Food regulator wants exports too on its plate

FSSAI also suggests liberalisation measures to help cos set up businesses more quickly; proposal to be sent to ministry of health & family welfare soon.

NEW DELHI: India’s regulator for the foods industry has proposed changes to the Food Safety and Standards Act (FSS Act), seeking to bring within its purview export consignments that have hitherto remained unregulated by a domestic agency.

The Food Safety and Standards Authority of India (FSSAI) has also suggested a slew of liberalisation measures, including simplification in the process of acquiring food-business licences, to help companies set up businesses more quickly and easily.

The FSSAI proposal will be sent to the ministry of health and family welfare in the next few days. While FSSAI and the ministry could bring in some of the changes by tweaking regulations, an amendment to the act will require Parliament’s approval.

At present, export of foods does not fall under the purview of the FSS Act. However, the ministry of commerce and export promotion agencies have been seeking expansion in the scope of the foods-related law, as several export markets require licences from the Indian food regulator.

“This is why we want to bring exports under the FSS Act,” said a senior FSSAI official, who did not want to be named.

India’s agri- and processed-food exports rose to Rs 1.28 lakh crore in FY19 from Rs 1.20 lakh crore in FY18.
FSSAI also wants to do away with the current dual control of the state and the Centre. All businesses involved in manufacturing, processing, retailing, and transporting food services will need only state licences. Companies with multi-state operations will require a licence from the Centre. At present, businesses have to get licences from both the state and the Centre if their size were to cross a critical threshold.

FSSAI has also suggested getting rid of the annual licence renewal process, which witnesses massive delays owing to the staff crunch at FSSAI and state-level food regulators. Instead, businesses will be required to give annual declarations, with some annual fee.

Liabilities in case of an offence will also be defined, according to the proposal. “In case of a labelling error, only the manufacturer will be held liable, unlike now wherein the retailer and the transporter are also held accountable,” said the official, who did not want to be named.

The proposal also suggests relaxing rules for agents and delivery persons at direct marketing agencies and e-commerce companies, which were earlier required to obtain licences from the authority. However, the food business will have to maintain records of delivery personnel and will be accountable in case of any offence.

FSSAI has proposed bringing animal feeds – cattle, poultry, shrimp, fish - under its ambit, in order to control the quality of milk and meat. “During a survey on milk varieties available in market, we found 9.9% of the samples unsafe, majority of them were failing in aflatoxin which is due to animal feed. Unless we have feed control, we can’t control milk quality,” said the officer cited above.