



Food Fraud

- Leaving a bad taste in consumers' mouths

Consumer Choice journeys into the dark underbelly of the European food industry, examining the unpalatable problem of food fraud.



REPORT by *Sarah Breathnach*

Food fraud is an established enterprise worth tens of millions of euro to unscrupulous operators within the food industry. Although food fraud is not a new problem, the European Parliament has recently warned that its increasing preponderance is becoming a grave threat to the rights of the consumer. While there is currently no definition of food fraud in EU legislation, the Food Safety Authority of Ireland (FSAI) describes it as being the illegal placement of food on the market with the intention of deceiving the customer, usually for financial gain. The FSAI further explains that food fraud can manifest itself in a multitude of ways. On certain occasions, there may be blatant deception whereby consumer safety is directly threatened while, in other instances, more subtle methods are used to deceive the consumer as to the true nature of the product. Regardless of what form food fraud takes, it remains, at the very basic level, a major infringement of the consumer's right to be informed.

Notable cases

Consumers may recall certain high-profile cases of food fraud, such as the horsemeat scandal of 2013 in which central European meat plants were found to be mislabelling quantities of horsemeat as beef for export across the continent. The presence of equine DNA was discovered in various products, including beef burgers, pre-made beef lasagne and frozen spaghetti bolognese sold in supermarkets throughout Ireland and the rest of Europe. The discovery led to the European-wide withdrawal of such products from supermarket shelves, sparking widespread public concern.

A more distressing example occurred just one year earlier, when 26 people in the Czech Republic died as a result of drinking counterfeit vodka and rum. The alcohol was found to be laced with methanol - a cheap and highly toxic industrial ingredient commonly used in antifreeze. The use of potentially dangerous ingredients

including chloroform and methylated spirits in counterfeit alcohol was reported again recently, this time in the UK. An undercover investigation by Channel 5 found one east London factory producing an average of 7,000 bottles of counterfeit vodka per day. Although there have been no fatalities as a result of this adulterated spirit, which flooded the British market, the UK's National Food Crime Unit recently announced that it believes that food fraud is costing the British public as much as £1.17 billion a year.

A recent report by the European Commission describes the subtle forms of food fraud, such as mislabelling, as becoming increasingly prevalent. Olive oil, fish, organic foods, honey, coffee, tea, spices, wine and certain fruit juices are thought to be among the most commonly counterfeited foodstuffs on the European market. In such cases, products are substituted with cheaper alternatives. Virgin olive oil is adulterated with cheaper grades; frozen products are sold as fresh; and caged hen eggs are labelled "free range". Fish products also have tended to be particularly precarious, with cheap white fish being sold as cod and farmed fish being sold as wild. False statements regarding the origin of products - for instance, imported meat sold as Irish - is another example often cited in the literature and a common concern for trusting consumers.

Why the problem persists

It is thought that fraudsters involved in organised deception are most likely to target areas where they perceive the greatest return financially for the least effort and lowest likelihood of detection. It is therefore argued that the persistence of the problem stems largely from the fact that the rewards of committing food fraud far outweigh the risks involved. The probability of financial loss and worse, apprehension and conviction constitute the risk. For an individual to be willing to incur these risks there must be some other offsetting advantage, such as a high financial return from the crime. In the case of mislabelling food, for example, the incentive is based on the reality that the maximum fine of €30,000 is less than half the profit of €65,000 to be made from selling a single container of horsemeat as beef. Add to this, the extremely limited number of controls in place that make detection highly unlikely - especially with adulterations or substitutions where there are no public health or food safety

implications - and food fraud becomes a very attractive illicit activity indeed.

BEUC Report 2015

Last year, BEUC, the overarching European consumer watchdog of which the Consumers' Association of Ireland is a member, conducted a report on fraud within the European meat industry. The research highlighted frequent cases of incorrectly labelled meats, confusing product names and incomplete labels, which, for example, failed to highlight added water or did not declare the percentage of meat in the product. Cases of the illegal use of certain food additives and the fraudulent use of other species as a substitute, such as turkey sold as veal, were also described by investigators. Following the release of the report, BEUC called for food fraud to be a top priority across the EU in 2016. BEUC has lobbied the European Parliament to strengthen the current legal framework relating to food fraud so that responsible authorities will be better equipped to detect, dissuade and punish food fraud. Consumer agencies across Europe are united in the thinking that food labelling should be complete and accurate and that consumers should be able to trust the label on the food they buy. In the wake of the aforementioned high-profile food fraud scandals, it is imperative that consumer trust is rebuilt through active regulation. As the agri-food chain becomes more complex and global in nature, stricter controls at every step of the process from farm to fork are required in order to prevent breaches of legislation.



New EU clampdown

In June of this year, an outline of plans to implement more stringent food

controls from farm to fork was informally agreed by the European Parliament. The legislation will seek to create a more effective food safety control system ensuring that food bought within Europe is wholesome and safe for consumption. Part of the new agreement aims to help responsible authorities from each Member State to more effectively thwart deceptive practices by increasing the scope of risk-based unannounced inspections at each individual step of the food supply chain. The new regulations will also attempt to create a more flexible approach to cases, allowing authorities to react more promptly to emergency situations. Alongside this, clearer and more comprehensive rules will be provided to those within the food industry to eradicate ambiguity and safeguard standards. Any violations of the regulations, including fraudulent practices that do not pose a risk to human health - such as misrepresenting products as locally grown, organic or fair trade - will be taken very seriously. Ultimately, the proposal is intended to strengthen current enforcement laws, thereby reassuring consumers of the integrity of the food supply chain as BEUC had hoped. What is key, though, is that the penalties for engaging in food fraud, at any level, be sufficiently punitive to be an actual deterrent.

Efforts to stamp out food fraud at home

By global comparison, the standard of food safety here in Ireland is high. In 1999, the Food Safety Authority of Ireland (FSAI) was set up to coordinate food safety activities in Ireland from farm to fork. Since its inception, the organisation's efforts have been highly praised particularly within the European forum. It was, after all, investigations by the FSAI which resulted in Ireland being the first Member State to report the presence of horsemeat in beef on the European market. More recently, following a successful inspection of Ireland's beef production systems by US authorities, we became the first and only EU country to be entitled to export beef to the US since the BSE ban in 1996 - a testament to the country's credentials as a supplier of high-quality premium beef.

As part of its continued mission to ensure the highest food safety standards, the FSAI has established a Food Fraud Task Force, composed of representatives from a number of

enforcement agencies including the Health Service Executive, An Garda Síochána and the Department of Agriculture, Food and the Marine. It is the responsibility of the Task Force to communicate, coordinate and network with other groups both nationally and internationally so that intelligence and research regarding food fraud can be more easily shared. The Task Force is involved in awareness-raising activities, the improvement of monitoring and surveillance mechanisms and the training of enforcement officers. Alongside these activities, the Task Force employs tactics such as regular unannounced raids on producers and suppliers that are suspected to be a risk to the consumer.

How to spot potential food fraud

There is very little for consumers to go on when looking on the shelves for doctored food, as it is extremely difficult to identify whether the ingredients that are listed on food packaging are actually contained within. There are, however, a few red flags that consumers should watch out for. Research has found that liquid and ground foods are easiest to manipulate and products in these forms are therefore the most commonly degraded. When purchasing virgin olive oil, for instance, it is important to look for bottles that designate specific points of origin rather than labelling that simply states, for example, "from Italy".

In terms of ground foods, coffee is best bought whole, as instant versions can easily be bolstered by anything powdered and brown. Similarly, expensive spices such as saffron are relatively easy to fake, with strands of dyed onion being passed off as the real thing. It is recommended that saffron is bought in whole threads, which are much more difficult to synthetically engineer.



WHICH? FOOD FRAUD FINDINGS

Recently, *Which?* investigated food industry failings in the UK. The report revealed that lamb takeaways continue to be a popular target for adulteration, with 40% of samples tested being found to contain other meats. More than one in ten goat's cheese products tested contained sheep's milk and 25% of the dried oregano investigated contained the leaves of other plants, including dried olive leaves. The report also pointed to what could be hiding in the food eaten abroad by unwitting holidaymakers. Avoiding Brazil nuts in Brazil due to the presence of aflatoxins (cancer-causing chemicals) is advised, while wild forest berries and mushrooms from Switzerland, Ukraine and Russia (to name a few) are best not eaten due to fears that radioactive substances could still be present at a toxic level thirty years after the nuclear accident in Chernobyl. The advice to those travelling to Peru is to steer clear of shellfish - since 2008, a ban on shellfish imported into the EU from Peru has been in place after consumption was linked to an outbreak of hepatitis A.

Consumers should always be suspicious of normally expensive items at dramatically low prices. Labels that are crooked, poorly printed and contain spelling errors should sound alarm bells. Equally, packaging irregularities such as missing wrap-around seals on bottles is a tell-tale sign.

If you know or suspect food fraud is taking place, contact the FSAI with as many details of the suspected fraud as possible. A complaint can be submitted via email or through the website and the advice line can be contacted using the telephone number below (see *Useful contacts*).

The need for action

The food industry has always been particularly vulnerable to exploitation, and there is a long history of food legislation specifically designed to prevent consumers from being both cheated and harmed. Nevertheless, the growing complexity and increasing globalisation of the food industry means that it now faces unprecedented challenges to the integrity and safety of its food supply chain. Consumers are entitled to expect that their wellbeing holds a high value, enough to be supported by a system that oversees and controls food crises from the highest level. They are equally entitled to expect that a resolution and recovery system is in place and can be instantly enabled in a necessary event. To effectively combat this kind of serious and organised criminality in an industry that is thought of as a soft target, we believe that directed, resourced and supported efforts are required, with the power to enforce seriously deterring penalties. It is hoped that the new provisional EU agreements will be a step towards fully protecting the

consumer against the unsavoury practices of greedy profiteers.

Useful contacts

Food Safety Authority of Ireland

Website: www.fsai.ie

Email: info@fsai.ie

Advice line: 1890 33 66 77



Representing the consumer perspective

On 9th June 2016, the Consumers' Association of Ireland's Policy and Council Advisor Dermott Jewell spoke at a seminar entitled *Food Fraud, what's the impact on the consumer?*, held in Brussels. The event was cohosted by the BFSO (Belgian Food Safety Organisation) and the EWFC (European Working community for Food inspection and Consumer protection).