Building on Quality Infrastructure for Food Safety

UNIDO’s Food Safety Approach

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Inclusive and Sustainable Industrial Development

Introducing the United Nations Industrial Development Organization
UNIDO Facts and Figures

UNIDO was established in 1966 and became a specialized agency of the United Nations in 1985.

UNIDO has 172 Member States.

The planned total volume of UNIDO operations for the biennium 2012-2013 amounted to $609.2 million.

UNIDO employs 693 staff members at Headquarters and other established offices.

The value of technical cooperation delivery in 2013 amounted to $180.5 million.

The portfolio of projects and programmes in hand reached a new record of $477.7 million.

55 field offices with 142 national and international staff members.
No one should be left behind. We should ensure that no person – regardless of ethnicity, gender, geography, disability, race or other status – is denied universal human rights and basic economic opportunities.

Production processes that are less carbon-intensive can save energy, reduce consumption of non-renewable resources, and minimize greenhouse gas emissions, while also stimulating innovation, technological change, diversification and job creation.

New development approach, which looks at society, economy, industry and the environment as a whole.
Taking into account that most workers in food production are female, social inclusiveness for women is supported.

Increased food safety contributes to the reduction of food waste and thus contributes to food security.

By ensuring food safety, food exports can be enhanced and access global markets.
UNIDO’s Food Safety Approach
## Food Safety Challenges

| Consumer confidence in food safety is a growing issue | Food safety scares have **global impact**: quality assurance of food products is a challenge for developing countries |
| Markets are becoming more stringent | High **financial losses** due to lack of compliance or lack of capacity to verify compliance, lack of quality assurance of food products hinders participation in global trade markets |
| Global Value Chains are governed by Food Safety Compliance | Improving conformity with trade standards and international market requirements potentially opens up (global) **business opportunities** |
| Reputational risks also for those not causing the scares | **Private sector** calling for caution and demonstrating good practice |
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Considering coherence of all dimensions:

- Align quality infrastructure with food safety regulatory framework
- Improve food safety quality infrastructure services
- Integrate SMEs to global value chains
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Better Business leads to Safer Food
Private sector can take a leading role in food safety

Safer Food for Better Business
Food Safety control enhances business by reducing risk and increasing consumer confidence

Partnering Public and Private Sector
Engaging the private sector and consumers to complement the public effort
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1. Identifying the Needs

2. Tackling Food Safety Challenges with Quality Infrastructure

3. Promoting Food Safety Standards & Schemes
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1. Identifying the Needs
   - Rejection Analysis
   - Value Chain Analysis
   - Market Surveys
Rejection Analysis

What do import rejections tell us?

UNIDO since 2008 works on rejection analysis as a tool for facilitating better policy decisions

Focus
- Import rejections by world region
- Reasons for import rejection

Analysis by commodity, sector such as fish, fruits and vegetables, nuts and seeds

Reasons and rate of rejection varies across markets

Rejections at importing border are a good rough indicator of compliance capacity and for areas where and which improvement is needed

Import rejections have persisted to be a reality for developing countries indicating that exporters continue to struggle to achieve compliance with SPS and TBT requirements in international markets.
Rejection Analysis: Agri-Food products from China

[Bar chart showing rejection reasons and percentage of rejections for different countries]
TCB provides support for the development of a sustainable and targeted quality infrastructure that ensures competent institutions and guarantees that all processes and products along the value chain conform to international standards and regulations.

Through a comprehensive Value Chain Analysis, TCB identifies standardization and testing needs for each step along the Value Chain.

The Value Chain Analysis allows us to tackle challenges in production and help production lines become compliant with international requirements.

Targeted Value Chain Analysis helps verify compliance and thus allows producers from developing countries to participate in global trade.
Value Chain Analysis – Trade Capacity Building

Cultivation → Processing → Pulping/Washing → Drying → Roasting → Export

- Standards
- Inspection & Certification
- Testing / Laboratories

Targeted value-chains **improve their quality and export competitiveness** by complying with international standards.

The **national quality system is improved** to provide world class conformity assessment services (standardization, inspection, certification and testing).
Identifying the Needs – Analytical Work

Meeting Standards, Winning Markets

- EU DG Sanco, US FDA, Australia AQIS, Japan MHLW
- Border Rejection Analysis
- Trade Standards Compliance Analysis

More Information:
http://www.unido.org/tradestandardscompliance.html
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Tackling Food Safety Challenges with Quality Infrastructure

Governance
- Align QI with food safety regulatory framework: EAC, ECOWAS/UEMOA, Asian countries

Quality Infrastructure
- Close to 200 mainly agro-food testing laboratories (Asia and Africa) have gained international recognition (accreditation)

Enterprise Level
- More than 230 mainly food processing enterprises (mainly Asia and Africa) have been internationally recognized (certified) for quality and food safety standards
Improving Quality Infrastructure

- Strengthening of existing standardization bodies
- Strengthening of laboratory capacities for industrial and legal metrology capacities
- Establishment or strengthening of accreditation bodies and assistance to obtain international recognition

- Upgrading the technical competence of testing laboratories to achieve international recognition (accreditation)
- Strengthening of inspection services
- Strengthening of certification capacities

Close to 200 food testing labs in Asia (and Africa) have gained international recognition!
UNIDO’s Food Safety Approach

3

Promoting Food Safety Standards & Schemes

Food Safety Standards
(HACCP, ISO22000, etc.)

Food Safety Schemes
(CIEH, GFSI, etc.)
GFSI was launched as a non-profit making foundation in 2000, to achieve **harmonization of food safety standards**.

GFSI chose to go down the route of benchmarking, developing a model that determines equivalency between existing **food safety scheme**.

In 2008, the GFSI recognized that small and/or less developed businesses would benefit significantly from a **GFSI recognized food safety management scheme**.

The **GFSI protocol** is a comprehensive step-by-step toolkit that guides small and/or less developed businesses through a **continuous improvement process** in their food safety management systems with the aim of facilitating market access locally and creating mutual acceptance along the supply chain.
**AEON at a Glance**

- **$65 billion USD** Sales revenue
- 15,008 stores, 222 Shopping Mall
- 29.76 million AEON Credit Card members
- **$12 billion USD** e-money transaction

**AEON operations in Malaysia**

- **$1.4 billion USD** Sales revenue
- (2nd largest retailer group in Malaysia)
- 55 stores, operating since 1984
- **Malaysia is the ASEAN hub** for AEON
- AEON targets to open **100 stores by 2020**

**AEONs approach on Food Safety Policy:**

- Fully committed to driving GFSI in Asia
- Driving efficiencies based on GFSI recognized schemes and nurturing developing suppliers through the global markets program
- Completing AEONs Food Chain requirements based on the defined GFSI sectors

UNIDO, in partnership with AEON, have created the necessary public private partnership with the core Malaysian Government bodies, establishing a neutral and sustainable infrastructure model to be implemented throughout ASEAN countries.
Food Safety related Case Study
Ensuring Quality and Sustainability along the Coffee Value Chain

The Trade Capacity-Building Project for Burundi
Setting the Scene

**Land-locked country** with a high potential for agricultural product, coffee being one of them.

90% of the population employed in agriculture, accounting for **34.1% of GDP** in 2010.

Coffee, tea and cotton contribute more than **93% of export revenue**, green coffee beans being the most important product.

**Limited capacity of conformity assessment and food safety related services**, limit the competitiveness of the country.
Background Information

Regional Project

East African Community (EAC) SPS Harmonization Regional Project
Kenya, Tanzania and Uganda + Rwanda and Burundi

Regional Level
SPS Protocol developed to enhance regional harmonization of SPS measures

National Level
- Support to national ministries and standards bodies to effectively take part in regional SPS harmonization
- Food chemistry and Micro biology laboratories upgraded
- Food Management System (GHP/HACCP/ISO 22000) introduced in enterprises
What is the project about?

Better Quality: Ensure quality by enhancing the capacity to comply with sanitary and phytosanitary measures (SPS).

More Exports: Improve exports performance and facilitate the access to regional and international markets.

What the project does...

Ensuring Quality and Sustainability along the Coffee Value Chain.

Support for the strengthening of the National Quality Infrastructure.
Key (mid-term) Results

**24 Quality-graders** for coffee selection and tests trained for InterCafé + **60 Association members** trained in food safety.

Implementation of a **Quality team in the Regulatory Authority of the Coffee Sector of Burundi (ARFIC)**.

Support to the **Burundian Coffee Association InterCafé** for the organization of **the Cup of Excellence** (2013, 2014).

Establishing the **Burundian Coffee Consortium (BUCOCO)**, support for the participation in the **11th African Fine Coffee Conference & Exhibition** (48 containers of coffee sold).

**79 inspectors trained** in market surveillance + **77 technicians** sensitized and trained.

**6 Laboratories supported** for the detection of microbiological, chemical and pesticide contaminants detection. Including organoleptic test for the coffee sector.
The project has helped a number of farmers and cooperatives to obtain significant price premiums for their coffee.

The project has helped to secure more buyers as well as awareness of the key private standards and the requirements for meeting these standards and potential gains in terms of price premiums.
The Cup Of Excellence (COE)

Minimum Price COE

- COE 2012: 9.30
- COE 2013: 13.20
- COE 2014: 8.80

Maximum Price COE

- COE 2012: 51.60
- COE 2013: 55.60
- COE 2014: 130.30

Avg. Price

- Burundian Coffee

Winning Lots

- 2012: 17
- 2013: 14
- 2014: 27
Merci