



## Addressing Perceived Barriers to the Acceptance of Third Party Certification

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This paper will address the perceived barriers in relation to the acceptance of third party certification to GFSI recognised schemes. These include economic barriers and perceived barriers to trade for suppliers in emerging markets, as well as the cost of audits and the continued presence in the market place of multiple schemes. Other objections fall more into the area of ‘overkill’, such as certifying the effective implementation of HACCP principles and the occurrence of occasional product recalls, notwithstanding third party certification. Perceived barriers also exist around the whole area of private standards, impartiality, perceived conflicts of interest and whether government should be involved.

### Economic Barriers

Implementation of the requirements of the GFSI recognised schemes is perceived as potentially time consuming and expensive. Companies have sometimes had to hire and train additional personnel to develop or modify existing food safety management systems as well as to oversee the implementation of existing and new systems. Audits to GFSI recognised schemes may last several days and involve personnel from multiple disciplines, potentially interfering with production. However, the goal is to enhance the food safety system and case studies have demonstrated overall cost reductions, through increased compliance. The consequences of failure to improve or enhance the food safety system are much more costly than the costs of achieving compliance with, and certification to, any of the GFSI recognised schemes. Certification to one of these schemes can open up new, global markets and also satisfy the specific requirements of customers. As recognition of certification to one of the GFSI recognised schemes increases, audit costs are reduced by avoiding multiple audits.

Implementing and executing a comprehensive and effective food safety system, as defined by any of the GFSI recognised schemes, may require additional personnel, depending on the company’s current food safety culture and the management approach to food safety in general. However, having a comprehensive food safety system has been proven to deliver other operational benefits within a facility. These benefits include improved product quality, reduced recall costs and other costs of non-compliance.

### Effective Implementation of HACCP Principles

Many companies applying for certification to a GFSI recognised scheme have been operating to the principles of HACCP for many years and do not necessarily believe they need third party certification. However, HACCP is not mandated or required neither in all food categories nor in all countries. Third party certification to a GFSI recognised scheme is a means of objectively assessing that effective HACCP principles have been adopted and verification that these principles are effectively implemented. Certification further validates that the plants comprehensive food safety system is controlling hazards pertinent to that facility, processes, and products.

Audits to GFSI recognised schemes provide assurance that any identified gaps in the food safety system are resolved by means of a corrective action plan before certification is granted by the accredited certification body.

## Barriers to Trade in Emerging Markets

GFSI is the result of collaboration between some of the world's leading food safety experts from retailers, manufacturers and food service companies, as well as service providers associated with the food supply chain. Although the initiative was created in Europe, globally, companies have recognised the benefits of a harmonised approach to food safety certification. The leadership of GFSI represents food retailers, producers, manufacturers and food service companies from around the globe. However, the requirements of the GFSI recognised schemes are often perceived to be unreasonably demanding for the food industry in emerging markets, allegedly reducing trade opportunities for under-resourced companies and developing markets. Such schemes have been accused of going unnecessarily beyond Codex Standards, which provide a baseline for ensuring food safety. However, Codex Standards were designed to provide guidelines for developing countries to ensure equivalent food safety standards worldwide and careful consideration is given in Codex committees to ensure that such standards are achievable by all. GFSI recognises that some companies may experience difficulties in immediately obtaining certification due to a lack of resources, both financial and human. For this reason, the Global Markets Toolkit has been developed to address the issue through the development of a set of core competencies, thereby creating a path to accredited certification for suppliers based in emerging markets over a two to three year period. At the same time, the Food Safety Knowledge Network (FSKN) has been created to support the training and development of personnel working for these small and medium sized suppliers. Through this process, GFSI is building capacity in these markets not only to develop expertise within food companies, but also helping to create a pool of competent auditors and consultants to manage assessments. GFSI and participating food businesses are also piloting introductory food safety education and assessment programmes in developing markets. These innovative pilot programmes have proven very successful in many regions and certain governments have provided financial support for these programmes.

Finally, it should be noted that the key food safety elements of the GFSI Guidance Document are derived from Codex Principles. However, Codex was never intended to define food safety management systems that are needed to ensure continuous improvement.

## The Cost of Multiple Audits

The implementation of GFSI recognised schemes does not necessarily eliminate multiple audits. Some suppliers may have customers who require additional amendments or may have their own standards and audit systems. The scope of GFSI recognition for schemes is specifically limited to food safety. By creating convergence between schemes through the benchmarking process outlined in the Guidance Document, the intent is to reduce the need for multiple food safety audits. There may still be a need for non-food safety assessments, such as food quality and ethical sourcing. As the GFSI approach becomes increasingly adopted by the food industry, an increasing number of companies will become aware of the benefits afforded by using third party food safety certification audits.

## Private Schemes, Impartiality and Conflict of Interest

The schemes that GFSI recognises through the benchmarking process have been developed by the food industry, for the food industry, and this often leads to a perceived conflict of interest. However, great care is taken to ensure that all the processes facilitated by GFSI involve stakeholders from all along the food supply chain and there is also increasing involvement from regulatory and non-governmental bodies. In this way, and by seeking input from industry, academia and government, GFSI makes every effort to maintain transparency and diversity, and ensure that the interests of all are adequately represented as the shared goal of delivering safe food around the world. All schemes currently recognised by GFSI have been developed using careful and deliberate steps to seek technical input and public consultation during their development and revision and it should be noted that all of these schemes are aligned with Codex principles. The accredited certification framework is also designed to address potential conflicts of interest through alignment with globally recognised standards, such as ISO Guide 65 and ISO 17021/ISO 22003. In addition, each GFSI recognised scheme contains programmes to ensure audit and auditor integrity through requirements for accreditation, training and witness auditing.

A company seeking certification pays for the audit, but the independent accreditation and certification framework endorsed by GFSI ensures that certification bodies remain objective. Failure to assess and audit in accordance with GFSI and the individual scheme requirements jeopardises the certification body's recognition by the scheme owner. In addition, some situations can result in a certification body losing its accreditation with the consequences of the loss of recognition by the scheme owner and / or of accreditation, potentially resulting in significant financial losses. Moreover, some national regulatory agencies have the authority to revoke recognition of an accredited certifying body, thus preventing their utility with the regulatory agency.

## Government Endorsement

In recognition of the importance of public endorsement by regulatory bodies, certain schemes, such as CanadaGAP and Dutch HACCP, were developed with government support and regulatory oversight. GFSI recognised schemes are all based on the foundation of Codex principles in order to ensure a global and harmonised approach to the management of food safety risks. The Codex process involves the vast majority of governments around the world. Furthermore, third party certification is not intended to replace enforcement by the regulatory authorities of individual countries, but only to complement such enforcement and each approach (inspection and third party certification) has a role to play in a robust and effective food safety system, one enhancing the other.

In addition, the GFSI recognised schemes are based on the foundation of regulatory requirements and Codex principles. They are evaluated to ensure that their compliance programme verifies that companies are adhering to the food safety requirements of the regulatory authority with jurisdiction (country of origin and country of destination). GFSI recognised schemes are also flexible enough to address the rapidly evolving demands for food safety requirements globally.

There is no intention to replace regulatory inspections. However, effective third party certification can provide benefits to the official regulatory inspection process by increasing regulatory compliance, thus allowing reallocation of regulatory resources to programmes that further enhance food safety.

## Auditor Competence and Capacity

Key to the success of GFSI is the audit performed by third party certification bodies. The integrity of the whole initiative is thus to a certain extent dependent on the competence of the auditors. There is a perceived shortfall in the number of experienced auditors, capable of performing audits in all categories of the food industry in many parts of the world. GFSI, therefore acknowledges that auditor capacity could be a perceived barrier to obtaining certification. However, as the demand for certification increases, the incentive to recruit and train additional and competent auditors will increase until it eventually matches demand. In addition, GFSI has created a Technical Working Group (TWG) to determine the necessary auditor competencies that are required to administer the GFSI recognised schemes, including sector knowledge, years of experience and personal attributes. The competencies will be defined and incorporated into the GFSI Guidance Document by the end of 2011, thus improving the consistency and comparability in certification audit results from scheme to scheme with each scheme maintaining lists of recognised and licensed certification bodies capable of auditing to their scheme.

## Will Zero Risk Ever Exist?

Third party certification does not provide an absolute guarantee of food safety and companies that have third party certification may indeed experience product recalls. Zero risk does not exist. Third party certification does not eliminate the risk of product defects or product recalls and there is currently no approach to food safety, including regulatory, which entirely eliminates the need for product recalls. Third party certification is just one tool among many designed to help manage food safety risks. All GFSI recognised schemes require preventive controls to be in place in order to manage food safety. Having effective preventive controls provides enhanced management of food safety risks.

## Multiple Schemes

Many newcomers to the world of GFSI are confused by the multiplicity of the recognised and benchmarked schemes and often ask why a single, global scheme has not been developed in the interest of simplicity. The objective of GFSI is the delivery of safe food through continuous improvement of the schemes and reduction of cost throughout the supply chain. The reasons for continuing to recognise multiple schemes include maintaining options that allow for a focus on specific sectors and having a choice of schemes that best fit any given company's management approach. The recognition of multiple schemes also encourages healthy competition among the schemes themselves and between certification bodies, thereby creating an environment for the delivery of better services and ultimately competitive pricing.

The acceptance of one, global and harmonised food safety scheme would be difficult, due to the complexity of the global food supply chain, geographical variations, sector requirements and different food safety management strategies. Regardless of how many schemes are benchmarked to the GFSI Guidance Document, they are all equally recognised and accepted by GFSI. Each of these schemes provides an equivalent level of food safety assurance to the user.

## Conclusion

Accredited third party certification is today the best available means of ensuring the supply of safe food to the consumer in our globally sourced, food system. Used in addition to regulatory measures, certification can be a powerful tool in overcoming trade barriers and ensuring market access for even the smallest of suppliers. GFSI programmes, including the benchmarking and recognition of schemes, are ongoing, as are other initiatives such as the Global Markets Toolkit, with the aim of ensuring that the perceived gap between developed and developing markets is bridged. Consultation with public and other authorities also remains vital in the pursuit of a safer food supply for everyone. The food industry and key stakeholders are increasingly recognising that accredited certification is a benefit.