

# SAFEGUARDS

## CONSUMER GOODS AND RETAIL

FOOD

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## EU REPORT ON THE FOOD CRISIS, FRAUD IN THE FOOD CHAIN AND THE CONTROL THEREOF

The Committee on the Environment, Public Health and Food Safety decided to present an own-initiative report<sup>1</sup> looking into the issue of food fraud and in particular its definition and scope, the factors contributing to its occurrence and possible solutions. This initiative is based on recent food fraud cases, such as the marketing of regular eggs as organic and the horse meat scandal<sup>2</sup>, which contributed to a decline in consumer trust. According to a new draft report olive oil, fish and organic foods are at the highest risk of food fraud in Europe.

Unlike the USA, the EU has no generally acknowledged definition of food fraud. The current EU legislative framework is largely focused on food safety. The only general guideline can be found in Regulation 178/2002<sup>3</sup> on general principles and requirements of food law, which states that the labelling, advertising, presentation and packaging 'shall not mislead consumers', although in practical terms, the application of this provision varies largely among Member States and the number of controls in this area is extremely limited. As a result, food fraud remains largely undetected, especially when there are no public health or food safety implications.

The report defines the risk of fraud highest when the risk of getting caught is small and the potential economic gain is big. The complexity and cross-border character of the food chain, in combination with the predominant focus on food safety and the national character of controls and enforcement, are often cited as contributing to a low risk of food fraud actually being detected. The economic gain of fraud is further enhanced by the often ineffective sanction regime: relatively low sanctions and large differences between Member States. Other factors contributing to food fraud include the current economic crisis, the austerity measures affecting control agencies and pressure from retailers and other groups to produce food at lower costs. Furthermore, the role of traders and the legislative framework applying to business-to-business sales should also be looked into. The evidence that criminal organizations are becoming more involved in food fraud is all the more worrisome. Finally the report suggested that the Commission and Member States should widen their focus, policies and controls on health and safety to include food fraud as well.



<sup>1</sup> [DRAFT REPORT](#)

<sup>2</sup> [SGS-SafeguardS 042/13](#)

<sup>3</sup> [REGULATION \(EC\) No 178/2002 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 28 January 2002](#)

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