



# The EU Food Fraud Network and the System for Administrative Assistance & Food Fraud

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## Annual Report 2016

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## The EU Food Fraud Network

As provided for in Title IV of Regulation (EC) N° 882/2004, where the outcome of official controls on food and feed requires action in more than one Member State, competent authorities in the Member States concerned shall provide each other with administrative assistance. Upon receiving a reasoned request, the requested competent authorities shall ensure that the requesting competent authority is provided with all the necessary information and documents enabling the latter to verify compliance with feed and food law within its jurisdiction. An administrative assistance may also end up with two or more competent authorities participating in a joint inspection.

**Liaison bodies** are at the very core of the mechanism of administrative assistance. These are designated within a Member State to assist and coordinate communication between competent authorities. The role of liaison bodies is essential for the good functioning of administrative assistance, as each liaison body has the exact understanding of how competences are shared within its Member State, thus allowing the information to swiftly reach its destination.

Empowering liaison bodies with a dedicated tool soon became a necessity. At the beginning, information exchange was carried out through conventional means such as letters, emails and phone calls. However, the horsemeat scandal of 2013 proved the need for a streamlined method of communication. The **Rapid Alert System for Food and Feed** was the only viable tool for these exchanges, however the horsemeat crisis did not show any profiles of public health risks, thus falling outside the scope of that system.

In response to that crisis, the **EU Food Fraud Network** was set up with the aim of allowing the EU countries to work in accordance with the rules laid down in Articles 36-40 of the Official Controls Regulation (Regulation 882/2004, rules on administrative cooperation and assistance) in matters where the national authorities are confronted with possible intentional violations of food chain law with a cross-border impact.

The EU Food Fraud Network consists of contact points in the EU Member States, in Switzerland, Norway, Iceland and the Commission.

The contact points of the EU Food Fraud Network are representatives of the authorities designated by each Member State for the purpose of ensuring cross-border administrative cooperation with their counterparts in the other Member States in matters of suspected intentional and economically motivated violations.

## The Administrative Assistance and Cooperation (AAC) System

Starting from 18 November 2015 a dedicated IT application known as the **Administrative Assistance and Cooperation System (AAC)** has been made available for Member States. After a successful period of testing and use within a specialized group of liaison bodies dealing with **fraudulent practices** in the agri-food chain, in 2016 the system was also opened to liaison bodies working on any other non-compliance falling within the scope of Official Controls. Side by side, the AAC and RASFF are working together in synergy to keep the high EU standards for food and feed.

### The legal basis

Starting from the basic provisions of Title IV of Regulation 882/2004<sup>1</sup>, Implementing Decision 2015/1918<sup>2</sup> details all the rules for the functioning of the administrative assistance and cooperation procedure. The Liaison bodies and the Commission can exchange data through the system in a specific format made available by the Commission.

As the Commission is managing the system, one of its duties is to monitor the exchange of information for the purpose of identifying activities that are, or appear to be, contrary to food or feed law and are of particular interest at Union level, and to provide coordination in certain cases e.g. where such activities have, or might have, ramifications in several Member States or when Member States are unable to agree on appropriate actions to address non-compliance.

Notwithstanding Implementing Decision 2015/1918 contains some specific rules for the retention of personal data (maximum 5 years after the closure of the administrative assistance and cooperation procedure), the **liaison** bodies and the Commission also have to respect rules on the protection of personal data and data security stemming from Regulation (EC) No 45/2001 and Directive 95/46/CE on the protection of personal data.

### The system

Depending on the type of non-compliance, the AAC system has been split in two instances: one dealing with non-compliances classified as fraudulent activities along the agri-food chain

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<sup>1</sup> Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (OJ L 165, 30.4.2004, p. 1–141).

<sup>2</sup> Commission Implementing Decision (EU) 2015/1918 of 22 October 2015 establishing the Administrative Assistance and Cooperation system ('AAC system') pursuant to Regulation (EC) No 882/2004 of the European Parliament and of the Council on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (OJ L 280, 24.10.2015, p. 31–37).

and the other dealing with any other non-compliance. Similarly to the Rapid Alert System for Food and Feed (RASFF) the AAC is based on a mechanism of submission and validation for which the information is first drafted and then passes two levels of verification within a Member State before reaching a liaison body in another Member State.

Regarding the format made available by the Commission, it consists in cases divided in different parts where it is possible to describe and classify non-compliances, provide details on the products concerned, traceability and measures adopted to address the issue. Moreover, linked to the case itself, there is another format available to request specific forms of assistance.

On more practical grounds, the AAC is accessible through the Internet from any device, including mobile phones, so that liaison bodies are able to consult it even when carrying out on-the-spot investigations. For this reason, the system is hosted in a fully secure environment at the Commission's premises and protected by an authentication system, in which each user is authorised individually. The Commission services oversee the entire procedure.

## The members

Enhancing the capabilities of the AAC was one of the main challenges of 2016. After more than a year of experience it became evident that in some cases, especially when dealing with fraudulent activities, certain liaison bodies were not optimally placed to foster the exchange of information. For this reason, a new reflection was launched from the Commission to the Member States, asking to verify whether there was the need to nominate additional liaison bodies to deal with these specific issues. The reflection led some Member States to re-allocate the competences within liaison bodies or to nominate additional ones. Listed below, the nominated liaison bodies (national administrations) divided per network and per country:

Members	Administrative Assistance Network	Food Fraud Network
<b>Austria</b>	<ul style="list-style-type: none"> <li>AGES – Austrian Agency for Health and Food Safety</li> </ul>	<ul style="list-style-type: none"> <li>Federal Ministry of Health – Department for Consumer Health</li> </ul>
<b>Belgium</b>	<ul style="list-style-type: none"> <li>FASFC - Federal Agency for the Safety of the Food Chain</li> </ul>	<ul style="list-style-type: none"> <li>Federal Public Service – Direction General de l’inspection économique – Direction A – Contrôles qualité et sécurité des produits</li> <li>FASFC - National Investigation Unit of the Federal Agency for the Safety of the Food Chain</li> </ul>
<b>Bulgaria</b>	<ul style="list-style-type: none"> <li>Ministry of Agriculture and Food - Animal Health and Food Safety Directorate</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Agriculture and Food - Animal Health and Food Safety Directorate</li> </ul>
<b>Croatia</b>	<ul style="list-style-type: none"> <li>Ministry of Agriculture - Veterinary and Food Safety Directorate</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Agriculture - Veterinary and Food Safety Directorate</li> </ul>
<b>Cyprus</b>	<ul style="list-style-type: none"> <li>Ministry of Health</li> <li>Ministry of Agriculture, Rural Development and Environment - Veterinary Services</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Health</li> </ul>
<b>Czech Republic</b>	<ul style="list-style-type: none"> <li>Ministry of Health</li> <li>Ministry of Agriculture                             <ul style="list-style-type: none"> <li>State Veterinary Administration</li> <li>Central Institute for Supervision and Testing in Agriculture</li> </ul> </li> <li>Czech Agriculture and Food Inspection Authority (CAFIA)</li> </ul>	<ul style="list-style-type: none"> <li>Czech Agriculture and Food Inspection Authority (CAFIA)</li> </ul>

<b>Denmark</b>	<ul style="list-style-type: none"> <li>• Danish Veterinary and Food Administration                             <ul style="list-style-type: none"> <li>○ Division for Control Coordination</li> <li>○ Alert Unit for Food and Feed</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Danish Veterinary and Food Administration</li> </ul>
<b>Estonia</b>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture - Veterinary and Food Board</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture - Veterinary and Food Board</li> </ul>
<b>Finland</b>	<ul style="list-style-type: none"> <li>• Finnish Food Safety Authority (Evira)</li> </ul>	<ul style="list-style-type: none"> <li>• Finnish Food Safety Authority (Evira)</li> </ul>
<b>France</b>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture - Direction Générale de l'Alimentation (DGAL) - Mission des urgences sanitaires (MUS)</li> <li>• Ministry of Economy and Finance - Direction Générale de la Concurrence, de la Consommation et de la Répression des Fraudes (DGCCRF)</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Economy and Finance - Direction Générale de la Concurrence, de la Consommation et de la Répression des Fraudes (DGCCRF)</li> <li>• Ministry of Agriculture - Direction Générale de l'Alimentation (DGAL) - Brigade nationale d'enquêtes vétérinaires et phytosanitaires (BNEVP)</li> </ul>
<b>Germany</b>	<ul style="list-style-type: none"> <li>• Federal Office of Consumer Protection and Food Safety (BVL)</li> <li>• Federal Ministry of Food and Agriculture - Division 315 – Feed safety, Animal Nutrition</li> </ul>	<ul style="list-style-type: none"> <li>• Federal Office of Consumer Protection and Food Safety (BVL) - Unit 104 "Crisis Management, Rapid Alert System"</li> </ul>
<b>Greece</b>	<ul style="list-style-type: none"> <li>• Hellenic Food Authority (EFET)</li> </ul>	<ul style="list-style-type: none"> <li>• Hellenic Food Authority (EFET)</li> <li>• Ministry of Rural Development and Food - Veterinary Public Health Directorate</li> <li>• Ministry Of Economy, Development And Tourism - General Secretary Of Commerce And Consumer Protection - Coordination Authority Against Illegal Trade</li> </ul>
<b>Hungary</b>	<ul style="list-style-type: none"> <li>• National Food Chain Safety Office</li> </ul>	<ul style="list-style-type: none"> <li>• National Food Chain Safety Office - Directorate for Priority Cases</li> </ul>
<b>Ireland</b>	<ul style="list-style-type: none"> <li>• Food Safety Authority of Ireland (FSAI)</li> </ul>	<ul style="list-style-type: none"> <li>• Food Safety Authority of Ireland (FSAI)</li> <li>• Ministry of Agriculture - Department of Agriculture, Food &amp; The Marine</li> </ul>
<b>Italy</b>	<ul style="list-style-type: none"> <li>• Ministry of Health - Directorate General for Food Hygiene, Food Safety and Nutrition and Directorate General for Animal Health and Veterinary Medicines</li> <li>• Ministry of Agriculture Foodstuff and Forestry Policies (MIPAAF) - Central Inspectorate for Quality Controls and Antifraud of Foodstuff</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Health - Directorate General for the Hygiene and Safety of Food and Nutrition</li> <li>• Ministry of Agriculture Foodstuff and Forestry Policies (MIPAAF) - Central Inspectorate for Quality Controls and Antifraud of Foodstuff and Agricultural Products (ICQRF) - Directorate General of prevention and contrast to the agro-food</li> </ul>

	and Agricultural Products (ICQRF)	fraud
<b>Latvia</b>	<ul style="list-style-type: none"> <li>Ministry of Agriculture - Food and Veterinary Service (FVS)</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Agriculture - Food and Veterinary Service (FVS)</li> </ul>
<b>Lithuania</b>	<ul style="list-style-type: none"> <li>State Food and Veterinary Service (SFVS) of Lithuania</li> </ul>	<ul style="list-style-type: none"> <li>State Food and Veterinary Service (SFVS) of Lithuania</li> </ul>
<b>Luxembourg</b>	<ul style="list-style-type: none"> <li>OSQCA - Organisme pour la Sécurité et la Qualité de la Chaîne Alimentaire</li> </ul>	<ul style="list-style-type: none"> <li>OSQCA - Organisme pour la Sécurité et la Qualité de la Chaîne Alimentaire</li> </ul>
<b>Malta</b>	<ul style="list-style-type: none"> <li>Ministry of Health - Environmental Health Department</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Health - Environmental Health Department</li> </ul>
<b>Poland</b>	<ul style="list-style-type: none"> <li>Ministry of Health - Chief Sanitary Inspectorate</li> <li>Ministry of Agriculture and Rural Development                             <ul style="list-style-type: none"> <li>Agricultural and Food Quality Inspection (IJHARS) - Main Inspectorate</li> <li>General Veterinary Inspectorate</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Agriculture and Rural Development- Agricultural and Food Quality Inspection (IJHARS) - Main Inspectorate</li> </ul>
<b>Portugal</b>	<ul style="list-style-type: none"> <li>Ministry of Agriculture – Directorate General for Food and Veterinary Affairs (DGAV)</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Agriculture – Directorate General for Food and Veterinary Affairs (DGAV)</li> <li>Ministry of Economy - Economic and Food Safety Authority (ASAE) - National Unit of Enforcement (UNO)</li> </ul>
<b>Romania</b>	<ul style="list-style-type: none"> <li>National Sanitary Veterinary and Food Safety Authority (ANSVSA)</li> </ul>	<ul style="list-style-type: none"> <li>National Sanitary Veterinary and Food Safety Authority (ANSVSA)</li> </ul>
<b>Slovak Republic</b>	<ul style="list-style-type: none"> <li>Ministry of Agriculture and Rural Development - Section on Foodstuffs and Trade - Food Safety and Nutrition Department</li> </ul>	<ul style="list-style-type: none"> <li>State Veterinary and Food Administration of the Slovak Republic</li> </ul>
<b>Slovenia</b>	<ul style="list-style-type: none"> <li>The Administration of the Republic of Slovenia for Food safety, Veterinary sector and Plant protection</li> </ul>	<ul style="list-style-type: none"> <li>The Administration of the Republic of Slovenia for Food safety, Veterinary sector and Plant protection</li> </ul>
<b>Spain</b>	<ul style="list-style-type: none"> <li>Agencia Española de Consumo, Seguridad Alimentaria y Nutrición (AECOSAN)</li> <li>Ministerio de Sanidad, Servicios Sociales e Igualdad - Dirección General de Salud Pública, Calidad e Innovación</li> </ul>	<ul style="list-style-type: none"> <li>Agencia Española de Consumo, Seguridad Alimentaria y Nutrición (AECOSAN)</li> <li>Ministerio de Sanidad, Servicios Sociales e Igualdad - Directorate General of Control and the Food Laboratories</li> <li>Ministry of Interior - Servicio de Protección de la Naturaleza – Guardia Civil</li> </ul>

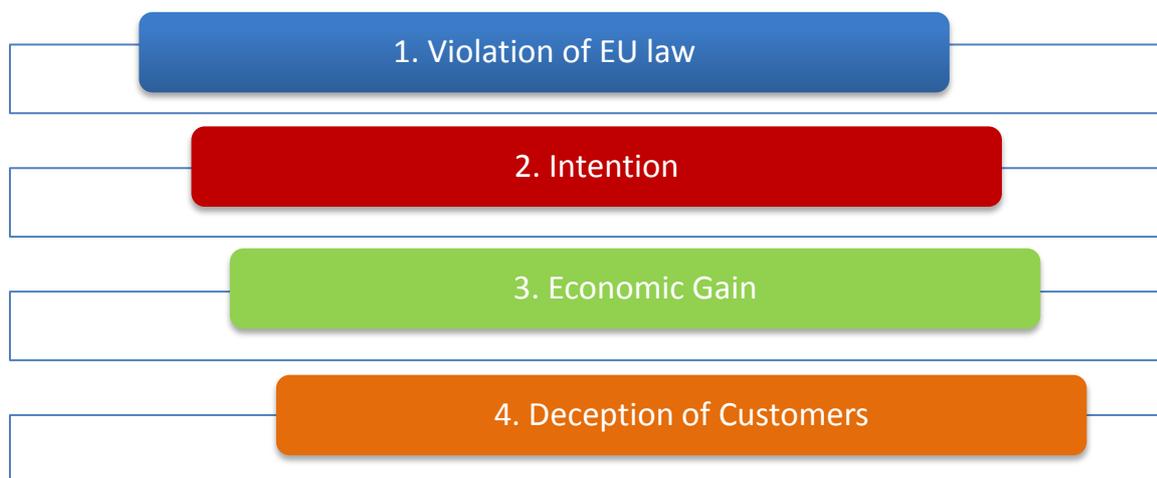
		(SEPRONA)
<b>Sweden</b>	<ul style="list-style-type: none"> <li>• Swedish Board of Agriculture (Jordbruksverket)</li> <li>• National Food Agency (Livsmedelsverket – SLV)</li> </ul>	<ul style="list-style-type: none"> <li>• National Food Agency (Livsmedelsverket – SLV)</li> </ul>
<b>The Netherlands</b>	<ul style="list-style-type: none"> <li>• Food and Consumer Products Safety Authority (VWA)</li> </ul>	<ul style="list-style-type: none"> <li>• Food and Consumer Products Safety Authority (VWA)</li> </ul>
<b>United Kingdom</b>	<ul style="list-style-type: none"> <li>• Food Standards Agency - Incidents Branch</li> </ul>	<ul style="list-style-type: none"> <li>• Food Standards Agency – National Food Crime Unit</li> </ul>
<b>Norway</b>	<ul style="list-style-type: none"> <li>• Norwegian Food Safety Authority (NFSA)</li> </ul>	<ul style="list-style-type: none"> <li>• Norwegian Food Safety Authority (NFSA) - Head Office</li> </ul>
<b>Iceland</b>	<ul style="list-style-type: none"> <li>• Icelandic Food and Veterinary Authority</li> </ul>	<ul style="list-style-type: none"> <li>• Federal Food Safety and Veterinary Office</li> </ul>
<b>European Commission</b>	<ul style="list-style-type: none"> <li>• Directorate General for Health and Food Safety (DG SANTE) – Unit G5</li> </ul>	<ul style="list-style-type: none"> <li>• Directorate General for Health and Food Safety (DG SANTE) – Unit G5</li> </ul>

## Cases in the AAC

The list of cases exchanged in the system does not represent the entirety of non-compliances and food fraud suspicions occurring in the EU. In fact, there is a significant caveat in the statistics provided below: differently from the RASFF, the AAC works on a voluntary basis and only for cross-border non-compliances. **For instance, this report does not include the activities that Member States carry out at national level.**

In total 243 cases have been exchanged within the AAC in 2016, with a significant increase in the third quarter of 2016. In fact, the system was originally made available only for the initial members of the Food Fraud Network, and only in the second half of 2016 it was opened to the remaining liaison bodies and new liaison bodies were appointed to the Food Fraud Network.

In order to determine which instance of the system has to be used, the Commission developed **four key operative criteria** to distinguish whether a case should be considered as food fraud or non-compliance: if a case matches all four criteria, then it is considered a suspicion of food fraud. These criteria are not codified in the legislation, but they generally correspond to the rules currently in place in the Member States to address food fraud. The criteria are:



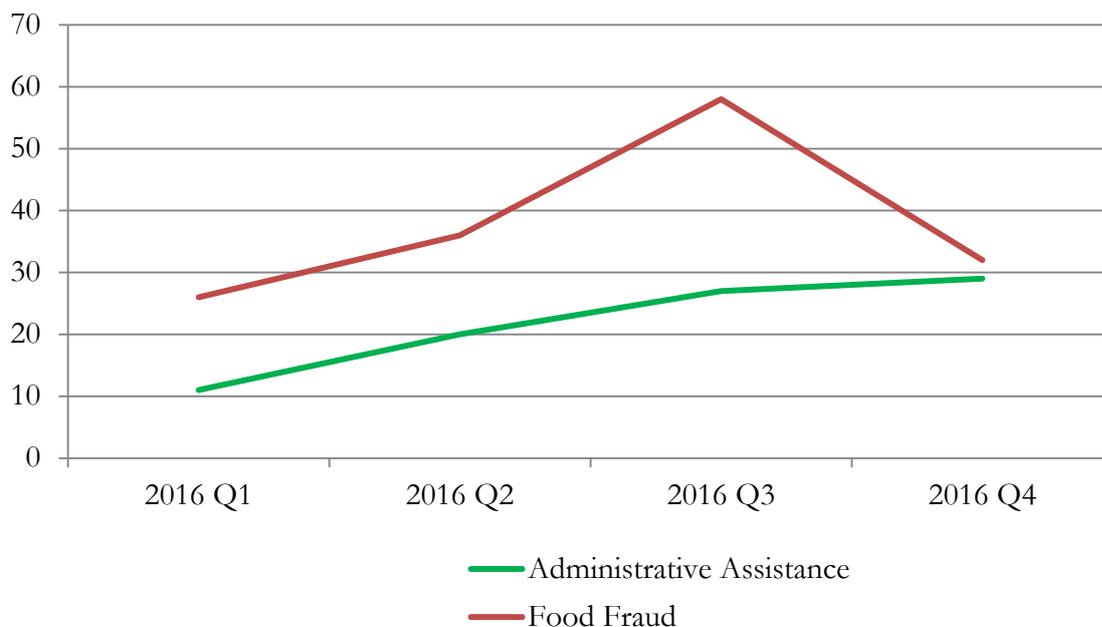
**1. Violation of EU law** entails a violation of one or more rules codified in the vast EU food and feed legislation.

**2. Intention** can be verified through a number of factors which give strong grounds to believe that certain non-compliances are not happening by chance, such as the replacement of a high quality ingredient with a lower quality one, in big quantities. In fact, if a **contamination** due to production processes is possible, when an ingredient is mostly replaced with a lower quality one there is **substitution**, which often implies fraudulent intent.

**3. Economic gain** consists in the fact that the non-compliance must bring some form of economic advantage, which should not be marginal.

**4. Deception of Customers** is the last criteria and allows completing the circle. It entails some form of deception such as altered colouring or altered labels which mystify the true quality (or, in worse cases even the nature). Moreover, often the deceptive element may also come in the form of a public health risk, due to the fact that some real properties of the product are hidden (i.e. in the case of undeclared allergens).

**Figure 1** shows the number of cases created in the AAC system during 2016.



**Figure 1 - Number of cases created in the AAC system in 2016**

Hosted in the AAC there are open and closed cases (**Figure 2**). Open cases are the ones for which an administrative assistance and cooperation procedure is still ongoing, whereas in the closed ones the procedure is concluded. The distinction is also important for data protection reasons, as cases should be closed within six months from the latest follow-up. Moreover, the retention period of five years starts from the date of closure.

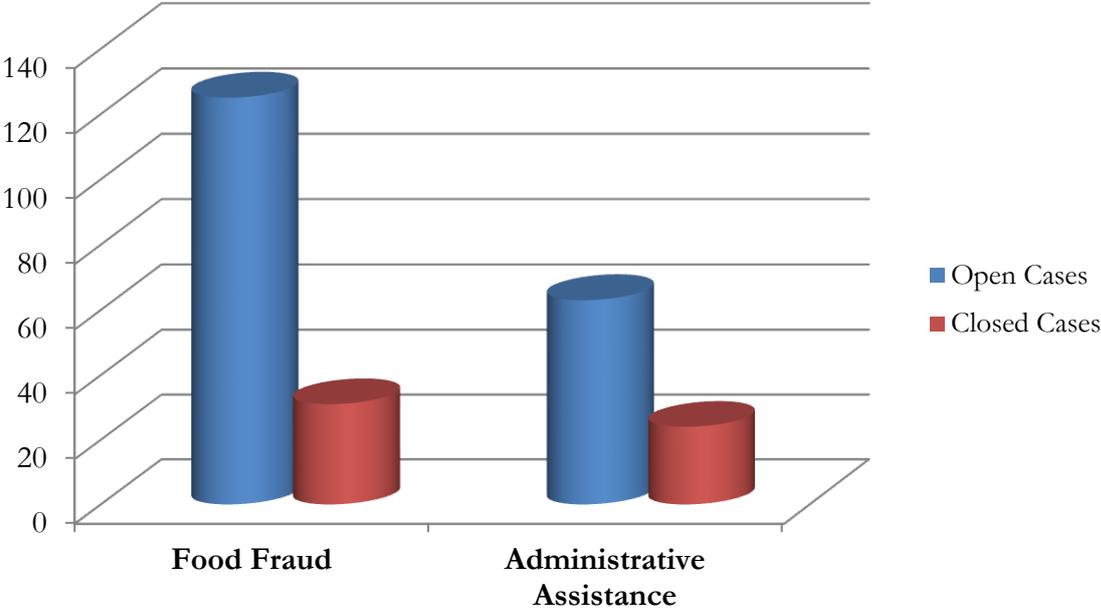


Figure 2 - Number of open and closed cases in the AAC system

On top of the above distinction, cases can also be:

- EU Coordinated Cases
- Food Fraud Cases
- Administrative Assistance Cases

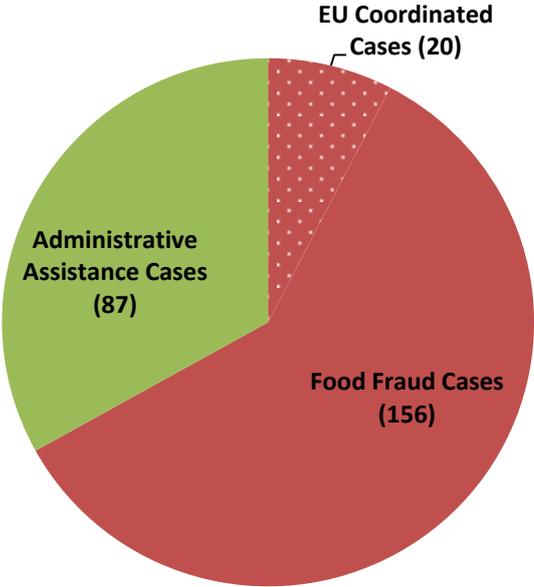


Figure 3 - Number of cases in the AAC system in 2016

## EU Coordinated Cases

Under Article 40 of Regulation (EC) No 882/2004 the Commission has the duty to *coordinate without delay the action undertaken by Member States when it, further to information received from them or from other sources, becomes aware of activities that are, or appear to be, contrary to feed or food law and are of particular interest at Community level, and in particular when:*

- a) such activities have, or might have, ramification in several Member States;*
- b) it appears that similar activities have been carried out in several Member States; or*
- c) Member States are unable to agree on appropriate action to address non-compliances.*

Relying on the AAC system for this task, the Commission created 20 **EU Coordinated Cases** concerning fraudulent practices in 2016. In an EU Coordinated Case the Commission has different prerogatives stemming from Article 40 of Regulation (EC) No 882/2004 and Implementing Decision 2015/1918:

- a) Coordinate the action undertaken by Member States<sup>3</sup>;*
- b) analyse the information exchanged through the AAC<sup>4</sup> and exchange aggregated data for the purposes of coordination<sup>5</sup>;*
- c) in collaboration with the Member State concerned, send an inspection team to carry out an official control on-the-spot<sup>6</sup>;*
- d) request that the competent authority of the Member State of dispatch intensifies relevant official controls and reports on the action and measures taken<sup>7</sup>;*

The Commission acts as an intelligence hub for Member States, which actively participate and are regularly consulted on each case. The results of EU Coordinated Cases are one of the many examples of how the European Commission can positively affect the life of EU citizens. More information on food fraud is available on the webpage of DG Health and Food Safety<sup>8</sup>.

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<sup>3</sup> Article 40(1) of Regulation (EC) 882/2004.

<sup>4</sup> Article 7(c) of Commission Implementing Decision 2015/1918.

<sup>5</sup> Article 1 and Article 3(4) of Commission Implementing Decision 2015/1918.

<sup>6</sup> Article 40(3)(a) of Regulation (EC) 882/2004.

<sup>7</sup> Article 40(3)(b) of Regulation (EC) 882/2004.

<sup>8</sup> [http://ec.europa.eu/food/safety/official\\_controls/food\\_fraud\\_en](http://ec.europa.eu/food/safety/official_controls/food_fraud_en).

**Food Fraud cases (AAC FF)**

The following pages provide an overview of the exchanges of 2016 based on different parameters. A total of 172 cases have been exchanged in the AAC FF, of which 161 concern food and 11 concern feed. No exchanges concerned food contact materials. Cases in the AAC FF can be classified according to one or more alleged violations, by product types and by products categories.

While bearing in mind that each case often presents more than one violation, the following classification has been created by taking into account the major alleged violations reported by Member States. Moreover, Member States can further specify the violations outside the categories provided in the system.

**FOOD, FEED AND FOOD CONTACT MATERIALS CASES**

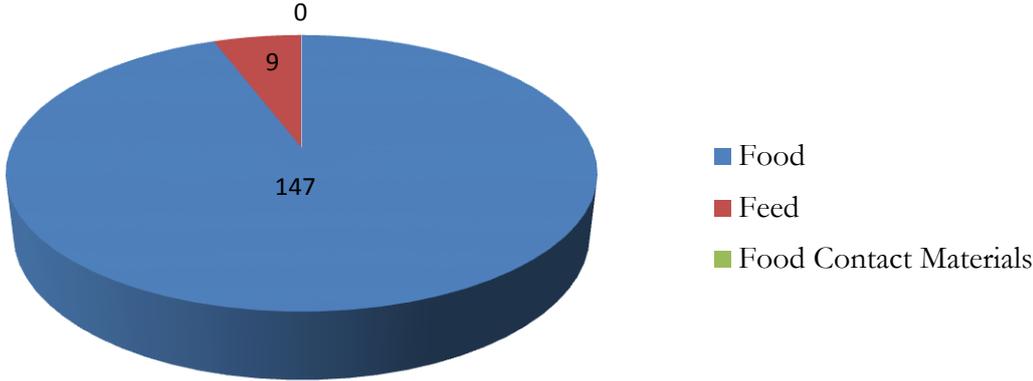
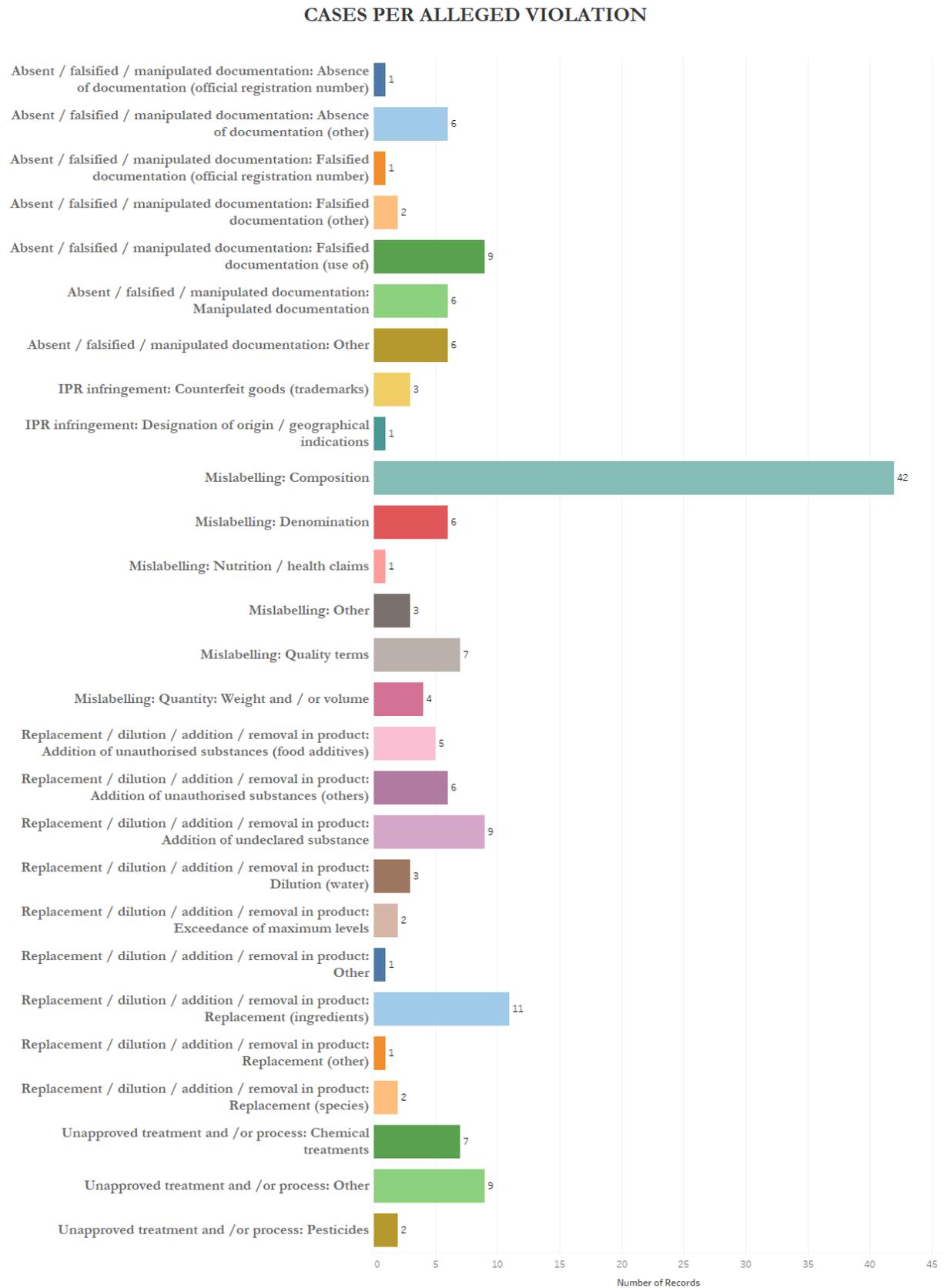
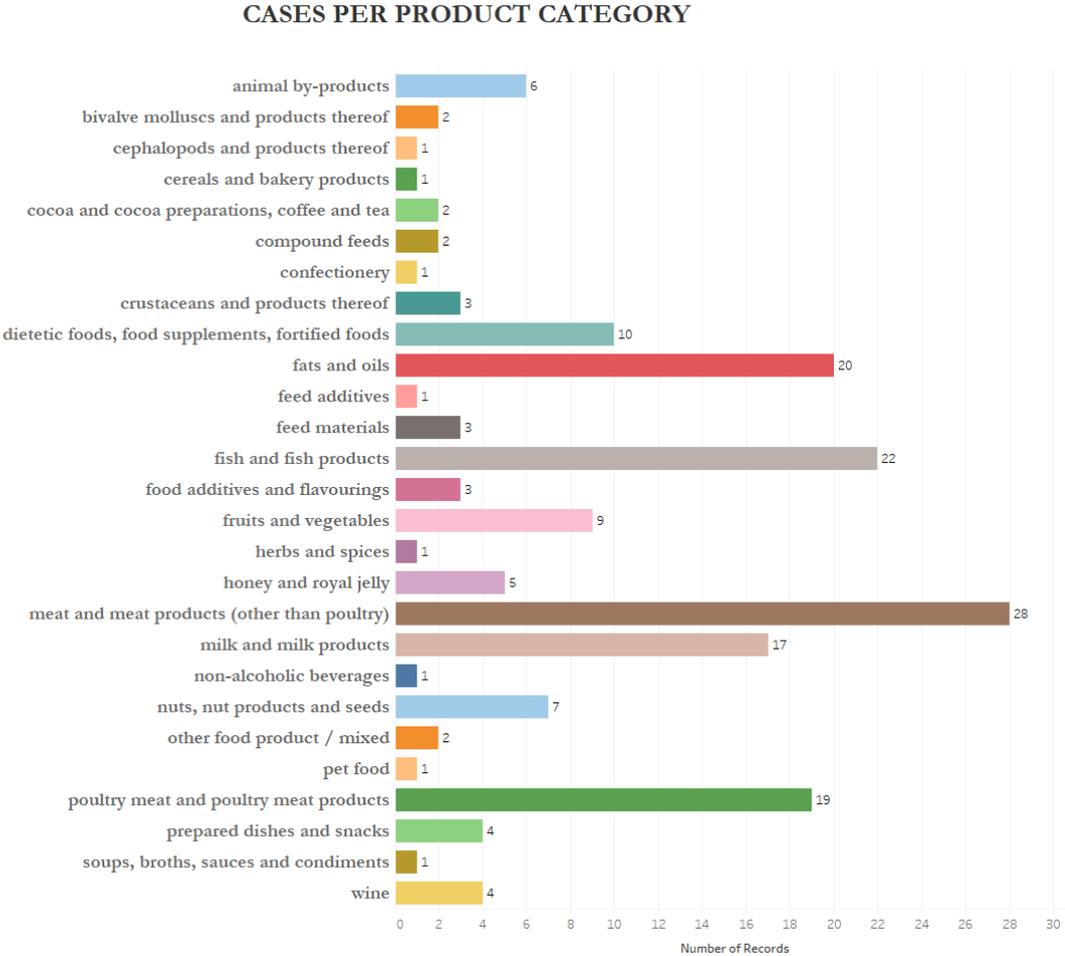


Figure 4 - Food, feed and Food Contact Material cases in AAC FF in 2016

## Cases in the AAC - Food Fraud cases



**Figure 5 - Cases per alleged violation in AAC FF in 2016**



Sum of Number of Records for each Product category. Color shows details about Product category. The marks are labeled by sum of Number of Records.

**Figure 6 - Cases per product category in AAC FF in 2016**

**Administrative Assistance cases (AAC AA)**

Similarly to the AAC FF, most of the cases exchanged in the AAC AA concern food. The following charts provide an overview of the number of cases exchanged based on different parameters. Cases in the AAC AA are classified according to one or more non-compliances, by product types and by products categories.

While bearing in mind that each case can be classified according to one or more non-compliances, the following charts have been created by taking into account the main non-compliances for each case reported by the Member States. Moreover, the latter can further specify non-compliances outside the categories provided in the system.

**FOOD, FEED AND FOOD CONTACT MATERIALS CASES**

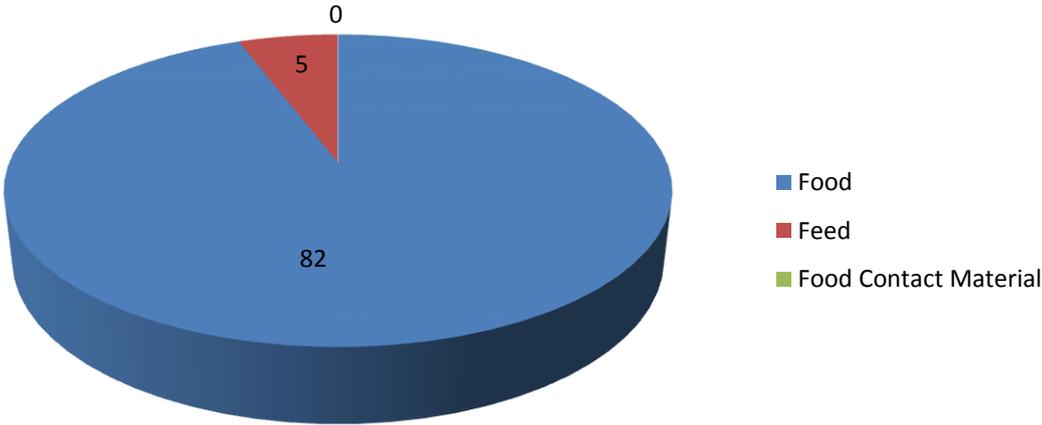
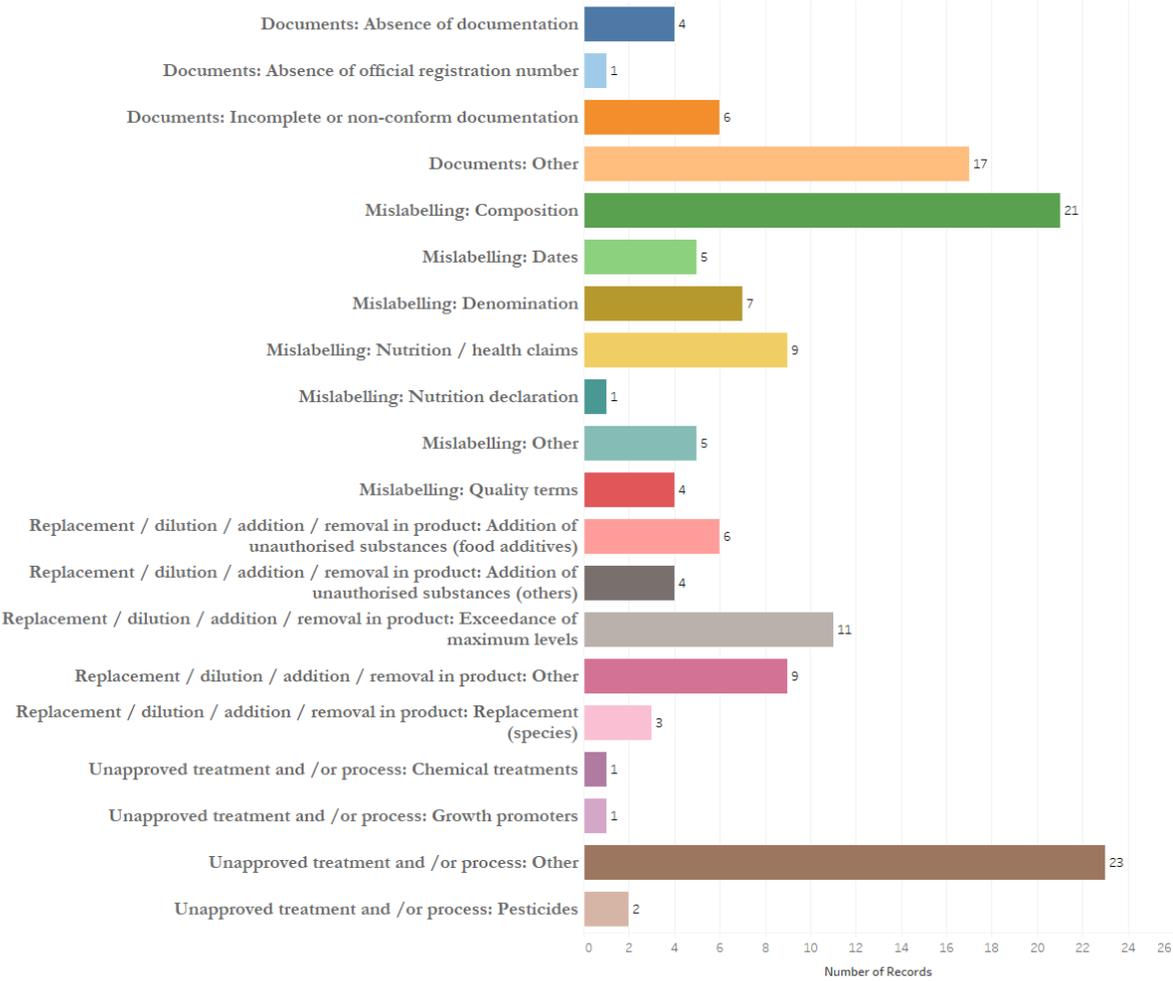


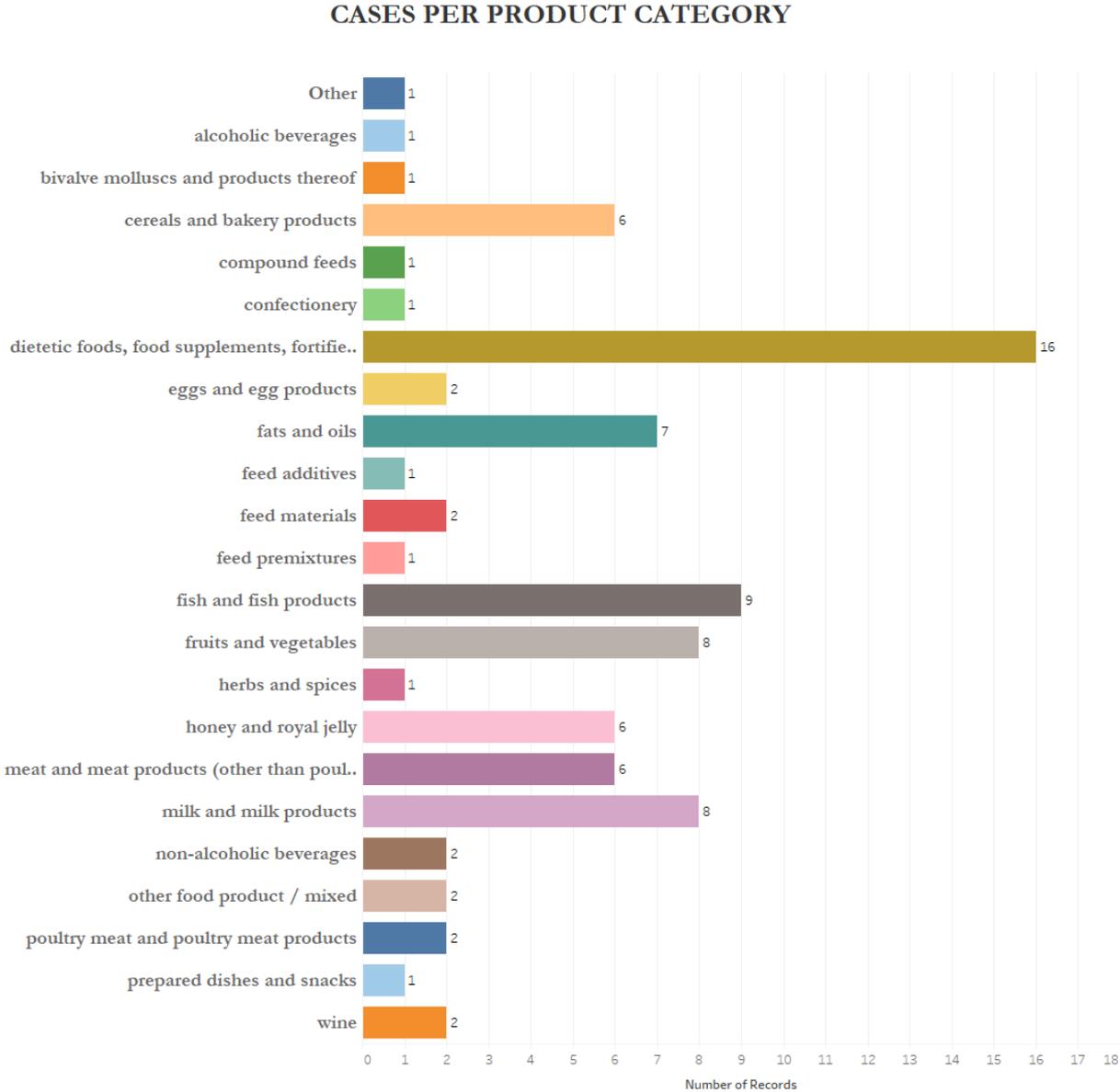
Figure 7 - Food, Feed and Food Contact Material cases in AAC AA in 2016

CASES PER NON COMPLIANCE



Sum of Number of Records for each Non-compliance. Color shows details about Non-compliance. The marks are labeled by sum of Number of Records.

Figure 8 - Cases per non-compliance in AAC AA in 2016



Sum of Number of Records for each Product category. Color shows details about Product category. The marks are labeled by sum of Number of Records.

**Figure 9 - Cases per product category in AAC AA in 2016**