

Make Food Safety a Business Plan

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The damning revelation about the pesticide residue far in excess of the permissible limits in the Rs.10 billion worth bottled water industry should be an eye opener to the processed food industries in India. The exploitative tendencies of the trade notwithstanding, good and safe health of the consumers are being tossed around various ministries and government departments.

The business of food safety may be the immediate charge of the Bureau of Indian Standards (BIS) under the Ministry of Consumer Affairs, the ministry of food processing industry, Commerce and Finance ministries also become equal stakeholders. Therefore safety standards should not be allowed any short cuts. Indeed the findings by the Centre for Science and Environment in this respect should be taken as the warning signal.

All the national newspapers during the first of February also carried a detailed announcement as to how the ministry of food processing industry is becoming proactive to encourage value addition activities by the willing entrepreneurs in various parts of the country. But any mention of food safety in this half page announcement is conspicuous by its absence. This is indeed unfortunate.

The sad part is that post-WTO the Indian exporters of agro-products and processed foods have been facing the stringent food safety standards in the developed country markets. These strict measures, albeit, are higher than the internationally acceptable FAO/WHO CODEX standards and are justifiable under the Sanitary and Phytosanitary (SPS) agreement of the WTO. The puritans in the industry will now say that since WTO is concerned therefore this becomes subject matter of the Ministry of Commerce. Yes, if it is the matter pertaining to the use of SPS measures to deny market access to the developing country exports, but the scientific merit of the food safety norm has to be established. Thus the bottomline appears to be determined by the scientific rigour and the Indian diaspora indeed has a comparative advantage in this respect.

However, such scientific temper as the bottled water case would demonstrate, is likely to be reduced to legal and technical niceties. It is very important to

mention here that at the WTO level the developed countries are indeed playing an adjudicative and legislative game in matters pertaining to safety standards. Consequently, many exporters firmly believe that SPS in practice means a *shifting goal-post syndrome*.

Since 1995 when the SPS measures became effective, over 3000 notifications about stringent food safety standards have been circulated to the WTO members. During the period ending December 2001 USA with 526 submitted notifications and Mexico with 175 were the most aggressive proponents of food safety standards amongst the members of the multilateral world trade body. It has been estimated that OECD countries have submitted two out of every three such notifications.

In addition to the pesticide residue threat the foods and beverage sector is also highly vulnerable to foodborne diseases caused by microorganism. These could be either the single-celled organisms called the bacteria, or the multi-cellular molds, or intestinal worms or microscopic protozoa also known as parasites or the small particles of virus that can only replicate in a host. These are basic scientific knowledge that unfortunately gets heavily discounted in any business plan. The main sufferers of such short sighted business plans are the hapless urban consumers in the first instance and closely followed by early copycats from the hinterlands.

The pattern of household level consumer expenditure in the rural-urban space may not be comparable to that of developed countries but the writing on the walls is clearly discernible. Our domestic food safety laws may be found wanting in many respects. Food science and safety must get priority over business motive. There is no doubt the required scientific rigour can be fully utilised by the processing food industry mandarins to safeguard the health of the population.

The tendency of the industrialists to label the hazard assessment critical control points (HACCP) as horribly and completely confusing paperwork bodes ill for the Indian consumer. A sound economic judgement would require that business plans factor

in these safety standards because prophylactic measures are not only better than therapeutic measures but are cost-effective too.

In the international scenario specifically addressing the foods and beverages business, self-regulation is gaining momentum as well as credibility. Whereas, the oligarchic conglomerate typology of the international business is a fact, considerations of

health and safety of the population indeed influence the bottomline. In fact it is estimated that every year US economy suffers an economic loss between US \$10-83 billion depending on where in the wide spectrum of foods business the manufacturer is situated. Given the newfound enthusiasm in India in the Processed Food Industries, business has to give primacy to food science and safety.

[Dr. Rajesh Mehta and Prof. J. George are involved in an international research study on examining the economic impacts of food safety standards at the Research and Information System (RIS) for the Non-aligned and Developing Countries based in New Delhi. These are purely personal views.]

[The story of water contamination with pesticide residue is only the tip of the iceberg that show business interests dominates any scientific and safety considerations. With a little bit of planning, argue Dr. Mehta and Prof. George, trade could be the meeting place for food science and safety to the billion plus population]