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Environment, Food and Rural
Affairs Committee

Contamination of Beef Products

Eighth Report of Session 2012–13

Volume I

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minutes*

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Environment, Food and Rural Affairs Committee

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1 Introduction

1. On 16 January the Food Standards Agency (FSA) announced that the Food Safety Authority of Ireland (FSAI) had found horse and pig DNA in a range of beef products on sale at several supermarkets including Tesco, Aldi, Lidl, Iceland and Dunnes Stores.¹ The following day we announced that we would take evidence on the contamination of beef products from the FSA, Tesco, Iceland, the Minister of State for Agriculture and Food, David Heath MP and the Parliamentary Under Secretary of State in the Department of Health, Anna Soubry MP. We also received written evidence from 14 organisations. We are grateful to all those who contributed to our inquiry.

2. The FSAI found horse DNA in 10 of the 27 beef burger products it analysed. In nine of those ten beef burger samples horse DNA was found at very low levels, but the sample from Tesco's value burgers indicated that horsemeat accounted for approximately 29% of the meat content. Pig DNA contamination was found in 23 of the 27 beef burger products and 21 of the 31 beef ready-meal products tested.² According to the FSAI, the beef burger products were produced by two processing plants in Ireland and one plant in the UK.³

3. Since our evidence session more revelations have come to light involving suppliers and processors in several EU Member States, including allegations that beef contaminated with horsemeat had come from an abattoir in Romania. In the UK horse and pig DNA contamination was found in more beef products: samples of Findus lasagne contained more than 60% horsemeat;⁴ Aldi lasagne and spaghetti Bolognese contained between 30% and 100% horsemeat;⁵ and beef products certified as Halal supplied to prisons in England and Wales were found to contain pork DNA.⁶ We expect that further testing will reveal more incidences of contamination.

4. Following the initial revelations the FSA announced that it had "instructed the industry to urgently carry out its own tests on processed beef products to see whether horsemeat is present".⁷ The Secretary of State announced on 9 February an agreement with the UK industry to have "more and tougher testing" and regular publication of the results. He confirmed that "investigations are going on across Europe, and the evidence so far suggests that it's either criminal activity or gross negligence". He added that he was determined to

¹ FSA Press release, 16 January 2013, www.food.gov.uk. See FSAI Press release, 15 January 2013, FSAI Survey Finds Horse DNA in Some Beef Burger Products, www.fsai.ie. Under European law, the term "meat" is defined as "skeletal muscle with naturally included or adherent fat and connective tissue" which has not been mechanically stripped from the carcass. A positive test for animal DNA indicates the presence of any part of the animal including flesh, fat, bones, hair or skin.

² FSA Press release, 16 January 2013, www.food.gov.uk.

³ FSAI Press release, 15 January 2013, FSAI Survey Finds Horse DNA in Some Beef Burger Products, www.fsai.ie

⁴ FSA Press release, 7 February 2013, "Findus beef lasagne products found with horse meat" www.food.gov.uk. See "Tests reveal Findus frozen beef lasagnes contain 'up to 100 per cent horsemeat'" *The Independent*, 8 February 2013

⁵ FSA Press release, 8 February 2013, "Aldi withdraws beef products due to horse meat" www.food.gov.uk. "Lasagne taken off shelves amid fears of contamination" *The Guardian*, 7 February 2013; Statement on Today's Special Frozen Beef Lasagne and Today's Special Frozen Spaghetti Bolognese withdrawal, Aldi press release, 7 February 2013

⁶ FSA Press release, 1 February 2013, FSA issues statement following Ministry of Justice announcement about non Halal meat www.food.gov.uk. See "Food safety body reassures on Tyrone Halal meat" *BBC News, Northern Ireland*, 4 February 2013; FSA, 4 February 2013;

⁷ FSA Press release, "Statement on horse meat investigation", 8 February 2013, www.food.gov.uk

“...get to the bottom of this and that any wrongdoing discovered is punished”.⁸ We have decided to report now, although it will be some time before the full extent and sources of the contamination are known. We shall also be taking further evidence in due course.

⁸ Defra press release, 9 February 2013, Statement from Environment Secretary Owen Paterson following the meeting with food businesses; Defra Press Release, 8 February 2013, www.defra.gov.uk

2 Responsibility in the supply chain

5. One of the Government's first priorities has been to determine the point at which the contamination entered the supply chain.⁹ In simple terms the supply chain for a beef burger consists of the farmer, abattoir, processor and retailer.

6. The evidence we received from the National Farmers Union (NFU) highlighted farmers' concerns that the "integrity of beef products has been compromised by using cheaper imported sources of meat".¹⁰ Farmers were also concerned that the costs associated with improving consumer confidence, such as more stringent labelling requirements, should not be passed down the supply chain to the primary producer. The NFU stated that:

UK farmers and other members of the food supply chain are under increasing amounts of pressure from large companies, in particular, retailers to produce food ever cheaper. It is vital that this drive towards 'more for less' does not compromise consumer health, the need for transparency, and ultimately consumer confidence.¹¹

7. Supermarkets were keen to emphasise that much of the food they sell is sourced from UK farmers and processors.¹² However, the British Meat Processors Association (BMPA) stated that "modern food supply chains can be complex, particularly in the case of more highly processed products, and raw materials, ingredients and final products are increasingly traded internationally".¹³

8. Catherine Brown, Chief Executive of the FSA, confirmed that, for the initial cases identified in January, the FSAI was "sure [the contamination] came from a Polish filler product, which should have been all beef but, in this case, the Polish filler product transpired to be a mixture of beef and horse off-cuts".¹⁴ Economy beef burgers sold in the UK need only contain 47% beef, which itself may also contain added bovine collagen and fat.¹⁵ Permitted additives include water, additional protein—often referred to as filler—starches, additives and seasonings.¹⁶ Ms Brown added that these burgers could have been on sale in this country for a year.¹⁷

9. Since the introduction of the European Single Market on 1 January 1993 the UK has had no import controls on food from other EU countries.¹⁸ The Minister of State for Agriculture and Food, David Heath, confirmed that it is the responsibility of the exporting

⁹ FSA Press release, 16 February 2013, "FSA investigation into horse DNA found in some burgers", www.food.gov.uk

¹⁰ Ev w14

¹¹ Ev w14

¹² Ev 36; Ev w11; Ev w5

¹³ Ev w10

¹⁴ Q 12; See Statement by ABP Food Group, 26 January 2013. See FSAI press release, 26 January 2013 Coveney Announces Further Conclusive Test Results

¹⁵ www.defra.gov.uk. Under European law, the term "meat" is defined as "skeletal muscle with naturally included or adherent fat and connective tissue" which has not been mechanically stripped from the carcass.

¹⁶ "The secret of the special offer economy burger" *The Guardian*, 25 January 2013

¹⁷ Q 36

¹⁸ Q 20

country to ensure that appropriate tests and checks had been carried out on meat products due to be exported.¹⁹ According to Defra “checks may be carried out at the border if there are grounds to suspect the consignment does not comply with the EU conditions.”²⁰ Food imported into the UK must satisfy regulations under the Food Safety Act 1990 including regulations that aim to ensure that food has satisfied the relevant hygiene requirements at all stages of production, processing and distribution.²¹ Since our evidence session, further incidents of contamination have come to light involving processors and producers in several European countries. **In its response to this report we expect the Government to confirm that it has sought and received, from all Member States implicated as possible sources of contaminated meat, assurances that they have applied the export checks and controls required under EU law. We recommend that the Government urge the European Commission to assess the implementation and enforcement of food safety and hygiene regulations throughout the EU, and take firm action where non-compliance is identified.**

10. The BMPA emphasised that all parts of the food supply chain have a responsibility to ensure the safety and authenticity of their products. The Association stated that:

Food manufacturers have extensive and well-established procedures to establish and document their sources of raw material, the food manufacturing process and the compositional content of the food they produce. They have internal quality control procedures (eg traceability documentation, raw material intake procedures, microbiological testing, testing of fat levels, temperature controls, control of foreign bodies, cleaning down of machinery and equipment).²²

ABP Foods, which owns Silvercrest, the processor that supplied contaminated burgers to Tesco, have stated that they “have never knowingly bought, handled or supplied equine meat products”. The company added that they “only buy meat from licensed and approved EU suppliers”, and that “the industry does not routinely DNA test meat products for species”.²³

11. The supermarkets emphasised that they had procedures in place to ensure the quality of the products that they sold, including auditing their suppliers.²⁴ Tesco’s written submission to us states:

Once a supplier has been approved to supply us, we have an ongoing programme of site visits, audits and product surveillance to ensure our standards are being maintained. These processes are in addition to those carried out by the relevant food authority, and the suppliers themselves.²⁵

¹⁹ Qqs 128, 137, 139

²⁰ HC Deb, 28 January 2013, col 589W

²¹ FSA Trade information sheet. EU Food Law, Article 14 of EC General Food Law Regulation (EC) No 178/2002. Commission Regulation (EC) No 852/2004

²² Ev w10

²³ ABP food group press release, 16 January 2013, “Statement– Silvercrest Foods” www.abpfoodgroup.com; “Horsemeat scandal: We’ve done nothing wrong, says Irish food giant”, *The Telegraph*, 16 January 2013

²⁴ Ev 36; Ev w5; Ev w11-12

²⁵ Ev 37

In oral evidence, Tim Smith, Technical Director, Tesco, explained that the company had approved seven different suppliers to Silvercrest.²⁶ He told us that:

The fact is that Silvercrest, for whatever reason, chose to use suppliers that we had not approved and audited. When those seven suppliers are audited, we are also auditing, checking and going back and looking at the livestock standards and all the welfare standards of the farms that supply those seven suppliers. If somebody chooses to step outside of that process deliberately, for whatever commercial reason, then it is impossible to check a supplier in Poland, which we do not even know exists.²⁷

Regulators and the police are undertaking investigations to identify the source of the contamination.²⁸ Companies within the supply chain are considering taking action against their suppliers.²⁹ **While private companies should seek redress for breaches of contract it is important that national governments and regulators do not delay taking action to improve controls in the supply chain while responsibility for contamination is pursued through the courts.**

12. Until those investigations and any criminal prosecutions are concluded we will not know the scale of contamination or where culpability lies. **Nevertheless, retailers and food producers have a responsibility to ensure that the food they produce and sell is accurately labelled and safe. Tesco and other major retailers have let consumers down by selling contaminated products to the British public. We intend to take further evidence from representatives of the food supply chain in due course to explore how customers can be assured of the quality of all the products they consume, including in particular, economy products.**

UK horse meat exports

13. In 2011, the last full year for which records are available, the UK exported almost 2,200 tonnes of equine meat and more than 70 tonnes of equine offal, at a combined value of more than £3.9 million.³⁰ The RSPCA told us that the scale of unregulated horse breeding and trading has made horses entering the slaughtering chain vulnerable to mislabelling and traceability problems. The Association identified “changes in slaughterhouse legislation and the failure of the horse passport system”, as contributing to the problem.³¹

14. Any horse being sold is required to have a passport, which include information relating to veterinary procedures and inoculations, including whether an animal has received phenylbutazone, which has been identified as a risk to human health. However, there are concerns about the operation of the current scheme. In a recent adjournment debate the Minister confirmed that phenylbutazone is not permitted to enter the food chain and “is

²⁶ Q 95

²⁷ Q 95

²⁸ Defra Press release, 8 February 2013, Statement from Environment Secretary Owen Paterson on contaminated meat

²⁹ “Horsemeat: Scandal unleashes lawsuits across Europe” *The Grocer*, 10 February 2013, www.thegrocer.co.uk

³⁰ HC Deb, 28 January 2013, col 592W; the information relates to meat and offal of horses, asses, mules or hinnies

³¹ Ev w3

principally excluded via the horse passport system”. He said that meat containing potentially harmful veterinary medicine residues had entered the food chain.³²

15. We have not had the opportunity to date to explore the legitimate horsemeat market in this inquiry and intend to seek further evidence on this issue and concerns about untraceable horse meat entering the food chain in due course. **We recommend that the Government sets out how it will strengthen the enforcement and testing regimes in the UK horsemeat industry to reduce the risk of meat containing potentially harmful veterinary medicine residues entering the human food chain. We further recommend that the Government set out, in its response to this report, what work it is doing at present to improve the operation of the horse passport system.**

³² HC Deb, 30 January 2013, col 271WH

3 The role of the FSA

16. The FSA is a non-ministerial department, answering to Parliament through the Department of Health (DoH).³³ In 2010, as part of the machinery of Government changes, the Government reorganised the FSA and its relationship with the DoH and Defra.³⁴ Nutrition policy and nutrition labelling in England was transferred to the DoH,³⁵ while responsibility for policy on other non-safety-related food labelling and composition policy was moved to Defra.³⁶ The FSA was left with a “core remit” of food safety and the implementation of policy on food composition and labelling. The FSA lost both staff and funding to Defra and the DoH.³⁷ Lord Rooker, Chair of the FSA, explained that:

The role on food safety is exclusively for the Food Standards Agency. We operate the food safety legislation throughout the UK. That is our role; that is our prime function. [...] The food safety aspects of food, whether it is enforcement or contamination—the actual safety of food for human consumption and animal feed as well—are exclusively a matter for us. There are other matters relating to diet and nutrition, food composition, country-of-origin labelling and authenticity that are not our function in England.³⁸

17. The Ministers from both DoH and Defra assured us that the relationships and division of responsibilities between the FSA, Defra and the DoH worked well. Mr Heath emphasised the benefits of having Defra civil servants providing advice on EU labelling issues and Ms Soubry told us that the main concern for her and her officials was whether a particular incident posed a threat to public health.³⁹ The consumer organisation Which? argued that:

Food issues in practice do not break down into the simple delineations that are made between government departments. Something that is initially a labelling issue could easily become a food safety issue, for example. There needs to be a close link between on-the-ground enforcement and policy.⁴⁰

The organisation considered the current division of responsibility confusing, particularly given the different arrangements in the devolved administrations, and to have diminished the FSA’s focus on consumer protection.⁴¹

³³ HC Deb, 20 July 2010, col 12WS

³⁴ HC Deb, 20 July 2010, col 12 WS

³⁵ These activities were retained in Scotland and Northern Ireland. In Wales they were transferred to the health department.

³⁶ The FSA continues to be responsible for these in Scotland, Wales and Northern Ireland.

³⁷ Qqs 2, 161-4, Food Standards Agency: Annual Report and Consolidated Account 2010/11, 12 July 2011; HC Deb 26 July 2010 col 830W.

³⁸ Q 2

³⁹ Q 123

⁴⁰ Ev w2

⁴¹ Ev w2

18. When we discussed the change in the FSA's role with Lord Rooker he told us that:

On 8 July 2010, I was called to a meeting at Defra, along with the then Chief Executive, to meet the Secretary of State and Minister of State. They informed us, at that date, they were taking from us all that they could without legislation, because this was a machinery-of-government change on the back of the diet and nutrition changes. There was no discussion. The Prime Minister had agreed it and, on 20 July, the Prime Minister made a written statement to Parliament giving the machinery-of-government changes, setting out that the Food Standards Agency would lose diet and nutrition, food composition and the others.⁴²

He continued:

We lost [...] 23 civil servants on food labelling aspects, composition and authenticity, who went from the FSA to Defra. Some 86 on diet and nutrition went to the Department of Health. We lost the people and we lost the facility. [...] The civil servants in the FSA are of the same civil servants structure as elsewhere. Their job was to make the Prime Minister's decision work. The board did not like it but, because it was not food safety, it was not something you go to war on. That is the reality. We are the food safety body.⁴³

The impact of the FSA's diminished role was illustrated for us when we discussed the food labelling aspect of the current contamination scandal: Lord Rooker described labelling as "not really for us, because it is not a food safety issue".⁴⁴

19. Whilst Ministers are properly responsible for policy, the FSA's diminished role has led to a lack of clarity about where responsibility lies, and this has weakened the UK's ability to identify and respond to food standards concerns. Furthermore the current contamination crisis has caught the FSA and Government flat-footed and unable to respond effectively within structures designed primarily to respond to threats to human health.

Food safety

20. All food products for human consumption must meet the general food safety requirements of Article 14 of EC General Food Law Regulation (EC) No 178/2002, which prohibits food being placed on the market if it is unsafe, that is if it is either injurious to health, or unfit for human consumption. UK and Irish regulators and Governments have given the public assurances that there is no risk to human health. The FSAI press release announcing the finding of horsemeat in economy beef burgers stated that:

According to Prof. Alan Reilly, Chief Executive, FSAI, whilst these findings pose no risk to public health they do raise some concerns. He states: "The products we have

⁴² Q 54

⁴³ Q 56

⁴⁴ Q 46

identified as containing horse DNA and/or pig DNA do not pose any food safety risk and consumers should not be worried”.⁴⁵

The Secretary of State, on 10 February, confirmed that at that time there was no health risk, but accepted that the further testing by the FSA and food industry might reveal a substance “injurious to human health”.⁴⁶

21. Defra has stated that it considers that criminals have been involved in the substitution of horsemeat for beef.⁴⁷ The Chartered Institute of Environmental Health noted that “an inability to properly account for the ingredients of any foodstuff might reasonably be suggestive of other shortcomings, any of which might endanger health”.⁴⁸ We agree. **It seems improbable that individuals prepared to pass horsemeat off as beef illegally are applying the high hygiene standards rightly required in the food production industry.**

22. DNA testing is species specific. The FSAI tested beef products for the presence of horse and pig DNA. Having identified the presence of horse DNA additional testing was conducted for the presence of veterinary medicines that can be harmful to human health. **We recommend that the Government and Food Standards Agency undertake a broader spectrum of testing for products found to have the highest levels of contamination (where substitution is suspected rather than trace contamination) to provide assurances that there is no other non-bovine DNA or any other substances that could be harmful to human health present.**

23. European food law aims to prevent fraudulent or deceptive practices; the adulteration of food; and any other practices which may mislead the consumer.⁴⁹ However, the food regulations only provide for a prohibition on marketing food that is injurious to health or unfit for human consumption. There are circumstances under which a Member State can apply restrictive measures to goods originating from other Member States on the grounds of consumer protection. **We urge the Department, as soon as practicable, to ensure the effective imposition of meat traceability requirements in respect of the sale and marketing of processed foods originating from EU Member States (including the UK) and, as part of that exercise, to examine the scope for national action to that effect on consumer protection grounds in accordance with well-established EU case law on free movement of goods.**

24. **We recommend that the Secretary of State press for EU Food and Veterinary Office inspections of abattoirs and port authorities in order to ensure that Member States’ national authorities are complying with the necessary certification processes and physical and labelling checks on meat consignments destined for export.**

25. In addition to European regulations, food imported to the UK must comply with the Food Safety Act 1990. Section 8 of that legislation effectively prohibits the sale of horsemeat

⁴⁵ FSAI Press release, 15 January 2013.

⁴⁶ www.iaindale.com Horse meat could be harmful, Government admits amid calls for random testing on products, *The Telegraph*, 10 February

⁴⁷ Defra press release, 8 February 2013, Statement from Environment Secretary Owen Paterson on contaminated meat

⁴⁸ Ev w4

⁴⁹ Regulation (EC)178/2002, Article 8

slaughtered in the UK from sale in the UK. EU law permits Member States to apply restrictive measures to goods originating from other Member States, as long as the measures are applied equally to domestic goods and do not go further than necessary in doing so. **If the current investigations identify sites in a particular Member State as the source of contamination, we recommend that the Government discuss with the Commission now the circumstances and legal basis for a suspension of meat exports from that particular Member State should that course of action become appropriate.**

Testing regime

26. The FSA does not itself carry out food tests, which are undertaken by local authorities and trading standards officers.⁵⁰ The Agency provides funding to these authorities to undertake testing for specific ingredients or items it has identified on its risk register.⁵¹ Lord Rooker, Chair of the FSA, said that: “Thousands of food checks are taken. Some are routine surveillance. Many of them are based [...] on worries we have because we have some intelligence that things might be wrong.”⁵² The FSA has an advisory role: Ms Brown explained that the FSA discusses with Defra, the devolved administrations and public analysts “What should be on the list of things that are in our strategy for testing this year?”⁵³ The FSA then says to local authorities “If you want to do any of this testing, we will give you some money, so do ask us for some money to help you do this testing”.⁵⁴ Ms Brown confirmed that the FSA risk register includes a “greater risk of fraud and adulteration”, as a result of people looking to purchase cheaper meat because of the recession.⁵⁵ There is nevertheless a lack of clarity about the role of the FSA in relation to local authorities including about which tests are carried out, by whom and with what budget.

27. Ms Brown told us that the tests used by the FSA were “validated tests that stand up in court, if we want to take enforcement action”.⁵⁶ The DNA tests carried out by the FSAI are more sensitive and will identify a smaller concentration of DNA contaminant than the FSA’s tests. However, they are not used in the UK. Ms Brown told us “none of the tests that we use would claim to be able to get to below 0.1%, which is why it will be important to see a peer-reviewed evidence base for this test before we decide it is a better test than our test”.⁵⁷ The tone of the evidence from the FSA suggested that their relationship with the FSAI was strained. The FSAI informed the FSA in November 2012 that it was starting a programme of DNA testing on processed beef. The FSA appear to have been insufficiently curious to consider whether similar testing would have been appropriate in the UK. The contamination of products in the UK may have come to light earlier if the FSA and their Irish counterparts had had a more collaborative approach.⁵⁸ **We expect the FSA to provide**

⁵⁰ Qq 40- 41; www.food.gov.uk, horsemeat FAQ

⁵¹ HC Deb, 26 July 2010, col 831W

⁵² Q 36

⁵³ Q 42

⁵⁴ Q 40

⁵⁵ Q 37

⁵⁶ Qq 48, 52

⁵⁷ Q 49

⁵⁸ Qqs 26-7

us with an account of its actions in relation to the information provided by the FSAI in November, including whether they recommended that local authorities undertake DNA testing of processed beef products.

28. Mr Smith told us that Tesco had decided “to make a significant investment, at our cost, in DNA sampling of those meats and meat products where this is a potential risk to consumers.”⁵⁹ He added that it would cost between £1 million and £2 million annually to DNA test samples from every site that produces meat products for Tesco once a year.⁶⁰ He told us that the costs would come from his “technical function, which is independent within Tesco”.⁶¹

29. The FSA has announced that a survey will be undertaken to:

provide information about the possible presence of horse or pig DNA in a range of beef products available to UK consumers [and] identify and understand factors that may lead to the presence of meat species that are not labelled as an ingredient, so that this can be explained, eliminated or correctly labelled.⁶²

Samples from commercial retail, wholesale and catering outlets in 28 local authorities throughout the UK will be collected by Trading Standards or Environmental Health Departments. The FSA anticipate that a full analysis of the results of this survey will be published in April 2013.

30. Following the meetings between Defra and the food industry on 9 February it was reported that the FSA had ‘ordered’ food companies to undertake DNA testing of their beef products. However, testing by retailers and manufacturers will be voluntary as the FSA does not have the powers to legally require testing. The deadline for the industry’s testing has been set as Friday 15 February, however, there is insufficient capacity in laboratories to conduct these tests and it has been reported that some will be carried out abroad. **The requirement to test a wide range of products in a short space of time will stretch the UK’s testing capacity. This suggests a promise to the public made in haste without the necessary thought and planning to ensure that it could be delivered.**

31. **The retailers depend on public trust. They are responding to the requirement to undertake testing. We can see little reason why the agency responsible for food safety should not have the statutory power to require those in the food industry to undertake tests to determine that their products comply with food standards regulations. We recommend that the FSA be given the power to require testing to be undertaken taking into account the level of risk. All testing results must be reported to the FSA whether they are mandated by the FSA or carried out independently.**

⁵⁹ Q 89

⁶⁰ Q 103

⁶¹ Q 121

⁶² FSA press release, Meat testing protocol published by FSA, 7 February 2013, www.food.gov.uk

Local authority role

32. The FSA provides funding to local authorities to assist targeted food safety enforcement work; helps deliver training for enforcement officers; and provides guidance and advice on food law enforcement.⁶³ Mr Wearne told us that:

In terms of practical implementation, what we provide in the FSA, in terms of food labelling composition and standards, is the link from central government to local authorities, because it is the local authorities that are responsible for on-the-ground enforcement and for taking the samples.⁶⁴

33. Environmental Health Officers handle complaints about food quality, hygiene and safety issues, while Trading Standards Officers handle complaints about food labelling, ingredients, and weights and measures. The Trading Standards Institute stated that “cuts in sampling budgets and officers make it difficult to maintain targeted surveillance of the food sector”, and added: “The Government should acknowledge the costs involved for business, both in terms of product recalls and loss of consumer confidence, when this type of incident occurs and recognise that investment in effective regulation can help the market be more efficient”.⁶⁵ Which? argues that end product testing has been cut in the UK and that Trading Standards Departments within local authorities have been doing less sampling and Defra, which now has responsibility for food authenticity work, is doing fewer surveys.⁶⁶

34. The National Audit Office states that funding for trading standards will go down from £213m to about £140m by 2014. The Government sought to reassure us that any budget cuts as a result of the spending review had been more that matched by a range of efficiency measures.⁶⁷ In October 2011 the Public Accounts Committee concluded, in relation to the system for enforcing consumer law that:

- Accountability arrangements for protecting consumers are incoherent and fragmented.
- The enforcement system for dealing with trader malpractices that occur at a regional and national level is inadequate, and instances of abuse fall through cracks between enforcement bodies.
- The level of service available to consumers varies across the country and is inadequate in some areas.
- The powers and penalties available to enforcement bodies are too weak to address serious forms of harm to consumers.⁶⁸

⁶³ HC Deb, 26 July 2010, col 831W

⁶⁴ Q 164

⁶⁵ Trading Standards Institute Press Release, www.tradingstandards.gov.uk

⁶⁶ Ev w1; We note that the FSA has now decided to carry out a UK-wide survey of food authenticity in a range of beef products.

⁶⁷ Qqs 171-2, 175

⁶⁸ Public Accounts Committee, Fifty-fourth Report of Session 2010-12, *Protecting Consumers - the system for enforcing consumer law*, HC 1468

35. In our further work we will explore with these authorities how they decide what and when to test and about their engagement with the FSA. We will also consider whether resources for local authorities' food testing responsibilities are appropriate.

Trace contamination

36. While the finding of large amounts of horse DNA in beef products is extremely worrying, the identification of trace amounts of pork and horse DNA in a wider range of products raises a different type of concern. We were told that this “trace contamination” was probably the result of “carry over” from equipment previously used for other meat types.⁶⁹ Ms Brown told us that “The question of carryover is whether there is an issue with the in-depth cleaning of lines between changes of products that means that not everything you had hoped had gone from those lines is gone.”⁷⁰ The level of tolerance for trace contamination is a particular concern for those who wish to be religiously observant. Mr Smith told us that:

We have had dialogue with faith groups over the years and will continue to do so because, as we have already heard this afternoon, what constitutes clean and hygienic does not necessarily constitute free from DNA of a particular species. When we have started to do our sampling regime and started to get the tests back, I think we will need to get customers, faith group representatives particularly and the regulators in a room—probably as an industry but certainly Tesco will want to do this—and have an open and transparent dialogue about what it means to say, “This contains beef,” and mean, “It is only beef.” Is that to what level of certainty?⁷¹

37. The FSA told us that “for people who are observant and want to eat Kosher or Halal products, we recommend using a certified Kosher or Halal producer”.⁷² The FSA’s position has been undermined by the discovery of pork DNA in beef products certified as Halal. We recommend that Defra consult with representatives of the supply chain and food safety authorities to explore the limits of tolerance of trace contamination.

38. The Government should consult with faith groups on providing assurances that certified religiously prepared food is sufficiently controlled.

39. We recommend that Defra consult on the implications of regulating to require separate production lines for different meat products.

Compositional labelling

40. It is now clear that the contaminated products on sale as beef burgers were incorrectly labelled. It is also clear that products incorrectly certified by authorities as being Halal, have been unknowingly or purposely certified as such. The Government committed to an honest labelling code in 2010 and we support this. Consumers must be able to purchase

⁶⁹ Q 31

⁷⁰ Q 61

⁷¹ Q 119

⁷² Q 31

products—whether economy or deluxe—which are accurately and comprehensively labelled. Those in prisons or hospitals or schools have little or no choice in the food they are provided. If institutions rightly decide to offer Halal, Kosher or any other specified type of food, their consumers must be able to eat the food provided with confidence. There has been a breach of trust in this case.

41. The Government is currently consulting on an EU regulation on the provision of food information to consumers (FIC) which is intended to ensure consistency in food labelling requirements across the EU.⁷³ The regulation permits certain national derogations and the Government has proposed two which it says will simplify regulations and minimise burdens on businesses. These are:

- 1) to allow minced meat sold in the UK to have a higher fat and collagen content than currently permitted in other EU Member States, and,
- 2) to remove the requirement for loose meat products to declare the amount of meat contained therein.⁷⁴

If the UK allowed these derogations there is a risk that the consumer would have even less clarity about what our meat contains than at present. We were disappointed that the Minister seemed unaware of this consultation when he appeared before us.

42. Defra is the Government department responsible for setting up reliable systems to guarantee food safety and correct labelling. It has failed to do so in this case. This is not the time for the Government to be proposing reducing the labelling standards applied to British food. All food should be labelled accurately and provide the consumer sufficient information to make informed decisions about their purchases.

⁷³ Impact Assessment on a statutory instrument implementing Regulation (EU) 1169/2011 on the provision of food information to consumers, 10 October 2012.

⁷⁴ Ev w2; Ev 38; “Supermarkets can sell mince with 50% fat and collagen”, *The Telegraph*, 7 February 2013.

4 Conclusion

43. The findings to date are likely to be the tip of the iceberg. Given the scale of the problem already revealed, it is unlikely that there will be a single source of the contaminant. In this report we have set out our preliminary findings, but we fully expect to take further evidence. There are many questions that need to be answered about how the particular incidences of contamination occurred and whether the controls currently in place are appropriate and sufficient. This scandal has also raised broader food policy questions about cheap food production, transparency, consumer confidence and pressures within the supply chain. There are also implications for food production in the UK—farmers are concerned that they comply with high welfare and quality standards but are undercut by cheap produce from overseas. **While this is primarily a food labelling issue, the suggestion of fraud on a massive scale, suggests that measures must be put in place now to prevent any further contaminated meat entering the food chain. The Government will need to consider its role in achieving the correct balance between affordable food prices and regulations that ensure transparency and quality. We are concerned that the consumer will be caught in a Catch 22 between paying the costs of higher traceability, labelling and testing standards or having to accept that they will not be provided with comprehensive information about the provenance and composition of the food that they eat. The strong indications that people have intentionally substituted horsemeat for beef leads us to conclude that British consumers have been cynically and systematically duped in pursuit of profit by elements within the food industry.**

Conclusions and recommendations

Responsibility in the supply chain

1. In its response to this report we expect the Government to confirm that it has sought and received, from all Member States implicated as possible sources of contaminated meat, assurances that they have applied the export checks and controls required under EU law. We recommend that the Government urge the European Commission to assess the implementation and enforcement of food safety and hygiene regulations throughout the EU, and take firm action where non-compliance is identified. (Paragraph 9)
2. While private companies should seek redress for breaches of contract it is important that national governments and regulators do not delay taking action to improve controls in the supply chain while responsibility for contamination is pursued through the courts. (Paragraph 11)
3. Retailers and food producers have a responsibility to ensure that the food they produce and sell is accurately labelled and safe. Tesco and other major retailers have let consumers down by selling contaminated products to the British public. We intend to take further evidence from representatives of the food supply chain in due course to explore how customers can be assured of the quality of all the products they consume, including in particular, economy products. (Paragraph 12)
4. We recommend that the Government sets out how it will strengthen the enforcement and testing regimes in the UK horsemeat industry to reduce the risk of meat containing potentially harmful veterinary medicine residues entering the human food chain. We further recommend that the Government set out, in its response to this report, what work it is doing at present to improve the operation of the horse passport system. (Paragraph 15)

The role of the FSA

5. Whilst Ministers are properly responsible for policy, the FSA's diminished role has led to a lack of clarity about where responsibility lies, and this has weakened the UK's ability to identify and respond to food standards concerns. Furthermore the current contamination crisis has caught the FSA and Government flat-footed and unable to respond effectively within structures designed primarily to respond to threats to human health. (Paragraph 19)
6. It seems improbable that individuals prepared to pass horsemeat off as beef illegally are applying the high hygiene standards rightly required in the food production industry. (Paragraph 21)
7. We recommend that the Government and Food Standards Agency undertake a broader spectrum of testing for products found to have the highest levels of contamination (where substitution is suspected rather than trace contamination) to

provide assurances that there is no other non-bovine DNA or any other substances that could be harmful to human health present. (Paragraph 22)

8. We urge the Department, as soon as practicable, to ensure the effective imposition of meat traceability requirements in respect of the sale and marketing of processed foods originating from EU Member States (including the UK) and, as part of that exercise, to examine the scope for national action to that effect on consumer protection grounds in accordance with well-established EU case law on free movement of goods. (Paragraph 23)
9. We recommend that the Secretary of State press for EU Food and Veterinary Office inspections of abattoirs and port authorities in order to ensure that Member States' national authorities are complying with the necessary certification processes and physical and labelling checks on meat consignments destined for export. (Paragraph 24)
10. If the current investigations identify sites in a particular Member State as the source of contamination, we recommend that the Government discuss with the Commission now the circumstances and legal basis for a suspension of meat exports from that particular Member State should that course of action become appropriate. (Paragraph 25)
11. We expect the FSA to provide us with an account of its actions in relation to the information provided by the FSAI in November, including whether they recommended that local authorities undertake DNA testing of processed beef products. (Paragraph 27)
12. The requirement to test a wide range of products in a short space of time will stretch the UK's testing capacity. This suggests a promise to the public made in haste without the necessary thought and planning to ensure that it could be delivered. (Paragraph 30)
13. The retailers depend on public trust. They are responding to the requirement to undertake testing. We can see little reason why the agency responsible for food safety should not have the statutory power to require those in the food industry to undertake tests to determine that their products comply with food standards regulations. We recommend that the FSA be given the power to require testing to be undertaken taking into account the level of risk. All testing results must be reported to the FSA whether they are mandated by the FSA or carried out independently. (Paragraph 31)
14. In our further work we will explore with local authorities how they decide what and when to test and about their engagement with the FSA. We will also consider whether resources for local authorities' food testing responsibilities are appropriate. (Paragraph 35)
15. The FSA's position has been undermined by the discovery of pork DNA in beef products certified as Halal. We recommend that Defra consult with representatives of the supply chain and food safety authorities to explore the limits of tolerance of trace contamination. (Paragraph 37)

16. The Government should consult with faith groups on providing assurances that certified religiously prepared food is sufficiently controlled. (Paragraph 38)
17. We recommend that Defra consult on the implications of regulating to require separate production lines for different meat products. (Paragraph 39)
18. Defra is the Government department responsible for setting up reliable systems to guarantee food safety and correct labelling. It has failed to do so in this case. This is not the time for the Government to be proposing reducing the labelling standards applied to British food. All food should be labelled accurately and provide the consumer sufficient information to make informed decisions about their purchases. (Paragraph 42)

Conclusion

19. While this is primarily a food labelling issue, the suggestion of fraud on a massive scale, suggests that measures must be put in place now to prevent any further contaminated meat entering the food chain. The Government will need to consider its role in achieving the correct balance between affordable food prices and regulations that ensure transparency and quality. We are concerned that the consumer will be caught in a Catch 22 between paying the costs of higher traceability, labelling and testing standards or having to accept that they will not be provided with comprehensive information about the provenance and composition of the food that they eat. The strong indications that people have intentionally substituted horsemeat for beef leads us to conclude that British consumers have been cynically and systematically duped in pursuit of profit by elements within the food industry. (Paragraph 43)

Formal Minutes

Tuesday 12 February 2013

Members present:

Miss Anne McIntosh, in the Chair

Richard Drax

George Eustice

Barry Gardiner

Mrs Mary Glendon

Iain McKenzie

Sheryll Murray

Neil Parish

Dan Rogerson

Draft Report (Contamination of Beef Products), proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 43 read and agreed to.

Resolved, That the Report be the Eighth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Wednesday 13 February at 2.30 pm]

Witnesses

Wednesday 30 January 2013

Page

Rt Hon Lord Rooker , Chair, Food Standards Agency, and Catherine Brown , Chief Executive, Food Standards Agency	Ev 1
Trish Twohig , Technical Manager, Iceland Foods Ltd, and Tim Smith , Technical Director, Tesco	Ev 10
David Heath MP , Minister of State for Agriculture and Food, Defra, Anna Soubry MP , Parliamentary Under-Secretary of State, Department of Health, and Steve Wearne , Director, Food Standards Agency Wales	Ev 15

List of printed written evidence

Department for Environment, Food and Rural Affairs	Ev 37:Ev 38
Food Standards Agency	Ev 27:Ev 29
Iceland Foods Ltd	Ev 33
Tesco	Ev 36

List of additional written evidence

(published in Volume II on the Committee's website www.parliament.uk/efracom)

ABP Food Group	Ev w12
British Meat Processors Association	Ev w9
British Retail Consortium	Ev w5
Chartered Institute of Environmental Health	Ev w4
NFU	Ev w14
RSPCA	Ev w3
Sainsbury's	Ev w11
Paul Smith	Ev w16
Which?	Ev w1
World Horse Welfare	Ev w7

List of Reports from the Committee during the current Parliament

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2012–13

First Report	Greening the Common Agricultural Policy	HC 170 (HC 654)
Second Report	The Water White Paper	HC 374 (HC 602)
Third Report	Pre-appointment hearing: Chair of the Water Services Regulation Authority (Ofwat)	HC 471-I & -II
Fourth Report	Natural Environment White Paper	HC 492 (HC 653)
Fifth Report	Desinewed Meat	HC 120 (Cm 8462)
Sixth Report	Draft Water Bill	HC 674
Seventh Report	Dog Control and Welfare	HC 575
Eighth Report	Contamination of Beef Products	HC 946

Session 2010–12

First Report	Future Flood and Water Management Legislation	HC 522 (HC 922)
Second Report	The Marine Policy Statement	HC 635
Third Report	Farming in the Uplands	HC 556 (HC 953)
Fourth Report	The draft National Policy statement (NPS) on Waste Water	HC 736
Fifth Report	The Common Agricultural Policy after 2013	HC 671 (HC 1356)
Sixth Report	Implementation of the Common Fisheries Policy: Domestic Fisheries Management	HC 858 (HC 1485)
Seventh Report	Pre-appointment hearing: Chair of Gangmasters Licensing Authority	HC 1400-I & -II
Eighth Report	EU proposals for the dairy sector and the future of the dairy industry	HC 952 (HC 1548)
Ninth Report	The Welfare of Laying Hens Directive—Implications for the egg industry	HC 830 (HC 1664)
Tenth Report	The outcome of the independent Farming Regulation Task Force	HC 1266 (HC 1669)
Eleventh Report	The draft National Policy Statement for Hazardous Waste	HC 1465 (HC (Session 2012–13) 540)
Twelfth Report	EU proposals for reform of the Common Fisheries Policy	HC 1563-I & -II (HC (Session 2012–13) 108)
First Special Report	The National Forest: Government response to the Committee's Fourth Report of Session 2009–10	HC 400
Second Special Report	Dairy Farmers of Britain: Government response to the Committee's Fifth Report of Session 2009–10	HC 401