



FOOD SAFETY: CREATING OPPORTUNITIES IN WEST AFRICA

Azalai Hotel Abidjan
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IFC's Africa Food Safety Program, in partnership with local consulting firm ICAF and the government of Japan, hosted its first Food Safety Forum in May 2019 in Abidjan (and 8th such forum overall) gathering over 160 participants from the private sector, government, informal markets, research institutions, the World Bank, and international organizations. Under the banner "Creating Opportunities in West Africa," the event featured IFC clients Mossadeck Bally, Chairman of Azalai Group, and Sylvain Gotta, Managing Director of SIPRA, in addition to representatives from the Japanese Embassy, Carrefour, Casino, Solibra, Olam, Nestle, the Adjame Wholesale Market Cooperative, the Global Food Safety Initiative (GFSI), SGS, and FMA (a local cashew exporter).

The Stakes are high

According to a recent report from the Global Food Safety Partnership, Africans suffer the highest burden of food-borne disease worldwide, with an estimated 137,000 deaths and 91 million illnesses annually. This also has huge economic ramifications on Africa's economy – up to \$16.7 billion in annual productivity losses.

At the forum, IFC sought to flip the conversation from negative to positive by highlighting the opportunities that local companies have seized from improved food safety. Globally, IFC client companies that have instituted food safety improvements with IFC's advisory support have attracted \$564 million in investments and generated over \$478 million in new sales. The central question we asked the forum was: How can West African companies reap similar benefits?

Food Safety does indeed create opportunities

As one participant stated, it is not only a theory that food safety creates opportunities, but a reality. We heard personal stories from participants representing sectors as diverse as hotels, commodity traders, cashew processors, poultry producers, and traditional informal markets. All stakeholders highlighted the benefits to be gained from better food safety, including reduced complaints, increased sales, improved efficiencies, and reduced costs. Sylvain Gotta, Managing Director of Sipra, noted that his workers are happier thanks to improved food safety: "It's easier to work in a formal environment, than a chaotic one with no understanding of who does what." He also stressed the need to work together on a business goal, noting that his company secured a lucrative contract with multinational chain KFC thanks to good food safety practices.

Rob Koojmans of the Dutch-based consultancy and popular YouTube channel, Food Safety Experts, highlighted ways that companies could calculate the "cost of non-quality," a practical methodology for capturing the hidden costs that drain a business's finances. He recommended ways for companies to ensure that time and resources spent on food safety brought positive returns on investments and increased customer satisfaction.

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Informal markets and SMEs cannot be ignored

While formal retailers are growing in the region, the vast majority of Africans still purchase their daily staples from informal markets. Any interventions aimed at addressing food safety on a wider scale avoids the informal sector at its peril. Supermarkets Casino and Carrefour both talked about the training and support they offer SMEs and small-holder suppliers, which comprise a significant portion of their supplier base. In Cote d'Ivoire, Carrefour has even invested in an abattoir to ensure good quality meat to its customers.

Despite the growth of the formal sector in Africa, informal markets will continue to thrive in cities and towns across the continent.

GFSI's Senior Program Manager offered a solution that has been tested with SMEs worldwide: GFSI's Global Markets Program. With basic and intermediate levels available for food manufacturers and primary producers, the program is custom-made with SMEs and smallholders in mind. GFSI has also signed partnerships with countries such as Chile and Argentina to implement the Global Markets program for informal markets, an experience that could be replicated in West Africa.

Quality culture over certification

While all participants discussed the importance of training, training is only the start of what needs to happen. The real learning happens on the job – whether on the production floor or out on the farm. For behavior change to take place, ongoing mentoring and coaching needs to come from external service providers, but also from company leadership. As Francis Batista, Managing Director of Solibra, noted, "What matters is not to be certified, but to have a quality culture, 365 days per year." Leadership needs belief in quality and to take it seriously in all actions, not just on audit day.

A Call to Action

The Forum ended with a clear call to action to improve awareness on food safety legislation and the regulatory framework, to increase training and capacity for SME's and smallholder farmers, to adapt GFSI's Global Markets Basic program for local realities, and to consider food safety in every sector.

Forum participants appreciated the frank, lively discussions and interactive nature of the event. Findings from the day will be shared with the organizing committee of the World Bank's Development Finance Forum (to be held in October 2019) with the hope that action items will be taken a step or two further. For now, IFC will be following up on ideas to support informal markets and SMEs with the Global Markets program and continue to emphasize a focus on food safety culture.

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