



FIFTH MEETING OF THE AUTHORITY
29th June, 2010

Report of the Chief Executive Officer

Chairperson and Members of the FSSAI,

In this fifth meeting of the Food Authority, I am happy to present before you the Annual Report & Annual Accounts 2009-10 of FSSAI for your approval. I also present a report on the developments that have taken place in the last few months in the Authority. A detailed Action Taken Report on the decisions taken by the Authority in its last meeting on 12th April, 2010 is placed as part of the Agenda at Item No. 4.

1) Annual Report 2009-10

The second Annual Report on the activities of FSSAI during the year 2009-10 has been circulated to the Members. It gives an overview of the different functional divisions of FSSAI and developments that have taken place and also details of the initiatives taken by FSSAI during 2009-10. Some of these initiatives include preparation of the final draft Regulations for Licensing/Registration 2010, National and Regional Workshops to discuss development of an Imported Food Safety System, initiatives in Codex related matters, issue of advisories, framing guidelines for various matters, studies related to up-gradation of laboratories and setting standards for them etc.

The finalisation of Annual Report 2008-09 which was approved by the Authority in its meeting on 8th May, 2009 got delayed due to the time taken in migrating to the commercial accounting system as advised by the C&AG. After the approval of accounts by the Authority in its meeting held on 12th April, 2010, the same was conveyed to C&AG, who had given their Draft Separate

Audit Report (SAR) to FSSAI on 10th May, 2010. Our comments on that have also been sent to C&AG. Their statutory audit report is awaited. After that the Annual Report 2008-09 will be sent to Ministry of Health & Family Welfare for placing it before the Parliament.

Learning from the experience of the last year, we have prepared a strict time schedule for finalisation of the Annual Report this year. Accordingly, the Annual Report and Accounts for 2009-10 is being placed before the Authority for approval. It is expected that this year the Annual Report will be placed before the Parliament by the winter session as per schedule.

2) Annual Accounts 2009-10

The Annual Accounts of FSSAI have been prepared and are placed before the Authority for approval. FSSAI had received Rs. 21 crore as grant-in-aid from the Government in 2009-10. We had a throw forward balance of Rs. 3.74 crore from last year's grant of Rs. 8 crore. Total expenditure during 2009-10 was Rs. 19.10 crore, against total expenditure of Rs. 4.26 crore in 2008-09. License Fees received during the year amounted to Rs. 40.32 lakhs. Thus, with the expanding activities, the expenditure of FSSAI increased nearly five times over the preceding financial year.

The allocation for this year is Rs. 12.65 crore. The carry forward from 2009-10 is Rs. 5.64 crore. The available amount is thus, even less than the previous year's expenditure and with the increasing activities of FSSAI, this amount would be insufficient and we will be requiring further grants. We are in the process of assessing our requirements for 2010-11 and will be submitting to Ministry of H&FW, our demand for further grant at the supplementary stage.

3) Status of FSSAI Rules, 2010

The Authority had approved the draft FSS Rules 2010 during its fourth meeting in April, 2010 and had authorised the Chairperson to approve suitable modifications in the draft Rules in the light of the discussions/decisions of the Authority, and recommended that FSSAI may take further action regarding notification of the Rules. The FSS Rules have since been finalised incorporating the suggestions of the Authority and have been referred to the Ministry of

Health and Family Welfare for final notification. Simultaneously, they have been sent to the Ministry of Commerce for notification to WTO as per the requirements of SPS/ TBT Agreements.

4) Meeting of the CAC and Follow Up Activities

The Central Advisory Committee (CAC) of FSSAI had its first meeting on 19th January, 2010, at Vigyan Bhawan, New Delhi, wherein it was emphasized that the States/UTs need to gear up to ensure that necessary systems are in place for the successful implementation of provisions of the FSS Act within the stipulated time frame. It was also felt that spreading awareness regarding the FSS Act was going to be equally crucial for its successful implementation.

As a follow-up to CAC meeting, a formal communication was sent to Chief Secretaries of all States/UTs along with checklist of steps to be taken by states for implementing provisions of new Act. Simultaneously, FSSAI organized region-wise conferences with Food Safety Commissioners of States/UTs to assess their preparedness for implementation of FSS Act and have informal discussion on various steps to be taken by states/UTs. The first conference in the series was held on 16th April, 2010 at Kochi for Southern Region followed by 11th May at Jaipur, 18th May at Kolkata, 25th May at Delhi and 11th June at Guwahati for Western, Eastern, Northern and North-Eastern region respectively. The conferences were followed by interactive sessions with various stakeholders in food sector at every location at a part of disseminating awareness about the new Act. Based on the inputs received during the regional conferences, fact sheets of States/UTs have been prepared and are available on FSSAI's website.

5) Structuring and Implementation of Integrated IT-enabled Imported Food Safety System

The project of Structuring and Implementation of Integrated IT-enabled Imported Food Safety System by Food Safety and Standards Authority of India (FSSAI) was assigned to the National Institute of Smart Government (NISG). FSSAI with the help of NISG is examining the feasibility of having an integrated IT-enabled imported food safety system. The proposed system will have

interface with all the Govt organizations like Customs, DGFT, Ministry of Agriculture etc. NISG has submitted an Inception Report, AS - IS Report, Best Practices Report and Business Process Reengineering Report which were discussed during Core Group Meetings on 3rd Dec 2009, 15th Feb 2010 and 13th April 2010, and also at a National Vision Workshop held on 24th Feb 2010 and Regional Workshops held at Chennai, Kolkata and Mumbai on 19-Apr-10, 23-Apr-10 and 26-Apr-10 respectively.

The study is progressing well and now it is being proposed to constitute a small group comprising of two officers from FSSAI and NISG at identified ports, starting with Chennai, Mumbai and Kolkata to understand the current procedures on the ground and to check the practicality of the new methods of sampling and inspection proposed before implementing the huge project of Integrated IT-enabled Imported Food Safety System. This group can also take up the documentation of all major importers and profiling of their work.

6) Codex Related Work

The Ministry of Health & Family Welfare has transferred to FSSAI in November, 2009 the functions relating to developing the national position regarding various Codex agenda items. The Food Authority is now the National Codex Contact Point (NCCP) for maintaining contact with the Codex Alimentarius Commission, exchanging information, responding to queries, participating in meetings etc.

FSSAI has established the various Shadow Committees for reviewing the agenda of the Codex Alimentarius Commission and its subsidiary committees and finalizing India's comments on the various agenda items before they are sent for approval of the government.

During 2009-10 FSSAI has participated in the 18th Session of the Codex Committee on Food Import and Export Inspection and Certification Systems (CCFICS) held from 1st -5th March, 2010 in Australia and 26th Session of Codex Committee on General Principles held from 12th -16th April, 2010 at Paris, France. For the forthcoming CAC meeting scheduled in July, 2010 at Geneva, the proposed Indian Delegation will be headed by CP, FSSAI.

7) Meetings of Scientific Committee and Scientific Panels

As per the provisions of Section 14 (1) and 13 (1) of the Food Safety and Standards Act, 2006, the Food Authority has constituted a Scientific Committee and Eight Scientific Panels for providing scientific opinion to the Food Authority on various issues.

The first meeting of all the Scientific Panels have been held. The first meeting of the Scientific Committee was held on 5th March, 2010. The second meeting of the Panel for Functional foods, Nutraceuticals, Dietetic products and other Similar Products and the Panel for Genetically Modified Organisms and Foods have also been held on 29th March, 2010 and 5th April 2010 respectively.

8) Regulation and Labelling of Genetically Modified Foods

FSSAI is in the process of establishing interim regulatory framework for regulating GM foods. Draft interim regulation on Genetically Modified Processed Foods in India has been prepared and uploaded on FSSAI's portal for public consultation.

The interim regulation envisages FSSAI to take the final view based on risk assessment in case of processed food and the GEAC will continue to regulate food falling under the category of LMOs. It is proposed that the science-based safety assessment of GM foods will be undertaken by a new GM Food Safety Assessment Unit (GMFSAU). The GMFSAU will be a multi-disciplinary team of scientists having expertise relevant to the various components of the GM food safety assessment as laid out in the 2008 "Guidelines for the Safety Assessment of Foods Derived from Genetically Engineered Plants" viz. toxicity, allergenicity and nutritional composition. Initially the GMFSAU will be established in the National Institute of Nutrition (NIN) but over a period of time will transitioned to a permanently staffed unit within the Authority itself.

As regards labelling of Genetically Modified Foods, following action is being taken:

- i) FSSAI is in the process of preparing background note on GM Food labelling.
- ii) The background note will be put up for consultation with stakeholders.
- iii) Based on the inputs from stakeholders a draft regulation on GM Food labelling will be prepared and the same will be placed before Scientific Panel / Committee and subsequently to Food Authority for approval.

9) Regulation of Alcoholic drinks

“Alcoholic drinks” is covered under the Definition of “Food” given under the Food Safety & Standards Act, 2006. Therefore, FSSAI is mandated to lay down science based standards to regulate manufacture, storage, distribution, sale and import. Work related to development of draft regulations for alcoholic drinks has been assigned to Amarchand Mangaldas & Co. Once the draft is received, it will be put up for consultation of stakeholders. FSSAI will restrict its mandate up to setting up of safety standards, enforcement of these standards will be done by concerned State Governments.

10) Initiatives related to Laboratories

A memorandum was concluded with the Quality council of India for conducting the gap study of the Government public health/food laboratories. QCI have to audit 40 laboratories, out of which 18 labs have been audited by 31st March, 2010 and 30 labs got audited till June 2010. The gap study carried out by the QCI can be utilized for up gradation of laboratories in terms of Manpower requirement, equipments, infrastructure, and training of personnel etc as per the requirement of the state public health laboratories.

It is proposed that all the state public/food laboratories should follow a specified entry level standard for the testing of samples and their documentation. They have to reach this standard in a span of one year and to the final standard in a span of three years for final notification under section 43 of Food Safety Standard Act. The entry level standard will act as a base for

getting the accreditation of food laboratories either by National Accreditation Board of Laboratories or any other recognized bodies.

Entry level standard will be temporary in nature for the period of one year by which laboratories will be expected to prepare and strengthen itself for NABL/FSSA Accreditation standard.

NABL has already laid down guidelines for food testing laboratories. It is necessary to enrich the standard by additional food safety inputs to meet the requirements of the mandate of the FSSAI. The laboratories approved against this criterion will be required to establish and implement full systems as per the requirements of NABL within a period of one to three years. A draft is already ready, after peer/Expert review and public consultation further steps will be taken to get the approval of the Authority to implement the accreditation system as per Section 43 of FSS Act, 2006.

11) Capacity Building Programmes

The Food Safety and Standards Authority of India has taken up the work of enabling the States to take up the transition to new food law. The existing PFA staffs are focused on sampling and prosecution and may not be equipped to carry out the much wider range of responsibilities envisaged under the new act.

The Food Safety Commissioners being the head of the Food Safety Enforcement in the State would require familiarity with the food law which will enable them to cope with the changed mandate of FSS Act, 2006 and would make the transition smoother in the State. A three days orientation programme has been conducted for the Food Safety Commissioners at FSSAI HQ. on 7th, 8th & 9th June, 2010. 18 FSCs attended the program. The FSCs were appraised about the FSS Act, the new provisions that will replace PFA Act and were taken to FRSL, Ghaziabad and to Mother Dairy plant at Delhi. The Commissioners informed that the training program was useful and has demanded that FSSAI provide assistance to the States for building capacity within their organisations, especially regarding the new provisions under FSS Act as well as best practices in various related areas like sampling, analysis etc.

As per the proposed regulations under the FSS Act, 2006, the Food Safety Officers have to play a cutting edge role to ensure food safety. To impart the training to existing FSOs, the module of Training of Trainers (ToT) has been designed. Two levels of training programme are to be conducted for the FSOs.

In the 1st Level nominated Food Safety Officers from each State will be attending the 5-day Training of Trainers (ToT) programme being organized by FSSAI in June-July 2010 in different regions i.e. North (Delhi and Lucknow), West (Mumbai), East (Kolkata) and South (Chennai). The program at Delhi was conducted last week (21st to 25th June, 2010) at FDA Bhavan and 26 nominees attended from the States & UTs of Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, Uttaranchal attended the TOT program.

In the 2nd Level the trained FSOs would conduct the training programmes for the FSOs of their respective States. Training arrangements and the logistic support would be provided by the respective State Government and the programmes would be conducted based on the subjects/course module, provided and delivered in the ToT organised by FSSAI. The training material for these programs have been developed in-house and vetted by experts from industry and academic institutions. These materials are being shared with States. FSSAI is in the process of entering into an MOU with Indian Institute of Public Health, Hyderabad for further development of capacity building programs. IIPH, in turn has received approvals from RSPH, UK for vetting these materials and for providing assistance in developing training programs for various categories of food safety personnel in the Country.

FSSAI has nominated six personnel for Laboratory training in state of the art laboratories at USA. Michigan State University is providing the training. Officials from FSSAI as well as from other institutions will be attending the program starting from 25th July, 2010 for six weeks duration.

Two officials from FSSAI will be participating in the Cochran Fellowship program of USDA for 2010. They will be attending an International Food Safety Course at Michigan State University and will be interacting with officials from Food Safety Regulators of other Countries.

FSSAI is also in the process of holding an International Conference on Best Practices in Food Safety in November, 2010 in collaboration with TERI University and Michigan State University. Regulators from some of the best performing Countries in the area of Food Safety are expected to attend the Conference and share their experiences with us.

12) Infrastructure Facilities

FSSAI has taken on lease a Guest House w.e.f. 16th May, 2010 for providing accommodation to the members of the Authority, Committee & Panels and other offices coming to Delhi for attending various meetings. The Guest House is situated at E-17, Defence Colony, New Delhi. The Guest House is operational and it can be now utilised by Members of the Authority, Members of various Panels and Committees as well as regional officials of FSSAI.

We have received proposals for office accommodation at Mumbai and are in the process of short listing a suitable accommodation there.

FSSAI took up the matter of allotment of suitable land with DDA. DDA suggested that we may formally apply for land at Narela. However, since the location is far away from the city and the amenities are not fully available, FSSAI has demanded suitable land in some centrally located area in Delhi. FSSAI has also taken up the allotment of land behind the existing FDA Bhavan with Ministry of H&FW which owns the campus. Ministry has sought tentative plans and drawings for proposed building so as to consider our request.

13) Information & Communication Technology Initiatives

FSSAI's web portal has been revamped and migrated to a new design. This is more user friendly and we have streamlined content for easy viewing by stakeholders. The E-office is now fully operational with communications being sent regularly to officials as well as members of various panels and committees through this E-office. FSSAI, with the help from NIC has also installed an E-File system with an objective of moving to a paperless, fast and transparent office administration. Officials at headquarter as well as NBCC building have been trained in the E-file software. FSSAI is in the process of installing its own server at FDA Bhavan and once the server is ready, the system will be commissioned. All the officials have been provided with Computers and are connected through LAN connection, both at headquarters as well as at NBCC building.

14) Communication Initiatives

FSSAI has released its first e-Newsletter in May, 2010. We propose to bring out this newsletter in print form from the next issue onwards and communicate with various stakeholders through this medium.

To create awareness regarding FSS Act and the new regulatory mechanism that will be replacing PFA, FSSAI plans to initiate a communication campaign across the Country. In this regard, FSSAI asked the empanelled advertising agencies to prepare concept designs. These designs have been received and they are being reviewed by a committee of officials from FSSAI. The approved concepts will be utilised the campaign, which is expected to start by August, 2010.

15) Administration related issues

- FSSAI has engaged an agency for complete Facility Management Services of its offices at FDA Bhavan, NBCC place and FRSL, Ghaziabad.
- The service rules of FSSAI are ready and the remaining ones would be finalized soon.
- Ministry of Health and Family Welfare, after detailed examination has forwarded our proposal for new posts to Ministry of Finance.
- Subsequent to its transfer, some employees of CFL, Kolkata have been agitating to get their salaries etc, directly from Ministry of Health and Family Welfare. The Ministry has finally taken a decision that FSSAI will be making salary payment etc to the employees of CFL, Kolkata.
- FSSAI has recruited one Director (Surveillance), one Deputy Director, five Technical Assistants recently and is in the process of recruiting three Deputy Directors.

16) Other Initiatives

- Draft Regulations for regulating Trans Fatty Acids in Partially Hydrogenated Vegetable Oils have been prepared for inviting feedback from all stakeholders and are available on the FSSAI website.
- Draft consultation paper on Energy Drinks have been prepared for inviting feedback from all stakeholders and are available on the FSSAI website.