

# Building on Quality Infrastructure for Food Safety

## UNIDO's Food Safety Approach

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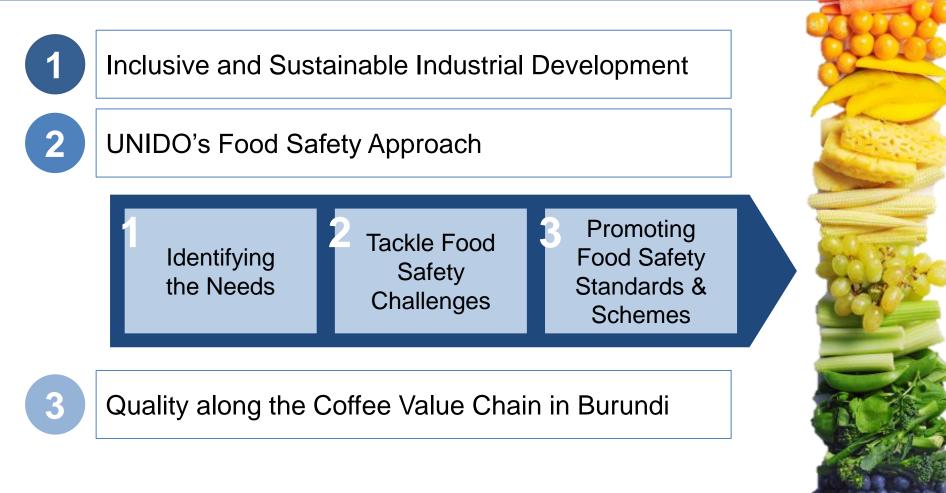
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INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT



#### UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

#### Outline





# 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 portfolio of projects and



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





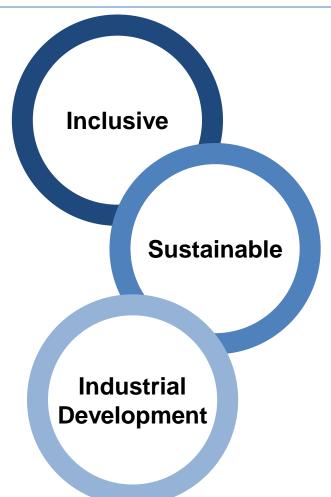
The value of technical<br/>cooperation delivery in 2013programmes in hand reached a new<br/>record of \$ 477.7 millionamounted to \$180.5 million



55 field offices with 142 national and international staff members



## Inclusive and Sustainable Industrial Development

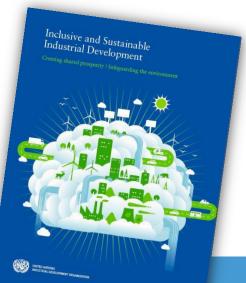


No one should be left behind. We should ensure that no person – regardless of ethnicity, gender, geography, disability, race or other status – is denied universal human rights and basic economic opportunities.

Production processes that are less carbon-intensive can save energy, reduce consumption of nonrenewable resources, and minimize greenhouse gas

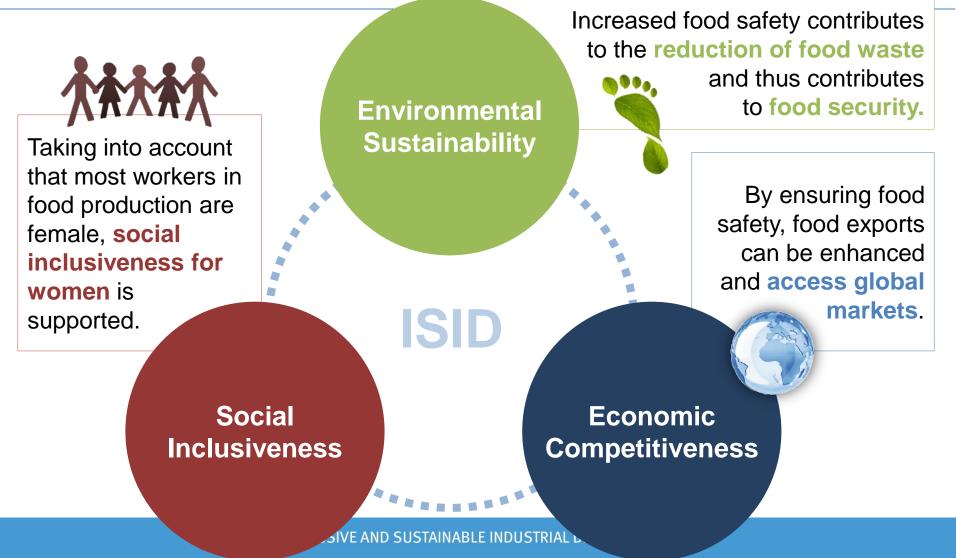
emissions, while also stimulating innovation, technological change, diversification and job creation.

New development approach, which looks at society, economy, industry and the environment as a whole.





## Food Safety and ISID







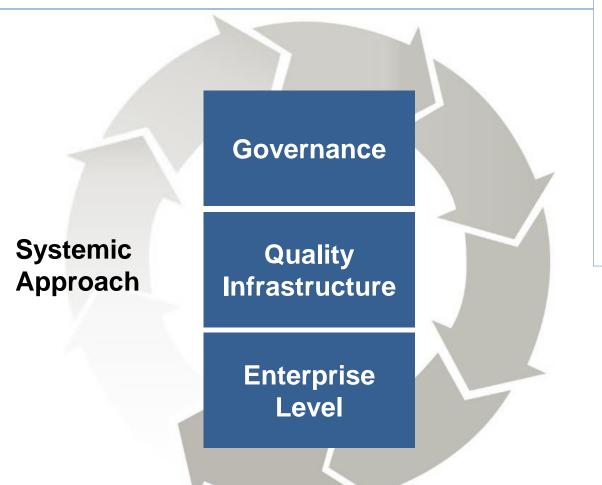


#### Food Safety Challenges

<b>Consumer confidence</b> in food safety is a growing issue	Food safety scares have <b>global impact</b> : quality assurance of food products is a challenge for developing countries	
Markets are becoming more stringent	High <b>financial losses</b> 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	
<b>Global Value Chains</b> are governed by Food Safety Compliance	Improving conformity with trade standards and international market requirements potentially opens up (global) <b>business opportunities</b>	
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





#### **Better Business leads to Safer Food Business** Private sector can take a leading role in food safety **Safer Food for Better Business** Food Food Safety control enhances business by Safety reducing risk and increasing consumer confidence **Partnering Public and Private Sector Public** Engaging the private sector and consumers to Sector complement the public effort

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#### **Identifying the Needs**

Tackling Food Safety Challenges with Quality Infrastructure

> Promoting Food Safety Standards & Schemes





#### **Identifying the Needs**

**Rejection Analysis** 

Value Chain Analysis

**Market Surveys** 



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#### **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 regionReasons for import rejection

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

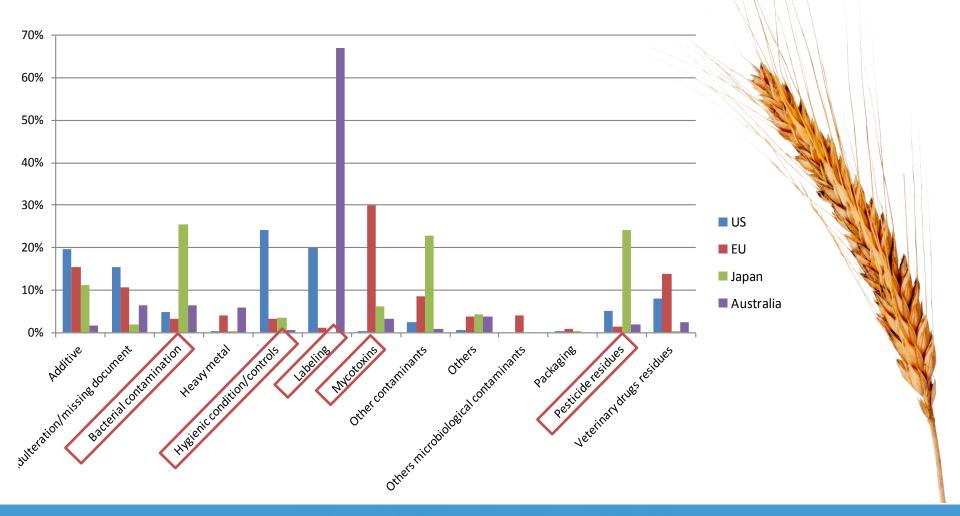
Reasons and rate of rejection varies across markets

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





## Quality Infrastructure related Value Chain Analysis

#### What does the Quality Infrastructure related Value Chain Analysis tell us?



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.

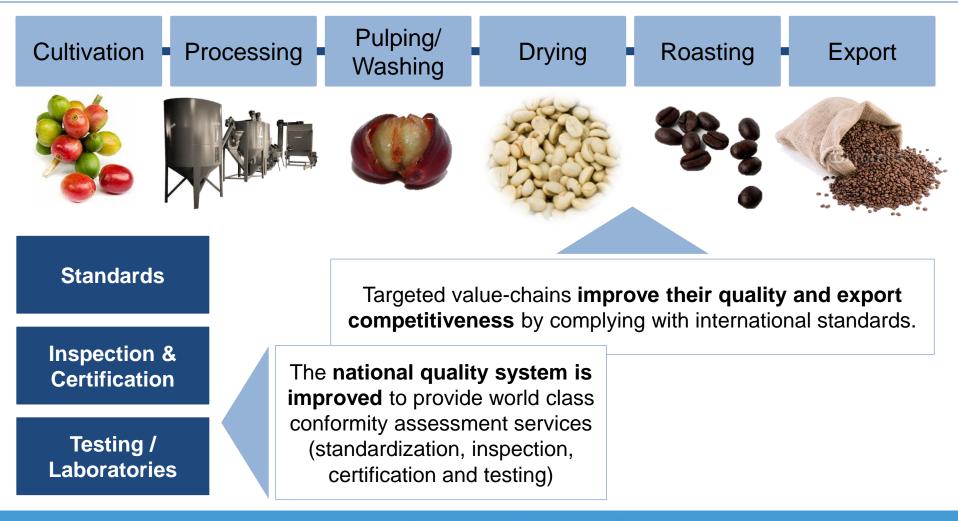
Through a comprehensive Value Chain Analysis TCB **identifies standardization and testing needs** for each step along the Value Chain.

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





#### 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

#### standardscompliance.html

More Information:

http://www.unido.org/trade

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#### Improving Quality Infrastructure

Quality Infrastructure	<ul> <li>Strengthening of existing standardization bodies</li> <li>Strengthening of laboratory capacities for industrial and legal metrology capacities</li> <li>Establishment or strengthening of accreditation bodies and assistance to obtain international recognition</li> </ul>	
Food Safety Control Services	<ul> <li>Upgrading the technical competence of testing laboratories to achieve international recognition (accreditation)</li> <li>Strengthening of inspection services</li> <li>Strengthening of certification capacities</li> </ul>	Tested once, accepted everywhere!

Close to 200 food testing labs in Asia (and Africa) have gained international recognition!



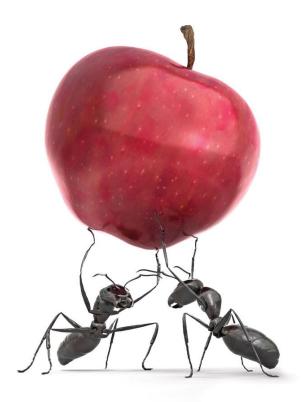
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## UNIDO's Food Safety Approach



Food Safety Standards (HACCP, ISO22000, etc.)

Food Safety Schemes (CIEH, GFSI, etc.)





## Food Safety Scheme: GFSI Protocol





- 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



PARTNER FOR PROSPERITY

## Public-Private-Partnership / EON

#### **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 (2<sup>nd</sup> 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



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# Ensuring Quality and Sustainability along the Coffee Value Chain

The Trade Capacity-Building Project for Burundi





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## 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

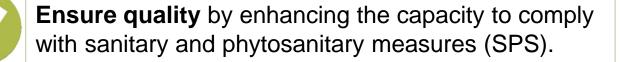
# Results

#### 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?



**More Exports** 

**Better Quality** 

**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 **11<sup>th</sup> 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.



#### Impact of the Project

The project has helped a number of farmers and cooperatives to obtain **significant price premiums** for their coffee.

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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.

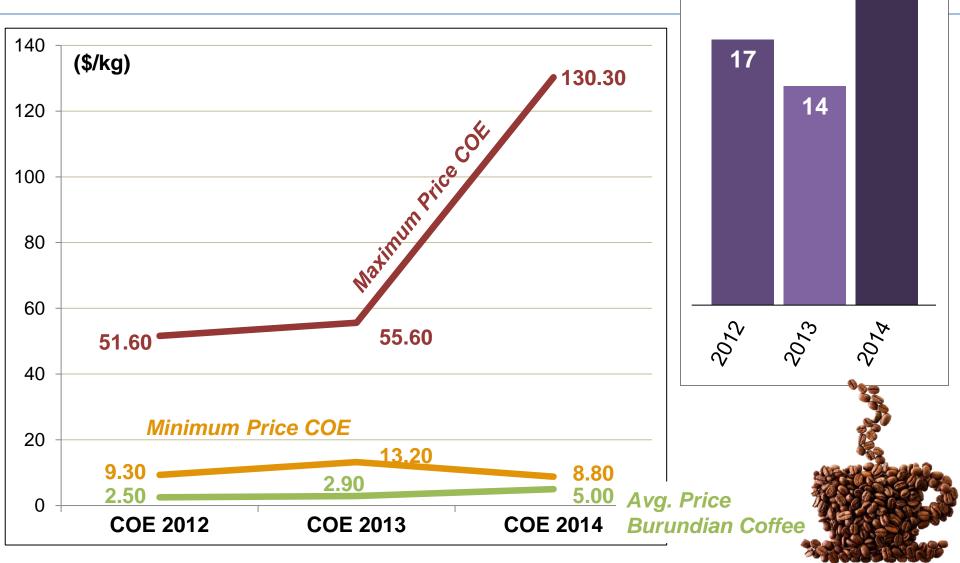


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Winning Lots

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## The Cup Of Excellence (COE)





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