



Briefing to the Incoming Minister for Food Safety

November 2008

Part 1 About the New Zealand Food Safety Authority

- 1 Overview
- 2 Mandate
- 3 Scope of Coverage
- 4 Strategic Context
- 5 Strategic Focus and Priorities
- 6 NZFSA's Organisation
 - a. Organisational Structure
 - b. Financial Resources
- 7 Key Domestic Relationships
- 8 Overview of NZFSA's International Role in Food Safety Regulation
- 9 Trans Tasman Relationship

Part 2 The Minister's Responsibilities

- 1 Powers and Responsibilities
- 2 Legislation Administered and the Delegated Functions and Powers
- 3 Details of Boards or Entities Reporting to the Minister

Part 3 Major Policy Programmes (including legislation)

- 1 Domestic Food Review / Food Bill / Voluntary Implementation Programme
- 2 Dietary Supplements Review / Supplemented Foods
- 3 Review of the Australia-New Zealand Food Standards Setting Treaty
- 4 Nutrition Strategy
- 5 Implementation of Government Response to the 'Slorach Review'

Part 4 Current or Impending Policy or Operational Issues and Activities

Current Issues are those in which NZFSA is actively engaged.

Science and Standards Based Issues and Activities

- 1 Updated NZFSA Risk Management Framework
- 2 Melamine
- 3 Toxic Honey
- 4 Bisphenol A
- 5 Seafood Imports Testing Results

- 6 Human Foodborne Illness and Monitoring of Regulatory Performance Goals
- 7 Campylobacter
- 8 Salmonella
- 9 Listeria
- 10 Working with Industry to Improve Meat Hygiene
- 11 Risk Assessment of Pasteurised and Unpasteurised Milk Products
- 12 Escherichia coli O157:H7
- 13 A1 and A2 Milk
- 14 Antimicrobial Resistance
- 15 Contracting of Science Inputs from External Providers
- 16 New Zealand Total Diet Survey

Standards and Standard Implementation Issues and Activities

- 17 Safety of Imported Food
- 18 Importation and Manufacture of Raw Milk Products
- 19 Aspartame (Artificial Sweetener)
- 20 Fluoride in Bottled Water
- 21 Food Fortification
- 22 Front of Pack Labelling
- 23 Health Claims
- 24 Policy Guideline on Infant Formula Products
- 25 Wine Act Implementation
- 26 ACVM Act Amendments Implementation
- 27 Trans Tasman Alignment of ACVM Procedures

Policy and Operational Issues and Activities

- 28 Codex Alimentarius Commission
- 29 Pacific Island Strategy
- 30 Australia – New Zealand Relationship: Food Issues
- 31 Food Derived from Cloned Animals
- 32 Genetically Modified Food
- 33 Small Exporters Outreach Programme
- 34 Country of Origin Labelling for Food
- 35 Declaratory Judgment Proceedings
- 36 Cost Recovery by NZFSA
- 37 Marae Food Safety Initiative –Te Kai Manawa Ora
- 38 Baseline Funding Matters

Part 5 Immediate Issues and Actions and Decisions Required

1 Ministerial Council Responses Due

2 Other Decisions Required

- a) Cabinet Paper Recommending Government Response to Health Select Committee Report on Petition 2005 / 167
- b) Consideration and Issue of the Food (Tutin in Honey) Standard 2008
- c) Approval to Introduce the Food Bill
- d) Approval of Amendments to Fees, Charges and Levies Regulated under the Animal Products Act 1999, Food Act 1981, and Wine Act 2003.
- e) Amendment Required to the Dietary Supplements Regulations
- f) Agreement to Release of Public Discussion Paper Relating to Raw Milk Products
- g) Cabinet Approval for New Zealand Nomination to the FSANZ Board

3 Other Items of Interest

- a) EFSA Review of Science on A1 and A2 Milk
- b) Food Treaty Amendments

Attachment 1 Acronym List

Part 1: About the New Zealand Food Safety Authority

1. Overview

Until 30 June 2002, New Zealand had two separate regimes for administering food and related products. The Ministry of Health (MoH) administered the Food Act 1981, which covers food sold on the domestic market including imported food. The Ministry of Agriculture and Forestry (MAF) administered other legislation of direct relevance to food production and sale including the Animal Products Act 1999 (which replaced the Meat Act 1981 and the Dairy Industry Act 1952), and the Agricultural Compounds and Veterinary Medicines Act 1997.

The New Zealand Food Safety Authority (NZFSA) was established on 1 July 2002 as a semi-autonomous body attached to MAF and was given responsibility for the administration of all food related legislation. On 1 July 2007, NZFSA became a stand alone government department.

2. NZFSA's Mandate

In September 2008, NZFSA adopted the following Statement of Mandate, which places particular emphasis on the Authority's consumer protection role.

NZFSA's mandate is to protect consumers by providing an effective food regulatory programme covering food produced and consumed in New Zealand as well as imports and exports of food products.

In delivering this mandate, NZFSA is to:

- engender high levels of trust and confidence in the New Zealand regulatory programme covering food and related products both domestically and internationally;
- base risk management decisions designed to protect consumers on sound science and an evidence base, applying precaution when faced with scientific uncertainty;
- apply the principles of openness and transparency;
- engage with stakeholders including consumers and industry sectors;
- minimise the costs of regulatory actions / interventions, recognising the economic benefits to domestic and export food businesses and the flow-on effects in consumer food prices;
- communicate food risks, hygienic practices and nutritional information as far as these are known and relevant to the food supply and consumer behaviour;

- recognise that there are New Zealand customs and practices that involve the non-commercial hunting, gathering and / or preparation of food where the public do not expect regulatory intervention;
- utilise any capacity to improve business opportunities for domestic and export focussed food industries;
- maintain the integrity of official assurances provided to importing countries' governments; and
- work at the multilateral and bilateral level to ensure neither international standards nor importing country standards pose unjustified 'technical barriers' to trade.

In pursuing this mandate the overriding priority will always be to protect consumers.

3. Scope of NZFSA's Coverage

NZFSA's policy and regulatory ambit covers all food and food related issues associated with public health (including nutrition, an issue also covered by MoH) safety. The food regulatory framework includes domestic food production and processing, and the sale of all food, whether produced domestically or imported. NZFSA also works closely with the Australian Commonwealth, States and Territories on matters relating to the setting of joint food standards that apply to food sold in both countries. Food Standards Australia New Zealand (FSANZ) administers the Australia New Zealand Food Standards Code (the Food Standards Code) which sets out all joint food standards, but NZFSA is responsible for ensuring implementation of and compliance with the Food Standards Code in New Zealand.

Food regulation covers primary and processed products (including drinks), pet foods and animal feeds.

NZFSA's principal interest is to protect consumers by ensuring that all food and food related products are both safe and suitable, irrespective of whether the products are produced in New Zealand, imported into New Zealand, or exported from New Zealand.

Related matters for which NZFSA has regulatory responsibility include:

- the importation, manufacture, sale and use of agricultural compounds and veterinary medicines (including the setting of maximum residue limits);
- process issues, to the extent that they impact on food and related product safety and trade (audit, testing, sampling, and animal welfare); and
- maintaining the integrity of official assurances provided to the governments of importing countries.

Participation in the development of international standards, in fora such as the Codex Alimentarius Commission (Codex) the World Organization for Animal Health (OIE) and the Organisation for Economic Co-operation and Development (OECD) are also a key part of NZFSA's work.

4. Strategic Context

World class regulation, built on robust risk analysis that reflects the best available science, is critical to providing safe food to both New Zealand consumers and consumers in countries with which New Zealand trades. The production of, and access to safe food has been integral to New Zealand's history and continues to be an essential part of New Zealand's social, cultural, and economic development.

Domestic and external consumers around the world are increasingly aware of and concerned about:

- changing food production technologies;
- increasing complexities within the food production chain;
- implications of increased trade in food products and ingredients;
- the level of consumer protection provided by governments; and
- the emergence of new microbiological and physical hazards in food.

Consumers have an expectation of safe and suitable food, and meeting this expectation is good business practice on the part of New Zealand industries. NZFSA recognises that in order to best serve consumer and industry stakeholders it needs to be an agile and responsive regulator, prepared for the new challenges created by changing societal and industry needs. NZFSA also acknowledges the importance of being an accessible and transparent regulator, particularly in dealings with New Zealand's food producing industries and businesses, be they big or small.

Food and food related industries are vital to New Zealand's economic well-being. The food sector as a whole employs one in five members of the working population, either directly or indirectly, and

contributes to over 50 percent of the value of New Zealand's merchandise exports. NZFSA works with businesses across the entire food production chain, from farm and sea to the table, including producers, processors, transporters, retailers and the food service industry.

5. Strategic Focus and Priorities

NZFSA's mission is to *protect consumers and enhance New Zealand's position as a trusted supplier of food.*

NZFSA's Strategic Direction is based on the following three major outcomes that the Authority needs to focus on to achieve its mission.

1. *Improved safety and suitability of food.* Protecting consumers from risks in our food supply;
2. *Improved business opportunities through safe and suitable food.* A world class responsive and cost effective regulatory framework facilitates the uptake of opportunities for business; and
3. *Consumer food practices and choices that support better health.* All New Zealanders practice safe food handling and choose food that leads to better health.

In working toward these outcomes, NZFSA must take account of the potential influence of a range of factors in the New Zealand environment and globally. These include:

- new and emerging food related risks;
- the high prevalence of nutrition related diseases and gastrointestinal illness among the New Zealand population;
- a constantly changing global trading environment (that includes a range of bilateral and multilateral trading arrangements); and
- an increasing and active interest in food safety matters among New Zealand consumers generally and specific sector groups.

6. NZFSA's Organisation

NZFSA has over 500 staff, most of whom are located in Wellington. There are also staff working from more than 80 locations throughout New Zealand, predominantly in verification, auditing and compliance monitoring roles. NZFSA also has a Veterinary Counsellor posted in Brussels. The majority of NZFSA staff are tertiary qualified in a relevant discipline covering science (including

veterinary, toxicology, food technology, epidemiology, public health, and nutrition), law, humanities, social sciences, economics, and communications.

a. Organisational Structure

NZFSA is made up of eight groups or Directorates (covering 11 business areas) under the leadership of the Chief Executive, Andrew McKenzie.

- The **Policy Group** provides policy advice for NZFSA's review, development, reform, implementation and evaluation of legislation. It undertakes the strategy and reporting roles for the department and includes the Ministerial Services team. The Policy Group provides New Zealand's point of contact with Codex, the international food standards setting agency. It provides policy advice and support in multilateral and international policy areas with a particular focus on the Australia-New Zealand relationship and the Agreement on the Application of Sanitary and Phytosanitary Measures (the SPS Agreement) under the WTO. The NZFSA Legal Team is located in the Policy Group and provides legal services and advice to all NZFSA business groups.

Director: Carole Inkster.

- The **Science Group** provides scientific input into NZFSA's standards for food and food related products, including risk assessments. The Group is a centre of scientific excellence and knowledge of food safety and suitability in both the domestic and international contexts. It manages contracts with external science providers and provides international representation on scientific technical issues. It encompasses a **Joint Food Standards Team** that provides expert technical advice relating to labelling, nutrition and the composition of foods, focussed primarily on food standards shared with Australia (joint food standards) under a bi-national Treaty. This Team prepares the whole-of-government submissions on food standards being considered by FSANZ, as well as coordinating research for standards development programmes. The Team also provides advice in New Zealand on joint food standards as set out in the Food Standards Code and relevant New Zealand regulations.

Director: Steve Hathaway.

- The **Standards Group** is made up of two units: **Export Standards** and **New Zealand Standards**. New Zealand Standards develops, implements, evaluates and reviews the safety and suitability of standards for production, processing, importation, transportation, storage and the sale of food and food related products in New Zealand. Export Standards develops, implements, evaluates and reviews export standards for New Zealand food and food related products. It also administers the relevant export components of the Animal Products and Wine

Acts, manages export programmes that are not covered by legislation, and is responsible for all official assurances given for New Zealand food and food related exports.

Director: Carol Barnao.

The **Market Access Team**, a group within the Export Standards unit, negotiates market access conditions and establishes certification requirements with the relevant authorities of countries importing New Zealand's animal and plant products. This includes managing bilateral agreements, maintaining trading partner relationships and engaging in equivalency negotiations. The Team provides strategic and operational advice on export standards and systems and emergency response situations, as they affect trade that NZFSA has negotiated under various bilateral relationships.

Ex-officio Director accountable for outputs: Tony Zohrab.

- The **Agricultural Compounds & Veterinary Medicines (ACVM) and Approvals Group** administers the registration of agricultural compounds and veterinary medicines under the ACVM Act and develops, implements, evaluates and reviews standards relating to agricultural compounds, veterinary medicines and the associated maximum residue limits for foods. The Approvals component of the group develops and implements the approval, recognition and registration processes and systems required by the Animal Products, Wine, Food and ACVM Acts, and maintains the associated public registers and lists. Approvals (in conjunction with the Standards Group) is also responsible for the implementation of the imported food (and food related) programmes. NZFSA's Information Management area is also managed with this group and key responsibilities include the interface with MAF (which supplies the Information Technology platform under a Shared Services Agreement), the Information Technology facilities specific to NZFSA (such as an Electronic Certification system (E-Cert)) and the web interface.

Director: Debbie Morris.

- The **Compliance and Investigation Group** ensures that New Zealand's food legislation is enforced. The Group provides systems audits to support export market assurances and undertakes investigations and prosecutions where necessary. In so doing, the Group helps to maintain the integrity of New Zealand's regulatory regime. Corrective actions and sanctions are also managed. The Group oversees regulatory controls undertaken by health protection units and local authorities in the domestic arena. It also develops and coordinates the implementation of standards, systems and processes necessary for responding to food related events and emergencies.

Director: Geoff Allen.

- The **NZFSA Verification Agency (VA)** audits risk management programmes (RMPs) of food processors and provides export certification to 1200 licence holders who export meat, game and seafood produced under those programmes. It employs veterinarians to inspect animals, ensure animal welfare protocols are followed (animal inspection and welfare compliance activities occurs at slaughter premises) and provides export certification for product intended for export. The VA has over 280 staff, of which 200 are registered and stationed at 80 locations throughout New Zealand, including all meat processing premises. The presence of VA staff is necessary because of the government to government certification required by New Zealand's trading partners. Prior to 1 July 2004 the VA was part of MAF, but the responsibility was transferred to NZFSA due to the close alignment with the work NZFSA undertakes and they were encompassed within NZFSA. The NZFSA human resources function is managed alongside VA.

Director: Steve Gilbert.

- The **Finance Group** ensures that NZFSA is adequately resourced and has the appropriate financial and business planning, advice and support to ensure its effective and efficient operation. The business servicing and internal policy function is also undertaken within the Group ensuring that services, accommodation arrangements and operational matters run effectively.

Director: Gary Lewis.

- The **Communications Group** ensures that NZFSA communicates effectively with stakeholders and meets their needs for timely, accurate and relevant information.

Director: Sandra Daly. Ms Daly is also the Deputy Chief Executive.

b. Financial Resources

NZFSA was first established in July 2002 as a semi autonomous body within MAF and Vote Food Safety was set up at that time. NZFSA had an initial budget of \$36.7 million, of which \$18.6 million was Crown revenue (including funding as required under the Food Treaty for New Zealand's pro-rata share of the FSANZ operating costs) and \$17.8 million was recovered from industry. This was not affected by the VA becoming part of NZFSA in 2004 as VA activities are fully cost recovered.

In 2004/05, NZFSA sought additional funding for areas originally identified in the initial 2002/03 business case but where further experience was required to ascertain needs. A total of \$3.288 million (GST exclusive) was agreed. Other bids for Crown funding have been restricted to funds to enable the NZFSA components of the annual contracts with the Institute of Environmental and Scientific Research Ltd (ESR) and public health units to be aligned with the population based

funding of MoH. In 2005/06 a fiscally neutral transfer from Vote: Health addressed issues not covered in the original establishment process.

On the establishment of NZFSA as a standalone government department on 1 July 2007, additional Crown funding of \$1.4 million was provided in recognition of the additional costs associated with this new status. The new funding covered the costs of running a department, particularly in relation to fulfilling the additional reporting and governance requirements. The funding took into account the savings achieved through the Shared Services Agreement between NZFSA and MAF. The collaborative arrangement delivers cost effective shared support services to both agencies in the areas of finance, contract management, procurement, information management and payroll.

NZFSA currently operates under a 2008/2009 baseline appropriation of \$99.6 million, of which more than \$61.9 million will be cost recovered from industry and \$36.1 million is Crown funded. In addition NZFSA has an asset base of \$27.0 million and net assets of \$5.1 million.

The baseline appropriation includes \$2.5 million to facilitate implementation of the proposed new Food Act. [

WITHHELD UNDER S.9(2)f(i)

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7. Key Domestic Relationships

To achieve its key aims of protecting consumers and enhancing New Zealand's position as a trusted supplier of food, NZFSA engages with all stakeholder groups and has various channels for sharing advice and expertise. These include the:

- **NZFSA Consumers' Forum on Food Safety** which provides an opportunity for ongoing dialogue between NZFSA and consumers, as well as giving consumers an opportunity to become involved in New Zealand's food safety regulatory programme. Hosted by NZFSA, the forum normally meets three or four times a year. The forum consists of consumer representatives from national bodies with an interest in the effects of food and food safety on the health and well-being of New Zealanders;

- **NZFSA Academy** which was established in 2005 to enhance NZFSA's access to a range of technical expertise and knowledge and supplement the skills available within the Authority. The Academy ensures that the best advice and help is available when specific issues arise, or in emergency situations. Its members are drawn from various related fields including epidemiology, nutrition, microbiology, primary production, irradiation, toxicology, medical science, food processing and public health. The Academy is an important interface with the scientific and academic community and can alert NZFSA to emerging issues within the fields of its members. The Academy as a group meets with NZFSA annually, in response to arising issues;
- **Industry groups** which facilitate the development of food safety standards affecting specific sectors. The groups work in partnership with NZFSA, or in a membership capacity in groups convened by industry or NZFSA. They include the Seafood Standards Council, the Meat Industry Strategic Steering Committee, the Dairy Products Safety Advisory Council (DPSAC), the Agricultural Compounds and Veterinary Medicines Advisory Council (AVMAC), the Plants Market Access Council (PMAC), the Poultry Industry Standards Council, the Pet Food Industry Standards Council, the Ostrich and Emu Standards Council, the Wine Sector Council, the Retailers and Hospitality Advisory Forum, the Manufacturers and Processors Advisory Forum and the Imported Food Advisory Forum; and
- **NZFSA's community extension programme** which works to promote an awareness of food safety and nutrition among Maori and Pacific Island groups. As part of the programme, NZFSA has produced guidance on handling food in the home, when catering for large community or social functions and for the Marae. This information is in the form of leaflets, brochures and DVDs. It has also developed a Maori engagement strategy (A Shared Vision: Mātaki Whānui) to help support a consistent approach to food safety issues as they affect Maori (refer Part 4 Item 37).

NZFSA is also in the process of establishing formal partnership agreements with key industry and professional associations.

Relationships with Other Government Departments and Agencies

NZFSA maintains working relationships with other New Zealand government agencies, particularly those with portfolio interests or responsibilities of relevance to food related issues. These include MoH, MAF, the Ministry of Foreign Affairs and Trade (MFAT), the Ministry of Economic Development (MED), the Department of Prime Minister and Cabinet (DPMC), the Ministry of Consumer Affairs (MCA) and the Environmental Risk Management Authority (ERMA). NZFSA also has close relationships with Local Government New Zealand and local authorities (as agents responsible for regulatory activities set out in the Food Act), district health boards (as deliverers of

services to NZFSA on contract). NZFSA also works with the Treasury, the State Services Commission and the Office of the Auditor General, as and when appropriate.

Many of these relationships are given form through a memorandum of understanding (MoU) which sets out the respective areas of operation, interface and collaboration. MoU operate in addition to mandatory consultation requirements around policy and regulatory proposals.

Of particular importance are relationships to ensure a consistent New Zealand approach to the SPS Agreement made under the WTO and New Zealand's other WTO obligations. MAF Policy, Biosecurity New Zealand and MFAT have key accountabilities in this area. A balanced approach to imports and exports is crucial to New Zealand, as is a consistent approach to key elements of the SPS Agreement; these being risk assessment, transparency, consistency, equivalence and the scientific basis for decisions.

8. Overview of NZFSA's International Role in Food Safety Regulation

New Zealand food is exported to some of the world's most demanding markets. Governments in these markets require assurance from New Zealand that their requirements for food and food related products have been met. NZFSA performs the regulatory duties of the "Competent Authority" for and on behalf of the New Zealand Government, providing assurances attesting to the safety and suitability of exports. NZFSA ensures that the verification and certification systems it has in place can provide credible and trusted assurances that an importing country's market access conditions have been met.

Bilateral Arrangements

NZFSA's **market access strategy** works on two levels: bilaterally, in direct negotiations with importing countries, and multilaterally, through the various international standard setting organisations. In bilateral negotiations, NZFSA seeks to agree access conditions with importing countries that will allow New Zealand companies to meet export requirements with minimum compliance costs. In multilateral negotiations, NZFSA seeks to ensure that international standards set for trade in food and food related products are technically justified and based on sound science and risk assessment. This approach ensures that barriers to market access are minimised and that the international standards, which form the bottom line in trade, provide the most favorable conditions for New Zealand's exports.

NZFSA's Market Access Team has a significant role in bilateral negotiations for all market access discussions and in relation to the SPS chapters of Free Trade Agreements and Economic Arrangements.

New Zealand is active in the following multilateral fora where food features:

- the WTO - the only global international organisation that deals with rules of trade between nations. New Zealand is a signatory to provisions including the SPS Agreement and the Agreement on Technical Barriers to Trade (TBT). (Sanitary measures are any requirement, procedure, criteria or system, either alone or in combination, that is applied to protect human health from foodborne hazards);
- Codex - an international agency that develops food standards designed to protect the health of consumers and promote fair practices in food trade. Codex works to ensure that international standards are technically justified and based on sound science and risk assessment. It accomplishes its work through committees hosted by member governments and is one of three international standard setting bodies recognised under the SPS Agreement (the others being OIE and the International Plant Protection Convention, IPPC). NZFSA is the Codex coordinating point for New Zealand and chairs two Codex Committees (Meat Hygiene and Milk and Milk Products);
- the OIE - develops rules that member countries can use to protect themselves from the introduction of diseases and pathogens, without setting up unjustified sanitary barriers. NZFSA participates in the development of animal health standards that have an impact on food and in the development of standards addressing zoonoses (diseases that transfer from animals to humans). NZFSA also participates in the OIE's Animal Production Food Safety Working Group;
- the Food Safety Quadrilateral Group (known as the Quads) - is made up of food safety experts from Australia, Canada, the United States and New Zealand. The Quads provides a forum for discussing emerging issues, dealing with matters of mutual interest, and international best practice standards as they affect the four countries. The Quads also provides support for shared interests at Codex sessions;
- the Food and Agriculture Organization of the United Nations (FAO) - acts as a neutral forum where all nations meet as equals to negotiate agreements and debate policy, helping developing countries and countries in transition modernise and improve agriculture, forestry and fisheries practices and ensure good nutrition for all. In partnership with the World Health Organization (WHO, see below) FAO is a parent body of Codex;
- the WHO - the directing and coordinating authority for health within the United Nations system and is the other parent body to Codex. MoH is the New Zealand coordinating agency for

WHO. NZFSA has an interest in the food safety interests of WHO and in its food related public health initiatives; and

- the OECD - brings together governments to support sustainable economic growth, boost employment, raise living standards, maintain financial stability, assist other countries' economic development and contribute to growth in world trade. NZFSA has an interest in the food related research undertaken by OECD.

NZFSA is developing and maintaining strong links with other leading food regulatory agencies around the world, including the United Kingdom Food Safety Agency (UKFSA), the United States Food and Drug Administration (US FDA) and the European Food Safety Authority (EFSA) on issues which may have a bearing on New Zealand. This collaboration includes joint research, incident response and communications.

NZFSA is establishing MoU with other regulators around the world, to among other things, facilitate the exchange of information and share developments in policy, science and communications. Currently this includes the New South Wales Food Authority, FSANZ, US FDA, EFSA, Australian Quarantine and Inspection Service (AQIS) and Health Canada. There are also a number of agreements under development that are designed to provide for the flow of information between countries.

9. Trans Tasman Relationship

The *Agreement Between the Government of Australia and the Government of New Zealand Concerning a Joint Food Standards System* (Food Treaty), was signed in 1995 by the representatives of the New Zealand and Australian Commonwealth Governments and amended in 2002. New Zealand's objectives in entering into this arrangement were to:

- minimise the risks and provide an appropriate level of influence to ensure that joint food standards recognise or facilitate the wider trade patterns of New Zealand;
- advance New Zealand's interests by working from the inside to influence the development of joint, trans-Tasman food standards; and
- achieve a cost-effective way of meeting New Zealand's public health, food safety, and trade facilitation objectives.

The joint system established a trans-Tasman food standards body, originally known as the Australia New Zealand Food Standards Authority (ANZFA) but now known as FSANZ. While FSANZ is based in Canberra, a New Zealand FSANZ office opened in Wellington in 1996. The joint system includes the Australian States and Territories in so far as they join with the Commonwealth to deliver an Australian national food system (provided through the Australian Food

Regulation Agreement (FRA)). The Food Treaty and the FRA are aligned in prescribing the operating procedures, functions and objectives of the joint system.

The Australia and New Zealand Food Regulation Ministerial Council

The Australia and New Zealand Food Regulation Ministerial Council (the Ministerial Council) operates under the FRA and the Food Treaty, with New Zealand's participation prescribed in Annex B of the Food Treaty. The Ministerial Council has ten members, nine Australian members (one from each Australian State and Territory and the Australian Commonwealth) and yourself as the New Zealand Minister for Food Safety. Each member has one vote. The Commonwealth Minister responsible for food regulation is the Chair and the Ministerial Council usually meet twice a year (May and October) and, when necessary, deals with matters out-of-session.

The Ministerial Council is supported by a Food Regulation Standing Committee (FRSC) which is made up of heads (or senior delegates) of the departments responsible for food regulation, in all participating jurisdictions. New Zealand is represented on FRSC by the NZFSA Director of Policy, Carole Inkster.

The Food Treaty sits within the broader umbrella of the Australia New Zealand Closer Economic Relations Free Trade Agreement (ANZCERTA), commonly known as CER and associated agreements and arrangements. As such, the Food Treaty does not exist in isolation. Policy decisions made by the respective heads of government under CER apply to the Food Treaty. Article 7 of the Food Treaty acknowledges that the principles of the Trans-Tasman Mutual Recognition Arrangement (TTMRA) apply to food with the exception of the exemption for high risk foods that currently exist under Schedule 2 of TTMRA. This exemption is under review.

Part 2: The Minister's Responsibilities

1. Powers and Responsibilities

As the Minister for Food Safety, you have powers and responsibilities under the following food and food related legislation:

- the Food Act 1981;
- the Animal Products Act 1999;
- the Agricultural Compounds and Veterinary Medicines Act 1997; and
- the Wine Act 2003.

In exercising your powers and responsibilities under the above legislation you will be required to make decisions on the following matters from time to time:

- issuing of New Zealand Food Standards (including Maximum Residue Limits);
- issuing joint Australia New Zealand Food Standards;
- issuing emergency control schemes (under the Animal Products Act);
- issuing privileged advice relating to food safety incidents; and
- food recalls (under the Food Act).

You will also receive advice and information on the following food safety matters and in some instances you will be asked to approve or action recommendations relating to the same:

- release of public consultation documents prepared by NZFSA;
- the operation of the joint food standards system (including proposals for amendments to New Zealand only standards);
- major compliance issues;
- international issues and developments;
- proposals for new regulations; and
- information relating to correspondence or concerns raised by industry or consumers.

2. Legislation Administered by NZFSA and the Delegated Functions and Powers

NZFSA administers the four statutes, as well as the secondary and tertiary legislation relevant to each. The statutes also delegate powers and functions to the Director-General (the Chief Executive of NZFSA). Examples of such powers include the power to issue tertiary legislation, such as Notices under the Animal Products Act 1999, and Specifications under the Agricultural Compounds

and Veterinary Medicines Act 1997. The Minister is therefore not responsible for the issuing of such documents.

The State Sector Act 1988 provides for the Director-General to delegate any of their functions or powers under the Act, or any other Act, to any other employee, unless it is expressly prohibited in the applicable statute. Therefore, often directors of NZFSA will issue tertiary legislation under a delegation made by the Director-General.

The following table sets out the four main statutes and examples of the instruments that can be issued pursuant to them.

	Statutes administered by NZFSA	Regulations (Secondary) <i>(NB: this is not an exhaustive list)</i>	Standards and Other Instruments <i>(NB: this is not an exhaustive list)</i>
1.	Food Act 1981	<ul style="list-style-type: none"> • Food (Safety) Regulations 2002 • Food Hygiene Regulations 1974 	<ul style="list-style-type: none"> • New Zealand only food standards issued by the Minister • Joint food standards issued by the Minister
2.	Animal Products Act 1999	<ul style="list-style-type: none"> • Animal Products Regulations 2000 • Animal Products (Dairy Industry Fees and Charges) Regulations 2007 	<ul style="list-style-type: none"> • Notices issued by the Director-General (or other Directors acting under delegated authority)
3.	Agricultural Compounds and Veterinary Medicines Act 1997	<ul style="list-style-type: none"> • Agricultural Compounds and Veterinary Medicines Regulations 2001 • Agricultural Compounds and Veterinary Medicines (Animal Feed) Order 2006 	<ul style="list-style-type: none"> • Notices issued by the Director-General (or other Directors acting under delegated authority)
4.	Wine Act 2003	<ul style="list-style-type: none"> • Wine Regulations 2006 • Wine (Non-grape Wine Levy) Order 2008 	<ul style="list-style-type: none"> • Notices issued by the Director-General (or other Directors acting under delegated authority)

3. Details of Boards or Entities Reporting to the Minister

As the Minister for Food Safety you:

- are the New Zealand member of the Ministerial Council; and
- provide nominations for New Zealand positions on the FSANZ Board. At present New Zealand's members are Hikihihi Pihema (a Senior Dietician at Gisborne Hospital), Laurence Eyres (a Professor at the University of Auckland) and Dianne Yates (a former Member of Parliament and Educationalist).

Part 3: Major Policy Programmes (including legislation)

1 Domestic Food Review: Food Bill / Voluntary Implementation Programme

Background

The Domestic Food Review (DFR) has been a comprehensive four-year review of how food is sold domestically. The review looked at the current food regulatory regime, which at the time the review commenced, had not been extensively reviewed for over 30 years.

The DFR identified that:

- there is a significant and rising incidence of foodborne illness among the New Zealand population; and
- there were three different food regimes and five separate regulators operating simultaneously, with resulting poor lines of accountability and confusion, inconsistency, duplication and unnecessary complexity.

It was the conclusion of the review that the current food regulatory regime must be improved, and that this would require legislative change.

Comment

In October 2006 Cabinet agreed to the policy proposals for the drafting of a new Food Bill which will:

- cover the management of the safety and suitability of food;
- apply to all food sold in New Zealand, including imported foods and foods intended for export, whatever the source of the food and whatever the process by which it reaches the point of sale;
- employ a risk based approach to managing food safety and suitability, where possible; and
- include the concept of 'persons' (producers, processors, sellers, importers and exporters) taking responsibility for producing / processing or providing safe and suitable food.

The agreed policy also allows for the making of new regulations to replace the current Food Hygiene Regulations 1974; and for the decoupling of some aspects from the Health Act 1956. Additionally there will be minor consequential amendments to assist in the alignment and interface with other food related primary, secondary and tertiary legislation including the Animal Products Act 1999, the Wine Act 2003 and the Local Government Act 2002.

In developing the new Food Bill it was proposed that the best aspects of the current regime would be retained. Under the Bill, primary responsibility for food safety and suitability will be assigned to individual businesses, rather than businesses relying mainly on the oversight of a regulator to ensure that they deliver safe food.

NZFSA intends to seek introduction of the Bill to the House as soon as possible. Introduction of the Bill was to have been sought by August 2008; however more time was required to develop the draft of the Bill. With the approval of the previous Minister for Food Safety NZFSA prepared a VIP to build on the momentum of the DFR and implementation work thus far. The intention was to proceed as far as possible with implementation of the DFR using the current Food Act 1981.

The VIP is a broad based package of various aspects of the proposed new domestic food regime including the implementation of food control plans (FCP) for some of the sectors identified for early transition into the new regime under the Food Bill. The VIP is seen as an education opportunity for territorial authorities, public health units, NZFSA and food businesses that choose to participate. It provides an opportunity to apply aspects of the new domestic food regime from which implementation lessons will be learnt and incorporated into full implementation once the Food Bill is enacted.

A five year transition period has been proposed once the Food Bill is enacted. This is to ensure an orderly transition from the existing regime and will allow food businesses time to become familiar with the new regime in a measured way. It will also accommodate the need to build capability to develop and implement tools, systems, and guidance among all stakeholders (i.e. food businesses, agencies and regulators).

2 Dietary Supplements Review / Supplemented Foods

Background

In New Zealand, dietary supplements are regulated under the Dietary Supplements Regulations 1985 (DSRs), which operate under the Food Act 1981. The DSRs were originally intended to cover products that were neither food in appearance or presentation, nor medicines in the generally accepted sense. When the DSRs were promulgated, MoH was responsible for the administration of the Food Act. The Food Act and its regulations are now administered by NZFSA.

The range of products sold under the DSRs has expanded significantly over the last 20 years, to the point where there are now many dietary supplements in tablet, capsule or

powder form that are being used for therapeutic purposes. The range of products has also expanded to include foods such as drinks and health bars with vitamins, minerals and other substances added to provide a “health” benefit. Provisions within the DSRs have, for some time, been recognised as inadequate to regulate this large and growing range of products.

Comment

NZFSA has conducted two rounds of public consultation on a proposal to divide products currently sold under the DSRs into food-type and therapeutic-type dietary supplements. This proposal has wide support from regulators, industry and consumers. A draft food standard, the New Zealand (Supplemented Food) Food Standard was circulated in August 2008 and submissions closed on 25 September 2008.

The Parliamentary Counsel Office is working on the draft amendments to the DSRs. The amendments will include:

- the exclusion of food-type dietary supplements from coverage under the DSRs;
- a requirement for products sold under the DSRs to be registered on a database maintained by MoH; and
- the transfer of administrative responsibility for the DSRs to MoH.

The regulation of food-type dietary supplements will subsequently be achieved through a standard issued under the Food Act. Officials have revised the draft Supplemented Food Standard following the analysis of submissions and the revised draft will be provided to you at your earliest convenience, for your consideration. If you agree with the proposed changes it will be necessary to advance those changes in tandem with the proposed amendments to the DSRs (refer Part 5 Item 2 (e)).

3 Review of the Australia New Zealand Food Standards Setting Treaty

Background

Article 9 of the Food Treaty requires a review to take place three years after coming into effect and then at mutually agreed intervals. A review was completed in 2006 in which Australian and New Zealand stakeholders were interviewed on the effectiveness of the Food Treaty in meeting the objectives as described in Article 2, namely to:

- a) reduce unnecessary barriers to trade;
- b) adopt a joint system for the development and promulgation of food standards;
- c) provide for the timely development, adoption, and review of food standards appropriate to both Member States in accordance with the principles in Annex A of the agreement; and
- d) facilitate sharing of information between the Member States on matters relating to food.

Comment

The 2006 review highlighted a number of areas that may require amendments to the Food Treaty. In particular, matters relating to the operation of the joint system, including Annex D which provides for separate standards under certain conditions. Negotiations on potential amendments have yet to commence, although an initial meeting was held in Canberra in November 2007. New Zealand participants included MFAT, MED, MoH and NZFSA. A work programme and timeline for the negotiations has been prepared in discussion with the responsible Australian and New Zealand departments. (Refer Part 5 Item 3 (b) and Part 4 Item 30).

4 Nutrition Strategy**Background**

When NZFSA was established it had no formal mandate in the area of nutrition, but did have some nutrition expertise as applied to food standards development. Considerable interest in nutrition and nutrition related matters within both the health and food safety portfolios encouraged the development of a nutrition mandate for NZFSA. Both the then Ministers for Food Safety and Health affirmed the following mandate:

- to ensure NZFSA's food-related strategies cover nutrition aspects as appropriate and complementary to the nutrition role of MoH;
- to include nutrition components in all relevant activities and work plans; and
- to increase the collaboration with MoH in nutrition areas directly related to the food supply chain and the availability of food to consumers.

Comment

A Nutrition Strategy is being developed by NZFSA to focus the Authority's growing role in this area and ensure the role is complementary to the broader nutrition role of MoH. The Strategy has been drafted to:

- provide the basis for a dialogue with MoH around the issue (for the purposes of mutual agreement to the Strategy);
- provide the basis for an annual programme under the MoU with MoH that reflects the areas where NZFSA has the resources and mandate to undertake work; and
- once agreed, confirm NZFSA's mandate in nutrition more publicly.

The extent to which the Nutrition Strategy is effected is resource dependent but NZFSA is committed to implementing a more explicit and evidence based approach to nutrition, alongside existing food safety activities. The draft Strategy is yet to be shared with MoH for input. To progress the Strategy in the short to medium term, NZFSA has identified key areas

in nutrition that it is proposing to develop a role in or to expand an existing role.

It is anticipated that the Joint Food Standards team will facilitate this work, recognising that other teams within NZFSA are vitally important to ensuring an integrated and organised approach to nutrition.

5 Implementation of Government Response to the 'Slorach Review'

Background

Issues concerning A1 and A2 milk¹, specifically the claim that a protein in A1 milk may be associated with serious disease in humans, were subject to scientific review in 2003-04 (commissioned by NZFSA) and emerged again in September 2007 with the publication of a book by Professor Keith Woodford presenting further hypothesis on the matter. Professor Woodford also raised concerns about how NZFSA had responded to the findings of the 2003-04 review.

In October 2007, NZFSA announced that a further review of the science related to A1 and A2 milk would be commissioned (refer Part 4 Item 13), together with a review of the NZFSA risk management decision making process. The latter review, undertaken by Dr Stuart Slorach, was completed in April 2008 and in September 2008 a government response to the recommendations made by Dr Slorach, was approved by Cabinet.

Comment

NZFSA has responsibility for a number of specific actions arising from the government response. Some of these have already been given effect and a number relate to matters currently being addressed in active NZFSA work programmes and strategies. NZFSA's current and developing modus operandi also covers some of the actions.

At the time the government response was agreed, Cabinet set July 2009 deadlines, in relation to the following actions:

- a report to the Minister for Food Safety on how the Authority has implemented changes to the Risk Management Framework (RMF) as recommended by Dr Slorach;
- the preparation of a Public Policy Statement on the application of the precautionary approach in food related risk assessments and decision making;
- a review of NZFSA's science capability and report, at first instance, to the Minister for Food Safety, on required actions or decisions as appropriate; and

¹ The difference between A1 and A2 milk rests on two forms of beta-casein (a kind of protein) found in milk.

- a report to the Minister for Food Safety on actions taken to implement recommendations made by Dr Slorach in respect to the NZFSA Campylobacter Strategy.

An action required following completion of the EFSA Review of A1/A2 milk science is discussed separately in Part 5 Item 3 (a).

Where appropriate, the NZFSA Board has set December 2008 deadlines for achievement of the following actions:

- a series of amendments to and enhancements of the NZFSA RMF (Framework for Managing Risk); and
- a report to the Minister for Food Safety on the role of government agencies in defining public health goals as they relate to the Framework for Managing Risk.

Deadlines of March 2009 and the first quarter of 2009 respectively have been set internally for: opportunities for NZFSA / MoH collaboration being elaborated in the NZFSA Nutrition Strategy, and commencement of an evaluation of the effectiveness of NZFSA's communications on raw milk cheeses.

NZFSA has an established internal process for tracking progress on actions arising from the government response to the Slorach Review and is confident that the response will be fully effected before the end of 2009.

Part 4: Current and Impending Policy or Operational Issues and Activities

Science and Standards Based Initiatives and Activities

1 Updated NZFSA Risk Management Framework

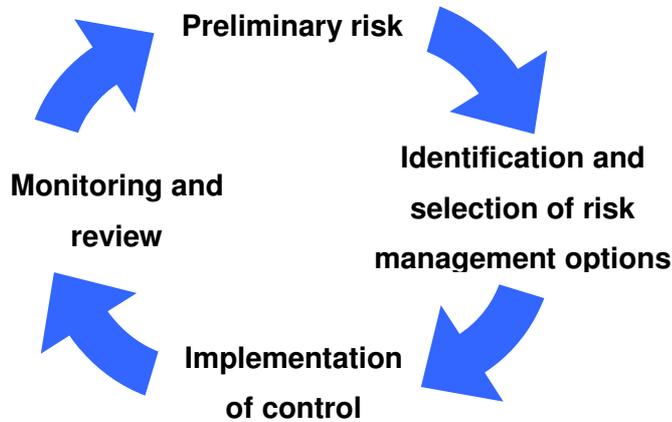
Background

The last decade has seen an unprecedented level of change in the global approach to food safety. The drivers for such change are diverse and have been generated from all stakeholders in the food chain including consumers, government, industry and the academic community. An important part of the regulatory response of NZFSA, to the changing global approach to food safety, has been the development of an RMF to systematically address all food safety issues. An NZFSA RMF document (April 2008) replaced the 2000 publication “Food Administration in New Zealand: A Risk Management Framework for Food Safety” (published jointly with MoH) and includes practical experience that has been gained by NZFSA over the last seven years.

Risk management decisions made by international organisations increasingly influence the NZFSA regulatory environment and impact directly on the domestic marketplace. This creates a strong impetus for an NZFSA RMF that utilises risk analysis guidelines adopted by international agencies.

Food safety risk management can be described in general terms as the process of evaluating available food control options in consultation with interested stakeholders and then implementing standards or other regulatory or non-regulatory activities as appropriate. Wherever possible, decisions should be based on risk assessment and all aspects of risk management should be immersed in a comprehensive risk communication programme. Application of the RMF ensures that all aspects of risk analysis i.e. risk assessment, risk management and risk communication, are brought together in a systematic and logical manner. This maximises the benefits available from a risk based approach to food safety.

Components of the NZFSA RMF



Comment

The benefits of systematic application of an RMF include:

- establishment of food control systems that are risk-based and achieve required levels of consumer protection;
- regulatory decisions that are proportionate to the health risks involved;
- providing for innovation and flexibility in application of control measures; and
- allowing due regard to be taken of the costs as well as benefits of regulatory activities.

In delivering its mandate, NZFSA must “utilise any capacity to improve business opportunities for both domestic and export focussed food industries”. There is therefore close cooperation between NZFSA and industry in identifying priority areas for applied research and regulatory change, so as to accommodate innovative and cost-effective technologies. Government promotion of economic, environmental and social sustainability also influences NZFSA’s domestic regulatory policies.

2 Melamine

Background

Melamine is an industrial chemical that is used in many products, including the heat resistant plastic known by the same name, a foam cleaning product, and a yellow dye. Because melamine contains a lot of nitrogen, the usual test for protein (which determines total nitrogen in a sample) cannot distinguish between protein and the cheap and readily available melamine. This makes melamine an attractive chemical with which to fraudulently augment apparent protein levels in poor quality food ingredients, thereby increasing their monetary value to food manufacturers.

Although melamine is not particularly toxic, if concentrations are high enough, it can precipitate in the kidney, forming crystals that can eventually block the kidney's normal function, leading to serious health effects and sometimes death. This effect may be exacerbated by the presence of the related compound, cyanuric acid. As melamine cyanurate is much less toxic than either substance on its own, crystals may form at lower concentrations when both are present together.

In early 2007, melamine in vegetable protein from China was implicated in the deaths of pets (due to renal failure) in North America. It now seems likely that not long after the 2007 pet incident, melamine was being widely used to adulterate milk and milk protein products used in the Chinese dairy industry. The contamination was first associated with infant formulas from the Chinese dairy company, Sanlu, in which Fonterra is a 43 percent shareholder. However, it has subsequently proven to be more widespread, with more than 20 other Chinese dairy companies with close to 70 products affected.

Comment

In response, NZFSA has developed a melamine risk management strategy, which involved determining levels of melamine in food that will trigger further investigations. These are 5 parts per million (ppm) in food components, 2.5 ppm in whole foods. In respect to infant formulas, a 1 ppm finding will trigger assessment. NZFSA has now sampled infant formula products, along with a wide range of other food products that contain milk or powdered protein from milk (more than 175 items), and found that the majority have no detectable melamine or cyanuric acid in them.

Those products which were found to be contaminated (White Rabbit creamy sweets, and two milk drinks, as well as lactoferrin) have been assessed for their consumer safety and appropriate actions have been taken. The White Rabbit sweets were subject to a privileged statement and subsequent recall undertaken by importers and retailers. One of the milk drinks containing 3.3 ppm melamine was also subject to a voluntary recall and no action was deemed necessary for the other which contained 0.7 ppm. NZFSA has also instituted controls at the border, where risk products from China will not be cleared for entry until assurances have been received on their melamine status.

This monitoring will continue as part of routine surveillance. As the toxicology of melamine and its related substances is still evolving, NZFSA is maintaining a strong interest in developments and is continuing to update its risk assessments to ensure they remain current

and our actions remain appropriate.

3 Toxic Honey

Background

Tutin is a toxin from the tutu plant. A toxic honeydew containing tutin and hyenanchin (a closely related byproduct) is formed when the passion vine hopper insect feeds on the leaves of tutu bushes. Bees collecting this honeydew produce toxic honey.

At Easter 2008, poisoning occurred from toxic honey produced at Whangamata in the Coromandel. Twenty two people were affected, some seriously. Toxic honey has been reported on some 26 occasions since the honey bee was introduced in the 1860s. The last recorded poisoning incident prior to Easter 2008 was in 1991. Most of the poisonings have been in a variety of locations around the North Island and Marlborough.

Following the Easter 2008 incident, NZFSA undertook widespread sampling to ascertain the extent of the problem. Much of the North Island honey crop was found to contain low levels of hyenanchin and tutin, but dangerously high levels were found around Wairoa. These results indicated that the existing management system was not effective and led to the development of proposals to set a maximum level for tutin in honey. The proposals were developed in consultation with industry representatives (the Bee Products Standards Council and an industry working group). Before a limit could be established, it was necessary to determine the toxicity of tutin and hyenanchin. Toxicological testing funded by NZFSA recently confirmed that hyenanchin is of little toxicological concern, and only tutin needs to be regulated.

NZFSA has proposed the introduction of a food standard under section 11C of the Food Act 1981. This food standard will set a maximum level of tutin in honey of 2.0 milligrams per kilogram and a maximum of tutin in comb honey of .04 milligrams per kilogram. The food standard also describes who must demonstrate compliance and sets out four options, one of which must be satisfied in order to demonstrate compliance. The food standard also provides obligations on beekeepers in terms of maintaining records and providing information to the NZFSA.

Comment

The limited data that is available suggests that toxicity could occur under the right conditions in many areas of the country. There is insufficient knowledge about the distribution of the passion vine hopper insect and the climatic conditions that promote the problem. Tutu is

found throughout New Zealand, but the passion vine hopper insect is found only in the North Island and the top of the South Island. It is thought that bees only collect toxic honeydew under drought type conditions, when other sources of nectar are unavailable and there has been insufficient rain to wash the toxic honeydew off the leaves.

Data from the Easter 2008 outbreak supports the view that the proposed standard will provide effective protection without being overly restrictive on industry. Work is being undertaken on test systems to support the standard and increase understanding of the way in which toxic honey causes illness. It is envisaged that the proposed new food standard (issued by the Minister for Food Safety) will be in place in January 2009, before the bulk of this season's honey crop is harvested (refer Part 5 Item 2 (b)).

4 Bisphenol A

Background

The migration of chemicals from food contact materials into food has become a subject of increasing interest over the years with advancements in packaging technology and better analytical methods for detection of chemicals in food. Bisphenol A (BPA) is an industrial chemical used in the production of materials such as polycarbonate plastics and synthetic resins. It is found in items and containers that come into contact with foodstuffs such as drinking vessels, baby bottles, plastic tableware and internal coating on tins for tinned food.

BPA can mimic the action of some hormones called 'endocrine disruptors', which may have the potential to interact with hormone systems. Some studies in laboratory animals suggest that low levels of (consumed) BPA over long periods may have an effect on the reproductive system. Despite extensive research world-wide however, there is no conclusive evidence of a link between adverse human reproductive health effects and exposure to BPA.

An expert panel of the United States National Toxicology Programme published a report on the health effects of BPA in September 2008. The report concluded there was some concern that long term exposure of people to BPA might adversely affect human reproduction or development, but that there was insufficient data to draw any definitive conclusions.

Comment

NZFSA continues to actively monitor assessments carried out by EFSA, Health Canada and the US FDA, all of which have taken the expert panel report into account and still conclude that the levels of human exposure are below the levels that pose any health risks. The

US FDA report concluded that the margin of safety was much higher than those estimated by the other regulators. Their report has subsequently been criticised by an independent expert panel because it excluded some studies which were included in other reviews, and that this had led to the higher estimated margin of safety. As a result, the US FDA has called for new data to be generated that will be designed to answer the outstanding questions raised by the expert panel report.

Recently Health Canada has decided to proceed with regulatory action to ban BPA from baby bottles next year. NZFSA remains of the view that the positions described in the EFSA and Health Canada reviews providing reassurance that the continued use of plastics containing BPA does not raise unacceptable health risks. NZFSA is however maintaining a close watch on developments in the data and is ready to recommend appropriate action if necessary.

5 Seafood Imports Testing Results

Background

NZFSA's regime for testing imported seafood is split into two streams. Firstly, imports of prescribed or 'high risk' food, including seafood, are routinely tested at the border for known food safety risks. Before being released for sale, they must meet specific requirements and clearance procedures, which are detailed in the Imported Food Requirements. For example, as selected species of fish are more susceptible to microbiological spoilage and the production of histamine, those species are tested at the border to ensure consignments do not exceed known safety limits of histamine.

Secondly, imports of seafood are monitored for emerging food safety risks. Working within NZFSA's RMF the monitoring programme utilises a number of tools, such as the Food Residues Surveillance Programme, to ensure New Zealand consumers are protected from such risks.

Comment

Emerging food safety risks are identified through information gathered from a variety of sources, including events that occur overseas. One particular recent example is the detection of low levels of antimicrobial chemicals in Chinese aquaculture (farmed seafood) products that were not registered for use in aquaculture in the United States. NZFSA had planned to incorporate imported farmed seafood species into the Food Residues Surveillance Programme for 2007/08; however to address consumer concerns, a component of the survey was moved forward with products from China sampled in July 2007.

In this first survey, NZFSA tested 31 canned and frozen products from China including shrimp, eel, prawns, dace and carp. Results showed there was no health concern and the products did not breach the New Zealand regulatory limit. NZFSA has now completed the remainder of the survey which consisted of 30 samples of scallops, oysters, shrimps and crabs from a broader range of exporting countries including Thailand, Vietnam, India and Japan. All 30 samples were analysed for a range of antimicrobial chemicals and results showed that none of these chemicals were detected in any of the samples.

6 Human Foodborne Illness and Monitoring of Regulatory Performance Goals

Background

Development of approaches and systems for measuring the regulatory performance of Food Safety Authorities, in terms of improvements in foodborne illness incidence, is gathering momentum world-wide. Where it is not possible or practicable to measure performance in terms of human disease, monitoring of hazards at specific steps in the food chain can be used to demonstrate improvements in performance.

In meeting government expectations for the development of a formal outcome performance system, NZFSA has established three foodborne illness goals:

- 50 percent reduction in reported annual incidence of foodborne campylobacteriosis after 5 years;
- 30 percent reduction in reported annual incidence of foodborne salmonellosis after 5 years; and
- no increase in reported annual incidence of foodborne listeriosis over 5 years.

Comment

Demonstration of performance over time requires a robust and consistent monitoring and reporting system. The NZFSA system began in July 2008. The indicator system is the annual output of the national communicable disease surveillance scheme administered by ESR for MoH. NZFSA has actively contributed to improving the accuracy and efficiency of this arrangement and is funding several applied research projects that will improve food source attribution knowledge. The purpose of one such project is to establish what proportion of disease statistics are due to foodborne pathways compared with other pathways such as occupational or environmental exposure. Performance will be evaluated using a statistical trend analysis tool.

“Intermediate” outcomes are expressed in terms of hazard reduction at specific steps in the food chain and performance goals and monitoring systems have been established as follows:

- one log average reduction in *Campylobacter* on chilled broiler meat against the 2007 baseline, following the implementation of a new regulatory standard on 1 April 2008;
- 50 percent reduction in prevalence of *Salmonella*-positive young calves after five years;
- 50 percent reduction in prevalence of *E. coli* 0157:H7-positive young calves after five years; and
- 10 percent reduction in process hygiene indicators for young calves and sheep over five years.

The National Microbiological Database is the performance indicator system.

7 *Campylobacter*

Background

Campylobacteriosis is one of the most frequently reported foodborne diseases worldwide. The burden of the disease and the cost of control measures are highly significant in many countries and this is especially the case in New Zealand. We have the highest notified disease rate in the world. Chicken meat is the most common food vehicle, but is not the only potential source. NZFSA has a comprehensive strategy for the prevention and control of *Campylobacter* in poultry, and other sources, including contaminated water.

Detailed and robust scientific inputs to the NZFSA *Campylobacter* in New Zealand Risk Management Strategy underpin the development of control measures and other regulatory activities such as risk communication packages for consumers. These scientific contributions take the form of risk profiles, applied research projects (to gather scientific information on potential prevention and control measures throughout the food chain), risk assessments, monitoring programmes and evaluation of human illness statistics.

A number of these scientific activities are contracted out to external science providers and the outputs of this specialised work are combined with the risk assessment and monitoring work of the NZFSA Science Group as the basis for new regulatory standards. The most significant of these was the implementation of a performance target for contamination of chilled broiler carcasses on 1 April 2008, with poultry slaughter premises exceeding the limit being subject to strict sanctions.

Comment

At the international level, NZFSA and Sweden co-lead a Codex Working Group that is developing a new global standard for *Campylobacter* in poultry. This standard is combining cutting-edge knowledge from all countries and is taking the approach to regulatory control that is advocated in the NZFSA RMF. This work is providing valuable inputs to the NZFSA *Campylobacter* Strategy.

The NZFSA Science Group administers the Enteric Zoonotic Disease Research Steering Committee which has a wide brief in respect of zoonotic pathogens. The Committee includes stakeholders from various government ministries, academia and industry. It sets strategic priorities, promotes and coordinates research, and provides a centre of scientific expertise. The main emphasis is on an integrated approach to prevention and control of enteric zoonoses that are transmitted via the food chain. Recently, most emphasis has been placed on coordinating research efforts concerning *Campylobacter* and an holistic approach to science needs has been taken i.e. simultaneously investigating foodborne, environmental and occupational sources and their relative importance.

8 Salmonella**Background**

As for campylobacteriosis, salmonellosis is one of the most frequently reported foodborne diseases in New Zealand and is the subject of an NZFSA regulatory performance goal to significantly reduce the existing human illness rate. The *Salmonella* organism can be transmitted to humans via a wide range of foods and these include 'exotic' pathways such as imported spices and imported animal feeds.

Comment

This diversity in pathways is reflected in several NZFSA science projects that are aimed at improving control measures across the board. These include risk assessment of different human exposure pathways so as to rank their importance and prioritise standards development work; epidemiological investigation of human illness outbreaks introduced through imported poultry feed and transmitted via broilers; and meat hygiene projects aimed at reducing faecal contamination of carcasses and offals in the slaughterhouse.

In a number of countries, meat products exported from New Zealand are subject to monitoring for *Salmonella*. Detections at the border result in rejection of product and

potential damage to New Zealand's credibility as a producer of safe food. The NZFSA Science Group has combined with a range of other stakeholders (regional public health units, Federated Farmers, AgResearch and local veterinarians) to investigate the foodborne potential of an ongoing multi-year outbreak of Salmonella Brandenburg in sheep in Southland. A risk assessment model predicts that foodborne human infection is likely to be rare, but contamination of sheep meat is currently creating a resurgence of sporadic rejections in export markets.

9 Listeria

Background

Listeriosis is an illness caused by the pathogenic bacteria *Listeria monocytogenes*, commonly referred to as *Listeria*. There are two forms of listeriosis, non-invasive and invasive. The non-invasive form is typically characterised by diarrhoea, fever and muscle pain and is similar to other foodborne illnesses. However, invasive listeriosis, initially presents with mild flu-like symptoms which may progress to septicaemia, meningitis, encephalitis or death. This form of illness typically affects those with an impaired immune function. The ability of the organism to invade the foetus during pregnancy is of major concern, and may result in spontaneous abortion or stillbirth, which typically occurs in the absence of recognisable maternal symptoms.

The incidence of reported listeriosis in New Zealand is similar to that seen in comparable countries and has averaged 0.5 per 100,000 population over recent years. While the incidence of serious illness is low, the severity of the illness is such that NZFSA has a performance target for listeriosis of "no increase in reported incidence of food borne listeriosis after five years".

Comment

A steering group with members from various NZFSA groups and co-ordinated by the Technical Standards and System team has been formed to develop and progress a Listeria Risk Management Strategy.

The Strategy provides background to the issue of Listeria and risk management in New Zealand as well as providing the framework (including timelines) for improving the risk management of Listeria across the New Zealand food industry.

The Strategy proposes the development of the following components:

- adoption of a risk classification for ready to eat (RTE) foods in relation to *L. monocytogenes*;

- nationally consistent regulatory requirements (e.g. standards and process controls) across key RTE and other food industry sectors;
- non-legislative guidance;
- proposal for microbiological criteria for *L. monocytogenes* for RTE foods within the Food Standards Code;
- monitoring and research needs;
- development of a communication strategy (including a review of current education tools); and
- enhanced international activity and collaboration in this area.

10 Working with Industry to Improve Meat Hygiene

Background

NZFSA has a long-standing programme to review and enhance meat hygiene standards in New Zealand. Approximately 80 percent of meat produced in New Zealand is destined for offshore markets and this means that exported product has to be certified as meeting the requirements of the individual importing country. For many years, these importing requirements have been based on tradition rather than science and have formed significant impediments to trade in terms of imposing market restrictions, unnecessary costs for the New Zealand industry, and wastage.

The Science Group works with the Standards Group to prioritise applied research projects and develop standards that achieve strategic goals in this area of food safety and suitability. Collaborative projects with industry are common and as the benefits of meat hygiene reform fall primarily to the processing industry and farmers, direct funding is provided by these stakeholder groups.

Comment

A key part of the meat hygiene reform strategy is leading international standard setting initiatives in the global food safety arena. To this end, NZFSA leads the Codex Committee on Meat Hygiene and has provided key inputs to a new international code of hygienic practice. The Code is risk-based, flexible, and reflects New Zealand's unique production and processing advantages while in no way compromising public health.

NZFSA also produces detailed equivalence submissions to importing countries on a bilateral (e.g. United States) and multilateral (e.g. European Community) basis so that they can judge the scientific merit of alternative (and more cost-effective and efficient) control measures in New Zealand. To date, NZFSA has achieved highly significant reforms in meat inspection

procedures applied to all the major slaughter species, providing among other things innovative processing technologies. Currently, an equivalence submission is before the United States Food Safety and Inspection Service that will significantly reduce the number of inspectors on each young calf slaughter chain and will also decrease the amount of carcass cross contamination that results from excessive handling.

In support of meat hygiene reform and demonstration of performance, NZFSA developed the National Microbiological Database that is now routinely applied in cattle, sheep, deer, ostriches and poultry slaughterhouses. This is a world first and monitors indicator organisms and pathogens to track hygiene practices and industry performance. This has allowed New Zealand to negotiate acceptance of lower levels of microbial testing while still retaining market access to the United States and the European Community.

11 Risk Assessment of Pasteurised and Unpasteurised Milk Products

Background

Milk products continue to be New Zealand's largest export category and NZFSA has responsibility to develop and administer food standards in this area that assure public health and provide a flexible and outcome-driven regulatory framework for industry. As a result, NZFSA and New Zealand's largest dairy company, Fonterra, have a multi-year joint programme to investigate risks associated with pasteurised and unpasteurised (raw) milk products and use the findings in applying the NZFSA RMF.

Currently, regulations in New Zealand require that milk for commercial sale, except small quantities sold at the farm gate, must be pasteurised or undergo a treatment that provides a level of consumer protection that is equivalent to pasteurisation. Milk used for cheese production must be pasteurised, or thermised and matured for at least 90 days, with the exception of some imported Swiss cheeses and French Roquefort. In the latter context, there has been an upsurge of interest from New Zealand consumers in buying unpasteurised milk products, particularly cheeses. In addition, NZFSA has received approaches from both New Zealand dairy manufacturers interested in making unpasteurised milk products and overseas countries wishing to export unpasteurised specialty cheeses to New Zealand.

Comment

A portfolio of work examining the risk posed to consumers from the consumption of unpasteurised milk and milk products is being undertaken. This includes developing a risk assessment model which will estimate the risks to New Zealand consumers from the consumption of such products. The model could enable NZFSA to set a range of standards that ensure public health but provide for flexible approaches by industry e.g. use of

alternative heat treatments to pasteurisation and specified on-farm and dairy processes.

In developing this model, NZFSA, in partnership with Fonterra's Food Assurance Team in Palmerston North, is undertaking world-leading research. This significant, and possibly unique partnership, ensures that the project has input from technical experts from both organisations and that the results will be fully applicable to the modern commercial dairy industry. If progressed, new standards could provide industry with the ability to innovate within a flexible regulatory framework and realise the potential for new products, new processes, and cost and energy savings (also refer Part 4 Item 18).

12 Escherichia coli O157:H7

Background

Human illness due to E. coli O157:H7 has only been comparatively recently recognised on a world-wide basis. Although such illness is rare compared with that caused by other foodborne bacterial pathogens such as Campylobacter and Salmonella, this pathogen has received a high level of attention because of the potentially severe consequences of infection (kidney failure and death in young children and the elderly). A number of related toxin producing serotypes of E. coli are also involved. While E. coli O157:H7 is present in slaughter animal populations in New Zealand, not one human case has been traced back to food. In other countries, there is a clear causal link with undercooked ground hamburger beef.

Comment

NZFSA is actively investigating the possibility of foodborne E. coli O157:H7 infection in consumers in New Zealand and is also focusing on risk-based regulatory controls that decrease the chance of contamination of exported products, particularly beef bound for the hamburger trade in the United States. Current export testing regimes for E. coli O157:H7 are a considerable cost on industry.

13 A1 and A2 Milk

Background

Claims of adverse human health effects from drinking bovine A1 milk have arisen in New Zealand, theoretically based on the presence of a specific protein fragment (known as BCM7) that results from human digestion of A1 beta-casein. Associations have been drawn between milk-borne exposure of humans to A1 beta-casein and a wide range of non-infectious diseases. The claims of adverse human health effects are drawn from a complexity of laboratory animal, epidemiological, biochemical, immunological and

physiological studies. While the proponents agree that a causal link between BCM7 from digestion of milk and foodborne disease has not been established, they claim that the associative evidence is strong enough to warrant “precautionary” regulatory action. The proponents also claim that no adverse health effects result from drinking A2 milk, on the basis that A2 beta-casein does not release BCM7 when digested.

Comment

NZFSA is committed to robust science as the basis for risk management decisions on the safety of foods. In response to the claims over A1 milk, in 2003 NZFSA commissioned an external scientific evaluation by Professor Boyd Swinburn of Deakin University, Australia. NZFSA took into account Swinburn’s scientific opinion, as well as a number of other inputs to the risk management process, in reaching a decision that insufficient scientific evidence was presented to change the view that milk produced in New Zealand is safe for human consumption.

Commensurate with NZFSA’s commitment to robust and up-to-date science as an essential input to risk management decisions, NZFSA is now seeking further expert scientific opinion on this issue. This has taken the form of an independent scientific review by EFSA to determine if there is further or new scientific evidence of adverse effects on consumers from drinking A1 milk. The terms of reference for the EFSA review have been posted on the NZFSA website, and the review is expected to be completed by the end of 2008 (refer Part 5 Item 3 (a)).

14 Antimicrobial Resistance

Background

The use of antimicrobial / antibiotic products for the treatment or prevention of plant and animal diseases has the potential to lead to the development of antimicrobial/antibiotic resistance in humans if these products contain the same or similar compounds as those that are used to treat or prevent human illness.

Comment

NZFSA established an Antibiotic Resistance Steering Group in 2004. An Expert Panel was also set up and reported the following recommendations to the Steering Group in 2005:

- the establishment of an Antimicrobial Resistance in Animals Surveillance Programme;
- particular groups of drugs, including a review of registrations on amino glycosides (eg streptomycin), in both animals and plants; and
- the establishment of a Technical Advisory Group to advise NZFSA and MoH on

antimicrobial issues, including registrations.

An Ad Hoc Taskforce on Antimicrobial Resistance, established by Codex, held its first meeting in October 2007 at which New Zealand was represented by NZFSA.

Recent amendments to the ACVM Act (refer Part 4 Item 26) also provide a clear legislative mandate for the management of antimicrobial resistance in that risks to public health are now specified in the Act. NZFSA has reviewed the use of aminoglycosides products as veterinary medicines (and the one streptomycin used in horticulture) and given management conditions to holders of current registrations. The intention is to ensure that unnecessary use of these products as veterinary medicines or agricultural chemicals does not occur.

A working group was established initially to scope out the feasibility and requirements to undertake a surveillance programme on antimicrobial resistance. The report from the Working Group was considered by NZFSA and it was agreed to initiate a baseline survey. It is intended this survey will commence in the first quarter of 2009.

The establishment of a technical advisory group terms of reference have been agreed with MoH and will form part of the operational agreement for legislation interface areas under an MoU. NZFSA is now in the process of seeking persons to become members of the technical advisory group.

15 Contracting of Science Inputs from External Providers

Background

Robust and comprehensive science is a primary input to control measures developed by NZFSA. The NZFSA Science Group is relatively small (13 staff in total) and has an operational research budget of approximately \$3.2 million. Along with internally generating scientific advice to NZFSA, a significant volume of scientific input to regulatory programmes is generated from contracts with external science providers such as ESR, Massey University and AgResearch. All contracted science-related projects are overseen by the Science Group and monitored against specified milestones and outcomes.

Comment

Contracting of science to external providers takes a strategic path with a number of current projects spanning several years, except where emerging food safety problems demand immediate attention. Examples of exceptions are the investigation of the toxicity of honey following the acute poisoning of more than 20 people in the Waikato region (refer Part 4

Item 3).

16 2009 New Zealand Total Diet Study

Background

The primary focus of the New Zealand Total Diet Study (NZTDS) is to assess exposure to chemical residues, contaminant elements and selected nutrients. The survey, which involves testing of approximately 120 representative foods across the average diet of different age – sex groups within the New Zealand population, is large and complex and is therefore carried out only on a periodic basis.

Foods analysed for the NZTDS are on an 'as consumed' basis (i.e. banana, peeled; meat, cooked). This provides an assessment of any potential risk to the consumer at the point of consumption of the food. The NZTDS contrasts with commodity based surveillance or monitoring programmes, which analyse foods as they are available for sale or 'as produced' i.e. unpeeled bananas, whole chicken with skin; and raw meat.

Total Diet Surveys should be undertaken on an on-going and regular basis to enable monitoring of trends of exposures and levels of contaminants (and selected nutrients) in the food supply over time. By monitoring trends, appropriate management strategies can be implemented and their effectiveness assessed.

There have been six NZTDSs, the first in 1974/75. The 2003/04 NZTDS was the first undertaken by NZFSA. Following the completion of the 2003/04 NZTDS, NZFSA decided that in future NZTDSs would be undertaken at approximately five yearly intervals. It was also decided that the general structure and content of future NZTDSs would be based on that of the 2003/04 NZTDS, which was determined after public consultation.

The NZTDS contributes to international networks and standard-setting organisations, such as the WHO Global Environmental Monitoring Systems Food programme, the WHO/FAO Joint Expert Committee on Food Additives, and WHO/FAO Joint Meeting on Pesticide Residues. The NZTDS is of international standing, and is recommended by the WHO as a template for countries initiating their first TDSs. The NZTDS also provides valuable information that can contribute to the review (with FSANZ) of maximum permissible concentration's in food and the setting of New Zealand food standards.

Comment

Preparation for the 2009 NZTDS is well advanced. Its proposed structure and content was advised to interested parties in June 2008 and received broad general support.

Collection of food samples will commence in January 2009 and 123 foods will each be sampled twice over the rest of the calendar year in four sampling rounds. The foods will be analysed for over 260 currently and previously used agricultural compounds; for the environmental contaminants arsenic, cadmium, lead, mercury and methyl-mercury; and for the nutrient elements iodine, selenium, and sodium.

Following completion of the analysis for each sampling round, the results will be released on the NZFSA website. At the completion of the food sampling and analysis, dietary exposure estimates will be made for each of eight population groups ranging from six to 12 month old infants, through to adult (25 years and over) male and female New Zealanders. It is anticipated that the final results will be available for release at the 2010 NZFSA Conference.

Standards and Standard Implementation Issues and Activities

17 Safety of Imported Food

Background

Imported food constitutes around 20 percent (by value) of food consumed in New Zealand. A 2004 external review of the imported food programme concluded that although there were no urgent or serious public health risks arising under the current regulatory regime, improvements could be made. Internationally, 'food scares' have increased consumer concerns about the safety of foods produced in certain countries, and most recently these have been related to foods from China. In New Zealand this had led to calls from consumer and political groups for increased monitoring and / or testing of all imported foods, and mandatory country of origin labelling ((CoOL), Part 4 Item 34). Additional funding for monitoring of imported foods was allocated in the 2008/09 budget with four years of funding provided for surveys and development of the survey programme.

Comment

None of NZFSA's range of testing programmes to date has found any serious food safety issues with levels of residues in foods imported into New Zealand. NZFSA's testing and surveillance programmes show that produce available in New Zealand, both imported and domestically produced, has extremely low levels of chemical residues.

NZFSA remains on alert for food safety issues that may impact on New Zealand. It has developed and is strengthening its intelligence gathering systems and has strong links with

its international counterparts. These systems and relationships are becoming increasingly important with the number of food safety issues resulting from intentional contamination. Contamination of dairy products produced in China with melamine is a recent example of the benefit of having these networks (Part 4 Item 2). Where there have been incidents overseas, NZFSA's investigations will initially be aimed at determining whether affected foods have been sold in New Zealand. Where affected foods have reached the marketplace, NZFSA takes action appropriate to the food safety risk and ensures consumers are advised of the issue and the basis for NZFSA's response.

Testing of *all* imported food is a costly and inefficient means of providing the assurance that products meet a particular standard. NZFSA strives to provide international leadership in terms of taking a science and risk based approach to regulation. Under new import requirements there is a shift away from relying primarily on controls at the New Zealand border to manage the safety and suitability of imported foods. The movement has been toward a system that recognises controls in place overseas to ensure (before they enter the country) that imported foods meet, or are equivalent to, New Zealand's standards for domestic food.

In April 2007 proposals to implement recommendations from the Imported Food Review were agreed by Cabinet in the 'Blueprint for Change'. The new regulatory regime is designed to be responsive, flexible and ensure controls on imported food are effective, efficient and based on a sound risk management decision making framework. NZFSA's monitoring programmes are targeted to areas identified as higher risk, and increased monitoring will occur for these identified imported foods.

NZFSA has outlined proposed changes to the import system. In summary these are:

- categorisation of imported foods into high medium and low levels of regulatory interest;
- differential risk management, based on categorisation;
- "scanning" of certain products (i.e. increased monitoring) in response to urgent emerging issues of identified hazards in foods. It also permits additional temporary monitoring measures immediately being put in place when risks are identified or when gaps in our knowledge arise, irrespective of the categorisation of that food;
- maintaining a monitoring and review programme in response to intelligence to assess whether there is additional data that may need to be obtained and analysed for imported food/hazard combinations. The monitoring and review programme will also review the overall performance of the imports programme; and
- registration of all importers.

Some of the recommendations from the review have been implemented under the current Food Act. Two new standards for importers have been implemented, requiring importers to be listed with NZFSA (a precursor for registration that will be required under the new Food Act) and ensuring importers attain assurances from their suppliers.

The standards also reiterate the importers' responsibility to ensure that storage and transport of the food products are adequate and that appropriate records are kept relating to the importation of the food.

18 Importation and Manufacture of Raw Milk Products

Background

Currently all dairy products manufactured in New Zealand are made from pasteurised or thermised milk. The only exception to this is the "Five-Litre" Rule in the Food Act that allows producers to sell up to five litres of raw milk at any one time from their farm gate to people who intend to consume it themselves or provide it to their family. The only raw milk products that can legally be imported and sold in New Zealand are a limited variety of cheeses (three hard and very hard Swiss cheeses, extra-hard Parmesan style grating cheeses, and Roquefort cheese). These cheeses have been approved following case-by-case assessments of the risks posed to consumers and attestation that any relevant import health standards can be attained.

In recent years there has been increasing interest in the availability of raw milk products within New Zealand. Requests have been made to NZFSA to allow more raw milk products (particularly cheeses) to be imported, and to develop the relevant technical criteria and other guidance material that would allow for the domestic manufacture and sale of raw milk products.

Comment

In August 2008 NZFSA released the Public Discussion paper 'Proposed framework for the manufacture, importation and sale of raw milk products'. The discussion document provided information and sought submissions on a proposed framework that, if progressed, would facilitate the manufacture and domestic sale or export of some raw milk products for human consumption, and the importation and sale of a similar range of raw milk products.

The proposed framework is based on a 'category approach' with raw milk products being placed in one of three categories according to their food safety risk. The category approach was developed after consideration of the FSANZ and NZFSA risk assessments of raw milk cheeses currently able to be sold in New Zealand and Australia, and European Union

assessments for other European-style raw milk cheeses. It was also informed by other NZFSA risk assessment work on the public health risks associated with the consumption of raw milk and raw milk products (refer Part 4 Item 11).

While it is proposed that the framework will cover all raw milk products intended for human consumption, only those that could be produced safely (that is, present a low food safety risk to the general population) would be able to be legally produced and imported. The proposed framework includes provision for consumer education and informative labelling of raw milk products.

The associated discussion paper also noted that if, following the outcome of the consultation, a decision is taken to advance the proposed framework for raw milk products, a second round of public consultation would be initiated on the draft technical and legal requirements necessary to implement the framework.

Analysis of the 43 submissions received is progressing. While the majority favour advancing the proposals, a minority (three) are strongly opposed to any raw milk products being available in New Zealand. Those submitters consider such products to be a significant danger to public health.

19 Aspartame (Artificial Sweetener)

Background

Aspartame is the common name for an intense artificial sweetener used in many sugar-free and 'diet' food products. There is a long-running controversy in New Zealand regarding the approval of aspartame for use in food products. Those who oppose the approval cite anecdotal evidence that consumption of aspartame can result in a number of minor and serious health disorders. These include possible toxicity from methanol; elevated blood levels of aspartic acid and phenylalanine; affects on nerves and the brain, and a claimed link with epilepsy and brain tumours.

Large scale international studies have not found evidence to support these concerns. For example, a 2002 review of over 500 pieces of research on aspartame carried out by the European Commission's Scientific Committee on Food (SCF) concluded that the additive was safe and that the established ADI was appropriate.

The Italian-based Ramazzini Foundation of Oncology and Environmental Sciences has released two reports since 2005, the most recent in March 2007, each claiming to have found a significant increase in lymphomas and leukaemia's in rats exposed to a diet containing aspartame. Food safety authorities worldwide have evaluated these and other

studies and have not found any sound, scientific evidence of harm that might lead NZFSA to review the ADI of aspartame.

Comment

Aspartame is approved for use in food under Standard 1.3.1 Food Additives of the Food Standards Code. FSANZ keeps a watching brief on new research regarding food additives including aspartame. NZFSA monitors significant new research on food additives and reviews any recommendations made by FSANZ.

The Food Standards Code requires all additives used in a food product to be labelled by additive type (preservative, flavour enhancer, sweetener) and specific additive number. In addition to this requirement, products containing aspartame must also explicitly state that the product contains phenylalanine. Phenylalanine is one of the constituent amino acids in aspartame. A small number of people cannot safely consume phenylalanine. This includes those with the inherited disease phenylketonuria (PKU) and pregnant women with high blood levels of phenylalanine.

The NZFSA website hosts a page with detailed information about current research on aspartame and information about the labelling requirements for foods containing aspartame. Consumers wishing to avoid aspartame are advised to look for the explicit phenylalanine statement on food labels.

In September 2008 the Health Select Committee presented a report to the House that contained recommendations on a petition considered by the Committee. The petition of Alison White and 7886 others (petition 2005 / 167) requested warning labels on all products containing aspartame, a public education programme to raise awareness of adverse reactions to aspartame, a programme to raise awareness in the medical profession and the removal of all products containing aspartame and other artificial sweeteners from schools. In its report to the House, the Committee made one recommendation to the Government which was that "MoH and NZFSA maintain on their websites information for consumers and health professionals on the latest evidence based research on the consumption of aspartame".

Cabinet Office called for consideration and preparation of the Government response to be led by the Minister for Food Safety on behalf of the Government. To this end, NZFSA is currently preparing a Cabinet paper setting out a recommended Government response. The paper will shortly be submitted to you for consideration and sign out if you agree (refer Part 5 Item 2 (a)).

20 Fluoride in Bottled Water

Background

An application has been made to FSANZ to amend the Food Standards Code permitting the voluntary addition of fluoride to packaged water, as a claimable nutrient up to a maximum claimable amount of 1.5 milligrams of fluoride per litre. This amount is greater than the current level of fluoridation in tap water in New Zealand (0.7-1.0 milligrams of fluoride per litre).

The FSANZ risk assessment of the application concluded that a proportion of children aged between two and eight years may be at risk of exceeding upper intake levels for fluoride. FSANZ has also noted that this could be a consequence of the way that the upper intake level was established.

Comment

The FSANZ risk assessment may create interest for anti-fluoridation advocates and the media. NZFSA will continue to work with MoH and FSANZ on risk communication strategies (in terms of the FSANZ conclusions on the possible risks associated with existing fluoridation levels). NZFSA will also be considering the risk assessment closely in its preparation of a submission on the same.

21 Food Fortification

Background

The addition of essential vitamins and minerals to food, known as food fortification, has occurred in New Zealand since the beginning of the 20th century (the first fortification being the addition of iodine to salt). Mandatory fortification is only considered in New Zealand and internationally, as a way to address a significant public health issue where other methods have failed, would be unlikely to succeed, or would not be appropriate.

The last few years have seen increased permissions for the voluntary addition of vitamins and minerals to some foods. These permissions have been carefully assessed by FSANZ to ensure the safety of the food supply.

There have been two recent developments in this area. These are the fortification of bread

with folic acid and the replacement of plain salt with iodised salt in bread (in both instances with the exception of organic and unleavened bread).

Some consumers take issue with food fortification. The grounds for opposition include: perceived removal of choice for those who do not want to consume the vehicle food in a fortified state; concerns about 'over exposure' for those who eat large quantities of the vehicle food, philosophical aversion to the imposed 'medicalisation' of the food, and aversion to the entire population being exposed to an intervention targeted to a particular population sector (for example folic acid fortification).

Comment

The process for considering and introducing a particular fortification involves extensive consultation and consideration of all issues including the effect on consumer choice, the potential effectiveness of the fortification balanced against any potential risks, and taking into account all relevant factors, the most appropriate food vehicle.

Folic acid Fortification

Mandatory fortification of bread (excluding organic and unleavened bread) with folic acid is a public health initiative being employed to reduce the incidence of neural tube defects (NTDs), the most common of which is spina bifida. Currently, it is estimated that each year in New Zealand there are 70 NTD affected pregnancies, and the folate fortification measure is expected to reduce that number to between four and 14.

The food standard for mandatory fortification of bread with folic acid came into effect on 25 October 2007. There is a two year transition period at the end of which all commercial bread makers must be compliant with the standard. Two years after the transition period ends (two years after 25 October 2009) there will be a comprehensive independent review of the standard.

Iodine Fortification

New Zealand has a population-wide problem of iodine deficiency and it is currently difficult for most consumers to obtain adequate iodine from their normal diet. Iodine deficiency in the general population is attributed to several factors, these being: increased consumption of commercially prepared foods (usually made with non-iodised plain salt); the low iodine levels in New Zealand soils (thus low levels in New Zealand produce); and less salt being used in home cooking because of messages about reducing salt intake.

A New Zealand only standard for the mandatory replacement of plain salt with iodised salt in

bread (except organic and unleavened) came into effect on 13 March 2008. The transition period has been aligned with the folic acid fortification timeframe and ends on 25 October 2009.

Australia is currently completing consultation on the mandatory use of iodised salt in bread. Their process has been delayed and hence separated from the development of the New Zealand standard. If the proposed Australian standard is agreed by the Australian Ministers, the Australian and New Zealand standards will become joint.

22 Front of Pack Labelling

Background

Some Australian and New Zealand food manufacturers have recently introduced various voluntary front of pack (FOP) labelling systems including the 'percent of daily intake' labelling scheme. Overseas FOP labelling systems are also used voluntarily, including systems similar to the 'percent of daily intake' system, a 'traffic light' labelling scheme in the United Kingdom (promoted by the UKFSA), and a 'keyhole' system used in Sweden.

There have been claims that current labelling practices confuse consumers and do not achieve the aim of providing them with an understanding of the nutrition and energy value of foods they plan to purchase.

There has been increased debate regarding whether a uniform food labelling system should be implemented in Australia and New Zealand. The purpose of such a system would be to help consumers make informed choices about the food they eat, thus combating various health issues including the growing problem of obesity. In August 2007 the New Zealand Health Select Committee recommended 'that a traffic light or comparable system for food labelling be developed'.

The issue of FOP labelling was brought to the attention of the Ministerial Council at its meeting in October 2006. Ministers requested that FRSC explore whether a uniform FOP labelling system designed to guide consumer choice towards healthier food options would be an effective health strategy, and if so, to advise on the efficacy of a range of options for such a labelling system.

Comment

FRSC convened a working group to explore this issue, and options and recommendations were presented to the Ministerial Council in October 2008. At the meeting a decision was made that policy guidelines should be developed and presented to the Ministerial Council at

its May 2009 meeting.

NZFSA, along with MoH recently part-funded research into FOP labelling (commissioned by the Health Research Council) which looked at the following: evidence of consumer food purchasing decisions; whether an FOP labelling system would be likely to improve decision-making of the consumer in relation to the purchase of healthier foods in New Zealand; stakeholders' views on the implementation of FOP labelling in New Zealand, and the feasibility of an FOP labelling supermarket intervention study.

NZFSA has also funded research to examine actual and potential changes to the food supply as a result of FOP labelling and other nutrition promotion approaches that are based on nutrient profiling systems. The effects these schemes may have on product development and reformulation will be considered / assessed. Preliminary results are now available and on finalisation will be published on the NZFSA website.

23 Health Claims

Background

Health claims are currently regulated under the Transitional Standard for Health Claims, Standard 1.1A.2, which prohibits health claims on foods with the exception of health claims relating to the link between added folic acid and the reduction of NTD affected pregnancies. The development of a joint Australia-New Zealand Standard to regulate Nutrition Health and Related Claims has been underway for a number of years. In May 2008 a draft Standard was presented to Ministerial Council members for approval.

Comment

[

WITHHELD UNDER S.6(a)

]

[Withheld under S.6(a)] members of the Ministerial Council [S.6(a)]. An extension has been granted to FSANZ for the period of the first review until 8 April 2009.

24 Policy Guideline on Infant Formula Products

Background

In June 2008, FRSC agreed to the establishment of a working group to develop a set of policy guidelines on infant formula products. NZFSA is chairing the working group, which includes representatives from all Australian States, FSANZ, the Australian Department of Health and Ageing (DoHA), NZFSA and MoH.

Comment

The working group is preparing a policy options consultation paper as a precursor to developing policy guidelines. It is hoped that the draft policy options paper, together with a draft outline of the policy guidelines, will be available for stakeholder consultation in the first quarter of 2009. The policy guidelines are expected to be finalised by the end of 2009. These guidelines will be used to assist in the application and possible review of Standard 2.9.1 Infant Formula Products in the Food Standards Code. Terms of reference and a generic timeline for the FRSC working group have been published on the FRSC website.

25 Wine Act Implementation

Background

The Wine Act 2003 commenced on 1 January 2004, and will be fully implemented by 1 December 2008. The Act requires all winemakers to operate under a wine standards management plan (WSMP) by 1 December 2008. A WSMP is a document that demonstrates how the winemaker will meet the standards and requirements of the Act. Compliance with WSMPs will be verified by independent third parties recognised by NZFSA.

Over the past four years, the key issue that has arisen during implementation of the Wine Act, is that of managing regulatory burden. Up until 2004, the wine industry had had little exposure to food related regulation, and the standards and requirements of the Act were relatively new concepts to the industry. Coming into the new wine regulatory system represented significant change for a number of wine businesses.

Comment

NZFSA has worked in partnership with the wine industry and developed simple, practical wine standards that manage risks to food safety, preserve wine identity and assist truth in labelling. NZFSA and industry have jointly developed a WSMP Code of Practice, which has reduced the cost of compliance for winemakers. NZFSA and New Zealand Winegrowers jointly ran 11 workshops in 2007 to provide advice to grape winemakers on how they can achieve compliance with the new requirements. NZFSA also ran free workshops for potential verifiers (auditors).

Persons who make less than 10,000 litres of wine per year and who sell all their wine in New Zealand, are exempt from the requirement to operate under a WSMP. This reduces regulatory burden and cost by eliminating registration and verification costs.

While it is likely that some winemakers will find moving into a new regulatory regime challenging, a significant amount of work has gone into developing sensible, focussed regulation and providing tools to assist compliance.

26 ACVM Act Amendments Implementation

Background

An amendment to the ACVM 1997 was passed by Parliament in October 2007. The key changes were:

- increased coverage of the Act, including the addition of 'Public Health' to the list of risks to be managed under the Act, and provision for all parts of the supply chain to be regulated;
- the inclusion of a specific statement on the Scheme of the Act and its relationship to other legislation including the Hazardous Substances and New Organisms Act 1996;
- a restructure of regulatory mechanisms under the Act (e.g. the setting of standards by regulation rather than through codes of practice, and provision for the Director-General (Chief Executive of NZFSA) to issue Notices; and
- providing for agricultural compounds to be exempt from registration in specified special circumstances.

The amended provisions of the Act came into effect on Royal Assent however NZFSA expects the migration of standards into regulations to occur over the next two years.

In addition, NZFSA is reviewing a number of key operational guidelines and procedures relevant to the ACVM Act, including the thresholds and criteria for active or passive management of risks under the Act.

Comment

NZFSA has established an implementation project team to oversee the transition. There was an initial series of stakeholder meetings in December 2007 to explain the amendments to the Act and outline the potential impacts. A discussion document on the initial set of proposed ACVM Regulations for manufacturing, labelling, advertising and own use, was released in July 2008. Submissions have been analysed and the regulations are in the process of being developed, taking the comments received into account. Further workshops were held recently which included an outline of the upcoming implementation work areas and the continued transition of current standards into regulation.

Another series of workshops, will take place around March 2009. They will be held in conjunction with the New Zealand Veterinary Association and the Veterinary Council of New Zealand, and will focus on changes proposed to “prescription animal remedy” products. These will be used to work through with veterinarians and with registrant companies, the move to “restricted use” products.

27 Trans Tasman Alignment of ACVM Procedures**Background**

ACVMs are subject to a permanent exemption under the TTMRA. It has been identified however, that there are potential benefits in aligning the regulatory processes of Australia and New Zealand to the maximum extent possible in order to reduce the time and cost to getting ACVM products to market.

Comment

NZFSA has signed an MoU with the Australian Pesticides and Veterinary Medicines Authority (APVMA). The MoU establishes the operational relationship between the ACVM Group and APVMA in regard to cooperation and regulatory control of ACVMs (known in Australia as agricultural chemicals). The primary purpose of the MoU is to work towards aligned standards and requirements for the approval of ACVM products, to the extent appropriate. The MoU will also enhance the way in which APVMA and the ACVM Group work together in achieving a common approach to the regulatory control of ACVM products.

The objectives of the MoU are to:

- work towards appropriate aligned regulatory standards and requirements relevant to the

risks posed;

- share (with a short-term view to accepting for a limited product range) product assessment reports where they are relevant to approval decisions in each country;
- in the longer term, move towards determining whether it is possible to recommend to government that the ACVM Group and APVMA should accept each others registration decisions for specified products or kinds of products;
- establish effective lines of communication to allow sharing of information on approvals, compliance, surveillance and adverse experience reporting / pharmaco-vigilance; and
- develop a joint work programme with a set of defined milestones over a three year period to establish common approaches to risk assessment methods and processes.

A workplan will initially focus on developing a sound understanding of each other's registration processes. The agencies have started a side-by-side comparison of five veterinary products that have been registered in both countries in the last three years. This comparison should highlight commonalities and differences, thus assisting alignment of registration requirements, processes and standards. This is likely to be followed by a similar exercise for plant compound / agricultural chemical products.

Policy and Operational Issues and Activities

28 Codex Alimentarius Commission (Codex)

Background

Codex has a membership of over 170 countries of varying economic status and is the pre-eminent international food standards setting body. It has a dual mandate of developing science-based international standards for food safety and fair trade. The parent bodies are the WHO and the FAO. It is referenced by the WTO on the SPS Agreement and underpinned by the TBT Agreement.

New Zealand is a founding member, having joined in 1962, and is well regarded by other members of the Commission. It currently holds the position of regional representative for the South West Pacific on the Executive Committee that is charged with the management of standards.

Comment

Three main issues are pivotal to Codex. These are the reform of Codex, standards development, and the Codex budget.

In 2003, Codex underwent a formal review to assess the efficiency of its standards

development processes. A number of recommendations were made to promote a more streamlined and timely process for the promulgation of international food standards. Codex has adopted the majority of these recommendations to date and is working towards implementing the remainder. From this review, a durable standards management process has been implemented and the Executive Committee is charged with critically assessing current and proposed work against a set of agreed criteria. New Zealand contributes to and leads a number of work areas to help maintain market access for food and food related products and to assure our international trading partners.

We have also been working towards finding solutions to the insecure budget situation which relies on United Nations member contributions as well as WHO and FAO funds.

New Zealand continues to support and encourage:

- the enhancement of the standards management process;
- the reform of Codex; and
- the resolution of budget concerns.

With like-minded countries such as the United States, Canada and Australia, New Zealand continues to promote positions that progress the above issues.

29 Pacific Island Strategy

Background

New Zealand has a strong interest in the Pacific region by virtue of its geographical proximity and historical links and has relationships with several Pacific Business Councils. Reflecting this interest, New Zealand has several trade agreements with countries in the Pacific Island region including (but not limited to):

- the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA);
- the Pacific Agreement on Closer Economic Relations (PACER), and
- the Pacific Island Countries Free Trade Agreement (PICTA).

These agreements variously provide for tariff-free access to New Zealand markets, trade liberalisation programmes, capacity building, and trade facilitation programmes. The common objective of the agreements is the eventual elimination of tariffs on intra-regional trade. The cooperation demonstrated through PICTA and PACER is encouraging for future negotiations on Pacific Forum-wide reciprocal free trade.

New Zealand's exports to the Pacific Island region were valued at more than NZ\$400 million

in 2007. Pacific Island leaders, however, have had long-standing concerns about the difficulties facing Pacific Island exporters in accessing the New Zealand market and have sought assistance to overcome these.

Comment

NZFSA is developing a Pacific Strategy to provide a coherent approach to NZFSA's engagement with the Pacific region and to coordinate that effort with other agencies covering related areas across government. The Strategy has three major objectives:

- to enhance Pacific Island countries' capacity to access the New Zealand market for food products through the supply of safe and suitable food both in imports and domestic controls;
- to support Pacific Island countries' efforts to strengthen food regulatory systems in line with Codex and international principles; and
- to enhance New Zealand's market access for food and food related products to Pacific Island countries

The Strategy will promote sustainable and strategically aligned Pacific relationships and support programmes that maximise value to NZFSA business outcomes (through the SOI). It outlines a number of food related activities that will significantly assist the Pacific region to address market access and public health concerns.

A number of government agencies already have Pacific strategies in place, and the NZFSA Pacific Strategy (currently under development) has been designed to dovetail with the existing strategies. The Strategy will be provided to you for information when this process is completed.

30 Australia – New Zealand Relationship: Food Issues

Background

A review of the Food Treaty was conducted in 2005 as required by Article 9 of the Treaty. During the course of that review issues were identified as needing consideration in terms of potential Treaty amendments.

Additionally, the FSANZ Act was amended in July 2007 to improve the efficiency of FSANZ processes and administrative arrangements. While most of the amended Act is now in force, the amendments regarding FSANZ processes cannot be enacted until associated amendments have been made to the Treaty.

Article 7 of the Food Treaty acknowledges that the TTMRA applies to food subject to any necessary exemptions set out in the TTMRA Schedules. Part XII of the TTMRA provides for regular reviews of the TTMRA, commencing in 2003 and occurring at five year intervals thereafter.

The 2003 review proposed that the existing Permanent Exemption to the TTMRA for risk foods be removed, following harmonisation of Australia and New Zealand's respective risk lists and import systems. The Trans Tasman Imported Food Inspection Project was established to deliver on this recommendation. While initial progress was good, resolution of the few remaining issues (relating to agreeing equivalence for the production and processing of products such as beef and shellfish) has been slow, and there is some danger that this review recommendation may not be effected.

The 2008 review is underway.

Comment

[

WITHHELD UNDER S.9(2)(f)(iv)

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NZFSA has participated in the Trans Tasman Imported Food Inspection Project and will continue to work towards the completion of the project. A work programme designed to prioritise the remaining issues, manage future issues that may arise, and set some milestones, has been drafted for the project's consideration.

A draft report on the 2008 TTMRA review is expected to be released by the Australian Productivity Commission by the end of November 2008. NZFSA will work with the Australian Productivity Commission and MED (responsible for managing New Zealand's interests in

TTMRA) on food related issues arising from the 2008 review.

31 Food Derived from Cloned Animals

Background

The successful cloning of livestock, and the possibility that cloned animals could in future enter the human food chain, has required that consideration be given to a policy position on food derived from cloned animals. Such a position provides consumers and industry with clarity on how government will respond to the issue if it arises or if overseas markets set requirements on food derived from cloned animals.

Comment

In late 2006 a government policy position on food derived from cloned animals was adopted. The policy position notes that:

- there is no evidence suggesting food derived from healthy cloned animals is any less safe than food from non-cloned animals;
- NZFSA will continue to monitor and evaluate new scientific information regarding the safety of food derived from cloned animals and any international developments on the use of this technology;
- New Zealand should continue to advocate scientifically based decisionmaking in international for a such as Codex and the WTO; and
- if food derived from cloned animals or their offspring ever enters the food chain, there is no need for specific regulation as these foods would be subject to general safety requirements under existing legislation.

New Zealand's policy position is consistent with a risk assessment conducted by the US FDA and the scientific opinion of EFSA.

The policy position also acknowledges that the cloning procedure can have negative effects on the health of some cloned animals. Such unintended effects are not unique to cloning and a number of investigations have shown that these abnormalities are not passed on to any naturally reproduced offspring.

In New Zealand the cloning of livestock animals is still at the experimental stage and is restricted to very small numbers of elite breeding stock. The costs associated with cloning technology mean that the commercial application of cloning will continue to focus on high

value breeding stock, rather than animals intended for the food chain.

32 Genetically Modified Food

Background

Genetically modified (GM) food ingredients can only be sold in New Zealand if FSANZ has assessed them for safety and they have been approved by the FSANZ Board and cleared by the Ministerial Council. Standard 1.5.2 of the Food Standards Code provides a general prohibition on GM food ingredients unless they have been specifically approved and listed in the Standard. Any individual or organisation, whether from New Zealand, Australia or any other country, may make an application to FSANZ seeking to change the Food Standards Code. As at 20 October 2008, 35 GM food applications had been approved through the FSANZ process.

The FSANZ case by case assessment process is open and consultative, with comments being sought from all stakeholders at least once. This system allows stakeholders to raise relevant issues that are then specifically addressed in FSANZ assessment reports.

As part of the open and transparent system operated by FSANZ, all information and data relating to a GM food is accessible via a public register file. An exception to this occurs only when certain information is given confidential business information status by FSANZ.

Comment

Notwithstanding the FSANZ assessment processes, and available science indicating that approved GM varieties are as safe as their conventional counterparts, there is some public concern about the safety or appropriateness of GM foods.

New Zealand's position on GM food should continue to be guided by the recommendations of the Royal Commission on Genetic Modification (2001). The Royal Commission found the standards applied by ANZFA to be independent, and that the methodology used to assess the safety of GM foods, is sound by international standards.

33 Small Exporters Outreach Programme

Background

In addition to New Zealand's domestic food safety requirements, trading partners often set market access requirements specific to that country. These are known as overseas market access requirements (OMARs).

NZFSA is developing an outreach programme for small and medium sized enterprises looking to export food products. The programme will involve the preparation of information on NZFSA's export assurance processes that are of maximum assistance to small exporters. NZFSA is currently discussing with a number of stakeholders the best way to make that information readily available and accessible. NZFSA is also liaising with other government departments involved in providing advice and information to exporters, to see if there are opportunities for collaboration.

Comment

The specific objectives of the programme are to ensure that small exporters:

- have realistic expectations about what is involved in exporting;
- can easily apply NZFSA's export assurance processes; and
- can obtain information on exporting requirements (and NZFSA's assurance processes) in a variety of readily accessible ways and such information is consistent.

While the scope of the programme is across all food types and any guidance material developed will be available to all food exporters, NZFSA will work initially with small exporters of processed mixed food types and with the bee product industry. This will be for the purpose of identifying common issues encountered by small and medium sized enterprises within these sectors.

34 Country of Origin Labelling for Food

Background

In October 2005 the government made the decision to opt out of a proposed joint food standard for mandatory CoOL for food. The reasons included: cost to consumers and industry; the need to maintain flexibility for market destination; and the high prospect of New Zealand processed foods containing ingredients from other countries (posing practical difficulties in maintaining accurate CoOL). This continued the position of successive governments that CoOL should be a voluntary practice driven by consumer demand.

Interest in CoOL has been generated and maintained by various events, these being:

- the 'food miles' debate that is ostensibly based on concerns about sustainable and 'small footprint' food production and environmentally conscious food choices;
- publicity around the Consumers Right to Know (Food Information) Bill which was introduced by Sue Kedgley as a Private Members Bill in May 2006 (the Bill did not pass First Reading);

- concerns about the safety of some imported food being sold in New Zealand; and
- an interest among consumers in supporting local product and domestic food producers.

Comment

CoOL is not a food safety issue – it is a commercial decision for consumer information purposes only. If food manufacturers consider they can achieve market advantage by labelling product as 'product of New Zealand' for the domestic market then they are free to do so. They can also attract government funding for doing so through the Buy New Zealand Made Campaign.

New Zealand's position internationally on CoOL is entirely consistent with our domestic position. For that reason, it is appropriate to oppose it being mandated on imported products.

The Fair Trading Act 1986 regulates, among other things, misleading and deceptive labelling. The Act does not require all products to be labelled with a place of origin but where it is so labelled, the information on a product must be truthful.

NZFSA does not consider there to be strong grounds for revising the existing government policy on CoOL for all food, particularly given that voluntary CoOL programmes for whole foods (fruit, vegetables, meat and whole fish) have been introduced in New Zealand's two largest supermarket chains, Progressive Enterprises and Foodstuffs. There is in fact ample food on supermarket shelves indicating the origin of the main ingredients and consumers have a choice not to buy goods where this information is not provided.

35 Declaratory Judgment Proceedings

Background

During the period January to July 2007, Nutricia, a major multi-national infant formula manufacturer with a New Zealand presence, included two substances, namely long chain inulin / FOS and GOS (fructo and galacto-oligosaccharides respectively) in certain infant and follow-on formula products sold in New Zealand and Australia. The packaging listed these ingredients, and claimed that these substances would act as prebiotics and thus "nutritionally support baby's digestive and natural immune systems".

NZFSA was, and remains, of the view that FOS (whether long chain or otherwise) and GOS were not lawful constituents in those products at that time, and that under the current infant formula standard, specific permission was and is required before a manufacturer may

include such substances in infant formulas.

In essence, Standard 2.9.1 of the Food Standards Code currently provides that a "nutritive substance" must not be added to infant formula and follow on formula, unless there is a specific permission for the substance; or the substance is naturally present in an ingredient of the infant formula product.

NZFSA understands that the purpose of this requirement is to limit ingredients to those naturally present in foods, unless their safety has been tested by way of a FSANZ pre-market safety assessment. The latter did not occur before long chain FOS and GOS were added to these Nutricia products. Nutricia, however, disagrees with NZFSA's interpretation of the Food Standards Code, and claims that these were permitted ingredients that do not require a pre-market safety assessment.

In July 2007, the Director-General of NZFSA issued a Notice under section 37 of the Food Act 1981 concerning these products. Nutricia then voluntarily withdrew the products in issue, as then formulated, from the New Zealand market.

Comment

In October 2007, NZFSA commenced declaratory judgment proceedings to clarify this interpretation question in the High Court. A fixture has been set down at the Auckland High Court in October 2009. The proceedings relate to whether or not an express permission was required for the inclusion of long chain FOS and GOS in the infant formula products produced by Nutricia in early 2007.

In the interim, a Proposal relevant to the declaratory judgement proceedings is presently before FSANZ, and will ultimately require the decision of the Ministerial Council of which you will be a Member (refer Part 5 Item 1). A policy guideline on infant formula products is also being developed by FRSC (refer Part 4 Item 24).

Note that the proceedings are *sub judice*, given that the issue is currently the subject of proceedings in the New Zealand Court.

36 Cost Recovery by NZFSA

Background

The legislation administered by NZFSA provides provision for the Minister (Food Safety) and

the Director-General (NZFSA) to ensure that the direct and indirect costs of administering that legislation (other than that covered by Crown funding) are recovered from industry and users and beneficiaries.

In 2008/09, Vote Food Safety was appropriated \$99.6 million. Of the appropriation, Crown revenue is \$36.1 million (36 percent) and the remaining \$63.5 million (64 percent) is other revenue, mostly cost recovered from industry.

In 2003, NZFSA undertook a review of Crown / other funding across NZFSA and the implications of harmonisation across the various NZFSA groups involved in this cost recovery activity. The review found the public / private funding mix varied markedly. Animal Products, including meat, fish, dairy, and agricultural compounds and veterinary medicines were over 80 percent privately funded; organics and plants were 60-70 percent privately funded; and wine, domestic food and imports were less than 20 percent privately funded. There were also differences in the charging structures for similar services across NZFSA's directorates and consequently, across industry sectors.

Comment

These variations are being addressed through a programme of harmonisation of cost recovery policy and methods throughout NZFSA. To date, harmonisation of NZFSA approval charges (approvals, registrations, listings and certificates) has occurred across all sectors NZFSA regulates. For the animal products, ACVM, and wine (excluding export activities) sectors, the public / private funding mix has been harmonised, as have the mechanisms used for cost recovery.

The Domestic Food Review, which includes the implementation of the proposed new Food Act presents an opportunity to take harmonisation another step forward. Over the next 18 to 24 months, the development and implementation of a cost recovery policy under the new Food Act, will provide a model which will have broader applicability across other areas of NZFSA. Where necessary, amendments will also be proposed to existing cost recovery regulations to ensure consistency of approach across all NZFSA activities.

37 Marae Food Safety Initiative – Te Kai Manawa Ora

Background

Maori have cultural, spiritual and traditional responsibilities and an obligation to provide kai at hui. Over the last few years there have been a number of foodborne illness outbreaks on Marae. The need to maintain good food safety practices on Marae, is therefore imperative to reduce the risk of foodborne illness and to maintain the mana of the Marae.

The publication in 2004 of NZFSA's Hangi Guide was successful in introducing food safety messages specifically for Marae and providing general food safety advice relevant to the Marae context. The release of this document coincided with presentations on Marae, to kaumātua, whanau, hapu and iwi, health providers and health protection and environmental health officers. In order to capture the momentum that this resource and presentations generated among Maori, it was felt that an opportunity should be taken to introduce the next phase to progress these messages from raising awareness through to practical implementation.

Comment

NZFSA's Community Extension Programme Manager has been tasked with working in partnership with Health Protection Officers from public health units, MoH and staff from Te Hotu Manawa Maori to develop and eventually deliver a Marae Food Safety Initiative.

In July 2007 NZFSA released 'A Strategy for Involving Maori in Food Safety and Consumer Protection Issues', as a guideline to promote greater awareness of food safety and catering issues. The main goals of the Strategy are to:

- raise awareness about food safety and the risks of foodborne illness on Marae;
- provide a resource which will help to manage food safety on Marae;
- highlight the need to focus on consumer and food education/training policies for Maori;
- raise awareness of food standards in relation to those impacting on Maori catering and safe food handling; and
- maintain the sanctity of 'kai' from a tikanga Maori perspective.

The strategy also provides an opportunity for NZFSA to work with other government agencies to compliment initiatives such as 'Healthy Eating Healthy Action' HEHA, and MoH Maori Health Strategy – He Korowai Oranga, the Maori Health Action Plan – Whakatātaka 2006-2011.

The Marae Food Safety Initiative will produce Marae guidance based on aspects of the regulatory FCP. It will be supported by culturally appropriate guidance material taking into account tikanga Maori protocols. It will be designed so it is capable of being upgraded to an FCP if a Marae chooses to go into the business of selling food.

38 Baseline Funding Matters

Background

THIS PAGE WITHHELD UNDER S.9(2)(f)(iv)

Comment

THIS PAGE WITHHELD UNDER S.9(2)(f)(iv)

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Part 5: Immediate Issues and Actions and Decisions Required

A number of issues set out in Part 4 have an immediate presence, such as melamine and the safety of imported food (refer Items 2 and 17). Other immediate issues are outlined below, along with any known actions or decisions required in the next six months.

1 Ministerial Council Responses Due

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WITHHELD UNDER S.6(a)

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Out-of-session response due

On 7 November 2008 Ministerial Council members received a request for response to three items out-of-session. The items are M1002 Maximum Residue Limits (an Australian only matter), A552 Cadmium in Peanuts, and P306. [

WITHHELD UNDER S.6(a)

.] A response to all matters above must be provided to the Food Regulation Secretariat by 22 December 2008. NZFSA will provide you with a briefing by mid December outlining the three items in more detail, and the process for response.

2 Other Decisions Required

Decisions required	Date required	Consequences of deferral
a) Cabinet Paper on Government Response to Health Select Committee Report on Petition 2005 / 167	30 November 2008	The Cabinet Office has advised that the Cabinet Paper setting out the Government response must be submitted to Cabinet by the end of November 2008.
b) Consideration and issue of the Food (Tutin in Honey) Standard 2008	Mid December 2008	The proposed standard is considered necessary to deal with the food safety issue arising from the seasonal presence of the naturally occurring toxin, tutin, in honey.

		If the standard is not in effect in January 2009, the bulk of this season's honey will have been produced under systems that are insufficiently robust to manage the risk of tutin poisonings.
c) Approval to introduce a Food Bill that will replace the current Food Act. There are weaknesses in the current system that can only be remedied by a change in the new system, including changes regarding imported food.	End of March 2009	Changes are supported by and have been planned for by stakeholders. Further delays will create difficulties and uncertainty for those stakeholders.
d) Approval of amendments to fees, charges and levies regulated under the Animal Products Act, Food Act, and Wine Act.	End of March 2009	NZFSA will have a shortfall in revenue for services provided to industry and inequities between revenue and expenditure allocations will compound.
e) Amendment required to the Dietary Supplements Regulations to give effect to the separation of food-type and therapeutic-type dietary supplements	End of March 2009	The dietary supplements industry benefits from progressing these changes as soon as possible to reduce uncertainty and allow updated provisions for food-type dietary supplements to be implemented.
f) Agreement to release of a public discussion paper on proposals for manufacture in New Zealand and import into New Zealand of a range of raw milk products (primarily cheeses) – this would be a second round of consultation.	End of March 2009	A second round of consultation that includes the details of any proposed standards has been signalled to industry and consumers. Delay in releasing the discussion paper would consequently delay permission for manufacture or import of these products (should this be the eventual outcome). Some importation is already permitted but no New Zealand manufacturing is currently permitted.
g) Cabinet approval for New Zealand nomination to the FSANZ Board.	End of March 2009	New Zealand's nomination (replacing Hikihihi Pihema) needs to be made by the end of March 2009 to meet the Australian administrative requirements for appointment of members to the FSANZ Board.

3 Other Items of Interest

<p>a) EFSA review of existing science on A1 and A2 milk</p>	<p>End of 2008</p>	<p>It is possible that by the end of 2008 EFSA will complete its comprehensive review of the existing science on A1 and A2 milk (as background refer item 18). In February 2008 Cabinet noted that the review had commenced and the matters the review would cover. The findings of the EFSA review are likely to be of considerable interest to food safety regulators, consumers, and the dairy industry in New Zealand and internationally. The government response to the Slorach review included agreement to a recommendation that NZFSA bring together a group of experts in the relevant fields to discuss the EFSA report, consider possible actions and the need for further research in the area.</p>
<p>b) Food Treaty Amendments</p>	<p>(For immediate notice only)</p>	<p>Australian and New Zealand officials are currently discussing potential areas for amendment under the Food Treaty.</p> <p>A framework document has been prepared. It is possible that matters for amendment may be raised in early discussions with the Australian Prime Minister.</p>

Attachment 1

Acronym List

ACVM	Agricultural Compounds and Veterinary Medicines
ADI	Acceptable Daily Intake
ANZFA	Australia New Zealand Food Authority (became FSANZ)
ANZCERTA	Australia New Zealand Closer Economic Relations Free Trade Agreement
APVMA	Australian Pesticides and Veterinary Medicines Authority
AQIS	Australian Quarantine and Inspection Service
AVMAC	Agricultural Compounds and Veterinary Medicines Advisory Council
BPA	Bisphenol - A
Codex	Codex Alimentarius Commission
CoOL	Country of Origin Labelling
DFR	Domestic Food Review
DoHA	Australian Department of Health and Ageing
DPMC	Department of Prime Minister and Cabinet
DPSAC	Dairy Products Safety Advisory Council
DSRs	Dietary Supplements Regulations 1985
E-cert	Electronic Certification System
EFSA	European Food Safety Authority
ERMA	Environmental Risk Management Authority
ESR	Institute of Environmental and Scientific Research Ltd
FAO	Food and Agriculture Organization of the United Nations
FCP	Food Control Plan
Food Standards Code	Australia New Zealand Food Standards Code
Food Treaty	Agreement Between the Government of Australia and the Government of New Zealand Concerning a Joint Food Standards System

FOP	Front of pack
FOS	Fructo-oligosaccharides
FRA	Australian Food Regulation Agreement
FRSC	Food Regulation Standing Committee
FSANZ	Food Standards Australia New Zealand
GM	Genetically modified
GOS	Galacto-oligosaccharides
HEHA	Healthy Eating Health Action
IPPC	International Plant Protection Convention
MAF	Ministry of Agriculture and Forestry
MCA	Ministry of Consumer Affairs
MED	Ministry of Economic Development
MFAT	Ministry of Foreign Affairs and Trade
Ministerial Council	Australia and New Zealand Food Regulation Ministerial Council
MoH	Ministry of Health
MoU	Memorandum of Understanding
NIB	New initiative bid
NTDs	Neural Tube Defects
NZFSA	New Zealand Food Safety Authority
NZTDS	New Zealand Total Diet Survey
OECD	Organisation for Economic Co-operation and Development
OIE	World Organization for Animal Health
OMARs	Overseas Market Access Requirements
PACER	Pacific Agreement on Closer Economic Relations
ppm	parts per million
PICTA	Pacific Island Countries Free Trade Agreement
PKU	Phenylketonuria

PMAC	Plants Market Access Council
Quads	Food Safety Quadrilateral Group
RMF	Risk Management Framework
RMP	Risk Management Programme
RTE	Ready to eat
SCF	European Commission's Scientific Committee on Food
SPARTECA	South Pacific Regional Trade and Economic Cooperation Agreement
SPS Agreement	Agreement on the Application of Sanitary and Phytosanitary Measures
TBT	Agreement on Technical Barriers to Trade
TTMRA	Trans Tasman Mutual Recognition Arrangement
UKFSA	United Kingdom Food Safety Agency
US FDA	United States Food and Drug Administration
VA	New Zealand Food Safety Authority Verification Agency
VIP	Voluntary Implementation Programme
WHO	World Health Organization
WSMP	Wine Standards Management Plan
WTO	World Trade Organization