Ministry for Primary Industries
Manatū Ahu Matua

Review of Submissions

Draft Import Health Standard for Specified Animal Products
Draft Risk Management Proposal for Specified Animal Products

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Growing and Protecting New Zealand

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Agriculture and Investment Services

REVIEW OF SUBMISSIONS

Specified Animal Products

Approved for general release

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Contents

1 Introduction

The draft import health standard for the importation into New Zealand of specified animal products was notified for consultation on 29 November 2019.

The Ministry for Primary Industries (MPI) received submissions from the following:

Dubber & Craig Customs Ltd., Duncan Craig 28 January 2020

Fonterra Cooperative Group Ltd., Andy Goodwin 24 January 2020

New Zealand Food & Grocery Council 27 January 2020

New Zealand Pharmaceuticals Ltd.* 20 December 2019

* The submission is not published in the ROS due to commercially sensitive information.

This document summarises the issues raised in the submissions, and presents the MPI response to each.

1.1 Acronyms Used in the Document

BSE	Bovine spongiform encephalopathy	RMP	Risk management proposal
IHS	Import health standard	ROS	Review of submissions
MPI	Ministry for Primary Industries		

2 Summary of Amendments

As a result of submissions made by external stakeholders and MPI stakeholders, the following is a summary of amendments to be made to the *Import Health Standard: Specified Animal Products:*

2.1 Canned or retorted animal products

An official certificate for all canned and retorted animal products from all countries was proposed during external consultation. This has changed after the review of submissions.

Canned and retorted animal products from Australia that contain Australian and/or imported ingredients, or products that have met import conditions of Australia, are eligible for importation when accompanied by a manufacturer's declaration, instead of an official certificate.

For canned and retorted animal products imported from countries other than Australia, manufacturer's declaration is acceptable for canned animal products; whereas an official certificate is required for non-canned retorted products. If products contain beef derived from *Bos taurus* or *B. indicus*, an official certificate is required to meet BSE requirements.

2.2 Collagen (edible)

Recognising the manufacturing processes and import systems in Australia, edible collagen that is manufactured in Australia using local or imported ingredients, or that has met import conditions of Australia, is exempt from official certification for BSE.

As tendons are not a BSE risk material, they are excluded from BSE certification. Nevertheless, an official certificate stating that the collagen has been prepared exclusively from tendons is required.

2.3 Protein powders containing dairy and/or egg products

The title of the commodity has been amended from 'dietary protein supplements containing dairy and/or egg products' to 'protein powders containing dairy and/or egg products'.

2.4 Pre-cooked heat-and-eat meals from Australia

Products manufactured in Australia using local or imported ingredients, or that have met the import conditions of Australia, are eligible for importation into New Zealand.

2.5 Processed foods containing less than 5% meat

'The product does not require refrigeration before the package is opened' is an existing requirement in the IHS EDIPROIC.ALL. This has been re-inserted in the IHS SPECPROD.ALL.

A manufacturer's declaration, instead of a government-endorsed manufacturer's declaration as previously proposed, is required.

2.6 Processed foods containing meat-based ingredients or floss

The title of the commodity has been amended from 'processed foods containing meat-based ingredients' to 'processed foods containing meat-based ingredients or floss'.

Products manufactured in Australia (using Australian and/or imported ingredients) and products that have been manufactured in a third country and imported into Australia are eligible for importation.

For products imported from any country, it is intended that the provision does not apply to product in bulk form. 'The product is not in bulk form' has thus been added as a requirement.

2.7 Products containing probiotic microorganisms used in food

The manufacturer's declaration requirement has been removed. Instead, the products are required to meet the following:

1. The microorganism has been advised or determined by the New Zealand Environmental Protection Authority (EPA) to be present in New Zealand under the Hazardous Substances and New Organisms (HSNO) Act 1996; and
2. The microorganism is not an unwanted organism under the Biosecurity Act 1993.

2.8 Bile derivatives

Bile derivatives of any animal species from any country are eligible for importation.

2.9 Concentrated bile (bovine and ovine)

For bovine and ovine concentrated bile that has not undergone hydrolysis using sodium hydroxide under heated conditions, a manufacturer's declaration and an import permit issued by MPI, instead of an official certificate, is required. The product, upon arrival in New Zealand, will be directed to an MPI-approved transitional facility nominated on the import permit for the treatment to take place.

2.10 Dietary Supplements and Therapeutic Products for Human Use (excluding bee products)

To add clarity to the original intent, the title of this provision has been amended from 'dietary supplements, supplemented foods and therapeutic products for human use' to 'dietary supplements and therapeutic products for human use (excluding bee products)'. Supplemented foods containing dairy and/or egg products are eligible for importation under clause 2.3.3 of the IHS.

A provision has been added for bulk dietary supplements and therapeutic products (including Chinese and Oriental medicines) containing animal products, which allows the products to be directed to and further processed in an MPI-approved transitional facility under a valid import permit issued by MPI.

2.11 A definition for bee products

A definition that aligns with the IHS BEEPROIC.ALL has been added to Schedule 2 of the IHS for bee products.

Copies of all external stakeholder submissions in their entirety are presented in Appendix 1.

3 Review of Submissions

3.1 Dubber & Craig Customs Ltd., Duncan Craig

3.1.1 Free trade and biosecurity requirements

I am very involved in the importation pathways of foodstuffs from Asian Countries, including Japan, China, Korea, Taiwan, and South East Asia.
My first comment is that these countries now enjoy free trade status with New Zealand and these trade agreements have the specific intention of simplifying and easing trade between these parties.
It is not clear to me why these changes are necessary considering the existing standard EDIPROIC.ALL has been in force for a considerable number of years having been updated several times.
The existing standard has specifically identified lower risk products and implemented suitable documentation controls. While MPI is seeking greater security than provided by the existing EDIPROIC.ALL standard the reason for this has not been explained.
On face value MPI appears to have formed the opinion that food manufacturers in countries of much greater populations that New Zealand, such as Japan, can not be trusted to provide truthful documentation while holding HCCP or similar certification

MPI Response
Biosecurity controls are independent of free trade agreements. Although animal products that have been canned or retorted to achieve F03 or greater do not carry biosecurity risks, some products that are declared as retorted are not retorted. Official certification will provide assurance that a retorted product meets the requirements of the IHS.

Nevertheless, MPI has reconsidered the high quality standards that the commercial canning industry operates, and deem a manufacturer's declaration is acceptable for canned products. For non-canned retorted products, official certification is required. In any case, if beef derived from *Bos taurus* or *B. indicus* is present in canned or retorted animal products, an official certificate is required to mitigate BSE risk.

Note the exemption that a manufacturer's declaration is accepted by MPI for canned and retorted animal products from Australia; BSE official certification requirements do not apply to Australia. See clause 5.1(6) and 5.1(8) of the RMP SPECPROD.ALL.

3.1.2 BSE requirements

We do not know why the BSE requirements have been included in the new provisions. There is no clear explanation for this in the risk management proposal. We believe this is a separate issue that is handled well by MPI food imports.

MPI Response
BSE is both a biosecurity risk and food safety risk, and has been concurrently managed by MPI Biosecurity and MPI Food Imports for some years. When this IHS was being drafted, both MPI groups reviewed their respective requirements and attempted to align them where possible. This IHS aligns its BSE requirements with MPI risk assessment and recommendations of the World Organisation for Animal Health (OIE). The IHS SPECPROD.ALL opens trade to all countries, zones or compartments that pose a negligible BSE risk or a controlled BSE risk. A list of such countries, zones or compartments can be accessed here: https://www.oie.int/animal-health-in-the-world/official-disease-status/bse/list-of-bse-risk-status/. The Food Notice: Importing Food will also be updated to reflect the commodities eligible for import in IHS SPECPROD.ALL.

Note the exemption that BSE official certification requirements do not apply to Australia. See 5.1(8) of the RMP SPECPROD.ALL.

3.1.3 Canned or retorted animal products

Clause 5.1 (of the RMP) is an amendment to the condition of clause 2.1 but it is not absolutely clear that cooked meat products that are neither canned or retorted but are shelf stable and cooked to F03 temperature/time equivalents will be permitted entry with a government endorsed manufacturers declaration. This is permitted under clause 2.1.

MPI Response
Even though a shelf stable product has been cooked to F03 temperature/time equivalent, if it is not cooked/heat-treated in a hermetically sealed container, it will not be eligible for importation under the requirements in clause 2.1 of the IHS SPECPROD.ALL. This requirement has been clarified in the IHS SPECPROD.ALL by only allowing canned or non-canned retorted product that is accompanied by either a manufacturer's declaration or an official certificate stating that "the product has been heat-treated in a hermetically sealed container to an F0 value of 3 or more".

3.1.4 Manufacturer's declaration

"Currently retorted meat products are cleared at the border with a compliant manufacturers declaration that is no more than 12 months old, therefore one declaration can be reused for a year.
I am sure the wording of clause 5.4 will require an original declaration for every shipment. My clients have commented that this will mean it will be uneconomical to import a large number of products now readily available because of the documentation requirements.
As a specific example retorted meat curry products are often available as the same product in mild, medium, and hot flavour temperatures and in different sizes. We clear a "House" brand curry ex Japan and we currently hold 6 manufacturers declarations on file for a year. The documentation requirements are likely to increase and we will require 60 individual manufacturers' declarations for this one curry product alone.
My food importing clients import a very wide variety of shelf stable retorted food products and see this as an onerous provision."

MPI Response
Regarding non-canned retorted animal products, MPI has determined that manufacturer's declarations do not provide sufficient assurance that the required treatment process has taken place, and that official certification is required, as explained in clause 5.1(7) of the RMP SPECPROD.ALL. A manufacturer's declaration is however sufficient for canned animal products from any country.

Note the exemption that a manufacturer's declaration is accepted by MPI for canned and retorted animal products from Australia. See clause 5.1(6) of the RMP SPECPROD.ALL.

3.2 Fonterra Cooperative Group Ltd., Andy Goodwin

3.2.1 A dairy provision to remain in the IHS EDIPROIC.ALL

"We note the information provided in the revocation section of this IHS indicates that a large portion of the Import Health Standard: Specified Foods for Human Consumption (EDIPROIC.ALL) will be replaced or amended by this IHS we seek to understand what will be done with the remainder of the clauses in EDIPROIC.ALL relating to Animal Products. We would like confirmation that sections that are not amended or revoked remain in place with no amendment, specifically section 2.10 Shelf Stable dairy products, dairy samples and products containing dairy ingredients."

MPI Response
The clauses in the IHS EDIPROIC.ALL that are not revoked by the IHS SPECPROD.ALL will remain in the IHS EDIPROIC.ALL with no amendment. MPI is reviewing existing import requirements for all dairy products and is drafting a generic IHS for Dairy Products, which will contain revised import requirements for shelf stable dairy products. The generic IHS for Dairy Products will be publically consulted in 2020 and when it is published, the shelf stable dairy products provision in the IHS EDIPROIC.ALL will eventually be replaced and revoked.

3.2.2 Canned or retorted animal products

"This section (2.1) amends EDIPROIC.ALL section 2.1 clause (2), which applied to Retorted animal products. The draft IHS applies these requirements to Canned or retorted animal products implying that product in a can would be covered by the section even if not retorted. Bullet 4 in the Guidance box for this section does provide some non-binding information to indicate that the scope would not include canned product that wasn't heat treated in the can, however this could be clarified more simply by replacing the term canned or retorted animal products with retorted animal products. Schedule 2 defines; Retort pouches/packaging, Retorted products and Retorting so there is no need to refer to canned as this is a type of retort packaging that is adequately defined in Schedule 2."

MPI Response
The wording 'canned' in the commodity title is an effective pointer for importers. For canned animal products, MPI considers that food safety standards in the canning industry are highly regulated, and that manufacturer's declarations stating heat treatment to an F0 value of 3 or more provide sufficient assurance to MPI.

3.2.3 Dietary Supplements, Supplemented Foods and Therapeutic Products for Human use

"Clause (2) is an amendment of INEPROIC.ALL sections 6.1 and 6.2 with expansion to include Supplemented Foods. This clause applies use restrictions on supplemented foods in that they have to be further processed into specific product formats. Where the supplemented food is a shelf stable dairy product the clause conflicts EDIPROIC.ALL section 2.10. We ask that Supplemented foods that are dairy products are excluded from this section and that they are continued to be managed in accordance with EDIPROIC.ALL section 2.10."

MPI Response
Supplemented foods have been excluded from clause 4.1 and its title has been amended to 'dietary supplements and therapeutic products for human use'. Protein powders containing dairy and/or egg products are eligible for importation under clause 2.3.3 of the IHS SPECPROD. Guidance information has been added under guidance for clause 4.1 to add clarity.

On a similar note, the title of clause 2.3.3 of the IHS, 'dietary protein supplements containing dairy and/or egg products', suggests that the provisions of this clause are related to dietary supplements or supplemented foods, as regulated under the Food Act. However, this is not the intent of the clause. The commodity title has thus been amended to 'protein powders containing dairy and/or egg products'.

3.3 New Zealand Food & Grocery Council, Katherine Rich

3.3.1 Minor amendments

"MPI states that several minor amendments will remove provisions from three IHSs (IHS: Specified animal products and biologicals INEPROIC.ALL and IHS: Specified foods for human consumption containing animal products EDIPROIC.ALL and all provisions in IHS: Emu oil from Australia) and include them in the generic IHS: Specified animal products, SPECPROD.ALL. MPI suggests that as these are minor, the changes will not be publicly consulted. It is unclear how their inclusion in a consultation document excludes them from consultation.

While NZFGC supports consistency efforts, and notes there is no intended change to the import requirements as a result of these minor amendments, they should still be subject to public consultation. For example, we would suggest it would be important to include very clear provisions or information in the affected specific IHSs (other than that to be revoked in its entirety) to the effect that they MUST be read in conjunction with IHS for specified animal products, SPECPROD.ALL. Without doing so might mislead importers into believing they have met all requirements necessary from the specific IHSs when that is clearly not the case."

MPI Response
Guidance information that directs importers to check for relevant provisions in the IHS SPECPROD.ALL will be added to the IHS EDIPROIC.ALL.

3.3.2 Examples of meat-based ingredients

"The description of the products that might be in processed foods as 'floss, flavouring and stock' is proposed to be expanded and replaced by specific examples: 'broth, concentrate, extract, fat, flavours, floss, stock or tallow'. This improves the current arrangements but does not look forward to what similar products might be called in the future thereby limiting food innovation. We note the recommendation refers to the products as "ingredients [that] include broth, concentrate, extract, fat, flavours, floss, stock or tallow" which would be inclusive. If these are only examples then a catch all might be added to cover "similar animal product-based products subject to specific approval from MPI" or similar."

MPI Response

The list in clause 2.7.2 of the IHS is not meant to be exhaustive and thus will not restrict future food innovation. As long as it is a meat-based ingredient in processed foods that meet all the requirements, the processed food will be eligible for biosecurity clearance. Note that meat is defined as all edible parts of an animal in Schedule 2 of the IHS and that for the purposes of this IHS, meat-based ingredients are those that do not contain discernible meat or meat pieces. MPI thus considers that floss should not be included as an example of meat-based ingredients. Nevertheless, it is eligible for importation under this provision as floss is a highly processed, involving heating and drying for an extended time, meat product. MPI also considers that 'fat' may mean raw or unprocessed fat tissues, which are not intended to be included under this provision.

To reflect the above clarifications, the title of clause 2.7.2 of the IHS has been amended to 'processed foods containing meat-based ingredients or floss', and the example list now reads 'ingredients include broth, concentrate, extract, rendered fat, flavours, stock, and tallow, etc'.

3.3.3 Commodity title for processed foods containing meat-based ingredients

"Instead of requiring the flavouring or stock to be made from 'animal-based ingredients' MPI is proposing that it be made from 'meat-based ingredients' on the basis that 'meat' is defined as all edible parts of an animal and is clearer. NZFGC does not believe this adds clarity and indeed may have a negative impact on imports. Stock is often made by boiling frames and other animal parts that might not generally be considered 'meat'. We consider the term 'animal-based ingredients' to be much clearer."

MPI Response

The definition for meat, that is all edible parts of an animal, has been used in the latest MPI's Import Risk Analysis for Meat and Meat Products from Ruminants and Pigs, and thus will be used in all future IHSs relating to ruminants and pig products. To enhance clarity, a definition for meat has been added in Schedule 2 of the IHS, and appropriately referenced within the IHS.

3.3.4 Commercial bulk imports of meat-based ingredients

"To address the concern about contact between such products and animals, MPI is proposing the provisions not apply to commercial bulk (eg in drums) imports of meat-based ingredients. NZFGC does not agree with this limitation. It is not clear to us what the impact of such a restriction might have on imports of bulk ingredients for use in further manufacturing in New Zealand. Clearly, a vast array of meat and animal-based ingredients are sources from within New Zealand but it cannot be assumed this is exclusive."

MPI Response

Commercial bulk imports of meat-based ingredients present a much higher biosecurity risk. An official veterinary certificate under a commodity-specific IHS that attests to disease freedom and/or manufacturing processes issued by the exporting country is required to provide adequate assurance. In contrast, ready-to-consume or ready-to-use processed foods containing meat-based ingredients are of a lower biosecurity risk due to an unlikely exposure pathway, and thus are eligible for importation under the proposed requirements in the IHS SPECPROD.

3.3.5 Enzymes, microorganisms and other products used in food

"The IHS INEPROIC.ALL contains provisions relating to food cultures (such as yoghurt, cheese, enzymes and cultures) rennet from Australia, yeasts and isinglass. MPI is proposing to revoke the

provision related to rennet from Australia and applying several provisions to products containing probiotic microorganisms requiring import to be accompanied by, amongst other things, a confirmation from the Environmental Protection Authority (EPA) that the microorganisms exist in New Zealand and that the microorganisms are not unwanted under the Biosecurity Act 1993.

NZFGC is very concerned to know what "a confirmation from EPA" might comprise, how easily this might be obtain and the time that will be required for this to be given effect. Similarly, we would be interested to know of a list of unwanted microorganisms used in food manufacture under the Biosecurity Act. These provisions sound reasonable but for the level of processed food imports by New Zealand, these could present as significant barriers to trade. New Zealand consumers would be the ultimate group impacted by not having access to foods readily available in other countries

NZFGC does not support the requirement for "confirmation from EPA". We are very concerned at the burden of proof required in relation to imports of probiotic microorganisms especially involving multiple agencies."

MPI Response
Rennet from any country is eligible for importation under clause 2.8 (2) as commercially manufactured food cultures. Refer to 5.7 (3) of the RMP SPECPROD.ALL.

The written confirmation from the EPA and manufacturer's declaration requirements have been removed. As long as the probiotic microorganisms are deemed to be present in New Zealand under the HSNO Act and they are not unwanted organisms under the Biosecurity Act, they are eligible for importation. Guidance has been added to make reference to the 'List of microbes present in New Zealand' administered by the EPA, and the Unwanted Organisms Database administered by MPI, have been added to the IHS. MPI and EPA are having on-going discussions on risk management of foods containing microorganisms, and may revise and consult their import requirements in the future.

3.3.6 Dietary supplements, Supplemented foods and Therapeutic products for human use

"NZFGC's interests in this section relate to supplemented foods and even though the MPI recommendations treat these products as a group, provisions for supplemented foods would likely be captured under provisions for foods since their separation is for legal reasons rather than any other reason. NZFGC:

- does not support provisions that require supplemented foods being manufactured and compounded into pills, tablets, capsules, liquids etc.
- suggests that there has been a fundamental misunderstanding of the nature of a 'supplemented food'
- points out that these should not be regulated for biosecurity risks any differently to foods for human consumption."

MPI Response
See MPI Response to 3.2.3 of this ROS.

4 Appendix 1: Copies of Submissions

4.1 Dubber & Craig Customs Ltd., Duncan Craig

Dear Animal Trade Officers.

I am a customs broker and have some comments on the proposed standard SPECPROD.ALL
I am very involved in the importation pathways of foodstuffs from Asian Countries, including Japan, China, Korea, Taiwan, and South East Asia.
My first comment is that these countries now enjoy free trade status with New Zealand and these trade agreements have the specific intention of simplifying and easing trade between these parties.
It is explicit in these trade agreements that administrative trade barriers should be kept to a minimum while acknowledging the need for biosecurity controls.
It is not clear to me why these changes are necessary considering the existing standard EDIPROIC.ALL has been in force for a considerable number of years having been updated several times.
The existing standard has specifically identified lower risk products and implemented suitable documentation controls. While MPI is seeking greater security than provided by the existing EDIPROIC.ALL standard
the reason for this has not been explained. On face value MPI appears to have formed the opinion that food manufacturers in countries of much greater populations that New Zealand, such as Japan, can not be trusted to provide truthful documentation while holding HCCP or similar certification.
Referring to both standard I have the following comment:
Clause 5.1 is an amendment to the condition of clause 2.1 but It is not absolutely clear that cooked meat products that are neither canned or retorted but are shelf stable and cooked to F03 temperature/time equivalents will be permitted entry with a government endorsed manufacturers declaration. This is permitted under clause 2.1..

Currently retorted meat products are cleared at the border with a compliant manufacturers declaration that is no more than 12 months old, therefore one declaration can be reused for a year.
I am sure the wording of clause 5.4 will require an original declaration for every shipment. My clients have commented that this will mean it will be uneconomical to import a large number of products now readily available because of the documentation requirements.
As a specific example retorted meat curry products are often available as the same product in mild, medium, and hot flavour temperatures and in different sizes. We clear a “House” brand curry ex Japan and we currently hold 6 manufacturers declarations on file for a year. The documentation requirements are likely to increase and we will require 60 individual manufacturers declarations for this one curry product alone.
My food importing clients import a very wide variety of shelf stable retorted food products and see this as an onerous provision.
My clients are very pleased that this does not apply to products containing less than 5% meat, egg or dairy products.
We do not know why the BSE requirements have been included in the new provisions. There is no clear explanation for this in the risk management proposal. We believe this is a separate issue that is handled well by MPI food imports.

Kind Regards
Duncan Craig.
DUNCAN CRAIG | Dubber & Craig Customs Ltd

4.2 Fonterra Cooperative Group Ltd., Andy Goodwin

Fonterra Cooperative Group Ltd

Fonterra Co-operative Group Limited (Fonterra) appreciates the opportunity to work collaboratively with the Ministry for Primary Industries (MPI) in support of the New Zealand dairy industry and to protect and build New Zealand's reputation as a world class producer of safe food.

We are proudly owned by around 10,000 New Zealand farmers and their families. We set out every day to ensure New Zealand farmers, the New Zealand economy and every New Zealander gains the greatest benefit from the New Zealand dairy industry.

We share the goodness of dairy nutrition with the world through our brands, farming and processing operations across four continents. We're the world's largest dairy exporter and proudly share our products with more than 140 countries and one billion people every day. Our portfolio of well-known brands includes Anchor, Anmum, Anlene, NZMP and Farm Source. Made using trusted processes and the highest quality natural dairy, our brands are loved by consumers in New Zealand, and around the world.

General Comments

1. We note the information provided in the revocation section of this IHS indicates that a large portion of the *Import Health Standard: Specified Foods for Human Consumption* (EDIPROIC.ALL) will be replaced or amended by this IHS we seek to understand what will be done with the remainder of the clauses in EDIPROIC.ALL relating to Animal Products. We would like confirmation that sections that are not amended or revoked remain in place with no amendment, specifically section *2.10 Shelf Stable dairy products, dairy samples and products containing dairy ingredients.*

Specific Comments

2. **Section 2.1 Canned or retorted animal products**
   a) This section amends EDIPROIC.ALL section 2.1 clause (2), which applied to *Retorted animal products*. The draft HIS applies these requirements to *Canned or retorted animal products* implying that product in a can would be covered by the section even if not retorted. Bullet 4 in the Guidance box for this section does provide some non-binding information to indicate that the scope would not include canned product that wasn't heat treated in the can, however this could be clarified more simply by replacing the term *canned or retorted animal products* with *retorted animal products*. Schedule 2 defines; *Retort pouches/packaging, Retorted products and* Retorting so there is no need to refer to canned as this is a type of retort packaging that is adequately defined in Schedule 2.

3. **Section 4.1 Dietary Supplements, Supplemented Foods and Therapeutic Products for Human use**
   a) Clause (2) is an amendment of INEPROIC.ALL sections 6.1 and 6.2 with expansion to include Supplemented Foods. This clause applies use restrictions on supplemented foods in that they have to be further processed into specific product formats. Where the supplemented food is a shelf stable dairy product the clause conflicts EDIPROIC.ALL section 2.10. We ask that Supplemented foods that are dairy products are excluded from this section and that they are continued to be managed in accordance with EDIPROIC.ALL section 2.10.

Yours faithfully

Andy Goodwin
General Manager, NZ Regulatory and Market Access

4.3 New Zealand Food & Grocery Council, Katherine Rich

NEW ZEALAND FOOD & GROCERY COUNCIL

1. The New Zealand Food & Grocery Council ("NZFGC") welcomes the opportunity to comment on the ***Risk Management Proposal: Specified animal products – SPECPROD.ALL.***

2. NZFGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. This sector generates over $40 billion in the New Zealand domestic retail food, beverage and grocery products market, and over $34 billion in export revenue from exports to 195 countries – representing 65% of total good and services exports. Food and beverage manufacturing is the largest manufacturing sector in New Zealand, representing 45% of total manufacturing income. Our members directly or indirectly employ more than 493,000 people – one in five of the workforce.

OVERARCHING COMMENTS

1. NZFGC is very supportive of the work of MPI to rationalise and ensure consistency across a number of import health standards (IHSs). To this end, we understand the current work will result in amendments and revocations of provisions in IHSs and some entire IHSs. We appreciate this necessarily must continue to support the maintenance of effective management of the biosecurity risks associated with the import of animal products.

2. NZFGC considers that minor amendments, irrespective of impact, should be subject to public consultation contrary to MPI's proposals in relation to three IHSs (*IHS: Specified animal products and biologicals INEPROIC.ALL; IHS: Specified foods for human consumption containing animal products EDIPROIC.ALL and all of IHS: Emu oil from Australia).* The intention is to include a number of relevant provisions in the generic *IHS: Specified animal products, SPECPROD.ALL*. In our view, the impact is that the *INEPROIC.ALL* and *EDIPROIC.ALL* will require the inclusion of a very clear provision or information that they MUST be read in conjunction with *SPECPROD.ALL*.

3. ***Recommendations for goods containing animal products for human consumption***

   Canned or retorted animal products – NZFGC supports amendment to the definition of 'shelf stable' between the generic *IHS EDIPROIC.ALL* and *IHS SPECPROD.ALL*.
   Collagen – NZFGC supports consistency across IHSs to reflect OIE provisions and require certification for certain specified aspects.
   Composite foods Pre-cooked heat-and-eat meal – NZFGC supports the continuation of measures relating to requirements for pre-cooked, heat-and-eat meal products from Australia, Canada and the USA.
   Composite foods Products containing less than 5% each of aquatic animal, dairy or egg products – NZFGC supports the continuation of measures relating to requirements for products containing less than 5% fish, dairy or egg ingredients, and the replacement of 'fish' with 'aquatic'.
   Gelatine – NZFGC supports the continuation of measures relating to requirements for the import of gelatine made from hides and skins or bones and notes these are a departure from the OIE recommendation relating to gelatine derived from bones.
   Insect and arachnid based products – NZFGC

   - notes that when MPI assessed the risk of insect and arachnid based products (eg insect containing candy and cricket flour) in 2015, it was determined that insects and arachnids posed a very low risk for human consumption
   - supports the proposal that insect and arachnid based products may be imported from any country provided a declaration is made as to the insects and arachnids having derived from insect and arachnid farms, manufacturing is under a HACCP programme and the products contain no viable insects or arachnids.

   Meat and Meat products Processed foods containing less than 5% meat – NZFGC notes the provisions for imports of processed foods containing less than 5% meat are long-standing and require such products be accompanied by a declaration that there is less than 5% meat in the food. NZFGC supports a continuation of these provisions.

Meat and Meat products Processed foods containing meat-based ingredients – NZFGC:

- does not support changing from 'animal-based ingredients' to 'meat-based ingredients';
- supports an inclusive list of such products as including 'broth, concentrate, extract, fat, flavours, floss, stock or tallow' (noting the inclusion of fat) possibly with the inclusion of a catch to cover "similar animal product-based products subject to specific approval from MPI" or similar.
- does not support the exclusion of provisions for commercial bulk (eg in drums) ingredients.

4. *Pork crackling* – NZFGC supports continuation of measures relating to the import of pork crackling (a declaration as to the processing).

   Enzymes, microorganisms and other products used in food – the IHS INEPROIC.ALL contains provisions relating to food cultures (such as yoghurt, cheese, enzymes and cultures) rennet from Australia, yeasts and isinglass. MPI is proposing to revoke the provision related to rennet from Australia and applying several provisions to products containing probiotic microorganisms requiring import to be accompanied by, amongst other things, a confirmation from the Environmental Protection Authority (EPA) that the microorganisms exist in New Zealand and that the microorganisms are not unwanted under the *Biosecurity Act 1993*. NZFGC does not support this requirement. NZFGC is very concerned

   - because it is not clear what "a confirmation from EPA" might comprise, how easily this might be obtained and the time that will be required for such a request to EPA to be given effect for relevant imports
   - at the burden of proof required in relation to imports of probiotic microorganisms especially involving multiple agencies.

   These provisions sound reasonable but for the level of processed food imports by New Zealand, these could present as significant barriers to trade. We would, for example be interested to know if a list of unwanted microorganisms used in food manufacture under the Biosecurity Act exists.

5. ***Recommendations for non-food goods containing animal products***

   In general terms, NZFGC interests in this area are related to grocery and personal products that might contain animal products. Overall, the measures proposed are supported as they appear quite similar to requirements for such products for human consumption.

6. ***Recommendations for other animal products***

   Dietary supplements, Supplemented foods and Therapeutic products for human use – NZFGC's interests in this section relate to supplemented foods and even though the MPI recommendations treat these products as a group, provisions for supplemented foods would likely be captured under provisions for foods since their separation is for legal reasons rather than any other reason. NZFGC:

   - does not support provisions that require supplemented foods being manufactured and compounded into pills, tablets, capsules, liquids etc
   - suggests that there has been a fundamental misunderstanding of the nature of a 'supplemented food'
   - points out that these should not be regulated for biosecurity risks any differently to foods for human consumption.

DETAILED COMMENTS

7. NZFGC understands that the rationale for the draft import health standard (IHS) is to rationalise and ensure consistency across a plethora of specific and overlapping provisions in a range of product specific, revoke several IHSs and amend or revoke provisions in some of the generic IHSs. This is to be done whilst maintaining the effective management of the biosecurity risks associated with the import of animal products.

8. MPI states that several minor amendments will remove provisions from three IHSs (*IHS: Specified animal products and biologicals INEPROIC.ALL* and *IHS: Specified foods for human consumption containing animal products EDIPROIC.ALL* and all provisions in *IHS: Emu oil from Australia)* and include them in the generic *IHS: Specified animal products, SPECPROD.ALL.* MPI suggests that as these are

minor, the changes will not be publicly consulted. It is unclear how their inclusion in a consultation document excludes them from consultation.

9. While NZFGC supports consistency efforts, and notes there is no intended change to the import requirements as a result of these minor amendments, they should still be subject to public consultation. For example, we would suggest it would be important to include very clear provisions or information in the affected specific IHSs (other than that to be revoked in its entirety) to the effect that they MUST be read in conjunction with *IHS for specified animal products, SPECPROD.ALL*. Without doing so might mislead importers into believing they have met all requirements necessary from the specific IHSs when that is clearly not the case.

10. Additional amendments will be made to the following five IHSs:
    - IHS: Specified animal products and biologicals INEPROIC.ALL
    - *IHS: Specified foods for human consumption containing animal products EDIPROIC.ALL*
    - *IHS: Pre-cooked heat-and-eat meals containing animal products for human consumption from Australia HAEMEAIC.AUS*
    - *IHS: Pre-cooked heat-and-eat meals containing animal products for human consumption from Canada and the United States of America HAEMEAIC.SPE*
    - *IHS: Specified porcine enzymes from Canada and the United States of America PORENZIC.NAM*

11. Additional proposals will result in the revocation of the following seven IHSs all except the first have not been imported for many years:
    - *IHS: Emu oil from Australia, EMUOILIC.AUS*
    - *IHS: Heinz Watties Frozen or chilled meat extracts from Japan MEASHWIC.JPN*
    - *IHS: Processed animal products for use by airlines and the military for flights leaving New Zealand, AIRPROIC.ALL*
    - *IHS: Specified meat products from Australia for use on flights leaving New Zealand, AIRMEAIC.AUS*
    - *IHS: Specified meat products from France for use on flights leaving New Zealand, AIRMEAIC.FRA*
    - *IHS: Specified protein digested animal products from France, PRODIGIC.FRA*
    - *IHS: Tacos containing cooked beef from Mexico MEATACIC.MEX*

12. As noted above, NZFGC supports such consistency efforts and understands that following an assessment of the relevant exporting countries' export and certification systems, has decided that bilateral country-to-country negotiations would not need to be undertaken as a result of the changes. Risk would be managed through documentation (including evidence about the nature of the product), the import permit assessment process and declarations to the OIE.

Recommendations for goods containing animal products for human consumption

Canned or retorted animal products

13. Turning to the amendments, NZFGC supports amendment to the definition of 'shelf stable' between the generic *IHS EDIPROIC.ALL* and *IHS SPECPROD.ALL*. As well, MPI will reflect the OIE recommendations for the import of bovine meat and meat products to manage BSE and providing for the import of such products from areas posing a negligible or controlled BSE risk.

Collagen

14. Collagen for human consumption is produced from bones or hides and skins. The import provisions in New Zealand's IHSs are proposed to be made consistent, reflect OIE provisions but also require certification as to the species, age of the cattle used, process for bones and for collagen from hides and skins and be commercially manufactured.

15. NZFGC supports these measures.

Composite foods

Pre-cooked heat-and-eat meal

16. MPI proposes that, having reviewed the risk assessments and measures applied, existing provisions relating to requirements for pre-cooked, heat-and-eat meal products from Australia, Canada and the USA, even though historic, not change.

17. NZFGC supports the continuation of the measures.

Products containing less than 5% each of aquatic animal, dairy or egg products

18. MPI proposes that, having reviewed the risk assessments and measures applied, existing provisions relating to requirements for products containing less than 5% fish, dairy or egg ingredients, even though historic, not change other than to replace 'fish' with 'aquatic'.

19. NZFGC supports the continuation of the measures.

Gelatine

20. MPI proposes that, having reviewed the risk assessments and measures applied, existing provisions relating to requirements for the import of gelatine made from hides and skins or bones will not change. This is a departure from the OIE recommendation that gelatine derived from bones be accompanied by a certificate with certain attestations. MPI's view is that the chemical processes used in the manufacture of gelatine regardless of source, is sufficient to inactivate any BSE infectivity that might have been present in the source product. The provisions do not apply to intermediate products such as gel bone since they have not gone through the equivalent chemical processes.

21. NZFGC supports the proposed measures.

Insect and arachnid based products

22. MPI assessed the risk of insect and arachnid based products (eg insect containing candy and cricket flour) in 2015 and determined they posed a very low risk for human consumption. The assessment considered the production and manufacturing processes. As a result, MPI proposes that insect and arachnid based products may be imported from any country provided a declaration is made as to the insects and arachnids having derived from insect and arachnid farms, manufacturing is under a HACCP programme and the the products contain no viable insects or arachnids.

23. NZFGC supports the proposed measures.

Meat and Meat products

Processed foods containing less than 5% meat

24. The provisions relating to the import of processed foods containing less than 5% meat are long-standing and simply require the product to be commercially prepared and packaged, the packaging to be intact and accompanied by a declaration that there is less than 5% meat in the food. There is no proposal to change these provisions.

25. NZFGC supports the proposed measures.

Processed foods containing meat-based ingredients

26. The provisions discussed in this section of the MPI Consultation document refer to those concerning animal product-based floss, flavouring and stock. The key concerns are to be clear about the scope of the products covered by the provisions and to ensure that there is no contact between the product and animals (and hence raising biosecurity risks).

27. The description of the products that might be in processed foods as 'floss, flavouring and stock' is proposed to be expanded and replaced by specific examples: 'broth, concentrate, extract, fat, flavours, floss, stock or tallow'. This improves the current arrangements but does not look forward to what similar products might be called in the future thereby limiting food innovation. We note the recommendation refers to the products as "ingredients [that] include broth, concentrate, extract, fat, flavours, floss, stock or tallow" which would be inclusive. If these are only examples then a catch all might be added to cover "similar animal product-based products subject to specific approval from MPI" or similar.

28. Instead of requiring the flavouring or stock to be made from 'animal-based ingredients' MPI is proposing that it be made from 'meat-based ingredients' on the basis that 'meat' is defined as all edible parts of an animal and is clearer. NZFGC does not believe this adds clarity and indeed may have a negative impact on imports. Stock is often made by boiling frames and other animal parts that might not generally be considered 'meat'. We consider the term 'animal-based ingredients' to be much clearer.

29. To address the concern about contact between such products and animals, MPI is proposing the provisions not apply to commercial bulk (eg in drums) imports of meat-based ingredients. NZFGC does not agree with this limitation. It is not clear to us what the impact of such a restriction might have on imports of bulk ingredients for use in further manufacturing in New Zealand. Clearly, a vast array of meat and animal-based ingredients are sources from within New Zealand but it cannot be assumed this is exclusive.

30. In summary, in relation to animal-based ingredients in processed foods, NZFGC:
    - does not support changing from animal-based ingredients to meat-based ingredients
    - supports an inclusive list of such products as including 'broth, concentrate, extract, fat, flavours, floss, stock or tallow' (noting the inclusion of fat)
    - does not support the exclusion of provisions for commercial bulk (eg in drums) ingredients.

Pork crackling

31. MPI proposes the provisions relating to the import of pork crackling (a declaration as to the processing) remain unchanged as the processing specified meets biosecurity concerns.

32. NZFGC supports continuation of the measures.

Enzymes, microorganisms and other products used in food

33. The IHS INEPROIC.ALL contains provisions relating to food cultures (such as yoghurt, cheese, enzymes and cultures) rennet from Australia, yeasts and isinglass. MPI is proposing changing only the provision related to rennet from Australia is revoked and broader provisions apply and products containing probiotic microorganisms may be imported accompanied by a manufacturer declaration as to name, for human consumption description, accompanied by a confirmation from the Environmental Protection Authority (EPA) that the microorganisms exist in New Zealand and that the microorganisms are not unwanted under the Biosecurity Act 1993.

34. NZFGC is very concerned to know what "a confirmation from EPA" might comprise, how easily this might be obtain and the time that will be required for this to be given effect. Similarly, we would be interested to know of a list of unwanted microorganisms used in food manufacture under the Biosecurity Act. These provisions sound reasonable but for the level of processed food imports by New Zealand, these could present as significant barriers to trade. New Zealand consumers would be the ultimate group impacted by not having access to foods readily available in other countries.

35. NZFGC does not support the requirement for "confirmation from EPA". We are very concerned at the burden of proof required in relation to imports of probiotic microorganisms especially involving multiple agencies.

Recommendations for non-food goods containing animal products

36. In general terms, NZFGC interests in this area are related to grocery and personal products that might contain animal products. This might for example involve inedible gelatine, highly processed inedible collagen/protein products and other non-food animal products. Overall, the measures proposed are supported as they appear quite similar to requirements for such products for human consumption.

Recommendations for other animal products

Dietary supplements, Supplemented foods and Therapeutic products for human use

37. NZFGC's interests in this section relate to supplemented foods and even though the MPI recommendations treat these products as a group, provisions for supplemented foods would likely be captured under provisions for foods since their separation is for legal reasons rather than any other reason. Products imported as supplemented foods may differ from foods simply by the inclusion of higher levels of vitamins or minerals than are permitted under the Australia New Zealand Food Standards Code. Many, if not all would be imported in retail ready packaging as foods.

38. NZFGC does not support provisions that require supplemented foods being manufactured and compounded into pills, tablets, capsules, liquids etc.

39. We suggest that there has been a fundamental misunderstanding of the nature of a 'supplemented food'.

40. These should not be regulated for biosecurity risks any differently to foods for human consumption.