

# EU FOOD FRAUD NETWORK collaborating with GEORGIA

## SUBSTITUTION HAZELNUTS by PEANUTS



3.345€/Ton



1.486€/Ton





European  
Commission



Consumer complaint  
after allergic reaction



Business own check  
22% peanuts in ground hazelnuts



Report to DE  
authorities

Public Health Risk  
+  
Suspicion of Fraud

1. Violation of EU  
Food Law

Undeclared peanuts in hazelnuts  
consignments

2. Intention

Not accidental  
14%, 22% and 16% substitution

3. Economic gain

~400\$ per Ton  
1.4\$/Ton (peanuts) vs 3.3\$/Ton (hazelnuts)

4. Deception of  
customers

- Peanuts are allergens
- Consumer buying peanuts for the price of hazelnuts



19/01/16  
RASFF\* Alert  
(22% and 16%)  
+  
13/04/16  
RASFF Alert  
(14%)



European  
Commission

## EU COORDINATION

**AAC\* - Food Fraud (IT system)**

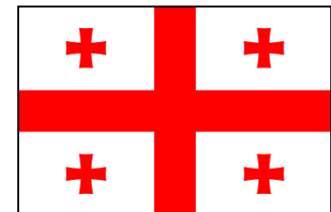


**The EU Food  
Fraud Network**

**Raising Stakeholders** awareness  
(Critical Control Point - **HACCP**)



1. Automatic Alert from RASFF  
2. Request for **action/investigations**



**Georgia**



European  
Commission



\* AAC – Administrative Assistance and Cooperation

Health and  
Food Safety



European  
Commission

## RESULTS



### GEORGIAN AUTHORITIES REACTION/COOPERATION



Urgent adoption of **Regulation to strengthen controls on hazelnuts for export**

**Confirmation of fraudulent activities** in 2 establishments (**same owner**)

Operator **charged for falsification** of hazelnuts products and **forgery of tax documents** (entail imprisonment from **2 to 4 years**)



### EU Market Hazelnut flour



**Authorities and Industry increased controls**

**Until February 2017 no new fraud detected**

**Feb/March 2017 : two new RASFF notifications : Commission in contact with Georgian authorities for further action**





European  
Commission

## NEWS

### Georgian police arrest man for exporting falsified hazelnut products to Germany

30 NOV 2016 - 16:01:00



Hazelnuts are one of the agricultural products Georgia exports to the EU.  
Photo by Nino Alavidze/Agenda.ge

Agenda.ge, 30 Nov 2016 - 16:01, Tbilisi, Georgia



Officials said that while processing and packaging hazelnut products, **the accused mixed peanuts with hazelnuts**. Peanuts are relatively cheap and have different consumption features so mixing them with the hazelnut products bulked up the production with a completely different, lower quality nut.

After this the alleged offender exported these low quality nut products to Germany. The detainee was registered as director of Global Trade LTD and in the name of this company, he allegedly used 65 illegal documents (purchase acts), which showed the company bought hazelnuts **worth almost two million GEL (740.000 USD)**