



**SOUTH AFRICAN NATIONAL CONSUMER UNION**  
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## **PRESS RELEASE**

### **FOOD SAFETY INSPECTION – NECESSARY, BUT NOT TO THE COST OF CONSUMERS**

The South African National Consumer Union has expressed concern at the cost implications of inspection services currently being introduced by the Department of Agriculture, Forestry and Fisheries (DAFF). SANCU realises that there is a need to exercise proper control over food safety and that DAFF must contract the work out to inspection agencies as it lacks internal resources. However, some alarming reports have been surfacing about the cost of such inspections. SANCU's Chairman Ms Ina Wilkin warned suppliers not to think they can simply pass this cost on to consumers. It must be absorbed as part of their existing cost structure.

The main problem is that the cost structure of these inspections, as presently defined, is open-ended. Inspection agencies are appointed and then given the right to collect levies and inspection fees from the distributors without any defined limits on the number or duration of inspections. A single commodity can even be inspected multiple times as it passes through the distribution chain, and charges raised for each inspection. SANCU has heard estimates from suppliers that prices to consumers could rise substantially as a result.

SANCU is aware of assurances from DAFF that control measures will be put in place to ensure that inspections are targeted and controlled appropriately. However details of such measures and estimates of the overall cost impact to consumers have not been provided by DAFF. This is leading to market speculation.

SANCU appeals to DAFF not to introduce a half-baked inspection system on to the market. Commercial interests can easily run away with costs if not properly controlled. SANCU would like to support DAFF in this endeavour, but cannot do so on behalf of consumers until the results of a proper econometric study and cost-benefit analysis are made known together with details of formal control procedures.

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