



27 January 2020

Animal Trade (Imports)
Ministry for Primary Industries
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Dear Sir/Madam

Attached are the comments that the New Zealand Food & Grocery Council wishes to present on the ***Risk Management Proposal: Specified animal products – SPECPROD.ALL.***

Yours sincerely

Katherine Rich
Chief Executive



***Risk Management Proposal: Specified
animal products – SPECPROD.ALL***

**Submission by the New Zealand Food & Grocery
Council**

27 January 2020

NEW ZEALAND FOOD & GROCERY COUNCIL

1. The New Zealand Food & Grocery Council (“NZFGC”) welcomes the opportunity to comment on the ***Risk Management Proposal: Specified animal products – SPECPROD.ALL.***
2. NZFGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. This sector generates over \$40 billion in the New Zealand domestic retail food, beverage and grocery products market, and over \$34 billion in export revenue from exports to 195 countries – representing 65% of total good and services exports. Food and beverage manufacturing is the largest manufacturing sector in New Zealand, representing 45% of total manufacturing income. Our members directly or indirectly employ more than 493,000 people – one in five of the workforce.

OVERARCHING COMMENTS

1. NZFGC is very supportive of the work of MPI to rationalise and ensure consistency across a number of import health standards (IHSs). To this end, we understand the current work will result in amendments and revocations of provisions in IHSs and some entire IHSs. We appreciate this necessarily must continue to support the maintenance of effective management of the biosecurity risks associated with the import of animal products.
2. NZFGC considers that minor amendments, irrespective of impact, should be subject to public consultation contrary to MPI’s proposals in relation to three IHSs (*IHS: Specified animal products and biologicals INEPROIC.ALL; IHS: Specified foods for human consumption containing animal products EDIPROIC.ALL and all of IHS: Emu oil from Australia*). The intention is to include a number of relevant provisions in the generic *IHS: Specified animal products, SPECPROD.ALL*. In our view, the impact is that the *INEPROIC.ALL* and *EDIPROIC.ALL* will require the inclusion of a very clear provision or information that they **MUST** be read in conjunction with *SPECPROD.ALL*.
3. ***Recommendations for goods containing animal products for human consumption***
 - Canned or retorted animal products* – NZFGC supports amendment to the definition of ‘shelf stable’ between the generic *IHS EDIPROIC.ALL* and *IHS SPECPROD.ALL*.
 - Collagen* – NZFGC supports consistency across IHSs to reflect OIE provisions and require certification for certain specified aspects.
 - Composite foods Pre-cooked heat-and-eat meal* – NZFGC supports the continuation of measures relating to requirements for pre-cooked, heat-and-eat meal products from Australia, Canada and the USA.
 - Composite foods Products containing less than 5% each of aquatic animal, dairy or egg products* – NZFGC supports the continuation of measures relating to requirements for products containing less than 5% fish, dairy or egg ingredients, and the replacement of ‘fish’ with ‘aquatic’.
 - Gelatine* – NZFGC supports the continuation of measures relating to requirements for the import of gelatine made from hides and skins or bones and notes these are a departure from the OIE recommendation relating to gelatine derived from bones.
 - Insect and arachnid based products* – NZFGC
 - notes that when MPI assessed the risk of insect and arachnid based products (eg insect containing candy and cricket flour) in 2015, it was determined that insects and arachnids posed a very low risk for human consumption
 - supports the proposal that insect and arachnid based products may be imported from any country provided a declaration is made as to the insects and arachnids having derived from insect and arachnid farms, manufacturing is under a HACCP programme and the products contain no viable insects or arachnids.

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

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

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

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

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

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

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

5. Recommendations for non-food goods containing animal products

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

6. Recommendations for other animal products

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

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

DETAILED COMMENTS

7. NZFGC understands that the rationale for the draft import health standard (IHS) is to rationalise and ensure consistency across a plethora of specific and overlapping provisions in a range of product specific, revoke several IHSs and amend or revoke provisions in some of the generic IHSs. This is to be done whilst maintaining the effective management of the biosecurity risks associated with the import of animal products.
8. MPI states that several minor amendments will remove provisions from three IHSs (*IHS: Specified animal products and biologicals INEPROIC.ALL* and *IHS: Specified foods for human consumption containing animal products EDIPROIC.ALL* and all provisions in *IHS: Emu oil from Australia*) and include them in the generic *IHS: Specified animal products, SPECPROD.ALL*. MPI suggests that as these are minor, the changes will not be publicly consulted. It is unclear how their inclusion in a consultation document excludes them from consultation.
9. While NZFGC supports consistency efforts, and notes there is no intended change to the import requirements as a result of these minor amendments, they should still be subject to public consultation. For example, we would suggest it would be important to include very clear provisions or information in the affected specific IHSs (other than that to be revoked in its entirety) to the effect that they **MUST** be read in conjunction with *IHS for specified animal products, SPECPROD.ALL*. Without doing so might mislead importers into believing they have met all requirements necessary from the specific IHSs when that is clearly not the case.
10. Additional amendments will be made to the following five IHSs:
 - *IHS: Specified animal products and biologicals INEPROIC.ALL*
 - *IHS: Specified foods for human consumption containing animal products EDIPROIC.ALL*
 - *IHS: Pre-cooked heat-and-eat meals containing animal products for human consumption from Australia HAEMEAIC.AUS*
 - *IHS: Pre-cooked heat-and-eat meals containing animal products for human consumption from Canada and the United States of America HAEMEAIC.SPE*
 - *IHS: Specified porcine enzymes from Canada and the United States of America PORENZIC.NAM*
11. Additional proposals will result in the revocation of the following seven IHSs all except the first have not been imported for many years:
 - *IHS: Emu oil from Australia, EMUOILIC.AUS*
 - *IHS: Heinz Watties Frozen or chilled meat extracts from Japan MEASHWIC.JPN*
 - *IHS: Processed animal products for use by airlines and the military for flights leaving New Zealand, AIRPROIC.ALL*
 - *IHS: Specified meat products from Australia for use on flights leaving New Zealand, AIRMEAIC.AUS*
 - *IHS: Specified meat products from France for use on flights leaving New Zealand, AIRMEAIC.FRA*
 - *IHS: Specified protein digested animal products from France, PRODIGIC.FRA*
 - *IHS: Tacos containing cooked beef from Mexico MEATACIC.MEX*
12. As noted above, NZFGC supports such consistency efforts and understands that following an assessment of the relevant exporting countries' export and certification systems, has

decided that bilateral country-to-country negotiations would not need to be undertaken as a result of the changes. Risk would be managed through documentation (including evidence about the nature of the product), the import permit assessment process and declarations to the OIE.

Recommendations for goods containing animal products for human consumption

Canned or retorted animal products

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

Collagen

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

15. NZFGC supports these measures.

Composite foods

Pre-cooked heat-and-eat meal

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

17. NZFGC supports the continuation of the measures.

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

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

19. NZFGC supports the continuation of the measures.

Gelatine

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

21. NZFGC supports the proposed measures.

Insect and arachnid based products

22. MPI assessed the risk of insect and arachnid based products (eg insect containing candy and cricket flour) in 2015 and determined they posed a very low risk for human consumption. The assessment considered the production and manufacturing processes. As a result, MPI proposes that insect and arachnid based products may be imported from any country provided a declaration is made as to the insects and arachnids having derived

from insect and arachnid farms, manufacturing is under a HACCP programme and the products contain no viable insects or arachnids.

23. NZFGC supports the proposed measures.

Meat and Meat products

Processed foods containing less than 5% meat

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

25. NZFGC supports the proposed measures.

Processed foods containing meat-based ingredients

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

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

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

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

30. In summary, in relation to animal-based ingredients in processed foods, NZFGC:

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

Pork crackling

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

32. NZFGC supports continuation of the measures.

Enzymes, microorganisms and other products used in food

33. The IHS INEPROIC.ALL contains provisions relating to food cultures (such as yoghurt, cheese, enzymes and cultures) rennet from Australia, yeasts and isinglass. MPI is proposing changing only the provision related to rennet from Australia is revoked and broader provisions apply and products containing probiotic microorganisms may be imported accompanied by a manufacturer declaration as to name, for human consumption description, accompanied by a confirmation from the Environmental Protection Authority (EPA) that the microorganisms exist in New Zealand and that the microorganisms are not unwanted under the Biosecurity Act 1993.
34. NZFGC is very concerned to know what “a confirmation from EPA” might comprise, how easily this might be obtain and the time that will be required for this to be given effect. Similarly, we would be interested to know of a list of unwanted microorganisms used in food manufacture under the Biosecurity Act. These provisions sound reasonable but for the level of processed food imports by New Zealand, these could present as significant barriers to trade. New Zealand consumers would be the ultimate group impacted by not having access to foods readily available in other countries.
35. NZFGC does not support the requirement for “confirmation from EPA”. We are very concerned at the burden of proof required in relation to imports of probiotic microorganisms especially involving multiple agencies.

Recommendations for non-food goods containing animal products

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

Recommendations for other animal products

Dietary supplements, Supplemented foods and Therapeutic products for human use

37. NZFGC’s interests in this section relate to supplemented foods and even though the MPI recommendations treat these products as a group, provisions for supplemented foods would likely be captured under provisions for foods since their separation is for legal reasons rather than any other reason. Products imported as supplemented foods may differ from foods simply by the inclusion of higher levels of vitamins or minerals than are permitted under the Australia New Zealand Food Standards Code. Many, if not all would be imported in retail ready packaging as foods.
38. NZFGC does not support provisions that require supplemented foods being manufactured and compounded into pills, tablets, capsules, liquids etc.
39. We suggest that there has been a fundamental misunderstanding of the nature of a ‘supplemented food’.
40. These should not be regulated for biosecurity risks any differently to foods for human consumption.