FOOD STANDARDS Australia New Zealand
Te Mana Kounga Kai – Ahitereiria me Aotearoa

ROUNDTABLE ON TRANS FATS IN THE QUICK SERVICE RESTAURANT INDUSTRY - REPORT ON SURVEY OF PROGRESS OF VOLUNTARY INITIATIVES TO REDUCE TRANS FATTY ACIDS IN THE AUSTRALIAN FOOD SUPPLY

JULY 2009

Purpose

To provide an update to the Australia and New Zealand Food Regulation Ministerial Council (Ministerial Council) regarding progress of voluntary initiatives by members of the Quick Service Restaurant Roundtable to reduce trans fatty acids (TFA) in foods.

Background

In May 2007, Food Standards Australia New Zealand (FSANZ) completed a Review Report of Trans Fatty Acids in the Australia and New Zealand food supply. The Ministerial Council endorsed the findings of the Report that immediate regulatory intervention was not required and that non-regulatory measures to further reduce the levels of TFA in the Australian and New Zealand food supply would be the most appropriate action.

The report also recommended that a review of the outcome of non-regulatory measures to reduce TFA in the food supply would commence in early 2009.

The Australia New Zealand Collaboration on Trans Fats (the Collaboration) and the Roundtable on Trans Fats in the Quick Service Restaurant (QSR) Industry were established in Australia in 2007 to support and broaden existing initiatives to manage TFA in the food supply. The Collaboration includes representatives from the National Heart Foundation of Australia, the National Heart Foundation of New Zealand, the Dietitians Association of Australia, the Australian Food and Grocery Council, the New Zealand Food and Grocery Council, the New Zealand Food Safety Authority (NZFSA) and FSANZ. The QSR Roundtable participants comprise the major fast-food and restaurant chains operating in Australia, within the following broad categories: pizza, burgers, chicken, pasta and snack foods, and representatives from the oils industry.[1] Further information regarding the meetings of the Australian QSR Roundtable and outcomes from a 2007 survey of members is at Appendix 1.

A similar QSR Roundtable was established in New Zealand by the New Zealand Food Safety Authority (NZFSA) in 2007, as part of a management strategy to monitor TFA in the New Zealand food supply. An initial questionnaire was circulated to QSR members in New

[1] The roundtable meeting on 26 September 2007 was attended by the Baking Industry Association, Coffee Club, Domino's Pizza, Eagle Boys Pizza, Hungry Jacks, KFC, Krispy Kreme Doughnuts, Jesters Pies, McDonalds, Pizza Hut, Pizza Haven, La Porchetta, Oporto, Red Rooster and Subway. Oils industry representatives included Goodman Fielder, Peerless Foods, Unilever Food Solutions and the Australian Oilseeds Federation.

Zealand in September 2007 which sought information on their plans to reduce TFA in the food supply.

2009 Trans Fatty Acids Survey of QSR Roundtable

Process Undertaken

Surveys were sent out to 16 QSR participants in the Roundtable. These included 13 of the 14 respondents to the 2007 survey and a further three that joined the Roundtable during 2007 but after the 2007 survey was undertaken. Of these, 13 responses were received. Six respondents requested that part or all of the information disclosed in the survey be treated as Confidential Commercial Information (CCI) under section 4 of the *Food Standards Australia New Zealand Act 1991*.

The survey was also sent to the six member organisations of the Australia New Zealand Collaboration on Trans Fats for their information and response if they wished to do so. One response was received.

A copy of the survey is provided at Appendix 2.

Results

Plans

Of the 13 respondents, seven (Companies A, B, E, F, G H and K) had active plans and strategies to either manage TFA in their products or to work with the food industry to reduce the levels of TFA in foods. Some of these plans have been in place for three to four years, indicating that industry has been proactive in reducing TFA levels in foods. One company (Company F) advised that it is in the process of implementing a two-stage plan, with stage 1 being the removal of TFA, and stage 2 the reduction of saturated fats.

Four restaurants (Companies C, J, I and M) advised that they did not have a plan in place as all products are 'virtually trans fat free' (less than 0.5 g trans fat /100 g food), or at minimum levels, except for those products where the TFA is naturally occurring from ingredients such as cheese and meat. However, three of these restaurants did have active plans to investigate alternative blends of cooking oils which would reduce the level of saturated fats in their products. Another restaurant (Company D) advised that it is currently developing a plan to introduce healthier products, however it did not provide further details. One manufacturer (Company L) advised verbally that the survey was not relevant to their company and therefore would not be formally responding.

Two manufacturers (Companies A and E) indicated that they have fully implemented their TFA plans and consider that no further reductions in TFA are possible. Others however, noted future planned activities such as reducing TFA in non-vegetable frying products (Company B), focussing on producing solutions that are low in both TFA and saturated fats (Companies F and G) and continuing educational and awareness activities in relation to TFA, health risks and alternative options in fats and oils (Companies B and F).

Ingredients/Products

A number of strategies have been or are being employed by the QSR industry to reduce TFA levels in foods. These strategies and outcomes include:

- One restaurant (Company A) advised that it has taken steps to ensure that its products do not use hydrogenated fats or oils in food production and in-store operations. As a result, all products contain on average, less than 0.5% TFA;
- One manufacturer (Company B) has re-engineered its vegetable-based products to be less than 1% TFA. These products include vegetable bakery margarine and shortenings and vegetable cooking, culinary and frying oils. It is planned to reduce TFA in non-vegetable foodservice frying products within 12 months;
- Another restaurant (Company E) has developed a vegetable oil blend for both frying and parfrying which contains less than 1% TFA. This replaced the previous blend which contained 8% TFA;
- One manufacturer (Company F) advised that it has produced solutions that are low in TFA and saturated fats where possible. Other outcomes have included developing a range of items with less than 1% TFA and a range of products that are 'virtually trans fat free' (VTF). It is also developing a new product range that is both VTF and lower in saturated fat; and
- One manufacturer (Company G) has developed a dual low TFA and low saturated fat frying shortening, and a low TFA emulsified shortening to use in the manufacturing of their products (introduced November 2008). A low TFA frying shortening blend with negligible TFA levels will be introduced in February 2009. These changes will result in a reduction in TFA levels in the product from 2.7% to 0.5%. A low trans/low saturated fat product is planned to be introduced by the end of 2009.

Information provided by the Australian Food and Grocery Council (AFGC) in respect of food processing companies also indicates that changes to reduce TFA have been, and continue to be made, in this sector of the food industry. Examples include:

- Reducing TFA levels by around 50% across all of one company's products, primarily through removal of trans fats derived from partial hydrogenation;
- Reducing TFA levels in cream biscuits by 66% through reformulation;
- Replacing higher level TFA oils (containing an average of 45% trans fats) with lower TFA oils (for example 2% trans fats), in both retail and food service/culinary products;
- Use of straight vegetable oils (for example canola) for par-frying potato products and use of oven-baking rather than deep frying techniques during manufacture of retail products; and
- Reducing the TFA level in margarines from 6.5% to less than 1% through reformulation.

These initiatives indicate that the food production industry has contributed substantially to reducing the level of TFA in the Australian food supply. There are likely to be further opportunities within specific sectors, or by companies.

Further Initiatives

A number of other initiatives were identified by QSR members and one member of the Collaboration to complement existing plans and strategies to reduce TFA in foods.

<u>Information Provision / Education</u>

Several QSR members have included nutrition information (including TFA content) on product packaging (Companies B, G and H), in stores (Companies G and J) and on websites (Company G).

The Australian Oilseeds Federation is the industry organisation representing all players in the oils and fats supply chain. It has been active in promoting the reduction of TFA through educating consumers and the food industry about healthy oils, through media events, sample product kits, school education materials etc.

One manufacturer (Company F) has undertaken a range of awareness raising activities including:

- The development of a low TFA product identifier;
- Conducting presentations to commercial customers on TFA, health risks and alternative options;
- Conducting internal training to sales and marketing staff; and
- Conducting awareness and education seminars to end users and managers about TFA and VTF products.

The National Heart Foundation of Australia has developed the 3 Step Guide for the service sector that contains guidelines identifying sources of TFA in the food supply and options for reducing the TFA content of foods. This tool was launched at the QSR Roundtable Summit in 2007, and made available to industry (suppliers, manufacturers, retailers, QSR, independent outlets) through a variety of communication channels.

During 2009, in NSW, the Heart Foundation aims to assist small to medium – sized foodservice businesses to swap to healthier oils and fats. This will be achieved through using a support kit, including the 3 Step Guide to assist local governments in establishing a need, a health policy, and tools to educate business owners and managers. Evaluation results and final outcomes of this pilot work with several local government councils will be available mid-2010.

<u>Product Development</u>

The Australian Oilseeds Federation (AOF) has fostered the development of high oleic/low linolenic canola and high oleic sunflower, which provide the required functionality in frying and other applications without any need for hydrogenation. This will give the food industry a locally available source of products that can be utilised directly or in blends to replace both products with TFA and high saturated fat products such as palm oil.

Additionally, in September 2009, AOF will be hosting the World Congress on Oils and Fats. This will bring around 600 global experts in oils and fats to Australia and will provide an opportunity for the food industry to learn about what new technologies and products are emerging.

The National Heart Foundation of Australia's Tick program encourages manufacturers and foodservice providers to reduce TFA in their products, whilst not increasing saturated fatty acids. In August 2006, the Tick program was introduced into the 'meals eaten out' category. This has had a direct positive impact on reducing the level of TFA in takeaway foods, largely as a result of Tick licensees and the QSR industry changing to oils containing less saturated fat and virtually no TFA, for example, canola-based frying oil. The indirect impact has been the establishment of supplier systems to manage the strict nutritional criteria for the ingredients used in the Tick program items, which has benefited the whole food service system.

The Tick program currently includes 27 food categories in the retail sector incorporating 'no partially hydrogenated fat' or 'trans fat' criteria, with more food categories to follow. In the foodservice sector it has three categories all including saturated and trans fat criteria. In late 2008, the Tick program in Australia introduced a new category for 'Bakery fats' which includes a saturated plus trans fat, and no partially hydrogenated fat criteria. Currently in progress is the development of a category for 'Pastry' which potentially will include saturated and trans fat guidelines.

Limitations/Constraints

Some respondents to the survey identified various limitations or impediments to the achievement of low TFA/low saturated fat products. These include:

- Scientific challenges in the type of shortening that can be used without compromising quality and 'signature' product attributes such as freshness, texture, aroma and taste (Company G).
- The process of deodorization of oils (heating to high temperatures) creates trans fats but is required in part to kill any pesticides on the product (Company G).
- Production targets for the development of high oleic/low linolenic canola and high oleic sunflower have been behind due to drought in recent years (Company K).
- Progress in moving towards healthier oil solutions has been hampered over the last 12 months due to the world economic crisis. Healthier oils (i.e. those lower in TFA and saturated fats) are more expensive and many companies have reported that they are unable to manage an increased financial burden (Company F).
- One manufacturer (Company A) highlighted the need for additional information, specifically,
    - More information and comment/direction on the recommended amount of 'fat, saturated fat and trans fat' an average consumer should have in their diet/per product.
    - More information or communications on trans fat in dairy products or how the industry is communicating this issue (there is some confusion that dairy foods have good/bad trans fat, dairy foods/natural trans fat is acceptable in moderation).
    - Any proposed/changes to new labelling legislation with FSANZ on fat or display of data e.g. further extending the requirements of specifying trans fat, mono/poly unsaturated fat etc.
    - What other QSRs (in Australia and overseas) may be doing or communicating to address the trans fat/saturated fat issue (especially information on the oil used when cooking chips in-store).

Summary

Of the 16 QSR members surveyed, 13 responses were received. However, it should be noted that several respondents to this survey are large 'players' in the QSR industry.

The majority of respondents have plans in place to manage the levels of TFA in their products. Some of these plans have been in place for several years while others are more recent initiatives. Several companies reported that no further reductions in TFA are possible, with future plans focussing on reducing saturated fat levels.

The main strategies employed by the QSR (and processed foods) industries to reduce TFA levels in foods appear to be in the following areas:

- Eliminating or limiting the use of hydrogenated fats or oils in food production processes;
- Reformulating bakery fats to contain very low levels of TFA;
- Substituting high TFA oils with new blends containing very low levels of TFA during production processes in both retail and food service products;
- Developing, educating and marketing new product ranges that are low in TFA; and
- Using oven-baking rather than deep frying techniques during the manufacture of retail products.

It is difficult to directly compare progress made by the QSR industry since 2007 as not all respondents to the 2007 survey also contributed to the 2009 survey. However, of those that responded to both surveys, most appear to be well progressed in terms of reducing or eliminating TFA in their products considering the limitations identified. From the information provided there appears to be some quite dramatic reductions of 50-90% in the levels of TFA in certain ingredients and products. Several manufacturers that have reduced TFA to minimum levels (e.g. less than 0.5 g trans fat /100 g food), are now focussing on reducing saturated fat levels.

In addition to the above, some QSR members have undertaken a range of initiatives to raise awareness about TFA and ways that manufacturers can reduce TFA in their products. Other manufacturers have chosen to voluntarily provide the TFA content of their foods on food packaging, promotional material or on websites. Organisations such as the Australian Oilseeds Federation and the Heart Foundation of Australia have been active in promoting the reduction of TFA through innovation and R&D, education programs and materials and initiatives such as the Tick program.

Conclusion

This survey indicates ongoing endeavours by both the QSR and the food processing industry to further reduce TFA levels in the Australian food supply. Data on the New Zealand food supply is yet to be received. Responses indicate that there is a strong incentive for manufacturers to act responsibly in this area, given the increasing level of consumer interest and awareness of the adverse health effects of both TFA and saturated fats.

Appendix 1

Roundtable on Trans Fats in the Quick Service Restaurant Industry September 2007

The QSR Roundtable met on two occasions, on 12 March 2007 and 26 September 2007. At its first meeting held in March 2007, it was noted that industry has been active in reducing TFA levels in foods for at least a decade, however, the levels of TFA could be reduced further. QSR representatives agreed to report on plans and strategies to further reduce the levels of TFA and saturated fatty acids including:

- Providing data on TFA and saturated fatty acids content;
- Steps being taken to reduce trans and/or saturated fatty acids;
- A timetable for reducing trans and/or saturated fatty acids levels; and
- Steps being taken to better inform consumers on TFA and/or saturated fatty acids.

In mid-2007, FSANZ co-ordinated a survey of the 14 QSR participants in the Roundtable to collate information about the levels of TFA and saturated fatty acids in foods as discussed above. FSANZ presented the outcomes of this survey to the Roundtable meeting in September 2007. A summary of the outcomes of this survey is provided below. These outcomes were presented verbally at the September 2007 combined meeting of the Collaboration and Roundtable.

Summary of Outcomes from 2007 Survey on Plans to Reduce Trans Fatty Acids in the Food Supply

Introduction

Templates were sent out to the 14 Quick Service Restaurants participants in the Roundtable. Twelve responded to the request, and seven of the responses provided at least some quantitative data in addition to answering the questions provide in the template. Below is a summary of the responses to the questions.

Current plans and programs

Of the 12 respondents, 10 had active plans and strategies in place to manage trans fatty acids (TFA) in their products. One restaurant was planning to implement their strategy in 2008, and one restaurant did not have any plans and was not planning to implement any strategies in the near future.

The Quick Service Restaurant industry has a variety of strategies in place to reduce TFA in foods. Some of these strategies have been in place for some time, other are more recent initiatives. Overall, the responses suggest that the industry is proactive in managing the ingredients they use to prepare their meals and the oils the use for frying to achieve as low a level of TFAas possible. Most of the successes have been in the area of substitution of partially hydrogenated oils used for frying and parfrying (i.e. partially frying so that the frying process can be completed later). The challenges are items in the pantry that use shortenings high in TFA and switching to ingredients lower in fat.

The following initiatives are in place across the industry:

- Keeping records on the *trans* fatty acid contents of food in the pantry;
- Ongoing review of *trans* fatty acid content in foods and ingredients;
- Analysis and monitoring of *trans* fatty acid contents;

- Benchmarking to a minimum level;
- Substitution of high with low *trans* fatty acid pantry items;
- No or limited use of partially hydrogenated oils and fats;
- Use of cooking oils low in *trans* fatty acids;
- Use of ingredients that have been parfried in low *trans* fatty acid oils;
- Use of low fat dairy and meat ingredients in meals; and
- Pro-active supply chain management, including working together with suppliers to reduce *trans* fatty acid.

Outcomes

Most of the respondents that had strategies in place provided some idea of the outcomes they wanted to achieve. A number of the responses showed considerable commitment to improve the overall healthiness and quality of their products. Members of the Roundtable sought the following outcomes:

- Reducing TFA contents of foods on the menu and throughout the supply chain;
- Maintaining existing initiatives;
- Adhering to benchmarked levels;
- Acting responsibly and taking account of the wellbeing of consumers;
- Continued development of alternatives to oils high in trans and saturated fatty acids
- Increase awareness of TFA;
- Increased availability of low TFA foods;
- National Heart Foundation endorsement;
- New product lines low in TFA; and
- Increased share of the health conscious market.

Additional information

More than half the respondents wanted further information on TFA in the following areas:

- Consumer research;
- Nutritional guidelines;
- Health impact of TFA from ruminant sources;
- Proposed regulatory changes;
- Overseas initiatives;
- New products low in TFA; and
- Roundtable outcomes.

Other issues and comments

Respondents provide some additional comment including:

- The Roundtable has increased awareness of TFA issues in the Quick Service Restaurant industry;
- The Roundtable should emphasise that many initiatives have been in place for some time;
- There are additional initiatives to reduce saturated as well as TFA;
- There are moves to introduce cooking oils lower in saturated fatty acids;
- Additional initiatives are in place to reduce overall fat content and improve the nutritional quality of foods; and
- The substitution of oils is constrained by food safety, occupational safety, availability and undesirable flavours and textures.

Appendix 2

Trans fatty acids Roundtable of Quick Serve Restaurants

QSR plans to reduce trans fatty acids in the food supply.

Organisation:	
Name & Position	
Contact details:	
Date:	
Is any information to be treated as Confidential Commercial Information? *** *s4 Food Standards Australia New Zealand Act 1991 (see attached*)**	Yes / No *If Yes, please identify separately*

Did you respond to the previous survey?	Yes / No

Question 1: **(a)** Do you currently have a plan or programme in place to reduce TFA in your products? Yes / No **(b)** If yes, please outline below this plan. *If no, please go to Q4*.
A1 (a) **A1 (b)**
Question 2: What progress has been made to date? (Please quantify in Table 1 or 2 if possible)
A2:
Question 3: What outcomes do you expect to achieve from these initiatives? (Please quantify in attached Table if possible).

A3:
Question 4: (a) If you have no plan currently in place, do you intend to develop a plan? **(b)** When do you expect to develop the plan?
A4 (a) **A4 (b)**
Question 5: (a) If you responded to the previous survey conducted in 2007, what additional progress has been made? (Please quantify if possible). **(b)** If no further progress has been made, please provide reasons why.
A5 (a) **A5 (b)**
Question 6: Do you have any further comments you wish to provide?
A6

***Trans* fatty acids: Quantitative information**

Product / food category / ingredient e.g. frying oil, pies, pastry	**Current TFA content or level** % TFA or g TFA	**Initiative** (as above)	**Outcomes to date**	**Further outcomes expected** e.g. target TFA level or remove X amount of TFA from food supply	**Timeframe**
e.g. Palm oil used for frying		e.g. Replace with Canola oil in all QSR		X% TFA in frying oil used Will remove X TFA from food supply	