

The Cost of Food Crime

Area of research interest: [Food crime](#)

Project code: FS301065

Background

The Food Standards Agency (FSA) has a statutory duty to protect public health from risks which may arise in connection with the production, supply and consumption of food. Our strategic ambitions— against which we measure our impact — include that 'food is safe' and is 'what it says it is'. Food crime is defined as "serious fraud and related criminality within food supply chains that impacts the safety or the authenticity of food, drink or animal feed. It can be seriously harmful to consumers, food businesses and the wider food industry." Protecting consumers from food crime is a priority in achieving the FSA's goals and therefore, a solid evidence base to track progression is vital.

The main issue with existing estimates of the cost of food crime is the disparity in what should and should not be included in the calculations. This project aims to bring clarity to this confusion by building a framework to calculate the cost of food crime that aligns with the FSA's definition of food crime.

Objectives and Approach

The scope of this project was to conduct a comprehensive review of existing methods and techniques for evaluating the economic impact of food crime to the UK economy and to develop a conceptual framework based on these findings. This framework will seek to capture the full range of impacts that food crime has on the UK economy, and will be explicit in the areas where data availability prevents estimation.

Results

An economic framework was developed for estimating the economic cost of food crime which uses:

1. Victim costs: Direct economic losses suffered by crime victims, including medical care costs and lost earnings.
2. Criminal justice system costs: Costs of anti-food crime activities, legal and adjudication services, and corrections programs including incarceration.
3. Crime career costs: Opportunity costs associated with the criminal's choice to engage in illegal rather than legal and productive activities.
4. Intangible costs: Indirect losses suffered by crime victims, including pain and suffering, decreased quality of life, and psychological distress.
5. Market costs: Loss of profits for genuine firms.

Analysis was also conducted to assess how these costs can be calculated given available data sources. Finally, an assessment of the possibility of applying machine learning or other tools to build algorithms to calculate the costs was carried out.

The findings of this project are now being used in the Cost of Food Crime phase 2. This is looking to build a model and database, based upon the economic framework developed in phase 1, to

provide an ongoing estimate of the cost of food crime to UK society. When available the outcomes of this work will be published here.

Research report

PDF

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