

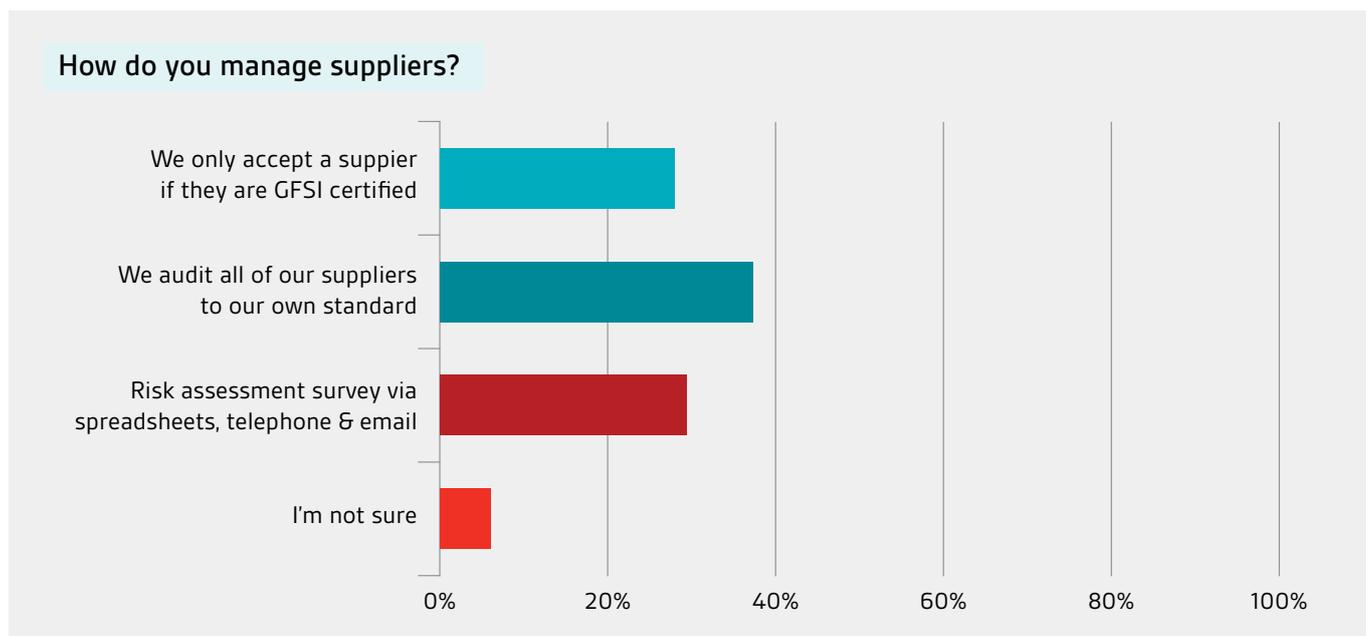


Supplier management concerning food fraud, threat and vulnerability assessments

Supplier management and food safety

To comply with modern accredited food safety standards and achieve certification, food and beverage companies need to have a documented supplier approval program, including the raw materials and packaging that go into producing your final product. (Supplier approval – 3.5.1.2 in the BRCGS food safety issue 8 standard).

As seen by recent poll results collected in 2019 via a BSI webinar, over 50% of suppliers are only accepting suppliers certified to GFSI food safety standards, or to their own specific audit programmes. A smaller number of suppliers are monitored by other risk-based assessments and surveys. With large retail groups focussing on reducing their number of suppliers and utilising lean management principles and techniques, being a low risk supplier and ensuring that your audit grades remain high is advisable for a resilient food and beverage business.



Risk-based assessment

Managing supplier lists can be challenging. Organizations producing food and beverages can often have hundreds if not thousands of suppliers. Keeping on top of managing these suppliers isn't always an easy task. Many organizations producing food and beverages will therefore use risk-based assessment measures. The method of measurement may be via supplier questionnaires, second or third party audits, but good practice and food safety standards tell us that a key focus should be on food safety and traceability regardless of audit standard or delivery method chosen.

In good practice, risk assessing your suppliers and purchasing raw materials should be a team effort. To have a resilient supplier approval program, production, purchasing, quality assurance and any other key stakeholders should be involved.

If you don't have a holistic approach to supplier approval, then this can make supplier approval and management sections of GFSI benchmarked food safety standard audits such as FSSC 22000, BRCGS Food Safety, SQF and IFS unnecessarily challenging. Often companies have great programs in place, but they neglect to catch all inventory, or raw ingredients that come in via different routes or have been forgotten about, or maybe just aren't used very often in seasonal products.

In other words the program is strong, but it has a few leaks – and this can lead to non-conformities at audit that otherwise would be avoided.

“45% of executives lacked confidence in their supply chain risk management programmes.”

Deloitte Survey 2013

Key supplier approval management tips:

Partner with purchasing and operations to implement your program

Compare your program with actual inventory and usage

Understand the risks in using less qualified suppliers based on cost

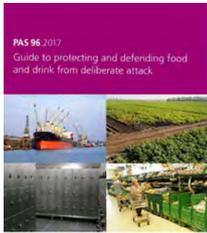
Managing a large amount of multi-national suppliers

With food supply chains being some of the longest and most complicated in the world, you might have hundreds or thousands of suppliers depending on what you're making. Some of our clients choose to use supply chain management systems such as BSI SCM, which enables distribution and analysis of supplier self-assessment surveys, including comprehensive supplier risk scores and reports. Some food and beverage organizations choose to combine their use of supplier management tools such as BSI SCM with the global supply chain threat analysis from BSI's SCREEN global supply chain intelligence system.



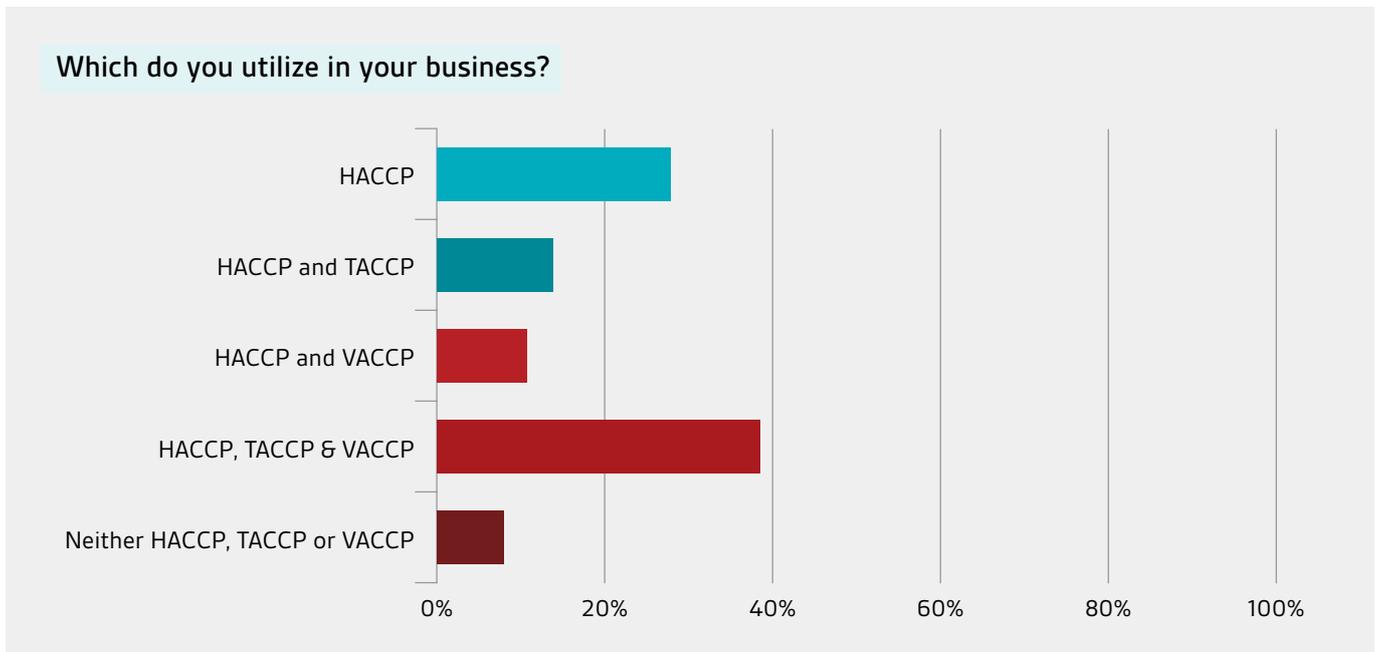
Food fraud – vulnerability and threat assessments

Food and beverage producers may have food safety or CSR (corporate social responsibility) concerns that are classified internally as vulnerabilities, but vulnerability assessment sections in GFSI food safety standards focus and relate to food fraud for the most part.



Food fraud could include adulteration of foodstuffs, things like dilution, substitution, concealment, or maybe unapproved enhancements, mislabelling. Each of these incidents could lead to a public health threat, depending on the severity. All food businesses have a level of vulnerability to these threats, and as such a required by GFSI schemes, to conduct vulnerability assessments and to mitigate their risk as a business. Mismanagement of these vulnerabilities and threats can present risks to public health.

GFSI benchmarked food safety management systems require certified organizations to understand what is meant by food fraud, and to have sufficient information on what risks that their specific organization might face in relation to food fraud. Organizations must be educating themselves to understanding the types of risks impacting the industry, and knowing where to get this information on potential risks and vulnerabilities. Obviously you're not going to know every risk, but you need to prove some due diligence that you're looking in the right places. For example if you're a baking company and you're purchasing extra virgin olive oil, you need to know what the potential fraud that might be involved with that ingredient, you need to know where to get this information, whether that be your own trade association, other industry associations, the FSA, or publicly available standards such as PAS 96. This is a guide to protecting food and drink from deliberate attack, developed by BSI in conjunction with the Food Standards Agency and Defra.



HACCP, TACCP and VACCP look at hazards, threats and vulnerabilities respectively. They're often utilised for assessing the risks to business in these respective areas, and the critical control points relating to each. From recent poll results collected in 2019 via a BSI continual improvement in food safety management systems webinar, we can see that over 90% of industry is using at least one of these three tools. However, over 40% of those surveyed were not utilizing VACCP which could indicate room for awareness and education in managing vulnerabilities within the food and beverage supply chain.



For more information on topical issues including food safety culture, allergen management and business continuity visit www.bsigroup.com/foodsafety or email us at foodsafety@bsigroup.com