

I. INTRODUCTION

Once an elusive dream, a food safety agency in Egypt is soon to become a reality. In his speech inaugurating the new session of the People's Assembly last month President Mubarak declared that Egypt must have a robust food safety agency. Following a subsequent meeting with the Prime Minister he announced that the current parliamentary session will discuss the law establishing the national Food Safety Agency (FSA).

On 23 December 2008 at the Conrad Cairo Hotel, the Trade Related Assistance Center (TRAC) of the American Chamber of Commerce in Egypt (AmCham) hosted a panel discussion entitled "Food Safety: Barrier or Enhancer to Trade?". It was the second of two panels on this subject held by AmCham this year. While the purpose of the earlier panel was to raise awareness regarding a new law that would centralize Egypt's food safety control efforts into a single national Food Safety Agency (FSA), the second panel focused on the bill of law that is now before the People's Assembly.

For the first time, three ministers (those of Agriculture and Land Reclamation, Health and Trade and Industry) have agreed on the need to establish an FSA. The Ministries of Trade and Industry, Health, Agriculture, Tourism, and the Environment have pledged to co-operate to achieve this goal, explained Mr. Omar Mohanna, President of the American Chamber of Commerce (AmCham). Their mutual support, along with the support of members of both the private and public sectors, is absolutely essential in order to provide domestic consumers with wholesome products and in order to bring Egyptian food products in line with international food safety standards, thereby enhancing their export potential.

II. CURRENT SITUATION

With an average of 44.9% of the total annual expenditure of the Egyptian family spent on food and beverages, according to Dr. Hussein Mansour, Director of the Food Safety Agency Management Unit, this is no small matter. In addition, food exports have increased exponentially over the past seven years, from \$60 million in 2001 to \$1.2 billion in 2007. Improving food safety is therefore imperative in order to avoid jeopardizing consumer safety and exports, and to furnish a potential platform for the further growth of both the food and tourism industries.

The media has been giving considerable coverage to food safety issues recently. Frequent newspaper articles and television programs have reported on such scandals and problems as botulism poisoning, Chloramphenicol in honey and unhygienic practices in slaughtering houses. International and national agencies (e.g. WHO, CDC, etc.) warn visitors to Egypt against the relatively high risk of exposure to several food-borne diseases such as hepatitis A and typhoid. They recommend avoiding the consumption of tap water, ice cubes, food from street vendors, and dairy products (especially non-pasteurized ones). Some shipments of food to the U.S. and EU are routinely rejected on the grounds of pesticide contamination (e.g. okra, frozen strawberries, olives, etc.), filth (e.g. juices), mislabeling, leaking/swelling of containers, and Aflatoxin contamination. In the past year alone, Mr. Mohanna noted, the US Food and Drug Administration rejected fresh, frozen and processed fruits,

vegetables and dairy products, some because of procedural or labeling errors, but others for serious issues such as the presence of salmonella and pesticides.

Legal Counselor to the Minister of Trade and Industry Dr. Hisham Ragab, who served as the panel moderator, referred to the alarming degree of dissatisfaction among the governmental, private, and consumer sectors in Egypt at the level of control and regulation of food safety in Egypt. Despite the existence of 17 food agencies, several of which fall under different ministries, food safety levels in Egypt are dangerously low from both an international and domestic trade perspective.

Mr. Mohanna stressed that it was precisely this climate that compelled toward a unified national food safety agency. A single agency with a strong monitoring system and a proper legal framework for penalizing infractions would raise food safety standards, lift the international legitimacy of Egypt's food safety certifications and enhance consumer protection.

III. WHY EGYPT NEEDS A UNIFIED NATIONAL FOOD SAFETY AGENCY?

The purpose of the FSA is to consolidate the Egyptian food safety system through both structural and legislative reforms. Overall, the panel agreed upon several key factors in Egypt's food safety system as it currently stands that necessitated the creation of the FSA. Dr. Hussein Mansour presented them as follows:

1. Structural Concerns

As panelists generally agreed, the multiplicity of food control authorities has hampered Egypt's food safety system with contradictions, conflict, and inefficiencies in the implementation of food safety laws and measures. To name but a few such shortcomings, first, the domains of control of different authorities are not clearly defined, resulting in ineffective coordination. Second, food safety is only one of the responsibilities of the current agencies; they have other priorities. Third, current food control functions are not performed effectively; some are duplicated, while many others are not performed at all. Fourth, they have difficulties in obtaining reliable data on food safety in Egypt which exacerbates the problem. Fifth, no clear mechanism for managing food safety crises exists, to which the response to the avian flu serves as a recent example. Finally, systems for traceability, recalls, risk assessment, emergency management have yet to be fully developed.

Agreeing with the above points, Dr. Ragab added that the existing agencies were unable to adapt to changes in food safety standards. He explained that the structure and philosophy of these food safety controlling entities date back 50 or 60 years to a time when commodities were mostly produced by the public sector, the volume of imported goods and the level of diversity were minimal, and fraud was relatively limited. The entrance of the private sector as a major investment and productive entity has changed the whole pattern of industry and consumer needs. Contrary to the public sector, competition between companies of private sector is fierce. Meanwhile, the technical proficiency of the controlling inspectors has remained the same. The point was echoed by Dr.

Mansour who further noted that many of the laws are outdated, some dating as far back as 1940. Others are redundant and need to be brought into harmony with international food safety laws, a process that is currently being undertaken in an initiative supervised by the Egyptian Organization for Standards and Quality Control (EOS).

2. Legislative Concerns: Issues with Current Laws

Food safety legislative issues can be categorized beneath two headings: quantity and quality. First, not only is there a multiplicity of agencies, there is also a multiplicity of food safety laws, a point on which several panelists concurred. Dr. Ragab explained that the sheer plethora of decrees made it difficult even for specialists to identify which decrees and authorities are relevant and active. Mr. Tawfik claimed that currently there are more than 120 food related regulations in the form of legislation, presidential or ministerial decrees and circulars, all of which have the force of law. Both panelists acknowledged that the confusion has sometimes led to the enforcement of prison sentences against manufacturers whose only fault was that they had been unaware of the latest decrees or changes to the law. It is claimed that between 120,000 and 200,000 cases are filed against food manufacturers every year, creating an enormous backlog of cases before the courts. To reach an effective solution to these legislative barriers, Mr. Tawfik and Dr. Ragab held that one of the most immediate tasks for the FSA was to draft a new unified food law.

Second, the quality of current food safety legislation is another major source of problems. Existing laws and regulations are ambiguous, contradictory and laden with red tape, making it difficult for small producers to obtain licenses and hampering awareness of and, hence, compliance with food quality and safety standards. In general, transparency is also lacking.

3. Food Inspection

Currently, the concept of food inspection is founded on sampling food products. Sampling is undertaken by several agencies with no coordination between them resulting in the duplication of work and increased bureaucracy. Neither imported nor domestic food inspection is based on risk analysis. In addition, no systematic effort is directed at inspecting or testing foods produced by the informal sector although the informal sector is responsible for providing over 80% of the food in the country. Up to now the resources available for providing the necessary training and equipment to upgrade the standards in the informal sector have been limited.

4. Testing Challenges

Food testing also faces various challenges. Food safety criteria are not always specific, allowing inspectors to perform tests at their own discretion. Labs also differ vastly in terms of capabilities (i.e. personnel, equipment, testing methods, etc.). In his introductory presentation, Dr. Mansour made clear that the forthcoming food safety agency will not establish new labs. The existing labs will continue their operations under the body to which they report. The FSA will contract labs which are accredited and properly operating irrespective of the body under which they function. The lab may be part of the

private sector, a particular ministry or a university department. In addition to accreditation, the scope of a lab's operations will be among the criteria for contracting it. The FSA will be ready to help promising labs to the utmost extent possible so that testing can reach all areas of Egypt.

5. Obligations toward WTO Members

Having a unified food safety agency would help Egypt fulfill its obligations toward WTO members. Egypt is a signatory of the SPS Agreement (Sanitary and Phyto-Sanitary Agreement), which requires member states to avoid discriminatory trade practices and promotes equality of treatment between domestic and imported goods. Egypt is also bound to observe certain international food safety standards and procedures in trade relations.

IV. CREATION OF THE FSA

So critical is the state of food safety in the country that the Government of Egypt decided that it was preferable to overhaul the entire system than to incrementally patch up the existing system. Accordingly, Dr. Mansour said, the Ministries of Agriculture and Land Reclamation, of Health, of Trade and Industry agreed to form a unified national food safety agency, with a mandate focused solely on food safety.

Elaborating on this point, Dr. Ragab observed that one of the main driving forces behind the creation of the FSA was the private sector represented by the Chamber of Food Industries (CFI) under Engineer Safwan Thabet, and later Eng. Tarek Tawfik assisted by Mr. Mohamed Shoukry. The CFI has been communicating with Ministry of Trade and Industry and other ministries involved in establishing the FSA such as the Ministry of Health and Population (MOHP) and Ministry of Agriculture and Land Reclamation (MALR) in order to drive home the dangers of the current food safety situation. After long and intense debate, the bill for a food safety agency was finally drafted at the governmental level. It is now in front of the People's Assembly.

When considering the initial phases of the FSA, Dr. Ragab related, the parties involved studied the experiences of neighboring countries which also sought to establish a single national food safety agency. They felt that when the FSA set about its immediate critical task of reviewing existing laws and regulations, comparisons between these and food safety legal structures abroad offered part of a solution to the lack of clarity in our current food safety legislation.

Because of the intrinsic relationship between the FSA and the development of domestic trade, the success of the former will be contingent upon progress in the latter. As Mr. Tarek Tawfik explained, the randomness of the retail and trade systems is one of the key reasons for food contamination in Egypt. Egypt has more than 500,000 outlets and it is impossible of FSA alone to regulate and control these outlets. Recently, domestic trade development has begun to receive closer attention from the government, specifically the Ministry of Trade and Industry (MTI) which formed the Agency for Domestic Trade Development. This move may be coming ten years too late, but late is better than never. Other moves towards this end have included the establishment of the Consumer Protection Authority (CPA), Authority of Competition

Protection and Anti-Monopolistic Practices, and most recently the Food Safety Agency (FSA).

Two pertinent issues were cited as critical to future development of domestic trade and food safety. The first was the safety of dairy products. A collaborative study conducted by the CFI and Alexandria University on the condition of bulk milk supplies revealed that more than 85% of the milk consumed in Egypt is handled and distributed through traditional ways: a man on a bicycle with a pail of milk. Analyses showed that the milk contained heavy metals, formaldehyde, salmonella and TB. The study with its appalling findings was forwarded to Minister of Health. Imposing food safety controls will not prevent these types of contamination unless measures are complimented by the development of the domestic trade sector.

The second issue relates to the condition of the poultry industry. With 80% of chickens being slaughtered at shops housing live chickens, the CFI in co-operation with the ministry of agriculture and land reclamation is studying the dangers and complications of trading in live chickens. One obvious conclusion is that the avian flu pandemic cannot be eradicated as long as this trade remains unregulated. Another problem is that over the last two years, hundreds of millions of pounds have been invested in the poultry industry. Now, after an increase in poultry slaughtering capacities, one third of the invested capacities are idle due to lack of outlets for sale. Despite increased capacity and existing consumer demand, the link between supply and demand seems to be missing, a question that also requires further investigation.

V. MANDATE AND MISSION OF THE FSA

FSA's mission is to protect consumers' health by ensuring that food produced, processed, distributed, marketed and consumed in Egypt meets the highest standards of food safety and hygiene.

1. Important Definitions

Dr. Mansour stressed that the mandate of food safety pertains only to food safety, and not food security or bio-security. He explained the different concepts as follows:

- **Food safety** relates to the conditions and practices that preserve the quality of food and prevent contamination and food borne illnesses. Food safety is related to how safe the food we eat is. Its mandate covers the transportation, manufacturing and processing, consumer safety, production of equipment for food safety, storage, delivery exportation and importation, etc. In this context, Dr. Mansour added that equipment will come under the FSA's direct mandate. For example, wooden equipment used in meat processing will not be allowed.
- **Food security** refers to the availability and accessibility of food.
- **Bio-safety** refers to the rules and procedures for the safe transfer, handling and use of genetically modified organisms (GMOs).
- **Bio-security** is the protection of the economy, environment and health of living things from biological harm i.e., diseases, parasites, pests and, recently added, bio-terrorism. More specifically, bio-security is related to caring for live animal and plants, including matters such as plant hygiene and feed, during agricultural cultivation and management. These activities fall under the

mandate of the Ministry of Agriculture and Land Reclamation. Nevertheless, the FSA will have a direct impact on agricultural practices through food safety.

2. Concept behind the Agency

The underlying concept of Egypt's new food agency is that it will focus solely on food safety. The FSA's scope will cover food ex-farm, or post-farm, and its main responsibilities will include food safety criteria, inspection and testing, food crisis management, risk analysis, food safety management systems, food safety legislation, the informal food sector, outreach, food labeling, and GMOs related to food safety.

3. The Three Pillars of FSA

The FSA operations will be founded upon three basic pillars:

- They will be based on sound science and risk assessment.
- They will take a preventive approach, as opposed to waiting for disaster to strike before acting.
- They will be proactive in education, awareness and communication with the different stakeholders, especially consumers, food handlers and producers.

4. FSA's Guiding Principles

FSA's Guiding Principles include harmonization with international best practices, ensuring fair food trade practices according to trade agreements, providing ongoing training for food handlers, application of standardized checklists, providing information and education before enforcement, partnering only with accredited labs, helping to build the capacity of promising labs, establishing recall and traceability systems, adopting disaster management plans, communicating with consumers through different channels, enhancing food safety in the informal sector, and involving the food industry in the development and implementation of food safety strategies

5. Key Activities

The activities which will assume the most immediate priority for the FSA can be divided into six key target areas. The first is institutional development with the establishment of an organizational structure and channels of collaboration with other ministries and agencies. The second will be legislation and entail the task of formulating a unified food law, and reviewing and streamlining technical and administrative regulations. The third area is inspection, with respect to which the FSA will deal with procedures/manuals, food safety management systems, risk-based inspection, and inspector capacity-building. In a fourth focal area, the FSA will address laboratory facilities, devoting particular attention to specific issues such as survey labs, setting up procedures/systems, and contracting affiliate labs. Dr. Hussein reiterated the fact that the FSA will not create new labs but will rather work with existing accredited ones. Fifth, the FSA will work to promote outreach programs through establishing partnerships with NGOs, community leaders, etc. and developing outreach material, including website, TV spots, etc. Finally, but maybe most

significantly, the FSA also pledges to devote special attention to the informal food sector. Activities in this area will include surveying and mapping the informal sector (in accordance with food safety risk), conducting awareness and training programs for both the informal sector and consumers, and helping informal sector establishments form collection centers and trade associations. These tasks will require great levels of cooperation with the both the organized and unorganized private sector.

6. FSA Goals – At the End of the First Five Years

- **Laws and regulations:** Unified food law and technical and administrative regulations on food safety are issued and enforced throughout Egypt.
- **Informal sector:** The informal sector is beginning to apply food safety practices and producers from this sector are increasingly joining the ranks of licensed food establishments.
- **Consumer awareness:** Basic food safety messages are reaching different target groups through news media, website, opinion leaders, NGOs (e.g. consumer associations), schools, etc. Complaints and information hotline is in place and effective.
- **Industry awareness:** HACCP is widely used in industry. FSA guidance documents distributed and well understood by industry (as well as government).
- **Inspection:** The FSA is the only agency in charge of food safety inspection for domestic and traded foods. Its operations are based on science and risk assessment; frequency of inspection is directly related to risk analysis; inspectors are well qualified, well equipped, well paid, and have high integrity.
- **Labs:** The FSA has a network of affiliate labs throughout Egypt that are accredited in the tests they perform and are linked to the FSA through a modern communication system.
- **Data Management:** Egypt, through the FSA and partner agencies, has the capacity to collect, analyze, and use reliable and consistent food consumption pattern and food-borne disease surveillance data; to classify food establishments based on inspection reports; and to set up alert systems based on risk analysis.
- **Slaughterhouses:** A collective inter-agency effort begins to bear fruit with sanitary practices improving at slaughterhouses, veterinarians regaining control of the inspection function, and transport regulations having been updated and enforced.

EOS Standardization Activities

The panel also touched on the role of the Egyptian Organization for Standardization & Quality (EOS). EOS Chairman Dr. Mahmoud Eissa explained that one of the major functions of his organization, which functions under the Ministry of Trade and Industry, is to formulate all Egyptian food safety standards. In this regard, EOS is also responsible for certification, awareness and training, consultation and problem solving, and coordinating between stakeholders' interests. It further acts as a focal point for information and knowledge transfer and represents Egypt in corresponding organizations regionally and internationally. Today, there are more than 8,500 Egyptian standards, of which 1,600 standards are in food related fields. All Egyptian

standards are harmonized due to the efforts of EOS translation and harmonization processes. Egyptian standards catalogues are available on the EOS website. Twenty-five industrial and service sectors are covered including engineering, chemical, textile, food, measurements, information, documentation, transportation, etc. Food, of course, is EOS main concern. It has 28 technical committees focused only on food.

Fields covered by the Egyptian standards for food include food, beverages, additives, feed, pesticide residues, packaging, testing, analysis, etc. For the sake of clarity, health and safety requirements, the only mandatory items under Egyptian standards, have been separated from recommended quality parameters. Shelf-life is left for producers to decide in all products except for perishable food products such as meat and dairy products, with regard to which the EOS issues certain shelf-life standards. The producer or manufacture is responsible for the shelf periods of other products since these periods may vary (increase or decrease) as the result of the application of various technologies, manufacturing processes or tolerated additives. Nevertheless, even here the EOS issues certain non-obligatory guide standards to which producers are strongly advised to adhere.

Dr. Eissa pointed out that the process of issuing standards is not an easy one, stressing that it is governed by regulations assuring transparency and approved procedures. Overall, the standardization process has become automated, he said. More than 2,000 committee meetings, joined by experts from the Chamber of Food, are held annually to set the necessary mandatory health and voluntary quality standards, while more than 30,000 letters per year are circulated for commenting and voting on Egyptian standards. EOS gives all organizations 60 days to comment on a draft standard, after which the draft is reviewed by committees and councils, and then submitted to the minister.

Food Safety Standardization Activities and Trade

Food safety standardization activities include setting standards for food products, systems, testing, packaging, and a variety of other activities for a complete food safety system that is not solely focused on food-borne diseases. Food safety must be standardized. Technical regulations and conformity assessments including testing, inspection, and certification must also be standardized as complications in certification and conformity assessment procedures can impede attempts to improve food safety. Also, the implementation of incorrect procedures and conformity assessments (certification, testing, or accreditation) could jeopardize the essentials of a complete food safety system. Of course, accreditation of laboratories and certification bodies is also part of standardization activities.

Barrier to Trade

But can standardization activities become a barrier to trade? If a country has standards different from international standards, then, yes, these activities can be barriers to trade. Too stringent control procedures can cause trade barriers, as can duplicate testing and inspection procedures, too many laws and regulations, and discrimination between local and imported products.

When one mentions barriers to trade, technical barriers to trade (TBT) and the international framework intended to avoid these barriers naturally crop to mind. All countries are committed to avoiding technical barriers to trade either in standards or technical procedures. Harmonization with the relevant international standards is believed to be the best safeguard against this type of barrier. Using the applicable international or European conformity assessment schemes, as well as a suitable functioning market surveillance system and safeguard procedures, and assuring proven competence of conformity assessment bodies all fall under this approach. As Dr. Ragab pointed out, a regulated market surveillance that applies standards and technical regulations correctly is critical to having an effective and barrier-free food safety system. It is also important that regulatory, standardization, accreditation, and certification functions are separated from one another and that a critical distinction is kept between technical regulations and standards.

Enhancer to Trade

On the other hand, standardization activities can act as enhancer to trade by providing assurances of food safety, supporting consumer protection, strengthening consumer confidence, improving business efficiency throughout the food supply chain, promoting best practices, providing brand protection, and improving the reputations of food manufacturers and suppliers. Food safety can also be a major enhancer to trade because standardization activities help meet legislative requirements and provide a margin of defense, facilitate world wide recognition of food safety measures, unify global food safety requirements, ensure integrity and quality in certification of food and accreditation of certifying bodies, and improve domestic and international competitiveness.

Rounding up the panel, Dr. Mansour stated that the FSA will engage very actively in the training process, as he believes that it is not fair to hold someone accountable before he or she is trained and aware of good and bad food safety practices. Training of handlers is neither difficult nor very costly. Yet, education of the consumer is also a key factor. If consumers are well educated on the basics food safety and safe food practices they can contribute to improving handling practices. The CFI has a specific training policy and strategy and is cooperating with different controlling bodies to put them into effect. Training is provided to the consumer, producer, handler or inspector. The CFI and the Industrial Modernization Center (IMC) are currently cooperating in the training of food producers and handlers. The CFI is also cooperating with the Consumer Protection Authority (CPA) and consumer associations in consumer training. Dr. Mansour added that part of the FSA scheme for the informal sector is to help the informal sector form collection centers so that they can, for example, serve as suppliers to or buyers from the formal sector. It also aims to assist informal sector establishments to form trade associations so as to make it easier for the FSA and consumer associations to communicate with them and deliver food safety messages.

LIST OF SPEAKERS

Opening Speaker:

Mr. Omar Mohanna

President of the American Chamber of Commerce (AmCham)

Panel moderator:

Mr. Hisham Ragab

Legal Counselor to the Minister of Trade and Industry

Panelists:

Dr. Mahmoud Eisa

Chairman of the Egyptian Organization for Standardization and Quality Control (EOS)

Dr. Hussein Mansour

Director of the Food Safety Agency Unit

Mr. Tarek Tawfik

Managing Director of 'Farm Frites' and Chairman of the Chamber of Food Industries (CFI)