

Export-Domestic Standards – Policy Statement on Interface

1. Introduction

NZFSA needed a framework and/or principles to guide consistent decision making on matters where domestic and export standards interfaced and to meet its ethical obligations in relation to international trade. In addition to these principles, NZFSA needed to ensure that, as far as possible, its standards can represent current scientific thinking and facilitate innovation and flexibility.

Scenarios and Issues

A range of scenarios can be envisaged where consistent decision making is necessary irrespective of the food or related products involved. These include the following:

- 1) Exporting products where there is no New Zealand safety and suitability standard but where an importing country has an approved standard that covers the exported products
- 2) New Zealand's safety and suitability standards contradict those demanded by trading partners
- 3) Exporting products that do not meet New Zealand standards (primarily joint Australia-New Zealand) compositional and labeling)
- 4) Exporting products where there is no New Zealand compositional and labelling standards

3. Background - the Policy Platform

The policy platform used by NZFSA has been in existence for many years and precedes the existence of NZFSA. This comprises New Zealand standards providing the platform or basis for food production in New Zealand irrespective of destination (New Zealand or export) and export requirements being added to these on a needs basis.

Irrespective of how the level of 'safety' in a New Zealand standard is arrived at, the New Zealand standard is considered the baseline safety standard. This is considered necessary to ensure that 'less safe' food products exported from New Zealand would not weaken our country's reputation as a food exporter.

Ethical Issues Associated with Food Trade

International Guidance on ethical trade in food products has been developed by Codex and is contained in the *Code of Ethics for International Trade in Food* (CAC/RCP 20-1979, Rev. 1(1985)).

4. NZFSA Principles for the Domestic-Export Standards Interface

Overarching primary principle

NZFSA has a fundamental ethical obligation to ensure that exported products are consistent with protecting human health. NZFSA's primary objective should reflect this and all subsequent principles must be read in conjunction with this overarching principle:

Principle 1: NZFSA will not knowingly certify or otherwise allow the export of food and food products that are not consistent with protecting human health.

Role of New Zealand Standards in Relation to Export

NZFSA considers that in the ideal world, all exports should operate off a platform or minimum of New Zealand standards including the joint Australia New Zealand food standards. In reality, this is not possible due to timing or conflicting importing country requirements especially in relation to labeling or because there may be more than one New Zealand standard covering the particular aspect. Nonetheless, wherever possible, exports should meet New Zealand standards.

Principle 2: NZFSA holds the primary view that all exports should meet the New Zealand standard as laid down in relevant New Zealand legislation.

Exporting products where there is no New Zealand safety and suitability (including joint Australia New Zealand labeling and compositional) standard but where an importing country has an approved standard that covers the exported products

The principle proposed to cover this issue is:

Principle 3: NZFSA will, where safety and suitability (including joint Australia New Zealand labeling and composition) standards are not available in New Zealand, allow the export of food and food products providing the product meets the regulatory requirements of the importing country.

Importing country demands or safety or suitability standards that differ from New Zealand's standards

This issue relates exclusively to where the importing country standard potentially differs from (ALOP, level of hazards, performance targets) the New Zealand standard.

In response to issues where a New Zealand safety or suitability standard exists but the demands of the importing country or the importing country's standards differ from New Zealand's, a case-by-case approach will be taken. Criteria to be applied in such situations include consideration of the safety and suitability implications, effect on other product in the processing environment, consistency with the Codex Code of Ethics in International Trade and the overarching principle above, relevant Codex standards and the potential for decisions to have undesirable flow-on effects. Risk assessment may be used as appropriate to the situation. The principle proposed to cover this issue is:

Principle 4: NZFSA will consider exports of food and food products on a case-by-case basis where food and food products are available in New Zealand but a requirement of the importing country potentially differs from the New Zealand standard(s). In such circumstances, NZFSA will consider the following criteria:

- consideration of the human health and safety implications and risk assessment as appropriate;
- consistency with the Codex Code of Ethics in International Trade;
- relevant Codex standards and guidelines;
- potential for decisions to have undesirable flow-on effects; and
- the status of New Zealand as a good citizen in the international trading environment.

Exporting products that do not meet New Zealand (including joint Australia New Zealand) labelling standards

In part, this is a subset of principle 3. However, labeling requirements of importing countries generally do differ from the New Zealand domestic standard but there are generic export labeling requirements relating to traceability and safety purposes that demand truthfulness. The following principle reflects this situation:

Principle 5: NZFSA will, where labelling standards are concerned, allow the export of food and food products providing the product meets general export labelling requirements or the labeling requirements of the importing country.

Exporting products that do not meet New Zealand compositional standards (including joint Australia New Zealand)

In part, this too is a subset of principle 3. However, compositional requirements of importing countries can differ from the New Zealand domestic standard and the following principle reflects this situation:

Principle 6: NZFSA will, where product compositional standards are concerned, consider exports of food and food products on a case-by-case taking account of human health and safety implications, and develop overseas market access requirements as the basis for managing ‘class’ exemptions providing the product meets the labeling, compositional and safety requirements of the importing country.

Managing the sale of products in New Zealand that have been exempted from compliance with the New Zealand standard for export only or which have been produced in the absence of a New Zealand standard

NZFSA is obliged to restrict and control the sale in New Zealand of products that do not meet the New Zealand standard. This includes food products that have been exempted under any of the above scenarios.

Principle 7: NZFSA will ensure that appropriate control mechanisms preclude the sale of export product in New Zealand that does not meet the New Zealand standard.

Proposed control mechanisms for exemptions

Operators and exporters must ensure that food materials and products that have been subject to an exemption from complying with New Zealand Standards are not traded on the New Zealand domestic market or, unless otherwise notified, exported to Australia.

Operators and exporters must ensure that exempted food material and product is only exported to markets where such exemptions are permitted, and notified by way of Overseas Market Access Requirement.

All operators processing, storing or handling exempted food material and products must;

(a) clearly identify all exempted food materials and products; and

(b) check the received food material or product against the export requirements of the intended markets, including transport conditions, product item marks, labels and any other identifying features; and

(c) have a system of clear separation, and where required identification, of food material and product lines during receipt, processing and subsequent storage; and

(d) keep records of these matters to enable the usage and movement of the food material and product to be traced; and

(e) have a written programme(s), which describes how these requirements will be met.

When any exempt food material or product is transferred between operators, accompanying transfer documentation must clearly identify that the material or product is “Ineligible for the domestic market and export to all markets except [insert countries to which the exemption applies]”.

NZFSA

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