European dimension: Scandal started in Ireland, quickly spread to UK, France, Spain, Netherlands, Poland and Romania.

Globalised food chain requires EU wide response if problem is to be properly tackled.

Food Safety vs Food Fraud

Media initially reported horse meat scandal as a food safety scare story. Eventually recognised as food fraud but equally damaging impact:
- Damages brands and consumer confidence and trust
- Potential to bankrupt companies
- Long supply chains make it difficult to pinpoint exactly where fraudulent activity occurs

First major food fraud scandal in the EU
European reaction

- **January 16th**: Irish government announces horsemeat found in beef. Ten million burgers taken off shelves.

- **February 13th**: EU agriculture ministers hold emergency meeting in Brussels and agree to DNA testing of sampled processed beef products.

- **March 12th**: 5 point ‘Action Plan’ announced by the European Commission in response to crisis.

- **April 16th**: European Commission publishes first round of tests by EU Member States. **No food safety issue confirmed.**
DNA testing:

- DNA tests carried out on 7,259 samples by competent authorities across 27 member states
- In addition, FBOs conducted private testing on a similar number of samples

Results (announced April 16th 2013*):

- Less than 5% (4.75%) of tests reveal positive traces of horsemeat DNA.
- Approximately 0.5% of equine carcasses tested found to be contaminated with phenylbutazone or ‘bute’
- **EFSA statement: ‘low concern for consumers’**

*Similar tests conducted in 2014 found an even lower level of horse DNA presence (0.61%)
The Commission’s initial response outlined a range of actions in the 5 following areas:

- Food fraud (reporting)
- Testing
- Horse passport rules
- Official controls and penalties
- Origin Labelling
EU response and commitments: 5 point action plan

- Creation of rapid alert system to alert Member States to possible instances of food fraud
- Similar to RASFF system (currently used for food and feed safety alerts)
EU response and commitments: 5 point action plan

- Immediate DNA testing in 2013 on samples of processed meat products
- Testing for phenylbutazone residues (‘bute’) in horse carcasses
- Repeated in 2014
EU response and commitments: 5 point action plan

- Mandatory recording of horse passports in a central national database
- Reduction in number of passport issuing bodies

Horse passport rules
EU response and commitments: 5 point action plan

- Member states now can carry out unannounced inspections
- Financial penalties are set at a level which is higher than the economic gain expected from the fraud
- The Commission can now impose coordinated testing programmes
EU response and commitments: 5 point action plan

- Commission report on extension of mandatory origin labelling rules for meat in processed foods published...
- ... but still no legislative proposals in this area
Mandatory Country of Origin labelling of meat found in processed meat products will not necessarily prevent food fraud.

Penalties and criminal sanctions need to be sufficiently punitive to act as a deterrent.

Perfect storm of rising beef prices, years of consumer austerity leading to huge downward pressure on prices, loss of mechanically recovered meat and plentiful supplies of cheap substitute created the conditions for horse meat scandal.

This pressure has not gone away, so the food chain needs to work with Authorities to put systems in place to prevent a repeat.
Thank you for your attention!

Questions and comments:

George Lyon,
Senior Consultant
Hume Brophy

gorge.lyon@humebrophy.com