Proposed EU Food Safety Regulation: What It Means for U.S. Exporters

By Sara Schwartz

I n the wake of several recent food scares in the European Union (EU) that have sharply undermined consumer confidence, individual EU member states and the European Commission are reviewing their food safety policies.

As a result, some EU member states have created new food safety authorities and responsibilities. For example:

- The United Kingdom formed a Food Standards Agency to address mounting consumer concerns and, in particular, to publicly separate the regulatory aspects of food safety from the enforcement aspects.
- Belgium created a new Federal Agency for Food Safety to develop food safety and public information policies.
- In Germany, consumer protection responsibilities, previously handled by the Ministry of Food, Agriculture and Forestry, now reside in the newly renamed Ministry of Consumer Protection, Food and Agriculture.

The European Commission also responded to the crisis in consumer confidence by proposing a new regulation to establish procedures for food safety and set up a European Food Authority (EFA).

The commission wants to create food safety legislation and lay down guiding principles and objectives for food law that will apply throughout the EU. In some cases, this will mean new responsibilities and obligations for food and feed businesses. These businesses will need to broadly address the causes of food safety problems and meet new requirements.

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The commission's proposed regulation describes the mission, tasks, organizational structure and scope of the EFA. This authority would concentrate on risk assessments, information gathering, analysis and communication.

Because member states are generally reluctant to relinquish control over food safety issues, the EFA would only serve to advise the European Commission. Unlike the U.S. Food and Drug Administration, it would not make decisions on food safety issues. If member states approve the proposed regulation, the EFA could be in operation by 2002.

Although the EFA's function is advisory, the commission's proposed regulation seeks to harmonize existing requirements among member states and place them in a European context. This proposal is a controversial and dramatic shift away from individual member state control over food safety issues to one of EU-wide law.

Meeting EU Requirements May Get Tougher

As EU food safety regulations evolve, U.S. exporters should keep in mind that their products could come under increasing scrutiny, in some cases requiring new or additional documentation. For now, however, U.S. exporters should be aware of the food safety regulations in place in each EU country.

If the new regulation increases consumer confidence in both domestic and imported foods and is enforced uniformly by member states, all suppliers, including the United States, will benefit.

Of course, having access to detailed information is a matter of great concern to U.S. exporters. The prospect of fragmented implementation and enforcement of procedures by member states is a potential concern, because it could be reflected in possibly higher costs for producers and higher prices for EU customers.

Already, U.S. exporters have felt the impact of legislative attempts by the EU and member states to restore consumer confidence in the food supply.

For example, although bovine spongiform encephalopathy (BSE or "mad cow disease") has never been discovered in the United States, U.S. animal product exporters must meet EU requirements to ensure that the disease does not spread, adding to production costs. In another case, to prevent the illegal use of toxic substances

such as dioxin in feed, U.S. feed manufacturers who export to the EU are required to take additional precautions.

Another concern for U.S. exporters is that the new legislation will establish traceability requirements. This means that food products and ingredients must carry documentation so that they can be traced through distribution channels within the EU for as long as five years. Implementing regulations will be developed at a later date, either at an EU-wide or member-state level.

Already drafts of traceability legislation for the products of biotechnology reveal little sensitivity to how commodities are actually distributed. If implemented, the food safety traceability requirements will present difficulties for exporters, importers and processors to put into practice.

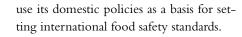## Problems Ahead if EU Policy Is Adopted Worldwide

Whether or not U.S. exporters sell their products to the EU, they should carefully review its proposed food safety regulation, since other countries often follow EU regulatory practices. In addition, countries that export processed food products to the EU may adopt similar requirements to ensure that ingredients in those processed products conform with EU regulations.

Recently, the EU began promoting its food safety policies in international organizations, including the United Nations Food and Agriculture Organization, the Codex Alimentarius Commission, the Organization for Economic Cooperation and Development and the International Organization of Epizootics. Many of these organizations are recognized by the World Trade Organization as standards-setting bodies for the global marketplace.

The EU hopes to convince these international organizations to use its domestic policies as a basis for setting international food safety standards.

So far, none of these organizations has adopted the EU's proposed food safety standards for international use.

Many countries recognize that parts of the EU's proposed regulation may not necessarily improve food safety. Other potential problems include market access restrictions, arbitrary decision making, and shipping and processing changes that will be expensive for industry to implement and for government to regulate. ■

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