

Home > Business > News

## New US FDA norms go into effect, Indian exporters ambivalent

By Pramod Thomas | Published: 13th September 2016 06:38 AM Last Updated: 13th September 2016 06:38 AM

Like 11

G+1 0

Email 3

KOCHI: With the stringent quality measures of the US Food and Drug Administration revamped, as part of the Food Safety Modernization Act, spice growers and exporters in India will have to adhere to the new norms which have come into effect from September 12.

Under the new guidelines, facilities that manufacture/process, pack, or hold for human or animal consumption should be registered. This assumes special significance as spice and spice product exports from India declined by 6 per cent to 843,255 tonne in 2015-16 against 893,920 tonne in 2014-15. Spices such as cardamom, pepper, turmeric, nutmeg and ginger etc are being exported to the US and European countries from Kerala.



Spice exports down Indian spice and spice product exports declined by 6 per cent to 843,255 tonne in 2015-16. The US and European markets are major destinations for Indian spices.

One of the major amendments in the registration for domestic and foreign food facilities is that they now need to contain the e-mail address of the US agent for the facility and the same is applicable to the owner, operator or agent in charge of the facility. The facility's registration will need to be renewed every two years. FDA also recommends electronic registration which will be compulsory from 2020.

"Currently, Hazard Analysis Critical Control Point (HACCP) and British Retail Consortium (BRC) certification is mandatory for exporters.

About 80 per cent of exporters in India comply with the quality standards. The exercise is aimed at making the importer accountable to any quality issues. Hence it will be difficult for companies or factories, which do not have HACCP or BRC certification to go for exports in the future," said Gulshan John, Chairman, All India Spices Exporters Forum.

But countries like Indonesia have already raised concerns about the changes. According to them the cost for the appointment of a US agent for exports will be

around \$ 700 – 2000 (around 1.34 lakh) with an additional annual fee of at least \$1000 (around 67,000).

“This is another measure US-FDA is putting in place for transparency and while there will be costs involved, on both sides, it adds to the overall attempt at absolute food safety,” said Shaheen Majeed, Marketing Director, Sami Labs Limited.

Exporters in the country, irrespective of their size, need to take quality certification and growers should be directed against the usage of pesticides and hazardous elements. The need to adhere to the new norms, especially on pesticides will require discipline, say experts.

“The new FDA rules will act against small exporters to enter into the sector as they will have to spend more money. Only big export houses will sustain. Growers will be forced to follow strict agriculture practices, with better quality standards in mind,” said Saseendra Babu, MD, Vandanmedu Green Gold Cardamom Producer Company Limited.