

Proposal P1005

PRIMARY PRODUCTION & PROCESSING STANDARD FOR MEAT & MEAT PRODUCTS

First Assessment Report

FSANZ has invited comment on the information provided in the First Assessment Report on Proposal P1005 for the development of a Primary Production and Processing Standard for meat and meat products (Meat PPP standard).

FSANZ has asked for comment on issues in the development of the above standard, particularly information in relation to:

- The adequacy of requirements in existing State and Territory legislation and industry schemes for control of hazards on-farm (including any gaps in relation to the current management of culled cows and calves), at saleyards and during transport;
- The provisions of AS4696-2007 and Chapter 3 Standards in the Code and adequacy in terms of management of hazards in meat processing.

FSANZ invites comment and information on the costs and benefits of the proposed risk management options from affected parties and comment on the below options, or other, options.

NSW provides the comment on the adequacy of current arrangements in the assessment of Option 1 below.

Option 1 – *Status quo*

This option retains the current situation i.e. FSANZ would not make any changes to the Code or propose any other regulatory changes. This current situation is a combination of self regulation of meat safety (and current legislation in place managing animal disease control, animal welfare, animal traceability, use of agriculture and veterinary chemicals and environmental issues) for the primary production sector and regulation for the processing sector.

Consistency with a through chain approach to food regulation

The NSW Food Authority does not support the *status quo* option. In the development of primary production and processing standards in all other sectors, the objective has been to present a through chain regulatory presence to provide assurance of safe food.

The Australia New Zealand Food Regulation Ministerial Council's (ANZFRMC), *Overarching Policy Guideline on Primary Production and Processing Standard* sets out agreed guidelines for the development of such standards. One of its higher order principles is '...Primary Production and Processing Standards will...have a consistent regulatory approach across the Standards'.

To limit the scope of the standard and not include the primary production of meat would create a major inconsistency in approach and leave a large volume sector of the food industry with no minimum regulatory food safety standards in force.

Harmonisation of domestic and export meat regulation

Through the former Meat Standards Committee, a considerable amount of work was undertaken by State and Territory jurisdictions and AQIS to harmonise the domestic and export meat regulations. Maintenance of this consistent approach meets another of the ANZFRMC principles in "...Facilitating the harmonisation of Australia's domestic and export food standards and their harmonisation with international standards'. While NSW acknowledges that there has been excellent proactive work undertaken by the meat industry in implementing on-farm quality assurance (QA) programs to minimise food safety risks, the primary driver for industry to undertake this work has been the meat export trade.

For the meat primary processing sector, NSW considers that food safety hazards in abattoirs are currently well managed through the application of the *Australian Standard for the Hygienic production and transportation of meat and meat products for human consumption* (AS4696:2007), and for processing of ready-to-eat products through the application of Standard 4.2.3 – Production and Processing Standard for Meat of the *Food Standards Code*.

However, the *status quo* option is not acceptable moving forward, as the AS4696:2007 no longer has a mechanism to keep it current with the abolition of the former Meat Standards Committee. Given the proposal to develop a Meat PPP standard, NSW considers that the food safety requirements for the entire meat supply chain should now be located in the *Food Standards Code*. As such, NSW considers it vitally important that the food safety elements of AS4696:2007 are incorporated into Chapter 4 of the Code to enable future review of these requirements, in line with the national food standards setting framework. NSW notes that this position is supported by the working group of the Primary Industries Ministerial Council (PIMC) who currently have responsibility for the maintaining the currency of AS4696:2007. While the prescriptive nature of AS4696:2007 is acknowledged, NSW considers that the food safety outcomes of this standard should be brought across to the Meat PPP Standard in the *Food Standards Code*, while some of the more prescriptive elements may form the basis for developing a compliance plan by jurisdictions to ensure consistent implementation.

Self regulation - participation in industry QA programs

The *status quo* option would see primary producers' participation in industry QA programs remain as voluntary. While the statistics quoted by FSANZ in the First Assessment Report for the level of participation in the Livestock Production Assurance (LPA) program appear to be very good at first glance, NSW considers it may be misleading to state that 99.9% of livestock production farms are covered by the system when almost one quarter of these do not appear to be fully accredited. While it is acknowledged the majority of these non-accredited businesses may be small 'hobby' farmers, it is these farms that may pose a risk to the industry. For these low volume farms there is little driver to implement a program to assure food safety.

The work undertaken thus far by the meat industry is to be applauded, but NSW believes there needs to be minimum regulatory standards applied across the entire meat supply chain included in the *Food Standards Code* to ensure consistent implementation. If FSANZ were to maintain the *status quo*, NSW considers this would result in no food safety requirements for primary production businesses and the current requirements for meat processing becoming outdated. This would be untenable for the export industry and AQIS may be forced to reintroduce its own requirements for export meat. NSW is concerned that the *status quo* may lead to a situation where Australia moves back to having different regulatory standards apply to domestic meat production and meat destined for export.

Past events have shown that if there is a problem with the domestic meat supply, this is likely to significantly impact the export market for meat. This has been evident time and time again where countries ban the importation of meat from a country that has had an issue such as a residue detection in meat. NSW urges FSANZ to consider that the facilitation of trade may be impacted by not extending minimum requirements back to all primary producers. The benefit of managing the hazards (at the farm stage and through processing) is the avoidance of potentially losing a huge export market. The cost to the community would be enormous if this export market was lost through a failure to detect a problem at the processing stage, where it could have been more effectively managed at the farm stage. This is a matter FSANZ can

legitimately consider as it is required to have regard to the desirability of an efficient and internationally competitive food industry – paragraph 18(2)(c).

Option 2 – through-chain food safety management consisting of non regulatory and regulatory elements.

The current self-regulatory approach with primary production businesses implementing and self-enforcing (e.g. through quality assurance programs) industry guidelines or codes of practice aimed at improving the safety of their product would be supplemented with incentive and education programs to maximise industry adoption of these quality assurance programs and commitment to food safety practices. For processing, the existing state and territory meat safety requirements, embodied in AS4696-2007, would be implemented through a national outcome-based standard, which is not overly-prescriptive, incorporated into the Code.

This option essentially maintains the *status quo* for primary production businesses, and therefore the arguments against this approach previously included in the comments to Option 1 equally apply to Option 2.

Establishing baseline food safety requirements for the entire meat supply chain

NSW considers that the development of a Meat PPP Standard should be concerned with managing the hazards through the entire meat supply chain, by establishing a baseline set of food safety requirements that all businesses must meet.

FSANZ has made some statements in the First Assessment Report on the benefits of self regulation and the conclusion that the current system of industry implemented QA systems is effective. NSW thinks it is commendable that the meat industry has taken such a proactive approach to on-farm food safety management and feels there is a place for these systems moving forward as the risks from many of the potential hazards identified in the First Assessment Report and the Risk assessment appear to have been minimised for those businesses where on-farm QA programs have been effectively implemented.

However, NSW considers there are benefits to establishing outcome-based baseline requirements, to provide clarity for what industry must comply with (not on a voluntary basis). NSW strongly believes that there are obligations that farmers supplying animals for slaughter for human consumption must be able to meet, and this should be reflected in the Meat PPP Standard.

NSW does not share FSANZ's view that there is improved credibility when self regulation is applied, particularly when there is no benchmark in the absence of minimum regulatory requirements against which the industry QA programs can be measured/assessed against, or a lack of regulatory sanctions for non-compliance. In the absence of a benchmark, the current reliance on industry schemes means that primary producers have little choice than to comply with the Livestock Production Assurance (LPA) scheme, and the National Vendor Declaration (NVD) system provided by the AUS-MEAT or the Australian Pig Industry Quality (APIQ) program. With no benchmark, there is little option for primary producers to implement different, yet equivalent systems. NSW considers that the implementation of an outcomes-based regulatory system may indeed provide more surety for industry and allow more flexibility for primary producers to implement any appropriate on-farm QA program that met the outcomes of the standard, and not be tied into a specific program. The current arrangements could actually be considered to be quite restrictive.

Traceability of animals presented for slaughter

Clause 6.1 of AS4696-2007 currently requires that meat processors source:

Animals for slaughter for meat and meat products for human consumption are sourced only from a holding:

- (a) where animals are raised according to good animal husbandry practices and are not fed feedstuffs that could jeopardise the wholesomeness of meat and meat products derived from the animals; and
- (b) that has a system in place that is capable of reliably identifying any disease, other abnormality or treatment of animals that could affect their fitness for slaughter; and
- (c) that complies with surveillance (targeted), sampling, monitoring and testing programs (including the National Residue Survey monitoring programs)

In addition, Clause 6.2 of AS4696-2007 requires that meat processors source animals for slaughter for meat and meat products for human consumption are sourced only from a holding that has a system in place that is capable of reliably providing a list of the place of production or the saleyards of the animals in the consignment, or the place of production of each animal or the areas from which the animals in the consignment were captured.

Although the National Livestock Identification Scheme (NLIS) is mandated in NSW through the *Stock Diseases Act*, not all food safety agencies may be easily able to access this information for routine verification activities. This is particularly important for those properties which fall outside the normal meat supply chain, including hobby farms, agistment arrangements and phantom properties – all have implications for tracing back. Hence, for example, in the case of a BSE outbreak food safety agencies may be unable to trace back to ensure compliance with the ruminant feed ban on farm. While the tools exist for tracing animals in an animal disease emergency, it would be preferable for food safety agencies to be able to proactively manage any potential issues, before a reactive emergency response is necessary. This would require the legislative power to go back on farm to ensure compliance with food safety control measures.

As such, NSW would strongly encourage that similar outcomes to those specified in the existing AS4696 are incorporated in the Meat PPP standard, to ensure the excellent traceability system for animals presented for slaughter is maintained. However, it must be acknowledged that traceability of animals at the processing stage in abattoirs can only be accurately done via supporting documentation coming off farm. Therefore, for this requirement to be practically implemented by the processor, the primary production business would need a system in place to demonstrate this. At this point in time, there is no clear set of legislated food safety responsibilities on primary producers, which has resulted in some inconsistencies in implementation between jurisdictions. In NSW this requirement has been reiterated to all red meat abattoir licensees through the issue General Circular 01/2007, requiring that all animals received for slaughter are accompanied by a complete and valid National Vendor Declaration (NVD) form. The NSW Food Authority currently only considers NVDs to be valid if the holding the animals are sourced from is accredited under programs such as LPA, APIQ or PigPass. Although NSW acknowledges this is restrictive, it is considered necessary in the absence of any regulatory standards.

Control of hazards at the primary production level

As with other industries where primary production and processing standards have been, or are about to be introduced, namely seafood, eggs, poultry and dairy, many hazards for meat can be more practically managed during the primary production stages. Inputs such as the use of agricultural and veterinary chemical products have the potential to cause contamination of meat and significantly affect consumer confidence in meat safety. These inputs are more easily controlled at the primary production stage, rather than the application of costly monitoring at the processor level, which currently exists now through such programs as National Antimicrobial Residue Minimisation (NARM) program and National Organochlorine Residue Management (NORM) program, and the cost in traceback and corrective action when a detection is found.

While the FSANZ assessment report considered that there is generally good compliance with the use of agricultural and veterinary chemicals, in NSW there have been previous instances of residue detection such as antibiotics (through monitoring undertaken at the processing stage) and in Queensland there have been copper levels detected in meat from cattle grazed near old copper mines following heavy rains.

The risk assessment asserts these hazards are being managed at the processing stage. A more accurate depiction is that the hazards are being detected at the processing stage at a cost borne by the processor. Residue testing is conducted at processing rather than at the lot feed stage or on farm, yet these hazards emanate from primary production and should be controlled by those businesses. The current approach does not appear to make sense. Offal from the animal is tested at the slaughterhouse for levels, however, by then it is too late, the animal is already slaughtered and processed (and in the case of many smaller operators, already out the door and in the marketplace).

NSW considers that the following arguments are applicable for applying minimum food safety requirements to the meat primary production:

- the prevention and minimisation of food safety hazards that may become a risk to public health and safety, or affect consumer confidence in meat safety, must be managed through control measures at the primary production stage;
- it is ineffective and costly to manage a number of hazards through monitoring at processing, as the options for remedial action to address the hazards are limited during processing (i.e. dispose of product is the only option with consequent costs);
- traceability must start on farm to allow processing traceability systems to be effective and to ensure effective trace back and incident response.

Option 3 – through-chain food safety management consisting of regulatory elements on farm and on processors.

This option involves the development of food regulatory measures in the Code which would apply to the primary production and processing sectors. A primary production and processing standard is a set of food safety obligations specifying requirements from animal production to the processing of meat animals, meat carcasses and meat products for human consumption. The standards may include the implementation of measures to control the food safety hazards and the responsibility to demonstrate compliance.

As indicated in comments regarding the previous two options, at this point the preferred option for NSW is to have minimum regulatory standards in place across the entire meat supply chain, acknowledging that this would be subject to a cost benefit analysis.

NSW acknowledges that the risk from on-farm hazards may not warrant the implementation of “full-blown” mandatory Hazard Analysis Critical Control Point (HACCP)-based food safety programs, as this may be particularly unrealistic for small farms. However, NSW considers that for consistency the scope of the Meat PPP Standard does need to include minimum requirements for primary production businesses presenting animals for slaughter.

NSW suggests that a way forward may be to include a clause akin to taking the words from the Primary Production and Processing Standard for seafood and modifying to:

General food safety management

A meat primary production business must take all reasonable measures to ensure inputs do not adversely affect the safety or suitability of the meat and meat products derived from the animals and implement controls that are commensurate with the food safety risk.

For a meat primary production business, they would need to demonstrate to the processors (or industry QA program auditors) that they have implemented control measures on the food safety elements of concern, namely:

- Animals have not been exposed to agricultural chemical residues through feed or administration of vet chemicals
- Traceability – animals comply with the requirements of the NLIS etc
- Animals have not been exposed to restricted animal material (where appropriate)

This would greatly assist in meat processors being able to comply with the requirements of Section 6.1 of AS4696 or the equivalent clause that may be included in the Meat PPP Standard. However, NSW reiterates that the implementation of minimum requirements does not necessarily translate into the implementation of mandatory food safety programs on farm. For compliance purposes, jurisdictions will need to formulate a compliance plan to ensure consistent implementation, but NSW suggests that a system similar to the current National Vendor Declaration (NVD) where primary production businesses can meet these requirements through completing documentation such as a 'statement of compliance' that addresses the elements listed above satisfactorily and is given to the meat processors upon delivery of the animals for slaughter.

The completion of these compliance statements could then be audited by regulators through the records kept by meat processors, and any follow-up action could be taken on farm when necessary. As a regulatory "stick", there would need to be penalties associated with supplying false information on the NVD (or equivalent), which may require co-ordination with the Primary Industries Standing Committee (PISC). NSW considers that the implementation of regulatory requirements in this manner would not provide any impediment to farmers implementing any of the current range of on-farm QA programs now being promulgated by industry and may deliver flexibility through the ability to implement different, yet equivalent systems.

While NSW considers the current non regulatory approaches used in the meat industry to manage the hazards well in most particular circumstances, there is justification to establish a minimum requirement and enable regulators the power to intervene in situations where hazards are not controlled. It is acknowledged by the meat industry that there are gaps in the system, particularly for low volume producers that may have significant impact on the entire meat industry if not managed appropriately.

The establishment of a minimum food safety regulatory requirement on primary producers does not necessarily mean an increased burden for those businesses who have already made the commitment to implement control measures. If the hazards are being well managed by the industry QA programs that have been implemented by primary producers, then these may be considered sufficient to demonstrate compliance with the outcomes of the standard. But currently there is no benchmark, no measuring stick to which these industry QA programs must be measured against.

For instances where the hazards are not controlled, the respective Food Acts in the States and Territories are not designed to manage hazards that potentially occur in live animals and the legislative power for regulators to take action is currently very limited. With the implementation of a Primary Production and Processing standard for meat and meat products in line with Option 3 that takes a through chain approach, government will have the power to act on non-compliance by a primary producer and by processors

Specific Issues

NSW does not understand the comment included in the First Assessment Reports on pg 46 as "*The issue FSANZ is addressing with the meat industry is not one of public health risk*" to justify the proposal of self regulation as an option.

NSW considers that FSANZ must also have recognition that environmental factors and the use of different production methods will play an increasing role in defining the types of hazards that may be present into the future. The increasing use of intensive farming and finishing cattle at feed lots may result in emerging hazards, as has been seen in the US

where *E. coli* O157:H7 is more prevalent than in Australian cattle which are predominantly pasture fed. This may need to be reviewed in the next FSANZ risk assessment.

Summary

At this stage, NSW considers that the option should be kept open for regulatory management of foodborne hazards at all stages of production and consumption. As such, NSW supports the development of a Primary Production and Processing Standard for meat and meat products by FSANZ that provides a through chain approach to meat food safety, in line with elements of Option 3, acknowledging that any new requirements will be subject to a cost benefit analysis.

At a minimum, NSW considers that primary production businesses should be required to implement control measures to ensure that inputs do not affect the safety and suitability of the meat going to be processed, in line with the requirement proposed for the Primary Production and Processing standard for seafood.

It is not the intention of NSW to introduce added regulatory burden for the meat industry, but to establish a baseline that all business must comply with. In the implementation of this requirement, it is not envisaged this would not necessarily require the implementation of a HACCP-based food safety program and that any businesses currently complying with the existing industry QA programs would result in meeting the outcomes of the Standard.

NSW acknowledges that in determining the implementation of this requirement, a consistent approach will need to be determined by food regulatory jurisdictions in the form of a compliance plan. Although issues with implementation are outside the consideration of the FSANZ standard setting process, NSW strongly suggests that the compliance plan to accompany the standard will provide industry with surety about what is required on farm and the flexibility to acknowledge that compliance with current industry QA programs (or future equivalent programs) will ensure compliance with the standard.

NSW considers that incorporating minimum requirements for both meat primary production and processing businesses will establish a formal baseline, and will ensure clarity for the development and review of any industry-based QA programs that these are the outcomes that must be met.

Industry & Investment NSW – Primary Industries has provided input into this submission.

Prepared by: [REDACTED] Date 13/11/09

Cleared by: [REDACTED] Date 17/11/09

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The views expressed in this submission may or may not accord with those of other NSW Government agencies. The NSW Food Authority has a policy which encourages the full range of NSW agency views to be submitted during the standards development stages before final assessment. Other relevant NSW Government agencies are aware of and agree with this policy.