

## **THE LABELING ON THE "YERBA MATE" (*Ilex Paraguariensis*) PACKAGES IN THE MERCOSUR" (South American Common Market)**

Sniechowski, V.I., Paul, L. M.

Facultad de Ciencias Económicas,

Campus Universitario Ruta 12, 7½ Km.,

(3304) Miguel Lanús. Misiones. Argentina.

E-mail: [virginia@campus.unam.edu.ar](mailto:virginia@campus.unam.edu.ar)

E-mail: [lilianamartinapaul@yahoo.com.ar](mailto:lilianamartinapaul@yahoo.com.ar)

### **SUMMARY**

This paper has been carried out as part of the research project "Analysis of domestic and international legislation of the "yerba mate" market and of the international commercial circuits", with the objective of verifying the execution degree of the established requirements for the product as to labeling, according to the MERCOSUR Technical Regulation, approved by the representative organisms of the respective countries, for product circulation.

To be able to compare the labeling on the packages of the block member countries, a research was carried out of the primary source, quali-quantitative, by direct observation of the product, in packages of 1,000, 500 and 250 grams, exhibited on the retailers' shelves in cities belonging to the Block countries, in their versions of: only ingredient, flavored and composed with other herbs. A total of 86 packages were observed, 52% of this total corresponds to Argentina, 24.5% to Brazil, 8.5% to Paraguay and 15% to Uruguay.

In this paper the results of the research are exposed on the obligatory and facultative labeling for the "yerba mate", carried out in the cities chosen within the four countries mentioned.

**KEY WORDS :** "Yerba Mate", *Ilex Paraguariensis*, labeling, packaging, MERCOSUR

## **INTRODUCTION**

The "yerba mate" activity is one of the most important economic activities in the Province of Misiones, Argentina, it concentrates about 22,000 agricultural producers, 250 drying plants and more than 100 mills, which produce approximately some 150 trade marks. The annual production is close to some 350,000 tons of elaborated "yerba mate", of which 88% is domestically consumed and 12% is mainly exported to Arab and MERCOSUR countries.

As from marketing, the package acts as a "communicator", the compatibility between the package and the product is vital, thus the aspects of correct packaging<sup>1</sup> and labeling are a guarantee for the consumer.

The most obvious objective in the package is to contain the product; it also protects the contents as the product circulates in its distribution channel and while it is in use. The technological advances have also allowed making the package more attractive, a matter broadly used for differentiating the different trade marks.

The MERCOSUR's Technical Regulation for the Labeling of Packed Food, Resolution N° 26 / 2003, specifies the obligatory information that the packages should contain, for all food marketed in all the States Belonging to the MERCOSUR.

The research has as its objective to know and to compare the obligatory labeling on the "yerba mate" packages of Argentina, Brazil, Paraguay and Uruguay, as well as to identify medical facultative labels as to nutritional information, according to the Argentine Alimentary Code, which defines with the denomination of "yerba mate" or "yerba" the product formed by the desiccated leaves, lightly toasted and crumbled, of *Ilex paraguariensis* Saint Hilaire (AQUIFOLIACEAE) exclusively blended or not with fragments of dried twigs, petioles and floral peduncles.

The obligatory articles that have been kept in mind to elaborate the data registration form have been: sale name of the food, trade mark, product identification, the origin and the lot, list of

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<sup>1</sup> According to the MERCOSUR TECHNICAL REGULATIONS FOR PACKED FOOD LABELING: Labeling is every inscription, text, image or any descriptive or graphic matter, which is written, printed, stenciled, marked, embossed or adhered to the food packaging.

ingredients, net content, best before data, owner, address, enterprise registration, food registration, and the facultative ones: Packing date, conservation, instructions for its use, nutritional information and other information that the mills according to their criteria, have included them as communicational material so as to promote the content of the package and to make it more attractive for the consumer, such as illustrations which draw attention to production images, to the "yerba mate", plant and so on.

## **METHODOLOGY**

### **Research Design:**

Information Source: Primary.

Research type: Quali-quantitative, for observation.

Sampling type: Non probabilistic. For convenience.

Universe: "yerba mate" packages exhibited in retailers' shelved in Argentina, Brazil, Paraguay and Uruguay.

Sample unit: Trade retailers in Argentina, Brazil, Paraguay and Uruguay.

Sample element: "yerba mate" package.

Sample size: 86 packages

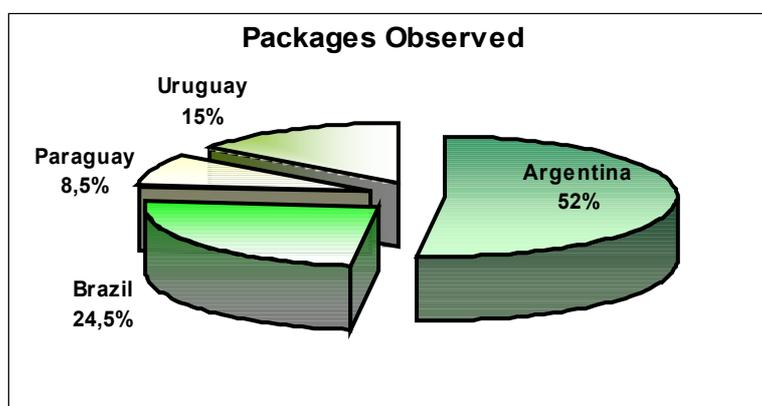
Instrument for data gathering: Form structured with specifications according to Argentine Alimentary Code and Labeling of Packed Food - MERCOSUR - GMC – RES N° 26/03.

Outreach: City of Posadas, Misiones, Argentina; City of Encarnación, Itapúa, Paraguay; City of Pato Branco, Paraná, Brazil; City of Santa María, Río Grande del Sur, Brazil; City of Montevideo, Uruguay.

Field work carried out from: March 1st to July 30th 2006. -

## RESULTADOS

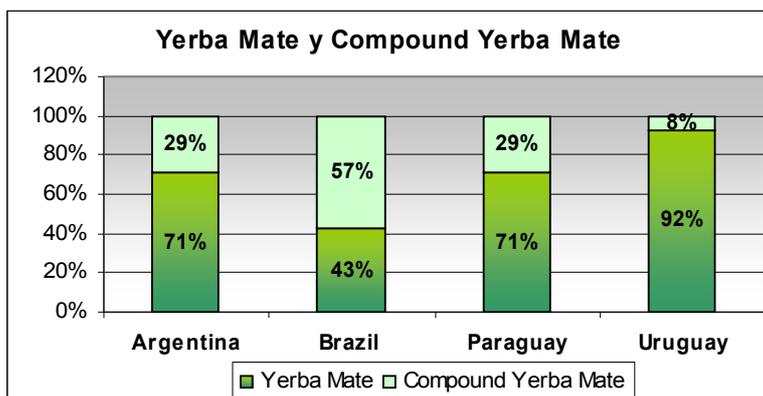
Packages Observed		
Country	Absolute Value (V.A.)	Relative Value (V.R.)
Argentina	45	52%
Brazil	21	24,5%
Paraguay	7	8,5%
Uruguay	13	15%
<b>Total</b>	<b>86</b>	<b>100%</b>



Source: Own elaboration

A total of 86 packages were observed, 52% of this total correspond to Argentina, 24.5% to Brazil, 8.5% to Paraguay and 15% to Uruguay.

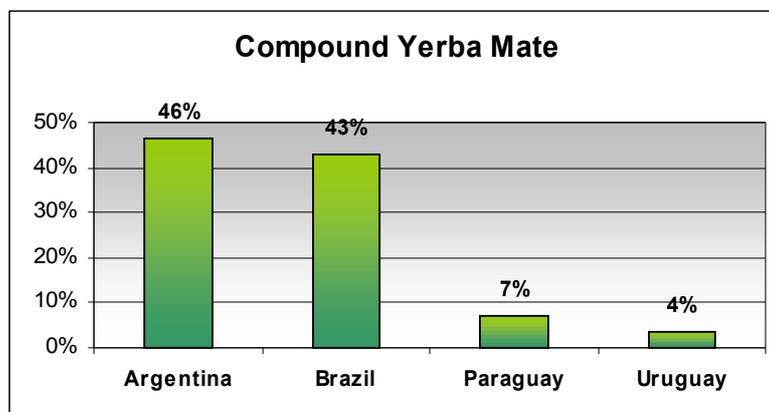
Country	Yerba Mate		Compound Yerba Mate	
	V.A.	V.R.	V.A.	V.R.
Argentina	32	71%	13	29%
Brazil	9	43%	12	57%
Paraguay	5	71%	2	29%
Uruguay	12	92%	1	8%
<b>Total</b>	<b>58</b>	<b>67%</b>	<b>28</b>	<b>33%</b>



Source: Own elaboration

Of the total observed 67% corresponds to "Elaborated yerba mate" while 33% to "Compound yerba mate".

País	V.A.	V.R.
Argentina	13	46%
Brazil	12	43%
Paraguay	2	7%
Uruguay	1	4%
<b>Total</b>	<b>28</b>	<b>100%</b>



At the same time, 33% of "Compound yerba mate" observed, 46% corresponds Argentina, 43% to Brazil, 7% to Paraguay and 4% to Uruguay.

## 1. Obligatory information

**Food denomination:** The denomination of the sale of the food "Yerba Mate", is verified in 100% of the observed units and the expression "Ilex paraguarienses" goes together with the words "yerba mate", in 71% of the cases observed in Brazil, but it was verified that in Argentina, Uruguay and

Paraguay this scientific denomination is not used.

**Trade Marks:** The enterprises also identify and formally differentiate their products from other ones by means of the trade mark that forms part of the denomination, as a support instrument to the commercial strategy. All the observed packages have a trade mark, although not all are "registered trademarks."

**Product Identification:**

<b>Argentina Identification of the product</b>	<b>V.A.</b>	<b>V.R.</b>
Dietary food based on "yerba mate" and artificial sweeteners.	1	2%
With mixture of simple aromatic herbs	1	2%
With seasoned twigs	2	4%
Elaboration: Elaborated with twigs. Elaborated with twigs together with natural herbs. Elaborated with Special twigs. Elaborated with Seasoned twigs. Elaborated with orange flavored twigs. Elaborated with Traditional twigs. Elaborated with orange flavored twigs with orange peel. Elaborated with Special Selection twigs. Elaborated made up with herbs. Elaborated balanced milling. Elaborated and Seasoned special Selection. Elaborated: Elaborated with twigs. Elaborated with twigs together with mountain herbs. Elaborated with twigs Natural Products. Elaborated with "peumus boldo" and mint flavored twigs. Elaborated with light flavored twigs. Elaborated with twigs, Tereré (drunk ice cold, it has big leaves and low powder content). Elaborated Special Selection. LIGHT Elaborated	39	87%
With mountain natural herbs	2	4%
<b>Total</b>	<b>45</b>	<b>100%</b>

<b>Paraguay Identification of the product</b>	<b>V.A.</b>	<b>V.R.</b>
Classic	1	14%
"yerba mate"	1	14%
Special Selection	3	43%
Compound Special	1	14%
Compound Special Digestive Antacid	1	14%
<b>Total</b>	<b>7</b>	<b>100%</b>

<b>Uruguay</b> <b>Identification of the product</b>	<b>V.A.</b>	<b>V.R.</b>
Type PU 1 Superior Quality	1	8%
100% natural herbs	1	8%
Super Extra	3	23%
Selected	1	8%
Traditional	1	8%
Natural Product	1	8%
Type P.U. 1	2	15%
Special PU-1	1	8%
Light PU1	1	8%
Very Special TYPE PU-1	1	8%
<b>Total</b>	<b>13</b>	<b>100%</b>

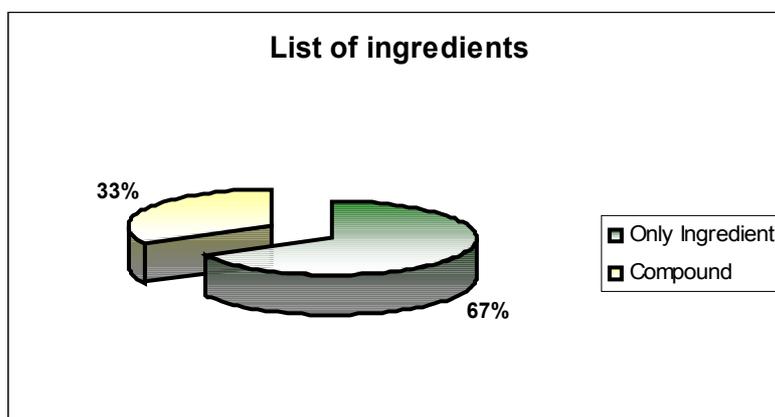
<b>Brazil</b> <b>Identification of the Product</b>	<b>V.A.</b>	<b>V.R.</b>
Compound of Erva-maté	4	19%
Erva-maté GREEN	1	5%
Erva-dull Chimarrao	7	33%
Compound of Erva-mate Tereré	1	5%
Dull Erva Chimarrão w/ sugar	1	5%
Erva-maté	1	5%
Compound of Erva-maté	6	29%
<b>Total</b>	<b>21</b>	<b>100%</b>

Source: Own elaboration

The identification of the product that coincides in all the cases with the denomination of sale of the product "Yerba Mate", it is accompanied by the words: elaborated, elaborated with twigs, special selection, light flavor, amongst others, in Argentina; classic or special selection in Paraguay; traditional, selected, special, Type P.U.1 in Uruguay and traditional, light, type PN1, amongst others in Brazil, (even when Resolution N° 302 – 7<sup>th</sup> November 2002 - of the Technical Regulation for the fixation of identity and quality for "yerba mate" Brazil, leaves this last identification without effect).

## List of Ingredients:

List of ingredients	V.R.
Only Ingredient	67%
Compound	33%
<b>Total</b>	<b>100%</b>



Source: Own elaboration

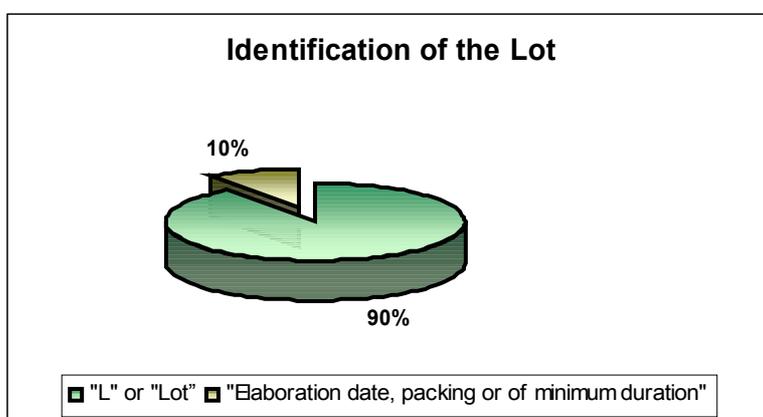
With regard to the regulatory of the MERCOSUR's Technical Regulation, on the list of ingredients, of the 86 observed units, 67% is of an "only ingredient", while 33% corresponds to elaborated "yerba mate" manufactured with other ingredients such as, sugar and other herbs. Although in 100% of these last ones their ingredients were declared, and in some cases in Argentina and Brazil, accompanied by the contained percentage, not always what has been regulated, is labeled since according to the norm: (Codex Alimentarius FAO/OMS or of the MERCOSUR) when a compound ingredient constitutes less than 25% of the food, it will not be necessary to declare their ingredients, except for the alimentary additives that carry out a technological function of the finished product. That is why in the flavored "yerba mate", the said labeling referred to the ingredients, varies accordingly if it is Argentina, Brazil, Paraguay or Uruguay.

**Net contents:** The expressed regulatory, with regards to it, that as it is a solid product the label should indicate "net content", " net cont. " and / or "net weight", in this case, 100% of the units expresses on their label some of these words.

**Identification of the origin, name or business enterprise:** As for the identification of the origin: name and maker's address, producer and fractionating enterprise have been verified 100% of the observed cases, as well as the place of origin, identification of the enterprise and the registration number of the establishment, by the corresponding authority.

**Identification of the lot:**

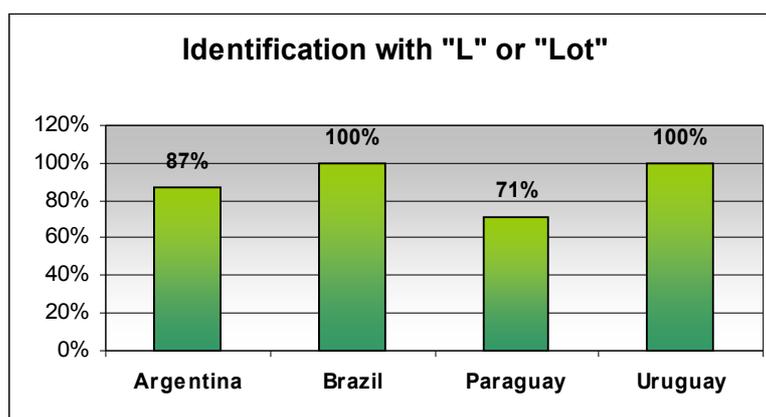
Identification of the Lot	V.R.
"L" or "Lot"	90%
"Elaboration date, packing or of minimum duration"	10%
<b>Total</b>	<b>100%</b>



Source: Own elaboration

It has been verified that all the observed packages identify the lot, in some of the ways admitted by the Regulation, although not always in visible, readable and indelible form. 90% identify it with the letter "L" or the word "Lot" and the remaining percentage (10%) with "elaboration date, packed or of minimum duration."

Identification with "L" or "Lot"	
Country	V.R.
Argentina	87%
Brazil	100%
Paraguay	71%
Uruguay	100%



Source: Own elaboration

In Argentina, of the 87% identified it with the letter "L" or the word "Lot" and the package location place varies, as presented in the following chart:

<b>Argentina Lot identification</b>	<b>V. A.</b>	<b>V. R.</b>
Seal on sealing label	6	15%
Seal on the base of the package	7	18%
Seal in the back of the package	6	15%
Seal on the side of the package	8	21%
Pre-printed on the base of the package	1	3%
Seal in the upper part of the package	1	3%
Automatic seal on sealing label	5	13%
Seal on the front of the package	4	10%
Seal printed on side	1	3%
<b>Total</b>	<b>39</b>	<b>100%</b>

Source: Own elaboration

The remaining 13% that does not identify with the letter "L" or the word "Lot", uses as indication "elaboration date, packed or minimum duration" according to the MERCOSUR's Technical Regulation.

In Paraguay, 71% does so with the first expression (the letter "L" or the word "Lot"), but in Brazil and Uruguay it is 100%.

**Duration date:** In reference to the date of minimum duration, point 6.6.1 article "c" of the Regulation, although only one package was verified that does not declare it in Argentina, the remaining units observed declare it, although they differ in the admitted expression, for example the following ones: "Vto" "Use by", "Ven" best before", and the abbreviation "Cons. pref. before end" among others. The quality of the stamp has also been observed and the place on the package, being detected that not all are presented in a visible place and they are indelible. In Brazil, Paraguay and

Uruguay 100% declare it, being some of the expressions used in Brazil: "VALIDADE: ", "Val".

(Valid), Paraguay: "Venc.: ", "Venc. / L", (Use by) and in Uruguay "Expiration: ", "Venc.: "consume preferably before", " Date due ", "Consume before."

## 2. Facultative information

### Comparative chart per country

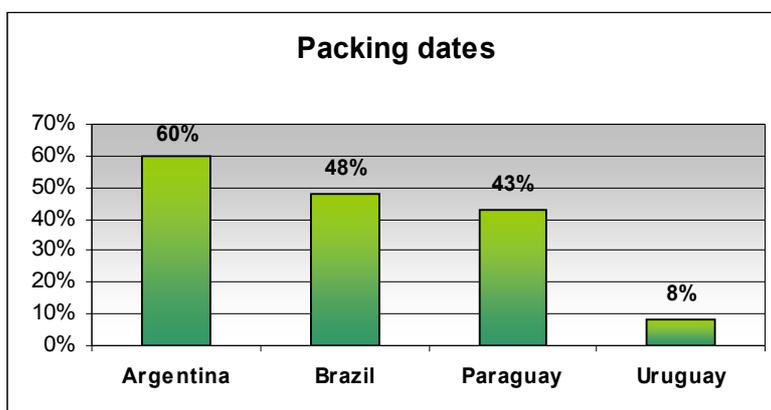
Facultative Labeling	Argentina 45 U.O.*	Brazil 21 U.O.	Paraguay 7 U.O.	Uruguay 13 U.O.
Packing date	60%	48%	43%	8%
Preparation and instructions for use	27%	95%	14%	0%
Nutritional Information	64%	90%	86%	38%
Conservation	11%	57%	14%	46%
Apt for celiac	40%	62%	0%	0%
Environment Care	40%	24%	100%	23%
Country Flag	18%	48%	29%	0%
Quality guarantee	9%	5%	86%	0%

\* (U.O). = Observed Units

Source: Own elaboration

### Packing dates:

Packing dates	
Country	V.R.
Argentina	60%
Brazil	48%
Paraguay	43%
Uruguay	8%



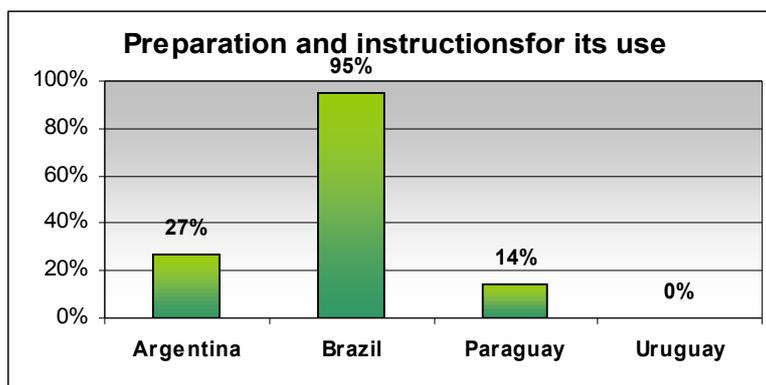
Source: Own elaboration

With regards to the date of having been packed, although the regulatory scheme does not force the enterprises to mention it, except for a form of indication of the lot, the highest percentage

information is situated in 60% for Argentina and the lowest, 8% on the units observed in Uruguay.

**Preparation and instructions for use of the food:**

<b>Preparation and instructions for its use</b>	
<b>Country</b>	<b>V.R.</b>
Argentina	27%
Brazil	95%
Paraguay	14%
Uruguay	0%

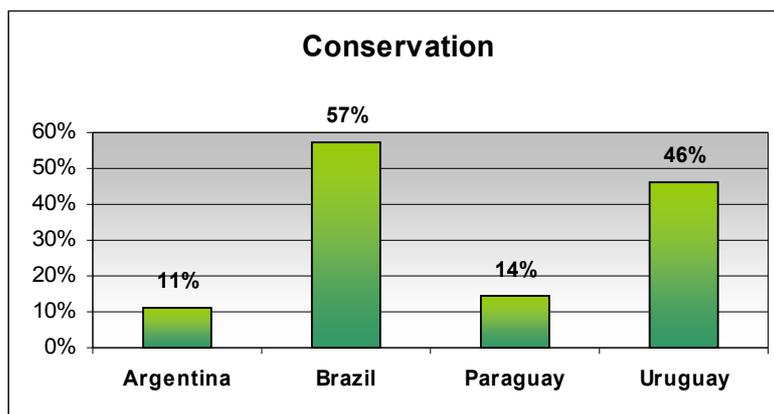


Source: Own elaboration

Although for the "yerba mate" the inherent information is not demanded to the preparation and instructions for its use, the label of 95% of the observed units of the Brazilian product, contains the necessary instructions on the appropriate instruction for use, while in Argentina 27% was verified, and for products marketed in Paraguay 14%, while in Uruguay in the observed units its preparation is not informed.

**Conservation Mode:**

<b>Conservation</b>	
<b>Country</b>	<b>V.R.</b>
Argentina	11%
Brazil	57%
Paraguay	14%
Uruguay	46%

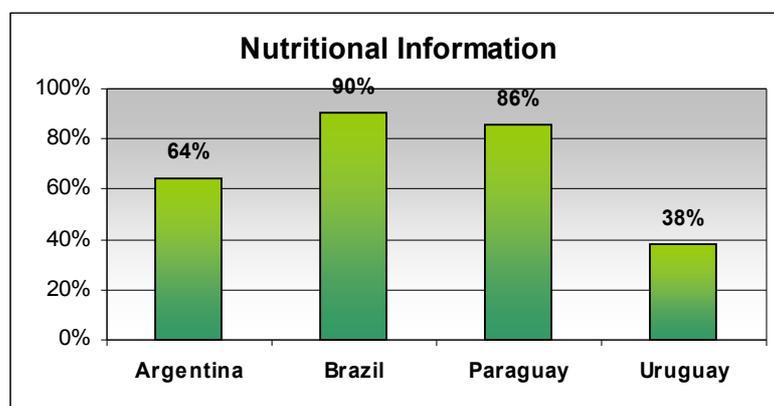


Source: Own elaboration

For this product the legislation authorizes the enterprises to incorporate a text on the conservation mode. In Brazil the most used expressions are "Keep in dry environment protected from sunlight", "Keep in dry and cool place", "keep in fresh place and dry place far from products that give off smells", a 57% with the logo and expression "this packet may be put in the freezer", "it can be kept in the fridge", 29%. While in Uruguay 46%, with the texts "in dry place", "in dry and cool place", in Argentina only 11% with the expression "keep in cool and dry place", "Keeps this package in cool and dry place" and "Keep the package closed in cool and dry place" and in Paraguay 14% "Keep in dry environment."

#### Nutritional information:

Nutritional information	
Country	V.R.
Argentina	64%
Brazil	90%
Paraguay	86%
Uruguay	38%



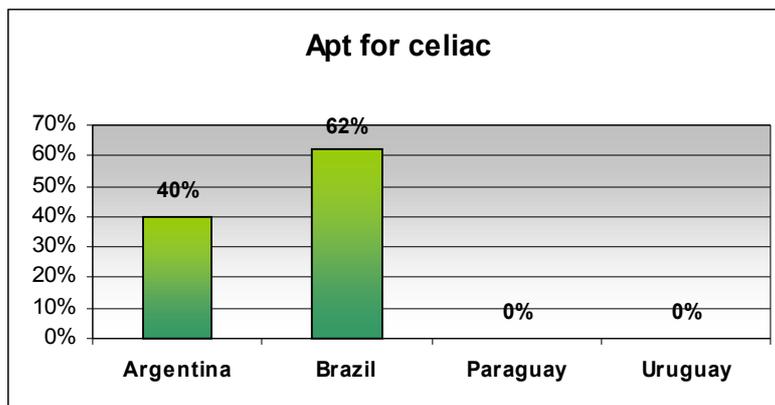
Source: Own elaboration

The facultative labeling of "nutritional information" was also taken into account considering that the consumers, due to the globalization effect of information become more demanding as to products quality they could acquire, and to their nutritional contribution.

In Argentina 64% of the packages have nutritional and/or complementary information printed on them, in Paraguay 86%, in Brazil 90% and in Uruguay 38%.

**Product Apt for celiac:**

<b>Apt for celiac</b>	
<b>Country</b>	<b>V.R.</b>
Argentina	40%
Brazil	62%
Paraguay	0%
Uruguay	0%



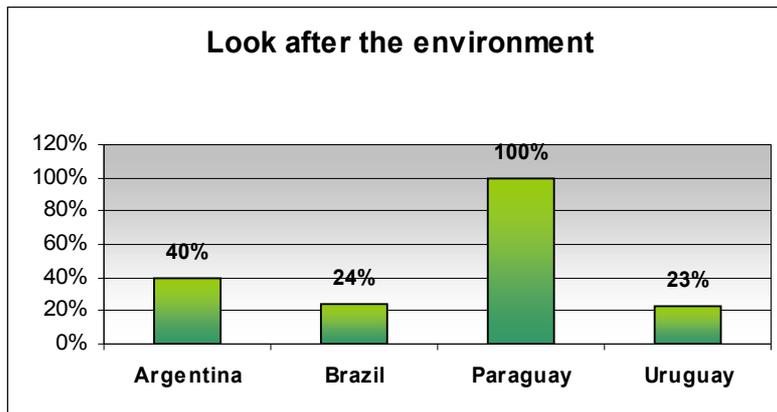
Source: Own elaboration

It was verified that the packages observed in Paraguay and Uruguay, do not mention "product apt for celiac", while in Brazil 62% say on the label "it does not contain gluten" and in Argentina 40% has the text and/or product logo "apt for celiac."

As Marketing strategy, the enterprises try to highlight the characteristics of the product, on the package that can contribute to be considered as unique, so in the facultative labeling abundant additional information was found, such as: text and logos to take care of the environment, flag of country of origin, quality certification seals, reviews on the cultivation of the "yerba mate", pictures and maps that indicate the cultivation area.

**Look after the environment:**

<b>Look after the environment</b>	
<b>Country</b>	<b>V.R.</b>
Argentina	40%
Brazil	24%
Paraguay	100%
Uruguay	23%

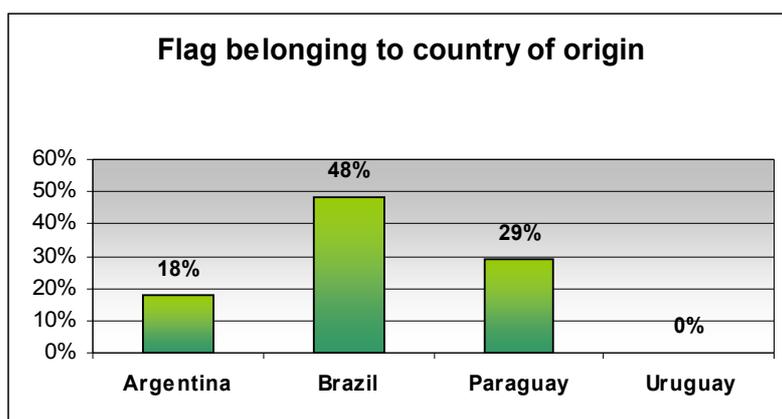


Source: Own elaboration

100% of the packages observed in Paraguay mentions " environment care", in Argentina 40% "Look after the environment", "Let's look after our environment", "let's take care of rivers and tributaries as our only and vital source of fresh water" and "Let's maintain our environment clean ", in Uruguay 23% "keep the environment clean "and "Let's look after our environment", in Brazil 24% "Preserve our environment" and "Keep the cities clean", y 5% "Social Responsibility Certificate". These commentaries are in text and/or logo.

**Flag belonging to country of origin:**

<b>Flag belonging to country of origin</b>	
<b>Country</b>	<b>V.R.</b>
Argentina	18%
Brazil	48%
Paraguay	29%
Uruguay	0%

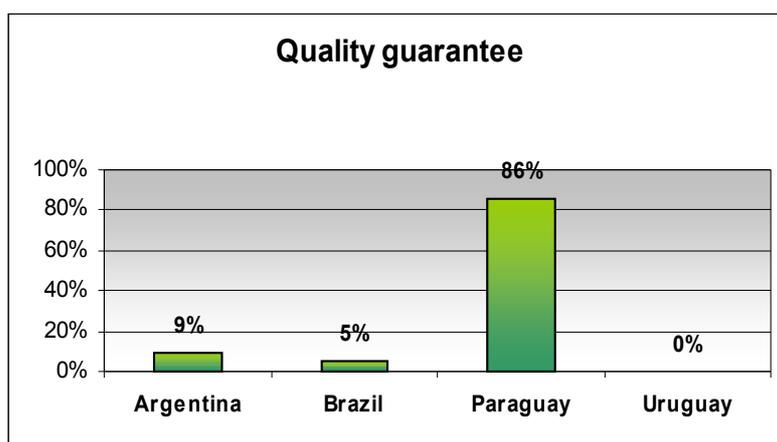


Source: Own elaboration

The inclusion on the package of the flag of the country of origin of the product is used as a more legible form of origin identification, in Paraguay 29%, Argentina 18%, Brazil 48%, while Uruguay does not identify, as the raw material is imported.

**Quality guarantee:**

Quality guarantee	
Country	V.R.
Argentina	9%
Brazil	5%
Paraguay	86%
Uruguay	0%



Source: Own elaboration

Quality guarantees issued by well known organizations, as facultative information, are used on 5% of Brazilian industry packages "certified quality EMATER/RS", Paraguay 86% I.N.T.N logo (conforms to technical norms -Paraguay), Argentina 9% " Certified IRAM Seal Fund. ArgeINTA, BPM, IRAM20550 1-4 Norms " and 20% " Plantations Seal and certified production. Certified

IRAM. Fund. ArgeINTA,BPM, Norms IRAM20550 1-2-3-4."

## **SUMMING UP**

"Yerba Mate", according to the frequency and the effort carried out by the consumer in the purchase process, would be framed in the classification of "convenience product", and within this classification as "staple purchase" (SCHOLL AND GULTINAM, 1991).

The enterprises within the MERCOSUR block that market the classic product (elaborated "yerba mate"), have launched to the market varieties of the product, in versions such as "compound with herbs", "flavored", "with sugar", "tereré" (drunk cold), "compound tereré", for those that the obligatory labeling list of ingredients, the regulatory is flexible as for the declaration of its contents' percentage.

In the first section of the results, the observations are presented on the obligatory labeling and ticketing, verifying that is completed in 100%, except as to what concerns "Duration Date" which in the case of Argentina 98% was verified, in the labeling of the observed packages.

The most important distinctions to be highlighted in the facultative labeling are the incorporation of the nutritional information (Argentina 64%, Brazil 90%, Paraguay 86% and Uruguay 38%) and the quality seals of well known organizations; for example in Argentina 9% presents some of the following legends " IRAM Certificate Seal. Fund. ArgeINTA, BPM, IRAM20550 1-4 Norms " and 20% "Plantations and certified production Seal. IRAM Certificate. Fund. ArgeINTA, BPM, IRAM20550 1-2-3-4 Norms ". As the "yerba mate" is a regional product, we believe that the Origin certifications will be more and more appreciated by the consumers, in some packages the printed logo is verified with the text "packed in origin", although it is not specifically a certification.

The labeling as on the date of having been packed varies within the different countries, in Argentina it is informed on 60% of the observed packages while in Uruguay on 8%.

On the other hand, the most delicate information according to our criteria is the one referred to those "indelible seals", as in the cases of identification of the lot and minimum date of duration and which on some packages are practically illegible.

The environmental information, as much as the icons as the text are not very visible, generally printed general on the on the lateral sides, do not follow an only criteria that allows an appropriate vision and interpretation. This information appears on observed packages as follows: Argentina 40%, Brazil 24%, Paraguay 100% and Uruguay 23%.

"As a good shape qualifies a design achieved aesthetically, the fulfilled functionality implies to achieve a series of requirements, which go from machinability of the materials used for the elaboration and packing, the resistance to transport and handling, until its purchase by the consumer" (Santarsiero, Hugo, 2004)

In the protection and conservation of the contents, the materials used, for a product such as "yerba mate", cellulosic packaging fulfills the basic functions of containing, protecting and preserving the product, whether the packing is done by, semiautomatic or automatic pressing system. In Argentina the enterprises use the traditional Kraft paper package and/or with polypropylene combinations, this combination grants it, shine impermeability and greater resistance, while the price of the package represents approximately 10% on the total cost of production of a kilogram of "yerba mate", in the 80 gram paper Kraft quality with bio-orientated polypropylene.

While in Brazil, when on the package it is suggested that it can be conserved in the freezer, the packages have several layers of diverse materials, to preserve the organoleptic characteristics of the "yerba mate".

The use of the different presentations depends on the socio-cultural targets to which the enterprises are aiming at, and how they want to differ from competitor enterprises. Considering the characteristics of the "yerba mate", this differentiation is not given so much to the shape of the package, but rather to the colors used, the mark, the typography and the incorporation of photographs, icons and facultative information which make it stand out from the others.

## **BIBLIOGRAPHY**

Please referer to Article's Spanish Bibliography