



TECHNICAL SEMINAR





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A REVIEW OF RISK MANAGEMENT TECHNIQUES

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Greencore



the
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Risk Management Techniques: Food fraud & Fiin

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1. Central collation of data
 - Tests
 - Traceability
 - Claims
2. Annual cross-functional horizon scanning workshop
 - Raw materials and non-resale goods/services
 - Identification of priority categories and development of action plans
3. Core horizon scanning team reviews (bi-monthly)
 - Track actions
 - New and emerging risks, re-prioritisation
4. Engagement with material category teams within Purchasing dept.
 - Mapping supply chains
 - Identify vulnerabilities

Horizon scanning

- Risk lists circulated to purchasing and technical colleagues
 - Review risks and ratings
 - Adjust ratings where necessary
 - Add new risks
 - Remove if no longer relevant
- Ingredients, packaging and non-resale included
- Workshop: review, discuss and adjust risk ratings
- Action plan produced
- Bimonthly Group Technical/Purchasing meetings to progress action plan

Risk rating system

Severity (S): the consequence should it occur

| 1 | 2 | 3 | 4 | 5 |
|------|-------|-------------|---------|-------|
| none | minor | detrimental | serious | major |




Occurrence (O): the likelihood or probability

| 1 | 2 | 3 | 4 | 5 |
|------------------|------------------|------------------|-----------------|---------------|
| once in 50 years | once in 20 years | Once in 10 years | once in 5 years | once per year |

Detection (D): the chance of detection before consequences/effect on customer or consumer are realised

| 1 | 2 | 3 | 4 | 5 |
|--------------------|----------------------|--------------|----------------|--------------|
| high detectability | considerable warning | some warning | little warning | zero warning |

Risk Number = S x O x D

| | |
|---------|---|
| 0-20 |  |
| 21 - 49 |  |
| >50 |  |

Examples of raw material risks – red meat

| Risk (1-5 year) to supply | S | O | D | RN | | Integrity | Safety | Ethical | Environ- mental |
|---|---|---|---|----|--|-----------|--------|---------|--------------------|
| Country of origin fraud | 4 | 4 | 4 | 64 | | Red | | | |
| Production system fraud | 4 | 4 | 3 | 48 | | Yellow | | | |
| Species fraud | 4 | 4 | 4 | 64 | | Red | | | |
| Breed e.g Aberdeen Angus | 4 | 5 | 4 | 80 | | Red | | | |
| Approved/nominated welfare source | 4 | 5 | 4 | 80 | | Red | | | |
| Poor traceability | 3 | 4 | 3 | 36 | | Yellow | | | |
| Protein enhancement through adulteration | 4 | 3 | 4 | 48 | | Yellow | | | |
| Veterinary residues (approved/unapproved) | 4 | 4 | 4 | 64 | | | Red | | |
| Welfare | 4 | 4 | 3 | 48 | | | | Yellow | |

Action plan: test schedule

| Category | Risk | Action |
|-----------------------------------|--|--|
| Cheese – goat cheese | Species fraud | Species test |
| Eggs – hard boiled | COO fraud | Provenance test |
| Herbs | Species substitution | Species test |
| Pastes, purees, granules, powders | Garlic, pepper, onion, ginger purees dilution & substitution | Water content, volatile analysis |
| Oils & boxed fats | Olive oil substitution Italian EVOO provenance fraud | Chemical composition analysis Provenance test |
| Processed meat | Species substitution | Species test |
| Red meat - raw | COO fraud | Provenance test |
| | Species substitution | Species test |

- Fiin reports
- RASFF, US FDA alerts
- Food Forensics newsletter
- EU Food Integrity project
- Market knowledge, supplier information
- Industry alerts, media
- Historic information

Objectives of fiin



- To help ensure the integrity of food supply chains and protect the interests of the consumer
- To address the recommendations from the Elliott report for industry to establish a 'safe haven' to collect, collate, analyse and disseminate information and intelligence
- To work with governmental bodies to better understand where risks may sit in the UK food industry from food fraud
- To help disrupt those activities and in doing so, further enhance the reputation of the UK Food Industry

How fiin works



- Core principle - developed by the Food Industry, for the Food Industry
- 21 Founding Members representing broad spectrum of the Food Sector from Retailers, to Manufacturers and to Food service
- Subscription based with fees set at affordable level reflecting business size
- All members must participate in supplying data (test and traceability results) quarterly to Legal Host
- Data anonymised and consolidated by Legal Host ensuring Legal Privilege for all data submitted
- Report provided to all Members showing all tests and traceability and a separate overview by Professor Chris Elliott with recommendations on target areas for attention

Fiin achievements



- It has brought together a broad spectrum of food businesses to work together to help protect consumer interests and strengthen the UK Food Industry – First meeting June 2015
- It has given a voice to the UK Food Industry on authenticity
- It has collated an enormous amount of data going back to Jan 2015
- It is starting to inform Members around:
 - Volume of testing by category
 - Issues identified by Members
- Intelligence on possible areas of concern for future focus

Fiin achievements



- Contributed to Independent Review of the National Food Crime Unit -NFCU
- Positive acknowledgement by Professor Chris Elliott in **The Select Committee Inquiry on Food Fraud and the Integrity of the Food System**
- Positive acknowledgment of fiin from the Minister of State, (Defra) Mr George Eustice
- Intelligence agreement signed with FSS, FSAI and in active discussion on similar agreement with FSA
- Membership administration and report generation handed over to Campden BRI January 2017
- Membership now open and up to 28 members
- Technical Steering Group formed under board structure to help direct future activities of fiin

Fiin members



Waitrose

Samworth Brothers
QUALITY FOODS

OSCAR MAYER
Quality Foods



Sainsbury's



BARFOOTS
fresh thinking



TESCO

M&S
EST. 1884



Food Group

Ornua
THE HOME OF IRISH DAIRY



BOOKER



Nomad Foods
Europe



Food Businesses representing Food Retail, Food Services and Food Manufacturing



- Formed September 2017
- Purpose: To distil insights from members' submitted authenticity testing data and other external data sources relevant to food authenticity and food fraud
- Establish key risks to food authenticity and food fraud for member companies
- Observations & recommendations added to quarterly Fiin report:
 - Recommendations on testing programme and possible targeted activities
 - Recommendations on traceability programmes and targeted activities
 - Insights from members and external data sources

Food Forensics quarterly intelligence update tailored for fiin



Food Forensics
FOOD RISK UPDATE NEWSLETTER FIIN Q3 2017

fiin
FOOD INDUSTRY INTELLIGENCE NETWORK

HIGHLIGHTS

- China and other oil supply problems are predicted as oil factors may narrow caused by drought in major producing regions or supply chain and quality. Trade representative of Turkish oil and exports.
- The production of a global honey production downturn will elevate the commodity's risk score factors.
- Cloning EU pork price differentials compared with EU regions and several levels of product from Poland increase risks for origin substitution.
- Vanilla prices are likely to be lower this year than predicted as some businesses have already switched to synthetic vanillin.
- European report shows that regions & POI labelling is an ongoing issue.
- Concerns over adulteration in essential oilers remain, several in testing.

PROTEIN

Beef
Average UK beef prices reached a record high in mid August, highest since 2015. EU and UK prices continue to climb with UK premium cutting against EU28 but increasing against EU27. Southern beef prices set to climb and competition from fellow exporters August and September but are now showing signs of recovery followed by October.



Comparing Southern beef after the Russian Feed Exchange an EU beef dispute was extended until the end of Q3. Poland talks to renegotiate the EU-UK trade deal. Country of Origin Labelling set to go for discussion in the UK.

Lamb
Lamb UK is off to a good start.



Pork, Bacon, Gammon & Ham
UK pig prices reached a high in August, suppliers remain tight and demand high and with processors beginning to think about Christmas. German clients think it is time for a switch gradually given some high profile British marketing campaigns currently in play. European pig prices have reached a four year peak. Many Polish pig meat exports are expected to reach a record high with a predicted increase of 15%.



EU Pork
EU prices for doubleweight hams have dropped quite sharply from their peak of 105.2 piglet in mid June. This is as a result of an increase in supply of spring hams, making them almost 50p/kg better in price than the time last month. Likewise EU hams prices have dropped by almost 50 cents in value per kg of carcass. Irish hams have dropped by 1.50. UK hams is expected to drop compared to EU prices.

- Food Forensics now produce a quarterly newsletter for fiin members:
 - Distillation of Food Forensics monthly newsletters and focused on authenticity
 - Broad coverage fits well with fiin membership

Benefits of fiin membership

- Only participating companies receive the fiin report
- Each fiin report now contains:
 - a quarterly update from Food Forensics
 - commentary from Queens University Belfast
 - insights from the fiin Technical Steering Group.....in addition to test and traceability data
- Insight and intelligence drawn from the reports allows fiin members to adopt a more strategic and targeted approach to supply chain assurance
- Expansion of fiin will bring in more data on supply chain integrity increasing the information available to participating companies
- Fiin is a unique organisation which has already caught the attention of industry groups and regulators outside of the UK. By participating, companies can be part of a pioneering network that will ensure the UK is leading edge in tackling food fraud



Membership enquiries

- Campden BRI supports the network by managing the membership process, allowing fiin to meet its ambition to be accessible to any food or beverage company that wishes to participate
- The fee is structured for small, medium and large companies
- If you are interested in joining FIIN please contact FIIN@campdenbri.co.uk



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