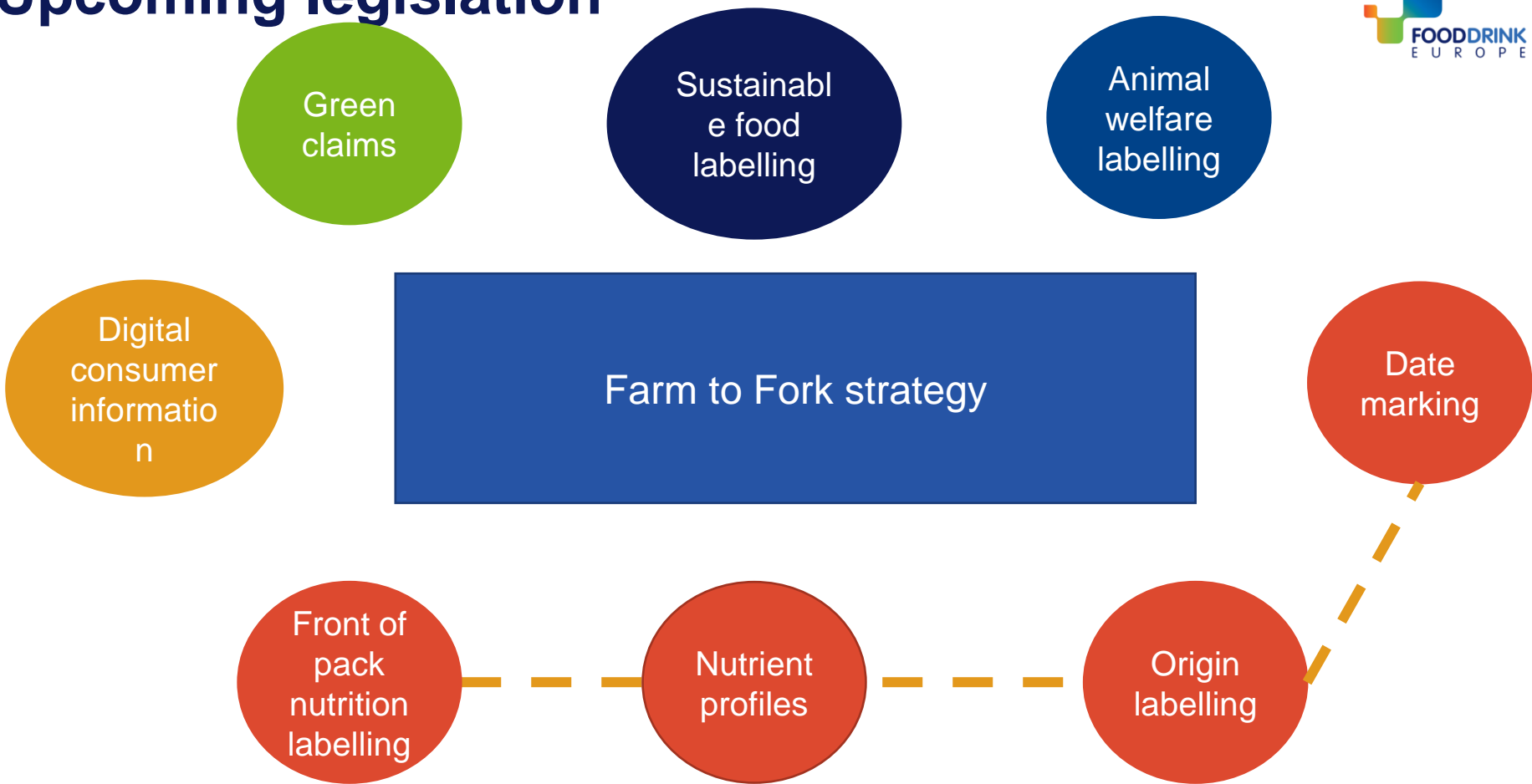
Trade balance

#1

exporter of food and drinks

Sources: Eurostat, Joint Research Centre, UN COMTRADE

Upcoming legislation



Regulation 1169/2011 on the provision of Food Information to Consumers revision: latest developments

- Achievements of the FIC regulation
- Revision: Impact assessment ongoing
- FoodDrinkEurope position adopted in October 2022
- Proposal expected for 2023 (?)

FoodDrinkEurope Digital labelling project

Aim of the project

To help drive the conversation on digital labelling, to understand the **threats and opportunities** linked to it, to **ensure a harmonised approach** for the industry.

The project included research to identify best practices and help shape a narrative, principles and advocacy recommendations for the industry.

Scope of the project

- Conduct **state-of-play report on digital labelling**
- Develop a **narrative** around digital labelling underlining the threats, opportunities and benefits of it
- Develop **principles** underpinning digital labelling

Next steps

- Publication and communication through website, social media, webinar
- Advocacy and dissemination
- 2-pager more “user-friendly” and “ready to share”





Thank you!

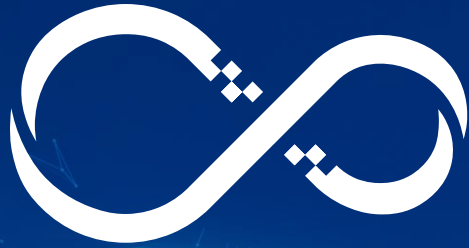
Follow us!



www.fooddrinkeurope.eu

The PPWR – what will be required

Heino Claussen-Markefka – ProData GmbH



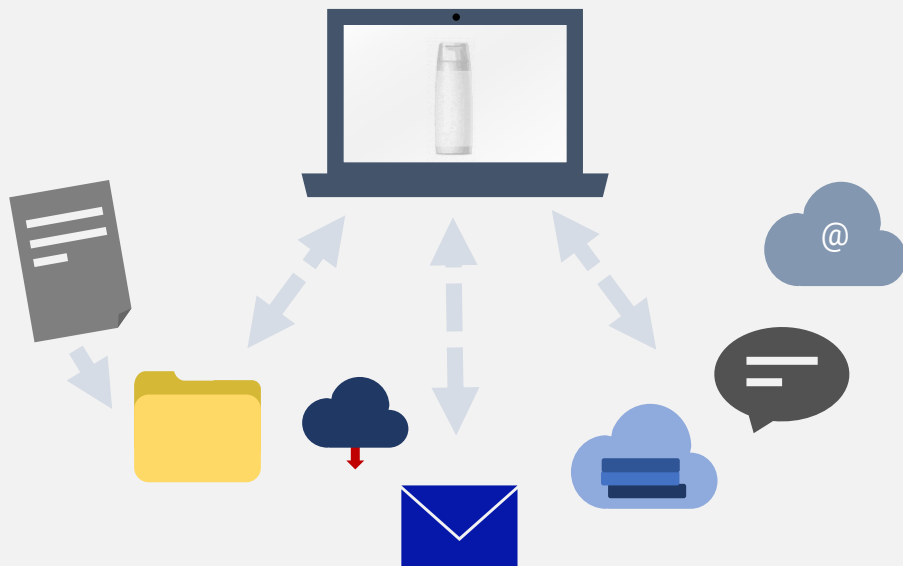
R-Cycle

The PPWR – what will be required

GS1 Data Excellence Days
Cologne, 07.09.2023

H. Claussen-Markefka – ProData GmbH

Rising demand for information on plastic products at the industrial and regulatory level!



Required Information:

- Product-related Data
- Recyclability Assessment
- EPR Schemes
- Plastic Tax Calculation
- Proof of Recyclate Origin and Quality
- Extended Information Requirements (EU legislation)
- Consumer Information (Marketing)
- Carbon Footprint Calculation

PPWR is a driver for information requirements

PPWR leads to a significant increase in required data - based on several articles

PPWR Proposal, dated 30.11.2022

Article 34: Declaration of conformity regarding Articles 5 to 11

Article 33: Procedure to assess conformity according Annex VII

Annex VII: Detailed Description of the Conformity Assessment Procedure

Article 11
“Labelling of
Packaging”

Article 13
“Obligations
of manu-
factures”

Article 5
“Substances
in Packaging”

Article 6
“Recyclable
Packaging”

Article 7
“Recycled
content in
plastic
packaging”

Article 8
“Compostable
packaging”

Article 9
“Packaging
Minimization”

Article 10
“Reusable
Packaging”

List of
attributes
required by
Article 5

List of
attributes
required by
Article 6

List of
attributes
required by
Article 7

List of
attributes
required by
Article 8

List of
attributes
required by
Article 9

List of
attributes
required by
Article 10

List of
attributes
required by
Article 11

List of
attributes
required by
Article 13

The effort for data management will increase

Information exchange is time-consuming, costly and control intensive



Challenges:

- Time-consuming information allocation
- Costs for obtaining information
- No traceability of raw materials
- No standardized information exchange
- No automated data transfer
- No interoperable platform or tool
- Error sources due to manual inputs

A Digital Product Passport (DPP) is a tool to support data exchange

For an effective DPP, some preconditions are mandatory

Use of a open standards

GS1 standards such as **GTIN** and **EPCIS** have been introduced and accepted worldwide.



Use of common language

The use of defined attributes and protocols is the necessary basis for efficient data exchange

Accessible for all stakeholders

All participants in the value chain must have non-discriminatory access to the system (non-proprietary, interoperable)



Bridging company borders

Exchange of data across company boundaries, even without a direct connection between the participants

Aggregate data into information

Data from different stations of the value chain must be aggregated into relevant information

Ensure data sovereignty

The data sovereignty of each participant must be preserved

R-Cycle is a DPP for Plastics Products

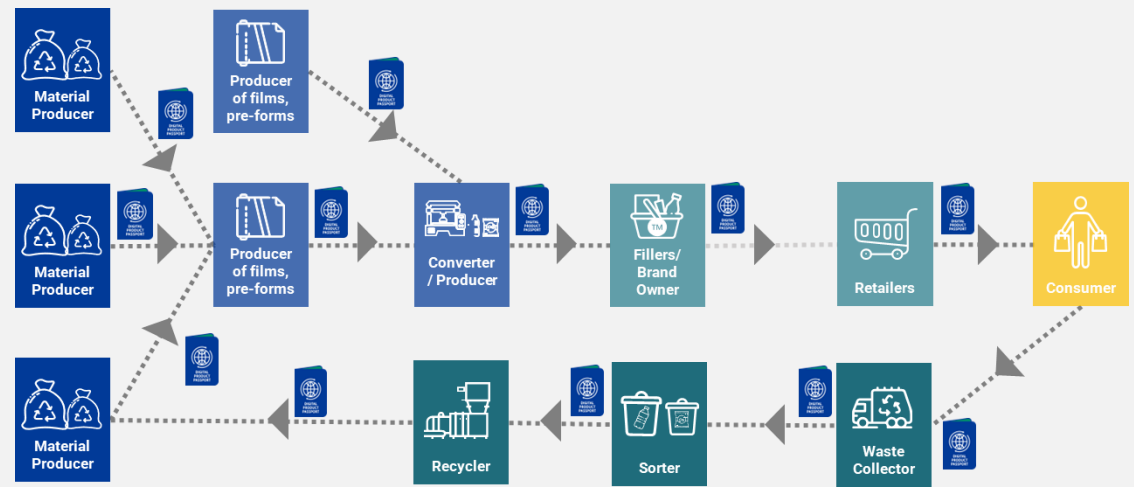
Enables standardized data exchange along the entire value chain



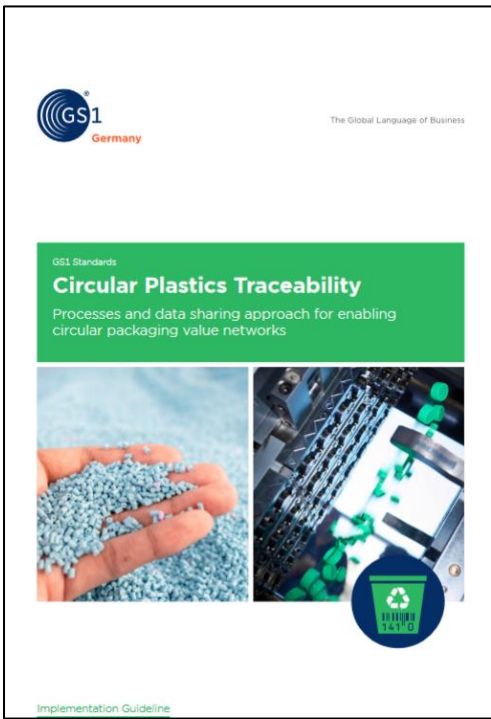
Features:

- Dynamic data traceability along the full product lifecycle
- Data aggregation, analysis and automation
- Use of open standards
- Auditable data infrastructure
- Reduced documentation costs and increased efficiency
- Long-term value for brands, e.g. by optimizing EPR eco-modulation
- Different automation levels
- Expertise in Plastic Products and Packaging

A DPP based on open standards is a data management tool to address the challenges of the PPWR



Implementation Guideline from GS1Germany



published 28.08.2023

Thanks for your attention!



Contact us:



www.r-cycle.org/en



newsletter-en.r-cycle.org



linkedin.com/company/r-cycle/

Heino Claussen-Markefka
Managing Director
h.claussen-markefkan@r-cycle.org
+49 151 16757502

Circularity use cases from industry perspective

Wouter Schaekers, P&G



Global Standards Management Process

GS1 Circularity - Digital Product Passport

Mission-specific working group



Wouter is Director Product Supply & Sustainability in P&G and active in several industry associations and initiatives to step-change circularity through industry collaboration and standards.

GREEN DEAL OPPORTUNITY





REQUIREMENTS

Today



- **Recyclability** – not regulated
- **PCR and Packaging Reuse** – not required
- **Waste Reduction** - the only requirement is to use amount of packaging which is technically required (Consumer Acceptance & Marketing - allowed as argument for Pack Design)
- **Noxious substances** minimization / continues to be required in new PPWR

Changes As of 2024/latest 2040

Measure		Timing
1	 Packaging minimization Min empty space vol % vs Total Pack (40% max vs grouped/transport) AND Technical Rationale for Minimum Volume and Weight Usage	2025
2	 PCR Content (plastic part of pack) <ul style="list-style-type: none"> ▪ 35%/ 10% Contact Sensitive/30% PET CS ▪ 65%/ 50% Contact Sensitive (CS) 	2030 2040
3	 Recyclability (all packaging levels) <ul style="list-style-type: none"> ▪ 100% packs can be collected, sorted, recycled ▪ 100% of Portfolio Recyclable at minimum 70% ▪ 100% of Portfolio Recyclable at minimum 70% at scale 	2025 2030 2035
4	 Re-Usability (excl. Cardboard) <ul style="list-style-type: none"> ▪ 100% of transport/grouped packaging for intra EO/MS ▪ 30% transport, 10%E-com, 10% wrap/stab ▪ 90% transport, 50%E-com, 30% wrap/stab 	2025 2030 2040



Digital Product Passport

Digital and green



REGULATION

AS
CIRCULARITY
ACCELERATOR

GS1

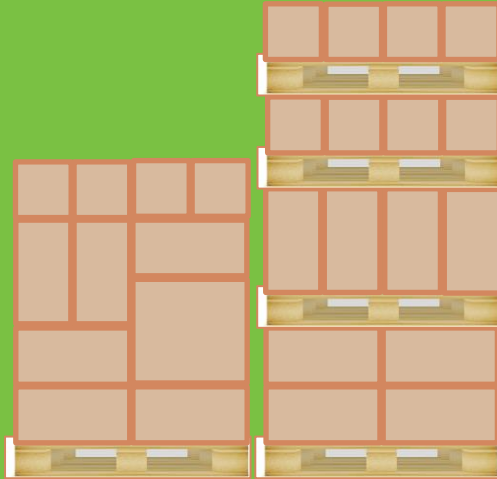
AS
TRANSFORMATION
FACILITATOR

Transformation value chain

PAST UP TO NOW

Single-used
recycled outside

Single-used
virgin inside



Mixed Pallet 1.6m

Sandwich Pallet



FUTURE TREND

Reusable from recycled
plastic outside

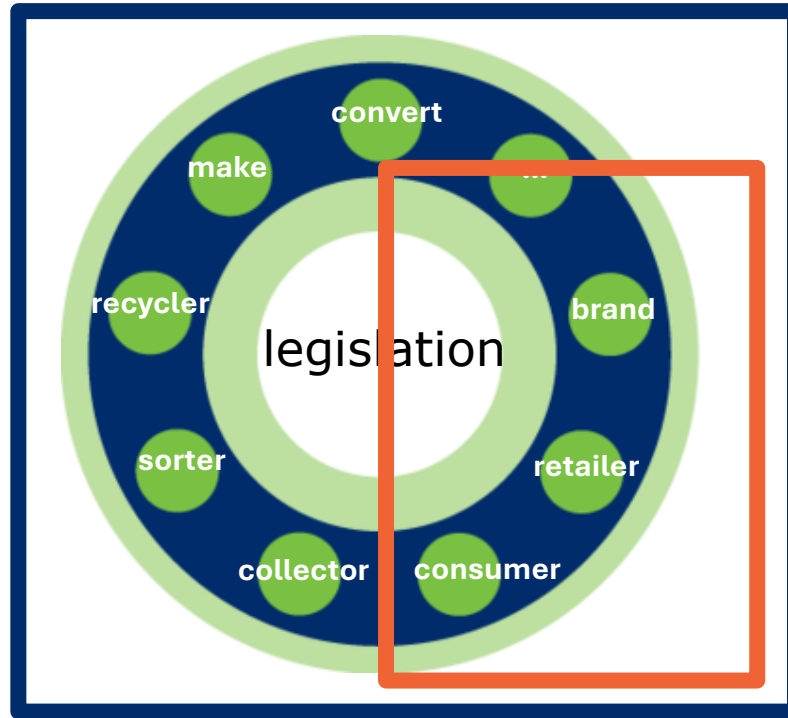
Recycled & Recyclable
content inside



Double Stack 2,40m



Embracing our emerging ecosystem



→ To create value

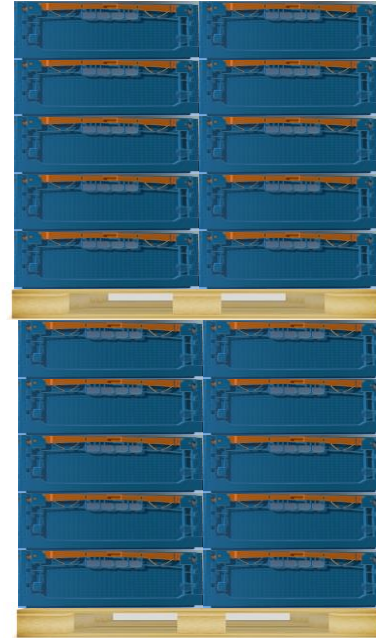
Value focused by use case



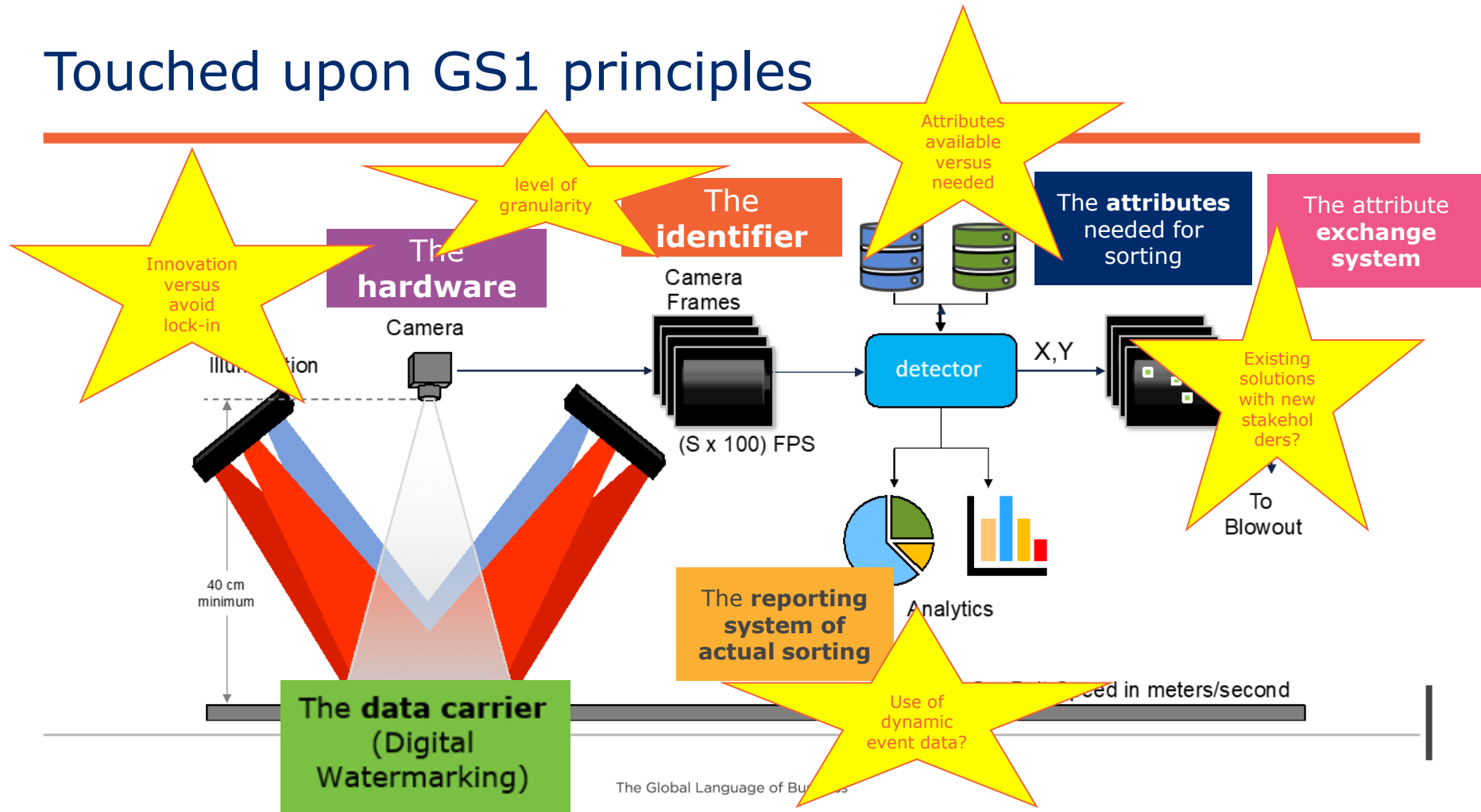
Common investments across MOs
for unified integrated approach

GS1 Smart-Box

Sustainable
Manufacturer And Retailer
Team Play

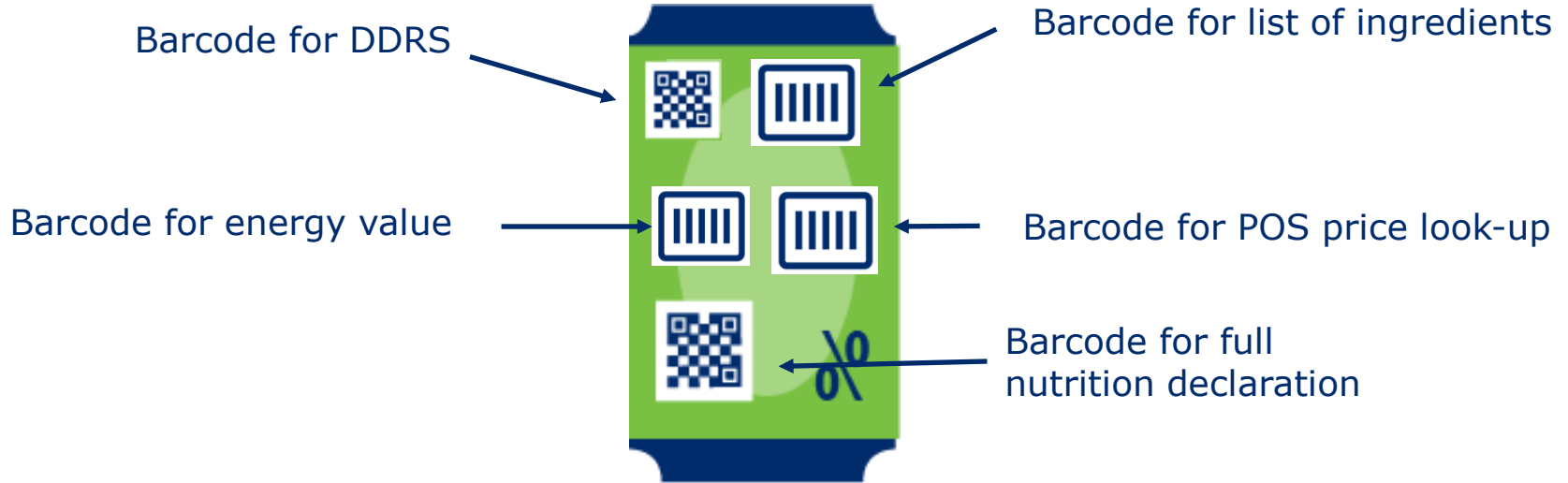


Touched upon GS1 principles

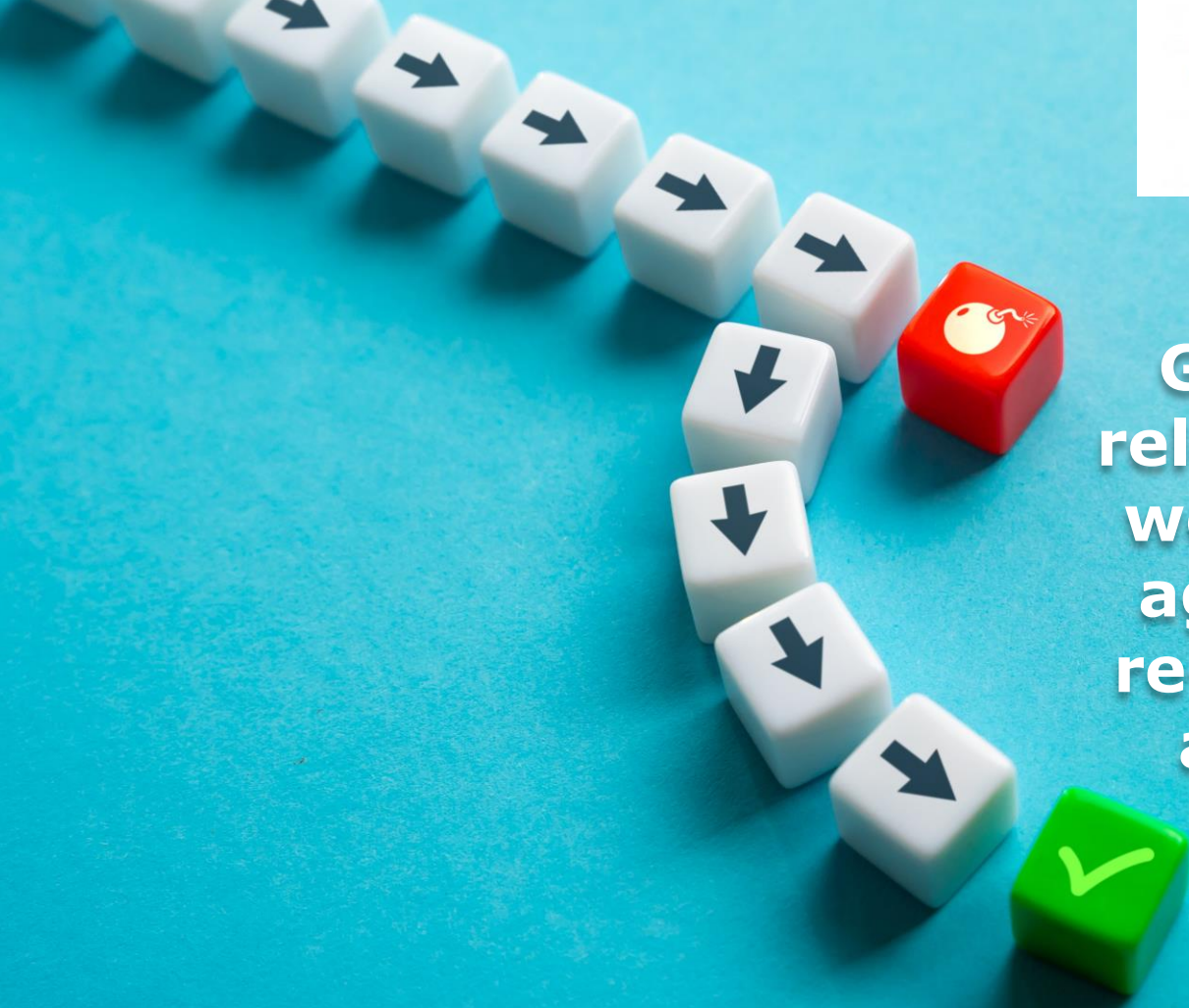




support our members in avoiding this...



#WE ARE GS1



GS1 can be more relevant than ever if we are intentional, agile and ready to re-invent ourselves as a community

Lieferkettengesetz & Corporate Sustainability Due Diligence Directive

Kristian Moeller, EHI



Retail Institute®



What's next on the European Digital Highway?

EU Corporate Sustainability Due Diligence Directive (CSDDDD)

Dr. Kristian Moeller | EHI Retail Institute

Agenda

- Evolvement of grievance mechanisms in the EU
- Legal Framework – complaints procedures
- German Supply Chain Due Diligence Law LksG as a starting point
- Effective Grievance Mechanisms: A problem
- Development of a Sector-wide Grievance Mechanism
- Introducing the **appellando** Alliance
- Summary: Downstream needs
- Summary: Upstream needs

Evolution of grievance mechanisms in the EU

2015  „Modern Slavery Act“

2017  Francia „Loi de vigilance“

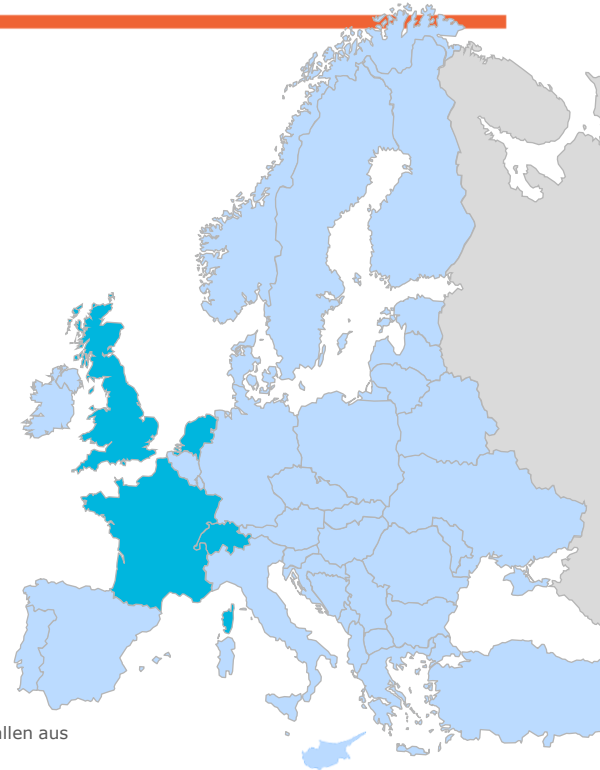
2019  Netherlands "Child labor due diligence law"

2022  Suisse „VSoTr“

2023  German „Lieferkettensorgfaltspflichtengesetz“

Fin 2023  Europa

*Verordnung über Sorgfaltspflichten und Transparenz bezüglich Mineralien und Metallen aus Konfliktgebieten und Kinderarbeit“



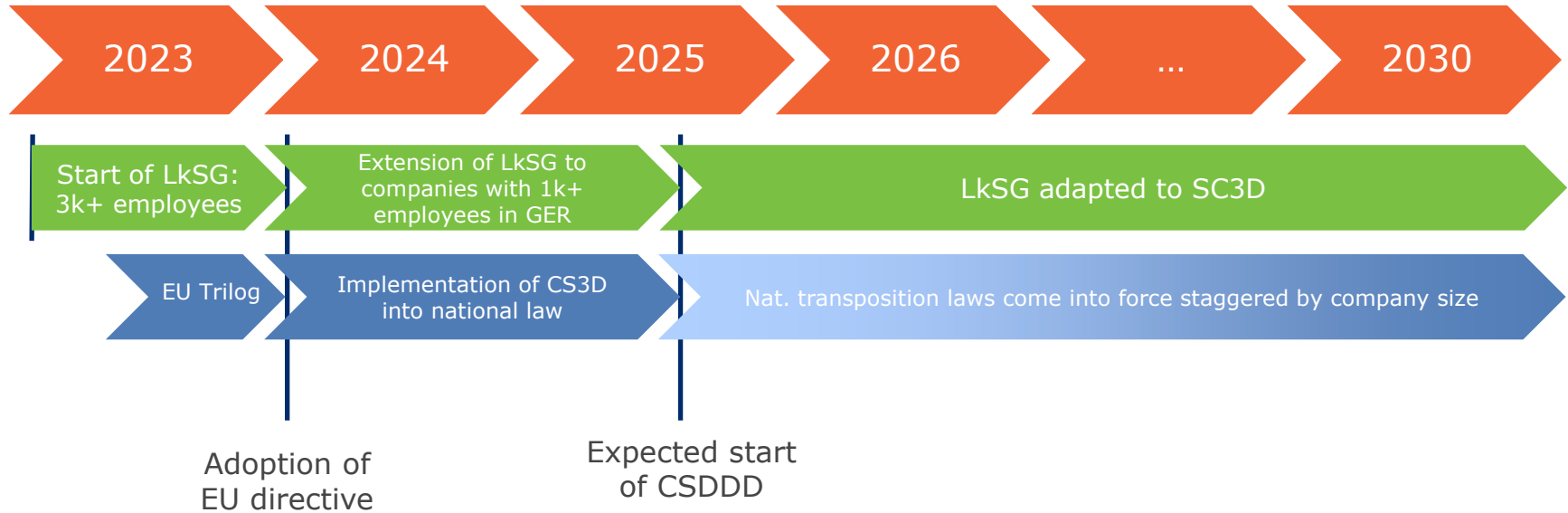
Legal Framework – complaints procedures

Whistleblower Directive	SC3D Supply Chain Due Diligence Directive	LkSG German Supply Chain Due Diligence Act
<p>Directive (EU) 2019/1937, came into force 12/2019</p> <p>Goal: Expose corporate wrongdoing of companies and authorities with potentially negative consequences for the benefit of all, while protecting the informant</p> <p>a) Violation against EU law</p> <ul style="list-style-type: none"> tax fraud money laundering crimes related to product safety or public health <p>b) Violation against local law (voluntarily)</p> <p>Target groups: employees and direct supplier of</p> <p>Companies / agencies ≥ 250 employees: implementation by 3 months after the of the promulgation</p> <p>Companies / authorities 50 to 249 employees: transitional periods apply for setting up the reporting channels</p>	<p>Directive (EU) 2022/0051 COD), not yet in force !</p> <p>Goal: implementation of certain due diligence obligations for prevention of negative implications in their chains of activity inside and outside Europe:</p> <ul style="list-style-type: none"> Human rights Environmental obligations Requirements for CSR <p>Target groups: supply chain incl. indirect suppliers of</p> <p>EU incorporated companies 500+ employees, net turnover of > €150 million or 250+ employees, net turnover of > €40 million – if min. 50 % of this was generated in high-impact sector</p> <p>Non-European companies net turnover > €150 million generated within EU or net turnover > €40 million (and ≤ €150 million) generated within EU - if at least 50% of net worldwide turnover generated in high-risk sector</p> <p>Checked by local authorities becoming responsible</p>	<p>German Act 2023/2021, in force since 1/2023</p> <p>Goal: strengthening of global supply chains by Integrity of life and health, protection of children, freedom from child labor/slavery/forced labor and protection against environmental risks:</p> <ul style="list-style-type: none"> Human rights Environmental obligations <p>Target groups: supply chain incl. direct and indirect suppliers of</p> <p>German companies ≥ 3,000 employees since 1 Jan 2023</p> <p>German companies ≥ 1,000 employees as of 1 Jan 2024</p> <p>Checked by federal Office of Economics and Export Control (BAFA)</p>

Give Vulnerable Groups the possibility to easily addressing complaints and ensure effective remediation

Protection of Human Rights and Environmental Risks

Timelines of LkSG and SC3D

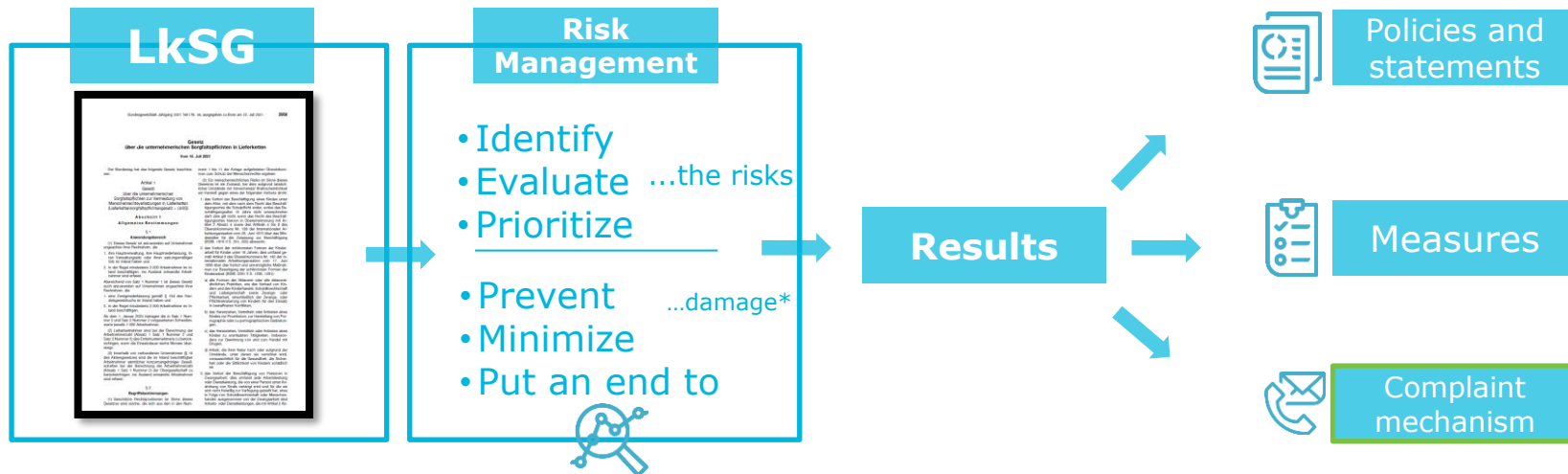


LkSG due diligence obligations

1. **The establishment of a risk management system** (Article 4(1))
2. **The definition of an in-house responsibility** (Article 4(3))
3. **The performance of regular risk analyses** (Article 5)
4. **The issuance of a policy statement** (Article 6(2))
5. **The establishment of preventive measures in the own business area (Article 6(1) and (3)) and vis-à-vis direct suppliers** (Article 6(4))
6. **Taking corrective action** (§ 7 paragraphs 1 to 3)
7. **Establishing a complaints procedure** (§ 8)
8. **Implementing due diligence with respect to risks at indirect suppliers** (§ 9)
9. **Documenting (§ 10 paragraph 1) and reporting** (§ 10 paragraph 2).



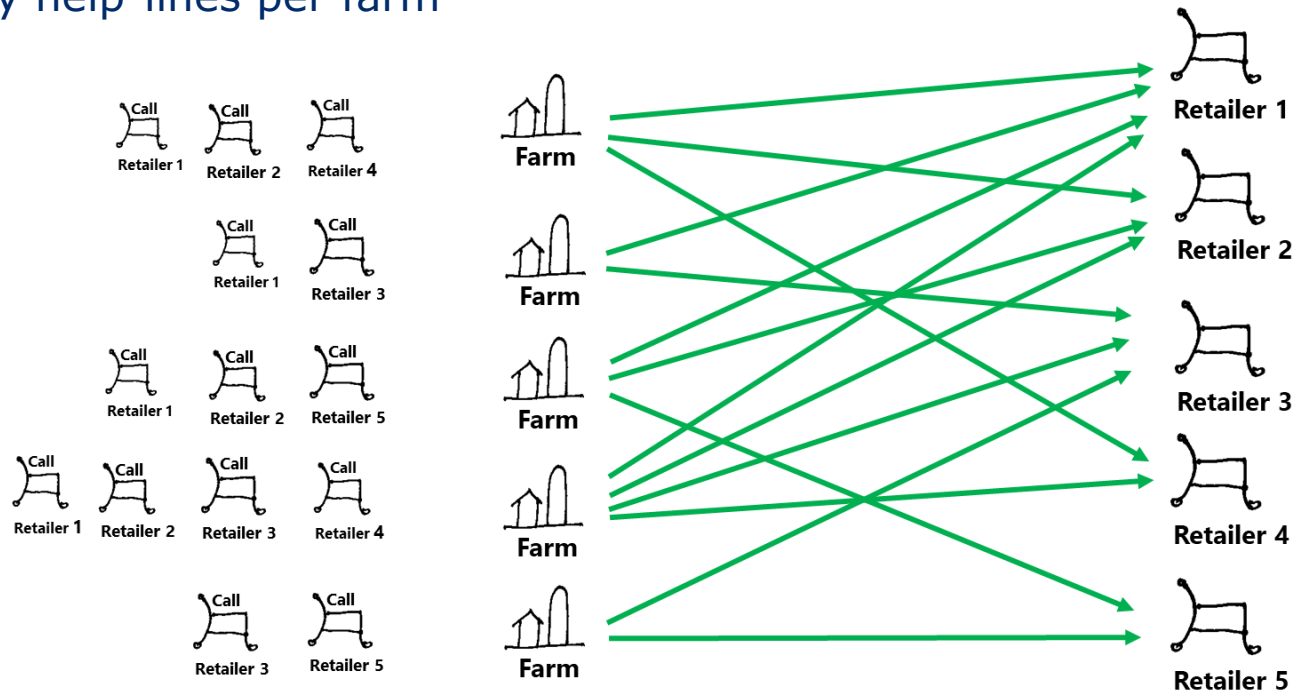
German Supply Chain Due Diligence as a start



* related to human rights/environment

Effective Grievance Mechanism: A Problem

Many help-lines per farm



The EHI Retail Institute

Working Together in Retail
EHI – The Company

EHI

21. April 2023



www.ehi.org

The timeline illustrates the historical milestones of the EHI (European Retail Institute) from 1957 to 2021. The events are as follows:

- 1957**: Founding of the Institute for Self-Service Retailing (ISB) and the Rationalisation Association of the Retail Industry (RGH).
- 1966**: Founding of Euroshop through a partnership with Messe Düsseldorf.
- 1971**: Golden Sugar Loaf Award for Bau-L-Zentrum of RGH (Goldener Zuckerhut).
- 1974**: Founding of Centrale für Coöperisation (CCG) by EHI and the German Brands Association (today GS1 Germany).
- 1984**: Golden Sugar Loaf Award for ISB Managing Director, Prof. Karl Henkemeier (Goldener Zuckerhut).
- 1989**: Merger of RGH with ISB to form DHI (today EHI).
- 2006**: Name changed to EHI Retail Institute.
- 2004**: Founding of KUNO, a system to block lost and stolen cards used in electronic direct debit transaction.
- 2001**: Founding of FoodPlus (GlobalGAP) and stores+shops (Launch of trade magazines stores+shops and retail technology).
- 1999**: First awarding of quality seal as EHI certified online shop.
- 1997**: Founding of EuroCIS through a partnership with Messe Düsseldorf and founding of Orgainvent.
- 2010**: Launch of statistics database handelsdaten.de.
- 2013**: Establishment of the EHI Foundation (EHI Stiftung).
- 2015**: Founding of C-star in Shanghai through a partnership with Messe Düsseldorf.
- 2017**: Founding of Retail Institute Italy (RI Italy).
- 2021**: Founding of EHI LAB.

Our Retail Members* ...

A A.T.U Auto-Teile-Unger ALDI Einkauf ALDI SÜD Alnatura ANWR GROUP Apetito Apollo-Optik Autobahn Tank & Rast	Deutsche Telekom Shops dm-drogerie markt E EDEKA Zentrale EHG GmbH EHG Service EK/servicegroup ElectronicPartner EUROBAUSTOFF F FitX Verwaltung FOODPLUS Fressnapf G Galeria Karstadt Kaufhof German Council of Shopping Places Globetrotter Globus SB-Warenhäuser Globus Fachmärkte H hagebau HDE Handelsverband Deutschland Hornbach HR Group I IKEA INTERSPORT	J J. A. Woll JAB JOSEF ANSTOETZ K Kaufland KiK KODi L Landgard Lekkerland LIDL Logista S.A. M Markant Media-Saturn-Holding Metro Group Migros MLF Mittelständische Lebensmittel-Filialbetriebe N Netto Netto Marken-Discount O OBI office direkt Service-Center ORLEN Otto Group
---	--	---

P PANDORA Peek & Cloppenburg Nord Peek & Cloppenburg West Penny Markt Poco Porta R REWE Group Roller S Schuback s.Oliver T Takko TEDi Thalia U Union Deutscher Bahnhofsbetriebe Dr. Eckert V Valora Vedes W Westdeutsche Lotterie
--

**Selection of EHI members
on 01 January 2023.*

Multi-Stakeholder Workshop

Madrid, June 2023



Development of a Sector-wide Grievance Mechanism

8 Partner aus dem LEH



The EHI Retail Institute and appellando



**alliance for grievance mechanisms
in supply chains**



Dr. Kristian Moeller

Project Lead
Grievance Mechanism Services

moeller@ehi.org
+ 49 221 57993 567



Angela Schillings-Schmitz

Project Manager
Grievance Mechanism Services

schillings-schmitz@ehi.org
+ 49 163 6878476



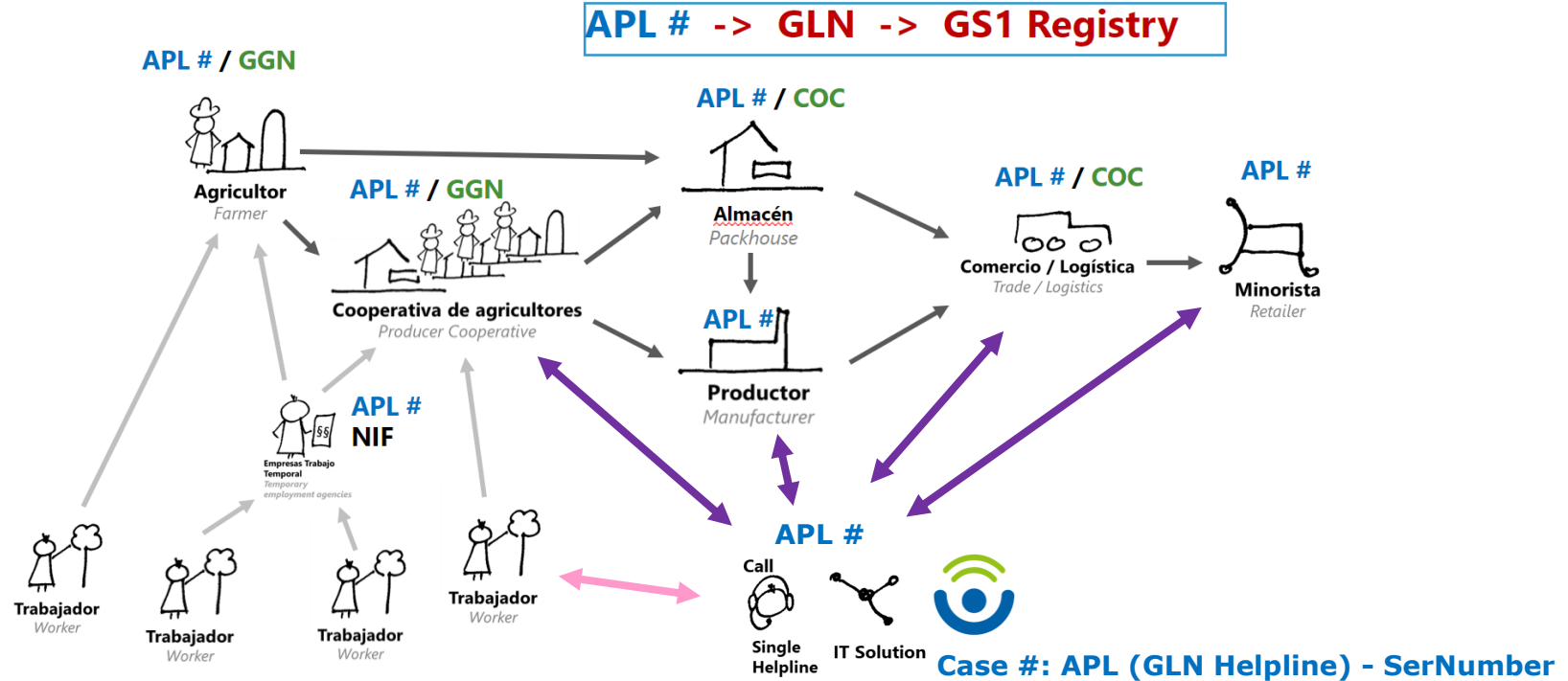
Nadine Kremser

Grievance Mechanism Services
kremser@ehi.org

+ 49 221 57993 567



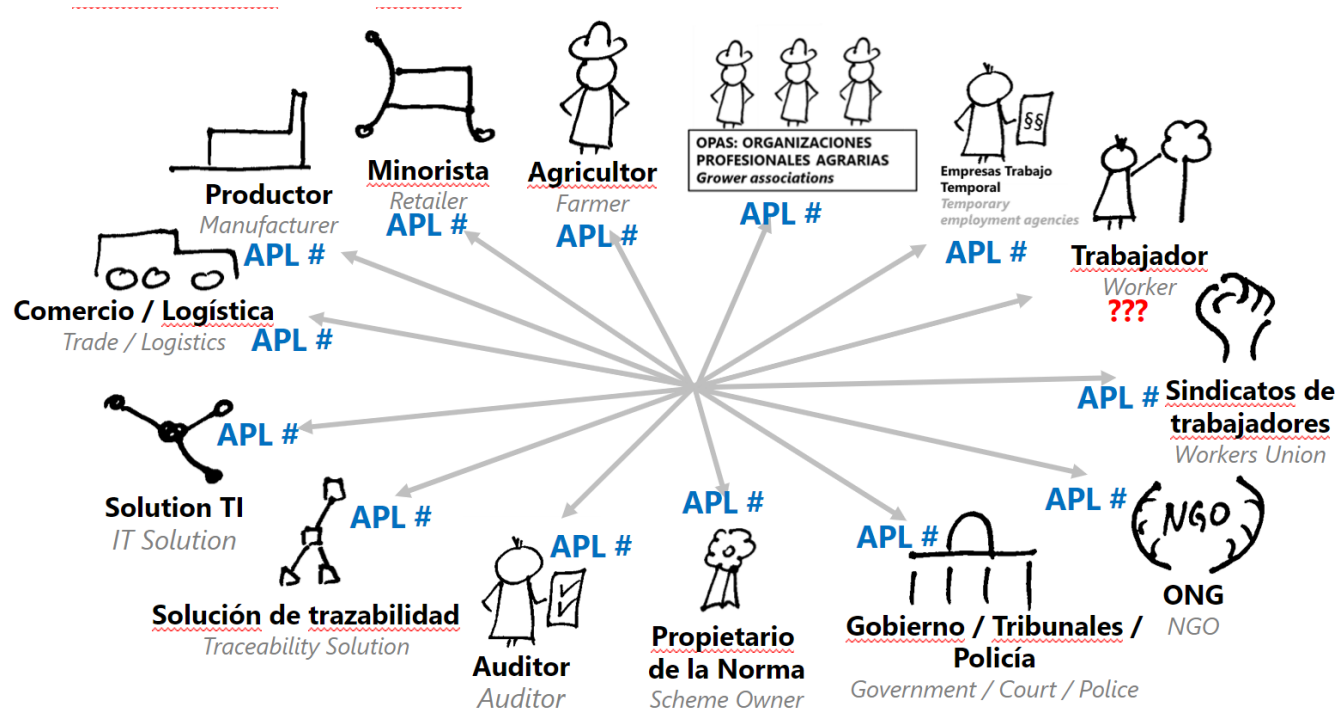
Supply Chain Requirements



Employer Identification by appellando

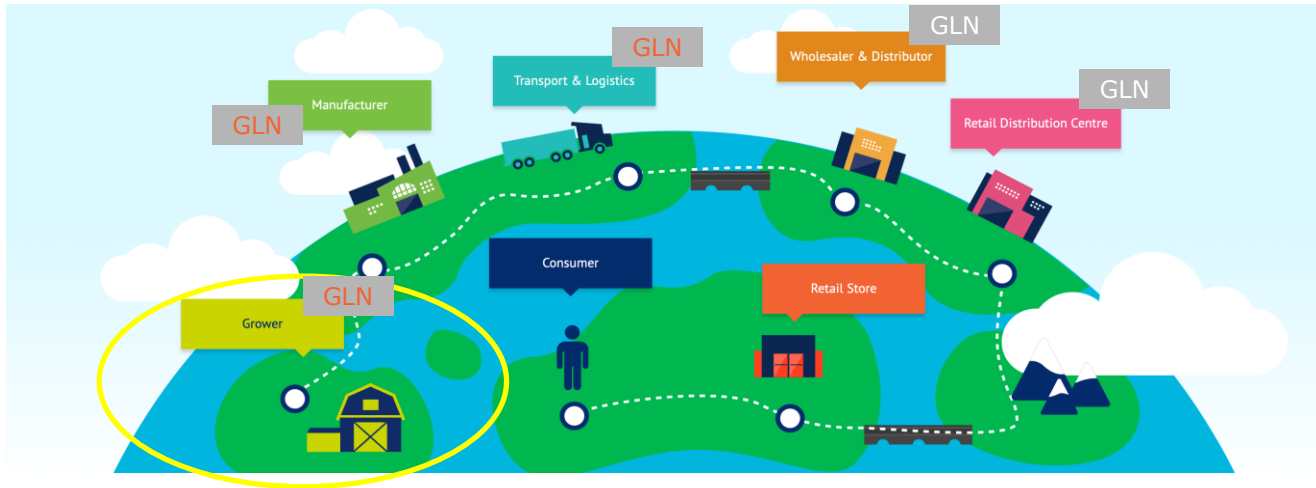


Stakeholder Identification by appellando



Upstream ⇔ Downstream

Downstream: appellando grievance mechanism



Upstream: supply chain transparency

GS1 Global Registry: GS1 Global Location Number (GLN) for all Legal Entities to feed different Standards



Authentication of farm and GLN

- ✓ GLOBALG.A.P. Certification Body (02-03-22)
- ✓ FLOCERT / Fair Trade International (23-08-23)
- ✓ SEDEX Approved Audit Company (02-12-22)

GLN 1234567890123

- APL 1234567890123 -> <https://www.appellando.org/registry>
- GGN 1234567890123 -> <https://database.globalgap.org>
- FLO-ID 654321 -> <https://www.fairtrade.net/finder>
- SMETA URN# -> <https://www.sedex.com/audit-verifier/>
- REAFA # -> <https://www.juntadeandalucia.es/>

Die appellando Deklaration

The declaration outlines **eight commitments** which represent our founding principles. Our intention is to work together to **protect human rights and the en-vironment** throughout supply chains, via **globally harmonized grievance procedures and access to remedy** (“Abhilfemassnahmen”) at private sector level.



The appellando Declaration

8 Commitments

1. Respect International Standards on Responsible Business Conduct

2. Respect National Legislation

3. Ensure Strong Involvement of Rightsholders

4. Increase transparency and Accessibility of Help Lines for Rightsholders



The appellando Declaration

8 Commitments

5. Collaborate between Governments, Businesses and Civil Society

6. Collaborate across Businesses, Sectors and Systems

7. Comply with the European General Data Protection Regulation

8. Report on Progress



Downstream - Needs

- All locations and legal entities need one ID (GLN) for unique identification
 - Farmer ID is the “white spot”, and other initiatives creep in!
- All actors within the supply chain need a possibility for verification of GLNs via global GLN registry
- Grievance Mechanism (violation of Human Rights & Environmental Risks)
 - For any notification of a complaint by a rightsholder the case needs to be mapped to the accused parties
 - For every case, that can not be solved locally or any “very urgent case” (prio 1 case) the case needs to be mapped to all retailers affected in Germany as well to enable them fulfilling their obligation of duty and consistent reporting
 - Connect to existing certifications / other data sources
- The GLN registry needs to be connected with standard owners / certificate owners

Upstream - Needs

- Supply chain transparency
- Match of products (batches) to production locations throughout the supply chain to verify compliance with supplier requirements (quality/certifications)
 - APIs with AgStack (Linux Foundation)
- Grievance mechanism:
 - Standardized and automated documentation of cases to demonstrate sufficient efforts incl. risk assessments, substantiated knowledge, time lines, preventative measures, corrective actions, collaboration efforts
 - Grievance Case Numbers (like serial numbers)
 - Case interoperability
- Potential use of GS1 Digital Link for helpline

Thank you for your attention!

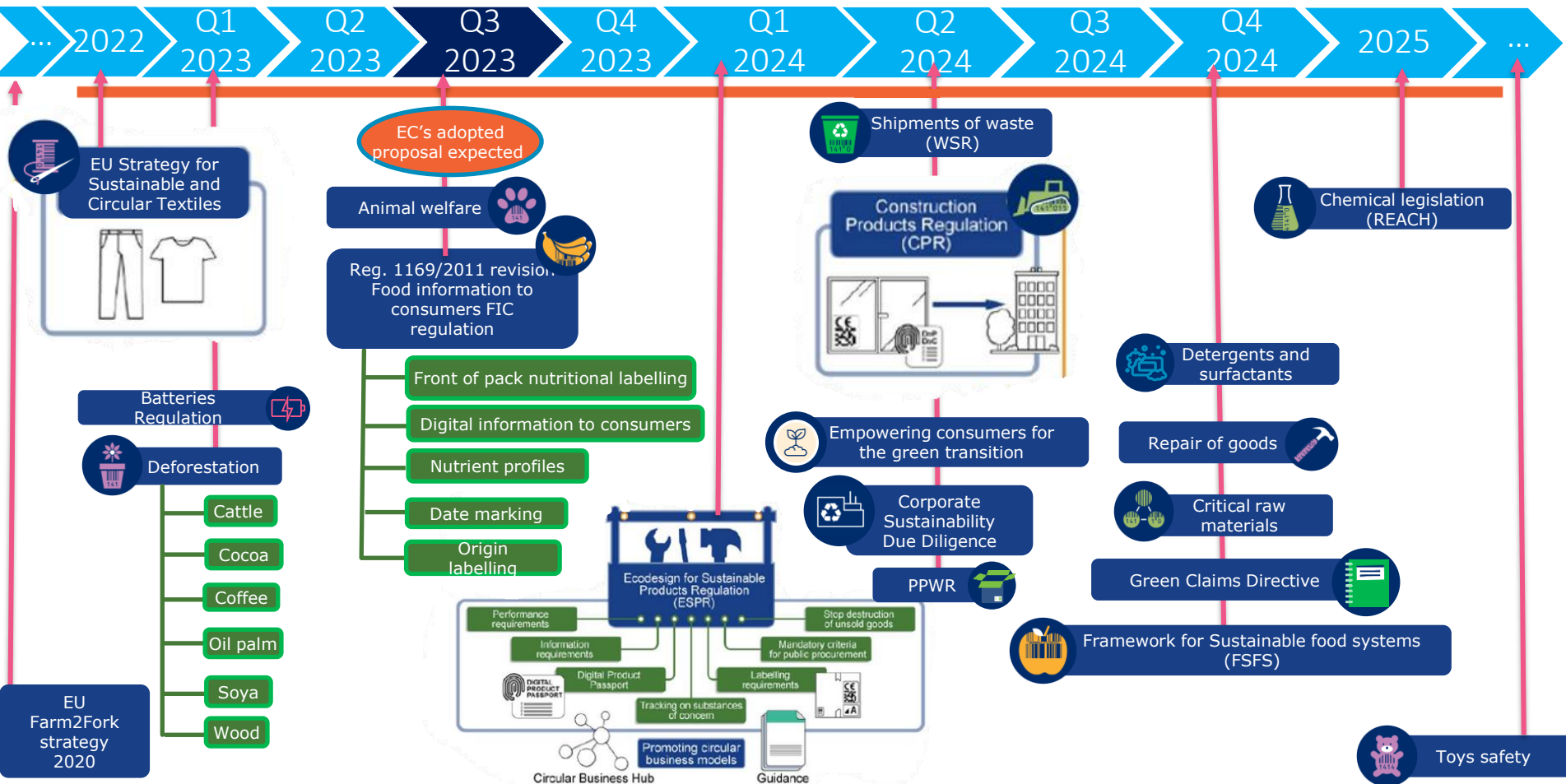
Dr. Kristian Moeller
Project Lead
Grievance Mechanism Services
moeller@ehi.org
+49 (0) 221 57993-567



Vertical and horizontal regulations

Francesca Poggiali, GS1 Global Office

DPP bigger picture: formal adoption timeline



*Unless differently specified, date forecast refers to entry into force

DPP delegated acts to come:



General Product Safety Regulation

30 June 2021

Commission
proposal

28 November 2022

Political agreement

Adoption

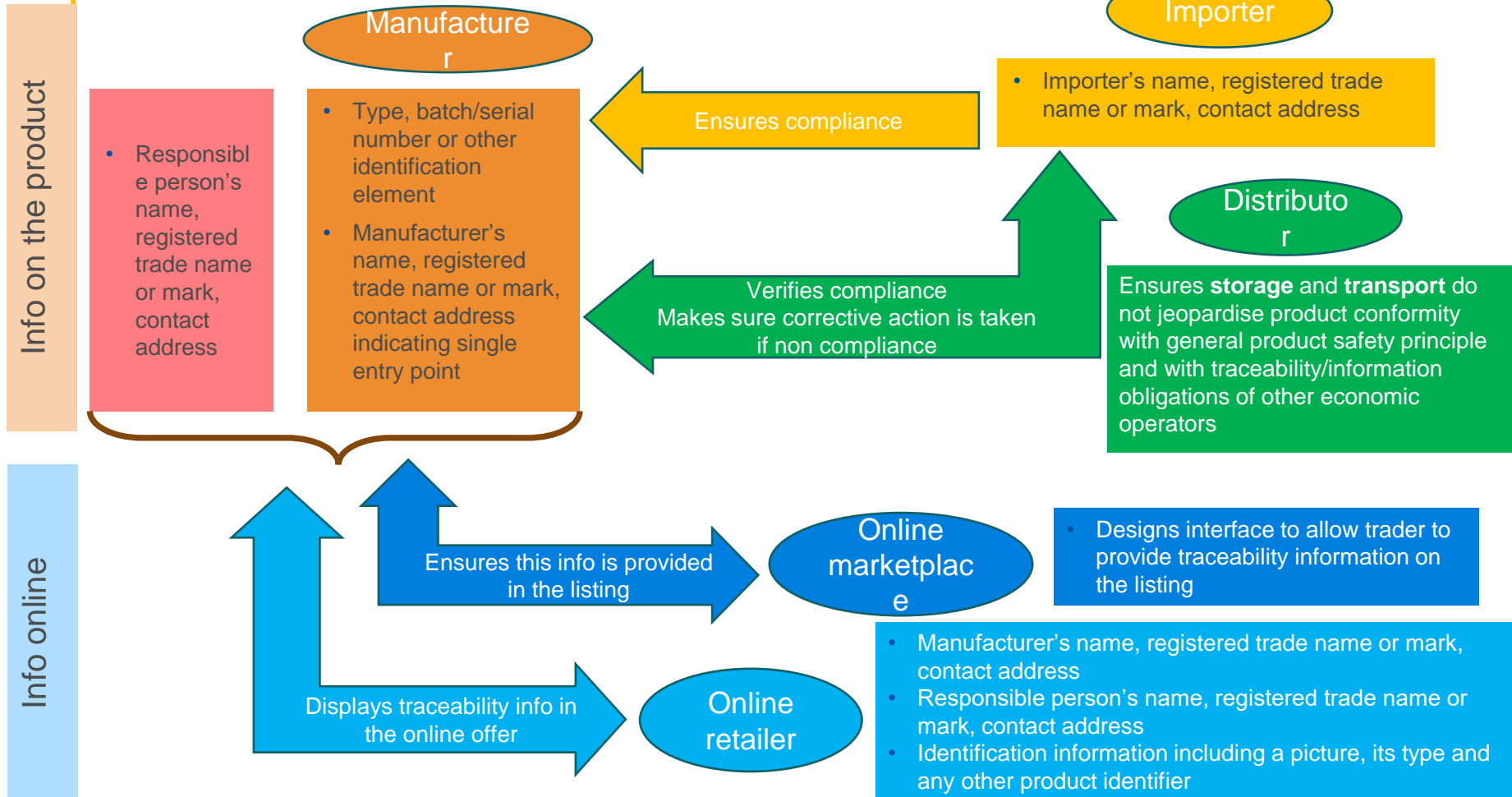
(vote in Plenary
session in the EP
followed by
approval by
Council)

23 May 2023

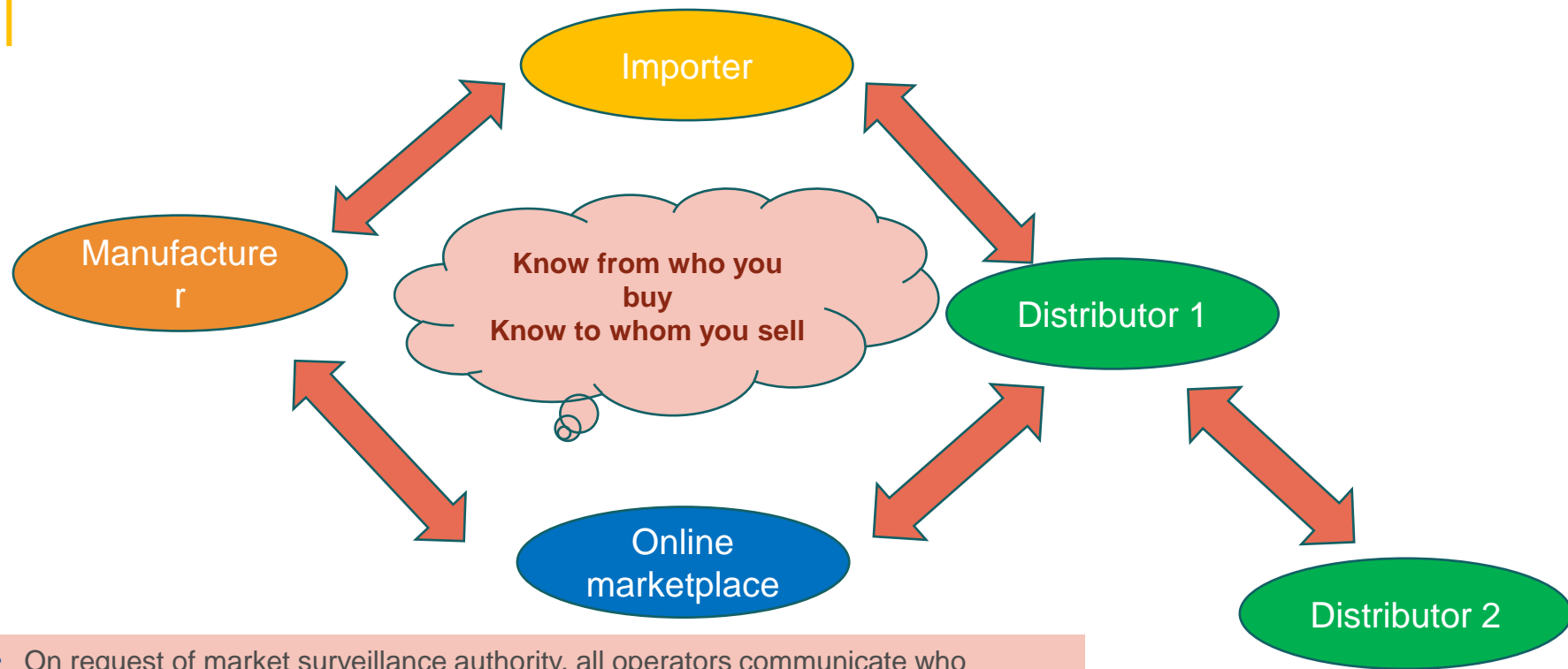
Publication in the
OJEU

Entry into
application **18
months** after entry
into force
13 December 2024

Improved traceability on the product and online



Improved supply chain traceability



- On request of market surveillance authority, all operators communicate who supplied them with the product and to whom they have supplied the product
- Information to be kept for 10 years

The future will be safe, green and digital all at once!



Trends in EU legislation show that EU regulators are including precise requirements in legislation on why, when and how products and economic operators need to be identified.

The EU regulators have set clear priorities on circularity, product safety and digital transformation which include product identification and data sharing such as:

- The EU regulation on sustainable batteries
- The Digital Services Act focussing on marketplaces obligations to ensure product safety
- Soon the EU regulation on sustainable products

Wrap-up & Closing

Jan Somers, GS1 Belgium & Luxembourg, GS1 in Europe
Henk-Jan Timmerman, GS1 in Europe



GS1 Europe community needs to connect again with old, new stakeholders to enable the circular economy.

And without trusted data, no circular economy!

**Renewed collaboration
between industry and
GS1 in Europe is the only
way forward!**





**DATA
EXCELLENCE
DAY**

7 SEPTEMBER 2023
COLOGNE, GERMANY

sponsored by



**SAVE THE DATE
GS1 IN EUROPE
DATA EXCELLENCE DAY
BEFORE SUMMER 2024**



The afternoon workshops – in-person only

Regulatory Data Requirements

Francesca Poggiali, GS1 Global Office
Tom Quets, GS1 Netherlands
Birgit Mahler, GS1 Global Office
Finn Liefenbrueck, Global G.A.P.

Cross-European Collaboration

Christian Zaeske, METRO
Helene Bernhard, Nestlé
Jan Schimmel, GS1 Netherlands