[Security classification –In Confidence]

Office of the Minister for Food Safety
Chair, Cabinet Economic Development Committee

REDESIGN OF ANIMAL PRODUCTS AND WINE REGULATIONS: APPROVAL TO DELEGATE AUTHORITY TO CONSULT TO MINISTER FOR FOOD SAFETY

Proposal

1. This paper seeks for Cabinet to delegate to the Minister for Food Safety authority to oversee consultation on the redesign of the Animal Products Regulations and Wine Regulations over the next three years.

Executive Summary

- 2. This redesign implements the legislative design component of the Food Safety Law Reform (FSLR) Act 2018. The FSLR Act provided approval for Parliamentary Counsel Office to draft amendments to the Animal Products Regulations and the Wine Regulations [SUB16-0024].
- 3. The redesign will consolidate and simplify over 1200 pages of regulations, notices and supporting guidance documents without changing any regulatory requirements themselves. Given the wide scope and technical nature of the proposed changes, officials plan to consult in three tranches (see Appendix One for proposed timeline).
- 4. Consultation with stakeholders is proposed to start this year and continue until late 2021, when the Minister for Food Safety will submit amendments to the Animal Products and Wine Regulations to Cabinet for approval. The regulations and notices must be in force before March 2022, as under the FSLR Act most of the notices will expire.
- 5. Engagement with an external industry reference group, as a first step, will provide an opportunity for the Ministry for Primary Industries (MPI) and businesses to discuss and refine the proposals prior to wider public consultation. This will help industry engage throughout the redesign process and provide for a more effective, efficient, and informed stakeholder engagement. The Government Inquiry into the Whey Protein Concentrate Contamination Incident 2013 (the WPC Inquiry) recommended that MPI redesign the regulations in close coordination with the regulated industry.

Background

The redesign implements requirements of the Food Safety Law Reform Act 2018

6. The WPC Inquiry found regulatory requirements under the Animal Products Act 1999 to be confusing and inaccessible so recommended improving the legislative design of the food safety system.

- 7. An example of the complexity is that the requirements to control pests in processing premises can be found in nine different regulatory instruments, including three different sets of regulations applying to processors of dairy, animal products, and seafood respectively, four notices, and two other instruments.
- 8. The FSLR Act requires MPI to complete a legislative redesign of regulations under the Animal Products Act 1999 and Wine Act 2003 by March 2022.

The goal of the redesign is to simplify and consolidate the requirements

- 9. No new food safety requirements are proposed. The redesign's focus is on consolidating into the regulations those general requirements in the notices which apply to many industries. This will remove duplication and focus the content of the notices on specific, technical requirements (e.g. processing parameters such as temperatures, processing and handling requirements).
- 10. The result will be a clearer set of requirements in regulations and notices that are easier to access and understand and therefore, comply with.
- 11. Improving clarity of the regulations will also assist our trading partners to understand our requirements.

The proposed consultation process

The Minister for Food Safety is seeking delegated authority to oversee several public consultation processes over three years

- 12. The Minister is seeking authority now to oversee this consultation process due to its lengthy duration and complexity, as consultation on the redesigned regulations and notices will occur over the next three years (See Appendix One for proposed timeline). The final proposed amendments to the Animal Product Regulations and Wine Regulations will be presented to Cabinet for approval in late 2021.
- 13. No changes to food safety requirements are proposed, but general content will shift from notices to the regulations, affecting a wide range of stakeholders. Consultation will help industry understand the redesign process.
- MPI proposes breaking the consultation into three tranches to allow detailed discussion of the redesign proposals, as well as the rationale for them and their effects on industry. The Minister for Food Safety will approve consultation on each tranche.
- 15. The first tranche will cover the redesign of regulations relating to Recognised Persons and Agencies, and Verification. The second tranche will cover good operating procedures and standards. The third tranche will cover redesigning wine regulations and any remaining issues for animal products not covered in the previous consultations.

Releasing exposure drafts of the regulations and notices will help industry to engage with the proposals

16. MPI is forming an external industry reference group to consider the draft regulations and notices prior to wider public consultation for each of the three tranches of consultation. This will provide industry stakeholders a chance to consider and comment on the detail of the redesigned regulations and notices. Early engagement with a reference group will help industry understand the approach to the redesign and ensure that the redesign maintains the current standard of food safety across the wide range of industries.

Consultation

17. The following government departments were consulted in the development of this paper: Department of the Prime Minister and Cabinet, Ministry of Business, Innovation and Employment, Ministry for Foreign Affairs and Trade, Ministry of Health, New Zealand Trade and Enterprise, New Zealand Customs Service, and Treasury. No concerns were raised.

Financial Implications

18. This paper has no direct financial implications.

Legislative Implications

19. This consultation will ultimately result in amendments to the Animal Products Regulations and the Wine Regulations by late 2021.

Human Rights

20. This paper has no implications under the Human Rights Act 1993 or the New Zealand Bill of Rights Act 1999.

Publicity

21. No publicity is required as a result of this paper. Publicity for the consultation process will be considered as part of that process, and trade partners will be informed about the redesign to help them understand that no changes to food safety requirements are proposed.

Proactive Release

22. Following Cabinet consideration I intend to consider the release of this paper in full.

Recommendations

The Minister for Food Safety recommends that the Committee:

- 1. **Note** that the Food Safety Law Reform Act 2018, which addressed issues relating to the *Government Inquiry into the Whey Protein Concentrate Contamination Incident 2013*, requires changes to be made to the Animal Products Regulations and Wine Regulations.
- 2. **Note** that writing and consulting on the amendments to redesign the Animal Products Regulations and Wine Regulations requires three tranches of consultation, which will take three years.
- 3. **Agree** that the Minister for Food Safety be delegated authority to oversee public consultation on proposed amendments to redesign the Animal Products Regulations and Wine Regulations.
- 4. **Note** that the Minister for Food Safety will bring to Cabinet the proposed amendments to redesign the Animal Product Regulations and Wine Regulations by late 2021.

Authorised for lodgement Hon Damien O'Connor Minister for Food Safety