



# **A Submission on Better Business Regulation for the Artisan/Speciality Food Sector**

**To: The Business Regulation Forum**  
**From: The TASTE Council of Ireland**  
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## **1.0 Introduction**

This document reflects the views of the TASTE Council regarding the issue of regulation of the Irish Artisan/Speciality food sector.

Through the submission of this document the TASTE Council wishes to provide the Business Regulation Forum with detailed information on specific problems caused by the incurred costs of regulation that result in restricted market entry for potential start ups, a low rate of innovation and inhibits the growth of the artisan/speciality food sector.

The TASTE Council defines better regulation as the January 2004 Government White Paper on Regulating Better defines it – i.e. ‘an ongoing commitment to improving the processes of policy formulation, legislative drafting and enhancing the overall effectiveness and coherence of regulation.’

This document specifically outlines recommended solutions to the problems faced by the artisan/speciality food sector on the matter of regulation and in particular how these regulations are enforced in the TASTE Council’s belief disproportionately upon the artisan sector in Ireland and thereby hindering the rate of start up, innovation and growth of the sector.

## **2.0 Background**

The TASTE Council is an industry group representing the interests of the artisan and speciality food sector. The unique strength of the TASTE Council lies in the combined expertise of its members in national and international artisan and speciality food production, retailing, distribution and consumer knowledge.

The then Minister for Agriculture and Food, formally launched the TASTE Council in October 2003. Secretariat support is provided by Bord Bia.

The TASTE Council’s central mission is –

*“To empower and enable the Irish speciality food sector at a strategic level to maximise its current and potential contribution to Ireland’s food and agri economy, society, culture and environment”.*

There are over 300 businesses producing artisan and speciality food in Ireland. In 2005 together these producers had a joint turnover of €175 million – a significant contribution to GDP and employ 3,000 people.

That contribution has the potential to grow to €900 million by 2010 at current growth rates.

For details on the TASTE Council's purpose, membership, structure and operations please refer to Appendix 1.

This paper uses terms such as Artisan food, Speciality food, Regional food and Commodity groceries. For an explanation of these terms please refer to Appendix 2 – Definitions and Glossary of Terms.

The TASTE Council considers regulation to be a key issue facing the artisan/speciality/small food business sector and this is reflected in various TASTE Council submissions written over the course of the last 2 years.

The TASTE Council views this invitation by the Business Regulation Forum as an excellent opportunity to move forward in creating a regulatory environment for the artisan/speciality/small food business sector which encourages entrepreneurship, innovation and growth.

Regulation is hugely important for the protection of human safety and the TASTE Council recognise this. However, regulation needs to be commensurate with the risk and consistency is needed in its implementation in the interests of business opportunity and value creation (particularly at a local level for entrepreneurial farmers and rural dwellers).

### **3.0 Context - The Artisan, Speciality and Small Food Business Sector in Ireland**

Artisan/speciality food production in Ireland (to date) is primarily occupied by a large number of small food processing businesses. Ireland has in excess of 300 such businesses.

It should be noted that artisan/speciality food is a growth segment of the national and international food market. The European artisan/speciality food market is worth €33.5 billion, in Ireland and Britain it is valued at €6.1 billion and is forecast to grow to €7.5 billion in three years.

The sales of small speciality and artisan food producers are growing by an average growth rate of 12-17% per annum reflecting the growing market demand for artisan and speciality food.

If growth rates continue at this level then the Irish sector has the potential to reach at least €900 million in output by 2010, it is clear from these figures that the artisan/speciality food sector is strategically important to the Irish economy.

The artisan/speciality food sector comprises niche products generally made in small batches, using artisan techniques.

The Irish range currently extends to cover the following core categories: Dairy, Fish, Poultry, Baking and Confectionary, Game and Meats, Honey as well as a number of other developing categories.

Today there is an ever increasing percentage of the population who are focusing on food as a more intrinsic part of our culture, consumer demand for artisan/speciality food is highlighted clearly by the rise in the number of farmers' markets across the country. These consumers have a new found hunger for real and authentic food experiences.

This increased consumer demand is occurring for the following reasons:

- *Demographically the Irish population is growing into the 30+ age bracket, an age when aspects of cuisine and food become more important to us.*
- *Increased levels of disposable income spent on travel, eating out and new food experiences.*
- *Media influence such as celebrity chefs, TV programmes, books, magazines and websites.*

In terms of economic growth of the sector the TASTE Council believes that there is definite scope for growth in the number of small scale artisan/speciality producers to satisfy an increasing consumer demand.

The TASTE Council sees sound business opportunity for the co-operative model to develop as more farmers can become involved in the production of artisan/specialist products together alongside the start up and growth of a small number of large artisan/specialist companies similar to the international benchmark companies of Valrohna Chocolate (France – estimated turnover of €80 million) and Niman Ranch meats (USA estimated turnover of \$45million) for example.

Due to de-coupling and EU CAP reform this provides an opportunity for farmers to diversify into artisan/speciality value added food production contributing commercially to the sustainability of their farms and rural livelihoods.

#### **4.0 An Overview of the Issues Resulting from Regulation in the Artisan/Speciality Food Sector**

In the current regulatory environment small scale artisan/specialist food producers have to adhere to the same level of food safety rules and regulations as large scale food firms. The result of this is that the level of regulation for small scale artisan/specialist food firms equates to the same level of regulation for large scale food businesses and the level for small food firms is not necessarily proportionate to the risk. The small scale artisan/specialist food sector is forced to compete with the large scale corporate food sector on an uneven playing field.

It is very rare for regulation to be designed for small business first and then applied to large business. It is usually the case that it is designed for big business first and its inappropriateness in a small business context only recognised afterwards.

There is a case for ensuring food safety through prerequisite requirements only. However it is the experience of the Irish artisan/speciality food sector that the Irish control authorities may (at this point in time) be reluctant to believe that such prerequisites are sufficient. For example at a 4 hour long weekly farmers' market - they may demand that such markets are assessed as if they were a high risk 24 hour food retail operation in need of highly sophisticated systems of control suited to a 24 hour multiple retail operation and unsuited to a 4 hour long weekly market situation.

The experience of small artisan producers of control authorities assessing their facilities is in general one of inflexibility, a 'by the book' manner where the inspectorate may be unaware of the incompatibility of such an assessment method with the unique nature of an artisan food processing businesses.

Stringent regulation increases start up costs resulting in difficult market entry for new business. The TASTE Council believes that as a result of stringent regulation the rate of new market start ups and innovation in the sector is low - severely hampering market potential.

Without taking into consideration the cost of onerous regulation the cost of setting up in artisan/speciality food production is estimated at €300k often excluding working capital. For a small scale artisan/specialist food producer this is a substantial sum.

There are increased costs for existing artisan/specialist food producers in order to comply with levels of regulation which result in less capital being spent on product innovation for taste advantage.

This lack of innovation means there is an increase in foreign imports to meet consumer demand, which is a lost opportunity for Ireland's farming family and rural dwelling food entrepreneurs.

Excessive bureaucracy results in valuable production time and labour being spent dealing with 'red tape.' Artisan/speciality businesses usually only employ a small number of people so time spent on bureaucracy means a decrease in production efforts which equals a decrease in turnover and profit.

In the eyes of the consumer, small scale artisan/specialist producers can be shown in a negative, unsafe light if they are seen to be unable to comply with the same level of regulations which are applied to large scale 'factory' food production systems, this has a damaging affect on the sector. It should be noted that food safety risk in large scale food businesses is often far greater than in small scale artisan/specialist food firms due to high speed mechanised production methods.

The government clearly recognises the burden which regulation can place on artisan and speciality food. The Agri Vision 2015 report clearly recognises such burden.

Recommendation 32 (page 13) Agri Vision 2015

*“The committee recommends that the regulatory environment in Ireland must be such that it provides the necessary safeguards and transparency, while avoiding unnecessary costs and excessive bureaucracy.”*

The issue of potential over regulation of the sector and inconsistencies is referred to in the Joint Oireachtas Committee on Enterprise and Small Business’ report.

*“Many artisan producers face barriers to entry with regard to the over regulation of the sector and inconsistent application of regulations on the sector. There is a need for sympathetic application of the regulations.” Page 46 Joint Oireachtas Committee on Enterprise and Small Business – Interim Report on the Impact of Grocery Multiples on the Grocery and Retail Markets and its Effects on Consumers, Small Grocery Retailers and Small Grocery Suppliers – March 2005*

Consistency in the regulatory authorities’ approach is fundamental to good regulation.

*“The Joint Committee Recommends that: the development of the artisan and speciality food sector should be facilitated...and that all state agencies having responsibilities in relation to the sector should include the development of the sector in their mission statements” Page 46 and 47 Joint Oireachtas Committee on Enterprise and Small Business – March 2005*

Recommendation 33 (page 13) Agri Vision 2015

*“The committee recommends that a systematic Regulation Audit be carried out into the provisions affecting agriculture and the food processing industry, with a view to ensuring that the fundamental objectives are met in the most coherent and effective way and, at the same time, in the way that is least onerous on primary producers and processors.”*

## **5.0 Examples of Administrative, Capital and Efficiency Costs of Complying with Regulation for the Artisan/Speciality Sector**

In our limited survey of small scale, artisan and speciality food producers the following typical costs of compliance can be identified:

<ul style="list-style-type: none"> <li>• The cost of microbiological testing.</li> </ul>
<ul style="list-style-type: none"> <li>• The cost of building a pasteurisation system for a farmhouse cheese producer.</li> </ul>
<ul style="list-style-type: none"> <li>• The cost of complying with over zealous regulation that can lead to court, legal fees and the cost incurred from a hold on production.</li> </ul>
<ul style="list-style-type: none"> <li>• The incurred cost for an artisan meat processor not being able to slaughter animals on site and having to transport said animals to a processing unit which has been deemed fit by the regulatory authorities often many miles away.</li> </ul>
<ul style="list-style-type: none"> <li>• The cost of any further obligations for documentation in addition to current traceability and HACCP documentation obligations.</li> </ul>
<ul style="list-style-type: none"> <li>• The cost of complying with food packaging regulations.</li> </ul>
<ul style="list-style-type: none"> <li>• The cost of HACCP compliance for a farmer who has a small scale poultry/egg production unit as a supplement to farm income.</li> </ul>
<ul style="list-style-type: none"> <li>• The cost of temperature control processes and their calibration costs for small artisan meat processing businesses.</li> </ul>
<ul style="list-style-type: none"> <li>• The cost for small low income holdings of stamping eggs with a code designating the producers distinguishing number, farming method and code of member state where egg production is only a sideline to the main farm income. (Producers with more than 50 laying hens have to stamp eggs, however producers with less than 50 do not, 100-150 would be a more practical cut off point for egg registration for small scale producers).</li> </ul>

If the forum were interested we could supply more detailed information through a more comprehensive survey. In the time available it was difficult to procure further information and in particular more specific examples.

## **6.0. - Major Issues Needing Reform**

### **6.1 Regulation**

Currently over 90% of the laws & regulations that affect the artisan/speciality/small food producing sector are devised at EU level and enacted into Irish Law through Statutory Instruments. Recently, in the wake of the BSE/Dioxin crisis a considerable amount of EU food law is adopted at EU-level in the form of Regulations rather than Directives, therefore there is no need for it to be transposed into Irish Law by means of a Statutory Instrument. In actual fact the only thing that needs to be done is for the appropriate EU authorities (e.g. such as the Food Safety Authority of Ireland, Department of Agriculture etc.) to be informed and they enforce this law in Ireland. Where this is the case the Taste Council do not wish to advise the Better Regulation Forum that certain laws should be



taken off the Statute Books - such laws are part of Ireland's obligations as a member of the EU and therefore are an issue to be dealt with in negotiations at EU level being beyond the remit of the Forum.

The Taste Council would however, refer the Better Regulation Forum to the EU's *Better Regulation - Simplification* programme which is intended to ensure that EU legislation is clear, understandable, up-to-date and user friendly. In November 2005, the European Commission as part of this programme proposed to repeal, codify, recast or modify 222 basic legislative acts and over 1,400 other related legal acts within three years. The food sector is covered by this programme so there are possibilities for simpler legislation emerging from Europe which is to be commended.

On the other hand, the Taste Council has a wealth of evidence that of more immediate difficulty for the Artisan Sector is the question of the interpretation of EU laws and regulations by Irish Government Bodies and in particular by the enforcement authorities:

#### *Hygiene Rules & Flexibility Clause*

The Taste Council has highlighted in other submissions its view that the Irish Government in conjunction with the food regulatory bodies should agree to utilise the 'flexibility' clause within the new package of EU hygiene rules which came into operation on 1 January 2006, as a means to protect and ensure the continued growth of the Irish artisan and speciality sector.

In the wake of food scares, the European Union has introduced numerous new food safety laws as a means on regaining consumer confidence in the food they purchase in local retail stores, supermarkets and farmers' markets. The EU has introduced Regulation 178/2002 laying down general principles and requirements of EU food law - it includes responsibilities on all in the food chain to produce/sell safe food, traceability obligations and withdrawal/recall and notification responsibilities. Of particular interest to the artisan and speciality sector is a package of new EU-wide hygiene rules, which became operational as of 1 January 2006.

A highly relevant part of these hygiene rules is the establishment of a 'flexibility' clause which can be utilised by Member States in the enforcement of the rules for food produced using traditional and artisan methods.

The new EU hygiene rules specify that Member States may utilise the 'flexibility' clause as a means of protecting traditional, artisan and speciality foods, especially small businesses so long as food hygiene objectives are not compromised. The Regulation 852/2004 on the hygiene of foodstuffs allows Member States to introduce national measures adapting the enforcement requirements laid down in the Regulation if they have the aim of enabling the continued use of traditional, artisan methods of food production.

#### *Labelling Rules & Farmers' Markets*

The Taste Council has ample evidence that enforcement officers regularly attend

Farmers' Markets throughout the country and demand that sellers of honey, jams/marmalade and numerous other food products label their products in line with specific EU laws for those products or in line with the rule contained in the general Food Labelling Directive 2000/13.

All of these EU laws state clearly that they need not be enforced when small quantities of product are sold directly to consumers at the farmers' gate or at a local market. If you follow the argument of the enforcement officer then jam sold at a church fete should be labelled in line with EU law and yet enforcement officers do not inspect church fetes. In a similar vein, the European Commission has noted many times that it does not want to destroy local markets and indeed food cultures therefore it supports food being sold at local markets under a less stringent enforcement regime than would apply in a retail store, restaurant or food manufacturing facility.

## **6.2 Administrative Burden of EU Legislation (The Need to Assess Cost/Benefit)**

The Taste Council notes that at EU level no calculation is done concerning the administrative burden of new legislation on industry. To take the example of the Hygiene Package [5 new Regulations which demand that everyone in the food chain implement HACCP and have traceability systems in place for all food products], the EU provided no idea of the costs of introducing these new rules. Equally when being enforced by the Irish authorities no calculations are done on the costs of implementing these rules for industry, which are a disproportionate cost for small businesses like artisan and speciality producers. It seems a non business like and non transparent approach to introducing complex legislation, but unfortunately that is the reality at present.

The Taste Council would like to highlight to the Better Regulation Forum an initiative by the Dutch authorities. They have established an independent public body called Actal, to act as a watchdog in relation to the administrative burden of new legislation. All Government Departments are obliged to send Actal details of all new legislative proposals and their calculation of the administrative burden involved. Actal reviews the calculations and issues its opinion before the proposed legislation is sent to the Dutch Council of Ministers and to Parliament. The Dutch Council of Ministers considers Actal's comments when deciding whether to endorse new legislation. This system could be adapted to incorporate EU laws and regulations that must be implemented by Ireland and would be particularly helpful in the context of the food sector where so much new legislation is being introduced at the EU-level.

### 6.3 Enforcement of EU food law in Ireland

The Food Safety Authority of Ireland (FSAI) is mandated to enforce food law in Ireland and has established service contracts with 47 official agencies to assist in this enforcement. These service contracts are the primary means by which the FSAI ensures enforcement of food safety legislation in Ireland.

The Food Safety Authority of Ireland Act 1998 contains enforcement provisions which are in addition to the powers to prosecute and other provisions on specific pieces of food legislation. The provisions in the FSAI Act are designed to provide an improved means of reacting to and dealing with situations posing a risk to public health. Enforcement is carried out by authorised officers appointed by the FSAI or its official agents under Section 49 of the Act. The powers granted to these officers are detailed in Sections 50 and 51 of the Act.

The provisions in the FSAI Act are as follows:

- **Improvement Notice** – An Improvement Notice is issued, when an Authorised Officer [e.g. EHO] is of the opinion that a premises or practice is of such a nature that if it persists, it will or is likely to pose a risk to public health. An Improvement Notice may become an Improvement Order if the Notice is not complied with and the Authorised Officer has sought it by means of application to the District Court.
- **Closure Order** - It is issued if in the opinion of the authorised officer, there is or there is likely to be a grave and immediate danger to public health at/or in the food premises. Closures Orders can refer to the immediate closure of all or part of the food premises, or all or some of its activities. The Orders may be lifted when the premises has improved to the satisfaction of the authorised officer. Failure to comply with an Improvement Order may also result in the issuing of a Closure Order.
- **Prohibition Order** - It is issued if the activities (handling, processing, disposal, manufacturing, storage, distribution or selling food) involve or are likely to involve a serious risk to public health from a particular product, class, batch or item of food. The effect is to prohibit the sale of the product, either temporarily or permanently.

The FSAI has produced a number of Codes or Practice and Guidance Notes in relation to their powers of inspection and enforcement under the FSAI Act 1998.

In Guidance Note No 1 on the Inspection of a Food Business it states:

*'The aim is to ensure that the enforcement powers are used consistently across all official agencies in a manner that is fully compliant with the requirements of the Food Safety Authority of Ireland Act 1998'*

In this Guidance Note along with many other FSAI documents it continually states that the Authority advocates a 'risk-based' approach to enforcement of EU and Irish food laws. Unfortunately at no time whether in these documents or even in the FSAI Act 1998 is 'risk' defined. In the three legal instruments available to the FSAI for enforcing the law noted above we have underlined/highlighted the references to 'risk', yet nowhere is a definition of such 'risk' available. In the Guidance Documents, the FSAI highlights practices that could be seen as infringements of the law e.g. no HACCP systems, no HACCP training. The Taste Council has evidence from artisan & speciality producers that enforcement officers will state that issues such as the structure of buildings suddenly become a reason for deciding that an artisan producer is infringing EU or Irish food law - in such cases, it is clear that the structure of the building plays no role or does not impinge on the safety of the food produced.

The Taste Council would like the enforcement authorities to define 'risk' and to concentrate more of its efforts on the issues of food safety rather than logistical issues during inspections. Equally, the Taste Council believes that an 'Appeals Process' could offer artisan producers a second opinion on the enforcement issue in order that they do not feel they are being disproportionately penalised in relation to the enforcement of EU and Irish food law by the Irish authorities. Enforcement agencies are mandated to adopt and maintain Quality Management Systems (QMS) which will include Standard Operating Procedures (SOPs) for visiting and inspecting food businesses. An Appeal Process would assist them in the effective implementation of QMS/SOPs.

#### **6.4 Risk Assessment**

In all the documentation available to the Taste Council it is stated that the FSAI enforces a 'risk-based' approach in the food sector. In order to enforce such a system, risk assessment is an essential means by which the FSAI can direct regulatory resources where they can have the maximum impact on outcomes. Undertaking risk assessment ensures that regulators take proper account of the nature of food businesses, and all external factors affecting the risk the business poses to regulatory outcomes. On the basis of this information, the regulatory authority (such as the FSAI) should be able to direct their resources where they can do most good. They can end unnecessary inspections or data requirements on less risky businesses, identify businesses who need more inspection, and release resources to improve broader advice services.

The latest figures for inspections that the Taste Council has been able to obtain are from the FSAI's Annual Report 2003 - Annual Reports for 2004 and 2005 are not presently available on the FSAI website. The figures for 2003 are that the FSAI enforces EU & Irish food law in 44,521 food businesses. The largest group of food businesses are those inspected by Health Boards or EHOs totalling 40,893. The FSAI classifies food businesses in their Code of Practice No 1 as High Risk, Medium Risk & Low Risk. Obviously the idea is that a High Risk food business would be inspected more frequently than a low-risk business. To take specifically the Health Board inspections which would cover the greater percentage of Artisan & Speciality producers the following table outlines the numbers involved.

		<u>Number 2003</u>
<u>Health Board Inspections 2003</u>	Food businesses under their control Food businesses inspected	40,893 27,213
<u>Health Board Infringements 2003</u>	Food businesses committed infringements [42% of establishments] Infringements [HACCP Training] Infringements [General Hygiene - HACCP]	11,445 11,346 11,323
<u>2003 Enforcement Orders (numbers - which may include some food businesses not inspected by Health Boards)</u>	Closure Orders Improvement Orders Prohibition Orders	35 28 1

The figures for Infringements seem totally disproportionate to the final figures for Enforcement Orders, but point to the fact as highlighted by many Artisan & Speciality Producers that 'routine' inspections are vast in number and can be intimidating and bureaucratic for food businesses. The large figures for infringements which ultimately do not become Enforcement Orders demonstrate that the infringements do not pose a 'risk' to public health and are reflective of issues that could be rectified by a simplified process of using advice. It points to a need for such regulatory authorities to priorities the utilisation of their resources in the area of inspections and advice, in order to produce a better result for all concerned. As the figures do not differentiate between High Risk, Medium Risk and Low Risk food businesses, the Taste Council is not able to decide whether the practical consequence of this is not only that unnecessary inspections are carried out, but also that necessary inspections may not be carried out or may be missed.

The Taste Council would ask that the Better Regulation Forum to take notice of these figures, although they are somewhat out-of-date being from 2003, as demonstrating that there needs to be a degree of clarity introduced into the food inspections system whereby it is clear to artisan producers [and by implication to the inspectorate] that the vast bulk of infringements are merely an issue of advice/training and that only a limited amount of infringements pose a risk to public health and are deemed 'serious'.

## **6.5 HACCP**

As mentioned previously, a new group of EU regulations have been operational since 1 January 2006, which demand that all food businesses have in a place a HACCP system. The obligation has now been placed upon food businesses to identify any procedure in their activities which is critical to food safety and ensure that adequate safety procedures are identified/reviewed on the basis of the principles developed under the Hazard Analysis and Critical Control Points (HACCP) system. These include:

- analysing the potential food hazards in a food business operation;
- identifying the points in those operations where food hazards may occur;
- deciding which of the points identified are critical to food safety the “critical points”;

- identifying and implementing effective control and monitoring procedures at those critical points;
- establishing corrective actions when monitoring indicates that a critical control point is not under control;
- implementing own-check procedures to verify whether the measures adopted are effective
- reviewing the analysis of food hazards, the critical control points and the control and monitoring procedures periodically and whenever the food operations change
- keeping records to demonstrate the effective application of these measures and to facilitate official controls for example by enforcement officers.

With such a comprehensive system demanded for each food business, the Taste Council believes that much bureaucracy and administrative burdens could be alleviated if the FSAI were to concentrate on HACCP in any inspections and if in the time between inspections they were to be supplied with information on how HACCP systems are operating possibly via IT systems/Internet. In that case, inspections in many cases would be an issue of verifying that the information supplied to the FSAI was correct and resources could be concentrated at loopholes/gaps in the food safety control system under the responsibility of the FSAI.

## **6.6 Coordinated/Joint Inspections**

The Taste Council would highlight the situation where food businesses are often inspected for different food law/regulation issues by different inspectors when a more consistent approach would save duplication of effort e.g. an EHO may inspect a food business one week dealing with HACCP/hygiene issues and the following week an officer from the Director of Consumer Affairs Office may inspect the food business relating to food labelling which is their responsibility. Small Artisan Producers cannot always cope with multiple inspections like this because they divert staff from the running of the business for too long at any one time. Large food businesses have a specialist in each area [hygiene, labelling, etc] which makes inspections easier. It must be possible for the different inspections bodies to co-ordinate their activities in order that small artisan/speciality producers would have one inspection covering all the regulatory matters enforced by the FSAI, but inspected by different individual control agencies.

## **6.7 Administration Time and Form Filling**

Reducing the time food businesses spend filling forms is an important element of any administrative burden reduction - unfortunately, in such a short space of time the Taste Council did not have the resources to calculate the number of forms distributed every year by the regulatory authorities and compare that figure with the number of inspections carried out by such authorities. There is however, strong anecdotal evidence that an excessive amount of form filling is required. The wide variety of forms makes small reductions in data requirements or improvements in design important. In 2002, the US Health and Human Services Department made one change to one data collection (on health insurance regulation), and saved 37 million hours of paperwork. There should be

more use made of filling out Government forms electronically and food businesses should be involved in the design of such forms, so that are better catered to the needs of small artisan and speciality food producers.

## 6.8 Principles of Inspection & Enforcement

The Taste Council has highlighted the need for 'risk' to be defined, better use of risk assessment, IT solutions in relation to HACCP, Coordinated/Joint Inspections and better design of forms all as a means to reduce the administrative burden on small artisan/speciality food producers. In all of this discussion what is missing a simple declaration of the Principles of Inspection and Enforcement by the FSAI. Guidance Documents and Codes of Practice are all very fine but are unlikely to be read in full by small artisan/speciality food producers endeavouring to develop and grow their business. The Taste Council provides the following template as an example of what it means - this short, clear and easy to read/comprehensive list of principles would concentrate the minds of all food regulators/inspectors as to what their role is both to ensure safe food is purchased by consumers and that Ireland has a dynamic food industry composed not only of big players, but thousands of small artisan/speciality producers thereby solidifying the marketing identity and brand - Ireland - The Food Island.

- 1 *The FSAI & the regulatory system as a whole, should use comprehensive risk assessment to concentrate resources on the areas that need them most;*
- 2 *The FSAI and official food control agencies should be accountable for the efficiency and effectiveness of their activities, while remaining independent in the decisions they take;*
- 3 *All regulations should be written so that they are easily understood, easily implemented, and easily enforced, and all food industry stakeholders should be consulted when they are being drafted;*
- 4 *No food inspection should take place without a specific or particular reason;*
- 5 *An Appeal Process will be available to clarify infringement issues highlighted in food inspections*
- 6 *Food businesses should not have to give unnecessary information, nor give the same piece of information to different inspectors;*
- 7 *The FSAI and other food control agencies should provide authoritative, accessible advice easily and cheaply;*
- 8 *When new policies are being developed, explicit consideration should be given to how they can be enforced using existing systems and data to minimise the administrative burden imposed;*
- 9 *The FSAI and official food control agencies should recognise that a key element of their activity will be to allow, or even encourage, economic progress to foster food businesses in particular those in the artisan & speciality food sector and only to intervene when there is a clear case for consumer protection.*

## **7.0 Key Recommendations**

That more consistent interpretation of EU law so as to facilitate Irish artisan and speciality food producers e.g. the use of the 'flexibility' clause in relation to new EU Hygiene Rules should be a major priority of the Government in order to foster the Irish Artisan and Speciality food sector.

That the Government should establish a system (on the lines of the Dutch Actal agency) as a means of calculating the costs and benefits of implementing the volume of new EU food laws, which impinge directly on the cost base particularly of small artisan and speciality food producers.

The FSAI state that they enforce a 'risks-based' system in relation to the enforcement of EU/Irish food law and the inspection of food businesses yet nowhere is 'risk' defined and that this anomaly should be rectified.

That in relation to food inspections, it would be desirable to have access to more up to date figures. The disparity between the number of infringements and enforcement orders in any one year must be clarified so that food businesses are clear as to what constitutes an administrative issue and what constitutes a 'risk to public health'.

That the HACCP systems mandatory for all food businesses under EU law must be utilised by the FSAI and control agencies by means of IT systems, in order to decrease the burden of food inspections, which add disproportionate costs upon small artisan and speciality food producers.

That coordinated/joint inspections should be facilitated amongst the various food control agencies.

That the reduction in the amount of form filling by food businesses should be facilitated.

That easy to understand ***Principles of Inspection & Enforcement*** in the food sector should be established.

That the Irish regulatory authorities seek EU funding from the "Better Training for Safer Food" for a specific training programme for the inspectorate in the food safety inspection of the artisan and speciality food sector.

That microbiological bacterial testing is supported financially through grant in aid.

That the opportunity of establishing an appeals process for the artisan and speciality food sector is investigated as an effective system of accountability for regulatory enforcement agencies particularly with regard to the adverse effects decisions may have on small artisan and speciality food producers.



## Appendix 1 TASTE Council – Purpose, Members, Structure and Operations

### The TASTE Council's purpose

*To provide a national framework with access to international expertise and markets for the strategic development of the sector; To form a cohesive group representative of the speciality food sector from Ireland; To draw on the expertise of the group (experience, skills, knowledge); To address 2-3 strategic issues per annum.*

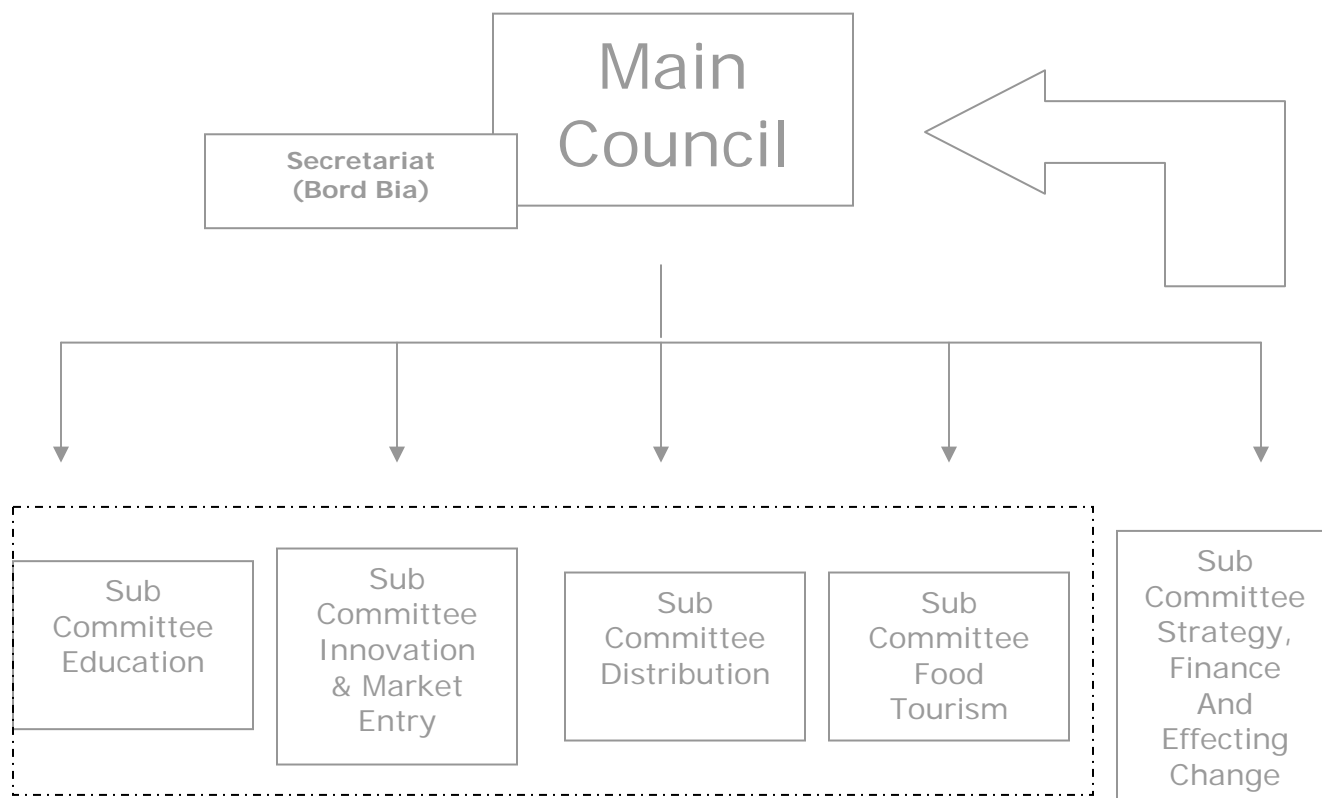
### The TASTE Council members

The full list of current members of the TASTE Council who have prepared this document for submission are listed below.

<u>Name</u>	<u>Background</u>
<u>Darina Allen</u>	<i>Veuve Cliquot Business woman of the year 2002; Owner/Manager <b>Ballymaloe</b> Cookery School; author/journalist; Organic farmer. University of Ulster conferred honorary doctorate for contribution to Irish Cuisine and Irish hospitality in 2003.</i>
<u>ugo Arnold</u>	<i>Food Journalist for the <b>Irish Times, Financial Times, Evening Standard</b>. Author and consultant. He has written six books and won a Glenfiddich food writing award in 2001.</i>
<u>James Burke</u>	<i>Food Retail Business Consultant- Previously Purchasing Manager, <b>Superquinn</b>.</i>
<u>Mary Burns</u>	<i>Owner/manager <b>Ardrahan</b> cheese.</i>
<u>Jilly Dougan</u>	<i>Owner of Moyallon Foods foodservice distribution business and chairperson of the Farmers' Market in Belfast.</i>
<u>Evan Doyle</u>	<i>Owner, <b>McCreddin Village, Brooklodge, Strawberry Tree</b></i>
<u>Peter Dunn</u>	<i>Managing Director, <b>Dunns Seafare</b>. Member of the Slow Food Presidium for Irish Smoked Wild Atlantic Salmon– the first large food business in Ireland to achieve this status</i>
<u>Stuart Gates</u>	<i>Director and General Manager Daylesford Organics, Chair <b>British Guild of Fine Food Retailers</b>, Council member of Food From Britain.</i>
<u>Ellis Gough</u>	<i>Owner <b>Milleeven Foods</b>. Producer; member of Evaluation Committee Kilkenny County Enterprise Board; member Consumer Foods Board – Bord Bia.</i>
<u>Randolph Hodgson</u>	<i>Owner <b>Neal's Yard Dairy</b>, Chair <b>UK Specialist Cheesemakers Association</b> Instrumental in the founding and committee management of London's Borough Market. Winner of the Tio Pepe, Carlton London Restaurant Awards 2003.</i>
<u>Michael Horgan</u>	<i>Owner <b>Horgans Delicatessen Supplies</b>. Distribution of speciality food</i>
<u>Ross Lewis</u>	<i>Chef/proprietor of <b>Chapter One</b> Restaurant in Parnell Square, Dublin current Commissioner General of <b>Euro-Toques</b></i>
<u>John McKenna</u>	<i>Author, Writer, <b>Bridgestone Guides</b></i>
<u>Raymond O'Rourke</u>	<i>Specialist Food Regulatory Lawyer, author of European Food Law and Food Safety and Product Liability. Fellow of the Faculty of Food Science, University of Ulster Coleraine.</i>
<u>Simon Pratt</u>	<i>Owner/Manager <b>Avoca Handweavers</b>. Instrumental in the writing and publication of the Avoca series of food books</i>
<u>Kevin Sheridan</u>	<i>Co founder and owner of <b>Sheridan's cheesemongers</b>. Chilled distribution, retail and market stall management</i>
<u>Kevin Thornton</u>	<i>Michelin star chef and owner of <b>Thornton's</b> restaurant. Kevin is the first Irish chef to have gained two Michelin stars. Kevin was instrumental in getting the DIT to set up a four-year degree course in Culinary Arts.</i>
<u>Peter Ward (Chairperson)</u>	<i>Owner/manager <b>Country Choice</b>, independent delicatessen, Nenagh, Co. Tipperary.</i>

## Taste Council - Structure

The Taste Council has been structured to work on the issues at hand and to ensure deliverables. The current chair is Peter Ward. The secretariat is Bord Bia. A structure of sub committees has been established and regularly meets to deal with key developments.



### TASTE Council Operations

The TASTE Council is a voluntary group. The group is structured into the following subcommittees.

<b>Sub Committee Structures TASTE Council 2003/2004</b>	
<b>Sub Committee</b>	<b>Members</b>
Strategy, Finance and Effecting Change:	Chaired By: Ross Lewis (Eurotoques) Darina Allen (Ballymaloe) Stuart Gates (Fortnum and Mason)
Innovation and Market Entry:	Chaired By: James Burke (James Burke and Associates) Hugo Arnold (Author and Journalist) Randolph Hodgson (Neals Yard Dairy) Jilly Dougan (Moyallen Foods) Fiona Lavery (INI)
Distribution:	Chaired By: Ellis Gough (Mileeven Foods) Simon Pratt (Avoca Handweavers), Michael Horgan (Horgans) Peter Dunn (Dunns Seafare)
Education:	Chaired By: Kevin Thornton (Thorntons) Raymond O'Rourke, Kevin Sheridan (Sheridans) Mary Burns (Ardrahan)
Food Tourism:	Chaired by: John McKenna (Bridgestone) Evan Doyle (Brooklodge/McCreddin) Simon Pratt (Avoca Handweavers)

## **Appendix 2 - Definitions and Glossary of Terms**

***Artisan food*** is defined as a superior tasting food, which commands a higher price in its category. Superior taste is achieved through food making skill. Artisan food is not the remit of small food producing firms only. Many fine examples of large artisan foods of scale in sales and exports exist and are growing.

***Speciality food*** is food, which is specialist or niche. These foods are usually defined by their exclusive distribution and premium price. The definition in market reports usually includes artisan food.

***Regional food*** is foods connected to a region by reputation. Examples include Parma ham from the region of Parma.

***Commodity groceries*** are foods, which command a low price in their category often due to their extensive availability and lack of investment in artisan food making skill.