STRATEGIC PRIORITIES FOR FSA POLICY AND REGULATION Report by Rebecca Sudworth, Director of Policy

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1. Summary

- 1.1 This paper gives the Board an overview of the developing policy landscape. Whilst there will always be regulatory issues arising to which the FSA will need to react and prioritise business in terms of policy development, this paper identifies what we consider to be our key strategic and regulatory priorities over the next two to three years.
- 1.2 Recent policy focus has been on ensuring a smooth exit from the European Union and our response to COVID-19. In parallel, we have also been considering the areas in which we might want to focus policy attention in the medium-term, anticipating future challenges and opportunities, making best use of new tools and techniques to support policy development and improving our regulatory processes to ensure an efficient and effective service.
- 1.3 Section 6 below provides examples of future areas of focus that bring to life how we are applying the Board's principles for operating outside the EU. Section 6.2 discusses our plans for continuous improvement of the regulated products service, with both short and longer-term opportunities. Section 7 outlines how we are working with stakeholders and partners within the UK and internationally. An update on Food Hypersensitivity is provided in a separate paper (FSA 21/06/08).

2. Decisions

- 2.1 None this paper provides an overview to inform the Board of future policy approaches. These and other priority policy issues that may arise are likely to come back at a later stage for Board comment and decision.
- 2.2 The Board is, nevertheless, invited to discuss and comment on issues raised in this paper and how it might wish to be engaged. For more contentious issues the Executive proposes an approach, adopted by the Board previously, of an early sighting paper followed by a paper for debate and decision.

3. Introduction

3.1 During 2020/21 the FSA began work on some draft guiding principles to help the future direction for the organisation, building on the strategic approach endorsed by the Board. We will continue to build upon these, which are set out in Annex B, to inform how we will deliver our work. The next iteration of our corporate strategy (to be delivered in 2021/22) will draw together these principles into a single approach for the coming years. Our regulatory approach is firmly aligned to the regulatory principles endorsed by the Board in <u>January</u> <u>2020</u>.

- 3.2 Applying these principles in a policy context will require:
 - effective delivery of our regulatory regime, responding to emerging policy issues and anticipating future opportunities, whilst continuing to make it easy for businesses to maintain food standards;
 - a renewed focus on industry and consumer engagement, working with joint endeavour, underpinned by our commitment to openness and transparency throughout the risk analysis process, to continue to be the trusted voice on food standards working in the consumer interest;
 - continuous improvement building on the established regulatory regime, taking into account the international context and our future trading relationships;
 - embedding One Agency and four-country working to achieve a shared risk management approach wherever possible and to ensure that emerging differences in regulatory approaches are based on robust evidence and clearly communicated to consumers and industry.

4. Working Across the UK

- 4.1 In taking this work forward, our approach to future policy development will be grounded in the three- and four-country context with the aim of achieving as unified approach as possible in line with the principles set by the Board. The FSA is committed to delivering collaborative working both across the three nations in which we operate and with Food Standards Scotland (FSS). The ways in which we deliver effective four nation working are set out in the updated Memorandum of Understanding (MoU) between the FSA and FSS and provisional common frameworks¹ which are in place across the three main areas of FSA policy responsibility.
- 4.2 This engagement will be important as there are, for example, national initiatives under the Well-being of Future Generations (Wales) Act 2015 in Wales and there is continued application of EU law under the terms of the Northern Ireland Protocol in Northern Ireland. More detail about how we will achieve this is set out in the Annex.

¹ Provisional common frameworks are non-legislative agreements between the UK Government and devolved administrations setting out commitments to work jointly within specific devolved policy areas in the post-EU regulatory environment so that, where appropriate, the law in different parts of the UK can remain consistent. It is the intention that the provisional frameworks will be finalised and signed by relevant Ministers across the UK as soon as possible following the parliamentary elections Scotland and Wales.

5. Responding to Emerging Policy Issues, Anticipating Future Opportunities

- 5.1 There will always be regulatory issues arising that the FSA will need to react in order to protect consumers' health or wider interests: in response to new evidence; in support of wider government priorities or reviews that touch on our responsibilities as a regulator; a response to a food or feed incident; or processing applications to place products on the market.
- 5.2 Relatively few issues are completely unforeseen. COVID-19 provided an early test of the risk analysis process, showing that the FSA is well equipped to deliver timely risk assessment and risk management advice for an unforeseen risk, combined with comprehensive and tailored risk communication for consumers and industry. The FSA was one of the first regulators worldwide to issue risk management advice about COVID-19 and food safety.
- 5.3 More usually, it is possible to anticipate future risks and opportunities in outline if not in detail. Non-routine issues in the risk analysis process are identified through a range of routes, including the FSA's horizon scanning capability, engagement with industry and consumers to understand the food landscape, issues arising from cross-government priorities, and tracking of changes to risk assessment and regulatory approaches internationally that may require a UK response. A paper on Horizon Scanning is on the agenda at (FSA 21/06/06).

6. Examples of Key Current Regulatory and Policy Issues

A new framework for foodborne disease: using new evidence, tools, and techniques

- 6.1 In 2020, the FSA published new evidence about the prevalence and impact of foodborne disease, including a new Cost of Illness model providing important new information about the impact of foodborne disease on individuals and the economy.
- 6.2 Using the additional data available from the Cost of Illness model we have used multi-criteria decision analysis to assess the most common foodborne pathogens in terms of their detrimental effect on UK society. Using this information alongside other factors such as the assessment of the costs and benefits of interventions, a new Foodborne Disease Framework is under development to embed a proportionate, deliverable, and data-driven approach to future risk management approaches to foodborne disease. This will ensure that we are responding to the latest evidence when prioritising our focus. The FSA Board will be updated on this work later in the year.

Regulated products processes: continuous improvement from a stable base

- 6.3 Our regulated products process is built on retained EU legislation and provides a firm foundation on which to build. Regulatory certainty and continuous improvement, taking into account stakeholder feedback, will help businesses to navigate the process, reducing costs and delay and supporting innovation and economic development.
- 6.4 There is scope for continuous improvement within the existing legislative framework and, over time, to consider the future design of our regulated products process. For example, in the immediate future we will ensure maximum consistency and standardisation of the application process, regardless of the specific regime, we will ensure communication and transparency for applicants and for stakeholders to help navigate the process, and we will focus our resources on value-added elements of the process to reduce delay in the regulatory aspects under our direct control.
- 6.5 In the longer-term, we believe there will be opportunities to review the different regulatory regimes and consider the overall framework at the moment there are different processes for different classes of food and feed and we are keen to consider whether there is scope to consolidate the system.
- 6.6 Following a sufficient period of live operation of the regulated products service (for example, following successful completion of the end-to-end process and the first authorisations), we intend to undertake a comprehensive review of the service during 2022, including an independent expert review.
- 6.7 Any proposals for reform in the light of the work described above will be developed working closely with colleagues across the FSA and other government departments and will take into account opportunities and developments in international approaches to regulation.

Sustainable animal production: working closely with industry and supporting innovation

- 6.8 There is considerable interest nationally and internationally in supporting more sustainable animal production. This includes production techniques that reduce antimicrobial resistance in the environment, soil contamination from nitrogen and ammonia, and ruminant emissions of methane. In response to consumer demand, industry is also exploring the use of alternative proteins such as cultured meat and insects. Commercial interest in cultured meat has recently increased due to the regulatory approval of cultured chicken in Singapore.
- 6.9 Food and feed safety will remain paramount in our future regulatory approach and any new products or techniques will be authorised under the appropriate regime. It is important that the regulation does not create unnecessary barriers and costs that could stand in the way of innovation and bringing beneficial products to market. We will work closely with industry to understand ongoing developments in this field and support high quality applications for regulatory

approval, ensuring that we are equipped to make regulatory decisions in a timely fashion.

Food information for consumers: joining up across government and understanding what works

- 6.10 Responsibility for food labelling is distributed across the governments and with different government departments². We consider it crucial that, given these differing responsibilities, including within the FSA, we work across governments to identify how information is best accessed by consumers to inform their choices.
- 6.11 Following the UK's departure from the EU, it is possible to review food labelling to explore what opportunities there are to ensure consumer confidence and facilitate trade. In terms of general food labelling, policy responsibility rests with the FSA in respect of Wales and Northern Ireland, Defra in England and FSS in Scotland. Defra has indicated that any review could consider other developing areas including the forthcoming National Food Strategy and those under legislation such as the Agriculture and Fisheries Acts, and pending Environment Bill. In Wales we will need to consider the Food and Drink Action Plans and other legislative considerations (for example the Agriculture (Wales) Bill). Northern Ireland will have their own considerations, not least of which will be taking into account the Northern Ireland Protocol. The FSA therefore has a continuing and key role to play in this area in developing policy in, and representing the interests of, Wales and Northern Ireland and the overall interests of consumers within the Food Compositional Standards Framework as well as wider matters within the Labelling and Nutrition Labelling Composition and Standards Framework.
- 6.12 A new FSA team is being brought together to utilise skills and expertise from across the FSA to bolster our existing roles in relation to labelling policy and support FSA colleagues in Wales and Northern Ireland. The FSA has extensive evidence relating to labelling, and we need to enhance how this is deployed as we work within the Frameworks on a four-country basis. We will also be reviewing this to ascertain what needs to be updated and what has changed in the landscape on food labelling and information to ensure we have the evidence to engage effectively. A UK stakeholder engagement event is being planned for early June as part of Framework development with the FSA as a lead partner alongside Defra and FSS.

² The FSA has policy responsibility for food safety labelling including allergen labelling. Food labelling and composition policy, where not related to food safety, rests with Defra in England and with the FSA in Wales and Northern Ireland. Nutrition labelling policy rests with DHSC in England, the Welsh Government and with the FSA in Northern Ireland. EU food labelling and nutrition labelling law applies directly in Northern Ireland under the requirements of the Northern Ireland Protocol, although the FSA retains policy responsibility for areas in which national rules are permitted under EU law.

Genetic technologies: ensuring appropriate regulation and representing consumer interests

6.13 Defra is leading on a government proposal to amend the scope of the legal definition of Genetically Modified Organisms (GMOs) to exclude certain organisms produced by genome editing (GE) and other genetic technologies where they could have been developed using traditional breeding methods. A public consultation closed in mid-March and the government response to the consultation is expected later this year. As discussed in the March Board, the FSA has a role in advising on the appropriate regulatory framework for GMOs and ensuring that consumer interests are represented and protected. We are therefore considering future options for regulation and to inform our work commissioned research on consumer views of GMOs and GE which we hope to publish in the near future. We will return to the Board once the government response to the consultation has been published to discuss the implications of the proposed change in more detail, should it be implemented.

7. Protecting Consumers' Interests

- 7.1 In our role to protect consumers' wider interests in relation to food we remain committed to ensuring that the consumer perspective is understood and taken fully into account as we develop policy.
- 7.2 Consumers tend not to distinguish between different parts of the machinery of Government: they see the world of food more holistically. We have always actively considered consumer interests when developing policy and strived to understand wider interests such as food insecurity. The value of our evidence base and role in protecting consumers' interests is realised in particular when we provide evidenced insight when working collaboratively with other government departments, and as a catalyst to convene wider conversations in areas such as labelling, food insecurity, animal welfare, and sustainability.
- 7.3 Our access to good data, swift analysis and sound understanding of consumers' perspectives on food is increasingly valued and influential within and beyond UK Government. Recent examples include us feeding into the National Food Strategy and the central monitoring of Covid-19 impacts. We will continue to bring our science and evidence to bear in joined up policy development under the Frameworks.

8. International Partnership Working

8.1 We are working within the International Strategy agreed by the Board in 2018, with the central vision 'To grow the FSA's influence internationally, becoming a strong and influential voice on the world stage, promoting the FSA as a world leader in approaches to regulatory modernisation and a global leader in food safety'. We are actively developing and strengthening relationships with global food safety authorities to share knowledge and

expertise and ensuring that our global trading partners have a clear understanding of the UK's approach to food and feed safety regulation. The International Strategy Team is currently reviewing the International Strategy and we are feeding into that review.

9. Conclusions

- 9.1 This paper provides an overview to inform the Board of future policy approaches. These and other priority policy issues that may arise are likely to come back at a later stage for Board comment and decision.
- 9.2 The Board is invited to:
 - **Consider** and **comment** on issues raised in this paper
 - **Consider** and **comment** on how it might wish to be engaged.

ANNEX A

WORKING ACROSS THE UK

- 1. Regular four nation engagement is in place across all work areas, at both working and senior level. Shared risk analysis is a fundamental element of how we develop food and feed safety and hygiene policy. Working together throughout the process drives us towards as cohesive a regulatory regime as possible, in line with the Board's strategic objectives, and ensures our advice, alongside that of FSS, is effective for protecting consumers across the whole of the UK. Any recommendations for different policy approaches within GB will be on the basis of science and evidence and will be made following four nation discussion.
- 2. The requirement under the terms of the Northern Ireland Protocol for the FSA to continue to implement EU law in Northern Ireland means that divergence in food and feed regulations between GB and Northern Ireland will start to emerge over 2021, as food and feed regulation is a dynamic and rapidly changing policy area. The majority of EU changes will be routine, technical decisions that will not require additional risk analysis for a UK context. In order to deliver effectively on our duties to Ministers and consumers in Northern Ireland, the FSA will implement these changes in NI, and where appropriate, assess any associated risks relating to the NI context and provide advice to NI Health Ministers should concerns be identified.
- 3. Governance arrangements are in place to oversee and provide assurance that our commitments to four nation working are being met and to provide a process for regular review of what is and is not working effectively. An annual joint FSA-FSS report on the Food and Feed Safety and Hygiene Framework will document the findings, and an annual FSA-FSS report on food safety standards will consider differences in regulation and how standards evolve over time.
- 4. During 2021, an enhanced set of resources for learning and development will be created to ensure appropriate understanding of devolved arrangements across the organisation, and to ensure relevant teams understand the different elements of the post-transition regulatory regime and the practical implications for day-to-day work on a four nation basis.
- 5. The UK Internal Market Act was passed in December 2020 to ensure the continued functioning of the UK internal market. Work will continue over 2021 to manage the practical impacts of the UK Internal Market Act when divergence begins to emerge. Engagement is underway with other government departments to consider any new requirements for the FSA and ensure the department is well-placed to deliver on these.

ANNEX B

DRAFT GUIDING PRINCIPLES

The Guiding Principles below set out a framework to challenge ourselves about what we currently do, and how we might change.

Externally:

- Be the trusted voice on food standards in the consumer interest. So that the FSA is bringing science, evidence and an in depth understanding of the consumer interest ('the truth') to the debate and decisions about high food standards in the UK.
- Make it easy for businesses to maintain food standards, because businesses are the ones making safe and trusted food, and they too benefit by putting consumer interests first.
- Joint endeavour. Listen to and collaborate with the most influential actors to improve food standards, in order that the £100m FSA maximises its effect on a £270bn UK food industry.
- Make a difference. Using the full range of tools available to tackle noncompliance, while also inspiring best practice, so that the food industry continually improves food safety and standards for the consumer.

We will do this well if internally we:

- Lead and Convene. Making evolutionary and revolutionary changes to the system, we will adapt quickly and take responsibility to shape the response to new risks and opportunities in the food system. So that the FSA is in tune with fast-moving developments in the food system here and abroad, rather than playing catch up.
- **Prioritise.** Select and target interventions for clear consumer benefit using rigorous evidence, analysis, and insight. So that the FSA uses its limited resources to have the most impact. The depth of knowledge we now have about the prevalence and social and economic impact of foodborne disease gives us an incredible evidence base to develop and target interventions and measure their impact.
- **Do it digitally.** Optimise data and digital capability internally and externally to strengthen our influence across the system, so that the most modern and effective approaches get hardwired into other actors' systems.
- **Build capability**. Support our staff to grow in skills, confidence, and knowledge. So that everyone can make their best contribution to food you can trust.