

Department for Environment, Food and Rural Affairs

Review into the Integrity and Assurance of Food Supply Networks

Note of telecom with Seafish

Date: 7 February 2014

Participants:

Dr Paul Williams – Seafish

Tom Pickerell – Seafish

Angus Garrett – Seafish

Professor Chris Elliott (CE) – Review into the Integrity and Assurance of Food Supply Networks

Mike Steel - Review into the Integrity and Assurance of Food Supply Networks

Sarah Appleby – Review into the Integrity and Assurance of Food Supply Networks

Nick Hughes - Review into the Integrity and Assurance of Food Supply Networks

1. Introduction to Seafish

It was explained that Seafish is a Non-Departmental Public Body set up by the 1981 Fisheries Act and reporting to Defra and its equivalents in the devolved administrations but funded by an industry levy on the first sale of seafood products in the UK. Seafish's primary aim is to support a sustainable and profitable seafood industry. Among its objectives is to ensure the integrity of supply chains, promote responsible sourcing and reinforce the reputation of the industry. With regards integrity it sees its role as pulling together information on where the risks to product integrity lie in supply chains and how the UK seafood industry can protect itself against those risks.

2. Elliott Review interim report

Seafish said it could not see any obvious inconsistencies in the Elliott Review interim report. It expressed some concern that seafood was categorised along with meat as a generic source of protein, with the implication that seafood had similar problems to meat, when in fact the supply chains were very different. In particular, it was noted that there was a huge diversity of seafood products and businesses supplying the trade could be working with hundreds of different products sourced from around the world.

The point was made that the supply chain for seafood was extremely complex. The larger suppliers had systems in place to manage that complexity, however it was harder for smaller businesses to have that level of oversight of their supply chains and it was likely to take longer to bring the smaller players on board with the recommendations from the Elliott Review.

CE said he appreciated the complexity of the seafood supply chain and agreed that large companies were more capable of ensuring the integrity of their products. He noted that the response of the food industry to his report had been incredibly positive. He said the UK food industry had in place extremely good systems for ensuring food safety but that a shift of mindset was needed to tackle the issue of food fraud. He said it would be difficult for the fish trade to reduce complexity but that there were other countermeasures that could be put in place to reduce the risk of fraud. These included smarter testing based on market intelligence and sharing that intelligence with other businesses. He asked whether there was a trade association that represented small companies that could help in this regard. Seafish said the Seafood Importers & Processors Association was the main body in this sector. CE said it was important that small importers supplying small businesses such as takeaways etc were engaged with sharing information and had access to that information as they were more likely to source products on the spot market.

Seafish asked for more detail on the recommendation for the establishment of an industry-led intelligence hub. CE said the hub would be responsible for collating information which would then be analysed, sanitised and shared with the FSA, which is developing its own intelligence hub. He added that at a recent meeting a group representing some of the largest retailers, suppliers, wholesalers and caterers stated their intention of taking the development of the hub forward. He said it would be important to have the buy-in of trade bodies, particularly with a view to helping smaller businesses feed information into the intelligence hub.

Seafish asked whether any industry sectors already had such a hub in place. CE said he was aware of companies sharing information on an informal basis with their trade association but not in any organised way. He said it remained to be seen who would host the hub and this would have to be an organisation that had the trust of the entire industry. He explained that it would be a central hub for information; however companies would be able to filter out information not relevant to their business sector.

Seafish said they would like to be part of the process as the hub developed and that those businesses they had spoken to would also like them to be involved in the conversation. CE welcomed this and asked Seafish to put together a short statement on how they saw their involvement in ensuring integrity of the seafood supply chain.

MS asked whether Seafish had evidence of serious organised criminality within the seafood trade. Seafish said they were aware of organised crime in respect of people trafficking and whilst they did not know of any criminal activity relating to food fraud they acknowledged there was a significant risk that this could be happening.

CE asked whether Seafish used economic data to identify potential risks of food fraud. Seafish said their economic department collected market data to pass on to the European Commission each year but to date this data had not been used to identify areas of the supply chain susceptible to fraud. It was suggested that while Seafish had access to a significant amount of data the level of granularity required to generate meaningful intelligence meant that analysing this data to detect food fraud was extremely complex and had more in common with forensic accountancy than regular economic analysis. It was agreed, however, that there may be ways in which incentives for fraud could be identified by looking at the economic indicators of the market, for instance, by tracking market prices and availability. However, this is a challenging area; Seafish made the point that trust can be a significant barrier to obtaining information from small operators. It was also suggested that there could be a significant lag in receiving data, particularly financial data, that rendered it obsolete by the time it came to be analysed. Seafish said engaging with

ongoing industry conversations through informal networks could be just as, if not more important, than formally collated sources of information.

3. Next steps

- CE asked Seafish to put together a short statement on how they saw their involvement in ensuring integrity of the seafood supply chain.
- Seafish said they would provide CE with a contact for the Seafood Importers & Processors Association.
- CE said he would involve Seafish in the conversation as he continued his deliberations ahead of publication of the final report in the spring, particularly with regard to the development of the industry intelligence hub.

10 February 2014