Australian Meat Industry Council

SUBMISSION - Proposal M1018 Maximum Residue Limits (2020)

Date: 16th of March 2021

Australian Meat Industry Council
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Attention:
Food Standards Australia New Zealand
PO Box 5423
KINGSTON ACT 2604
AUSTRALIA

About AMIC

Australian Meat Industry Council (AMIC) is the Peak Industry Council representing 2,000 post-farm gate red meat industry enterprises. AMIC members include businesses processing for domestic and export consumption, smallgoods manufacturers, boning rooms, cold stores, wholesalers and distributors through to exporters and independent retail butchers.

The Australian meat supply chain makes a substantial contribution to the national economy each year by accounting for over $16.2 billion in Gross Domestic Product (GDP), or 1.3% of total GDP and $7.6 billion in Australian household income. A large proportion of this is generated through exports, with beef exports generating $10.8 billion in 2019.

The post-farm gate meat industry employs around 200,000 people directly and indirectly and is often the single biggest employer in rural/regional areas, underpinning vitality and sustainability of Australia's agricultural sector and regional communities.

Summary

AMIC would like to thank Food Standards Australia New Zealand (FSANZ) for the opportunity to give feedback on Proposal M1018, Maximum Residue Limit (2020).

AMIC would like to provide specific comment on the proposed introduction of a Maximum Residue Limit (MRL) for the veterinary chemical *Ractopamine*. AMIC has significant concerns regarding the establishment of an MRL for Ractopamine, for beef products, into the Australia New Zealand Foods Standards Code (the Code).

AMIC will provide feedback in this submission, regarding our main two concerns for introducing an MRL for Ractopamine:

- Trade Impacts - The introduction of an MRL will expedite the application process for chemical companies wishing to register Ractopamine for use in cattle in Australia. This could lead to significant trade impacts, especially for those markets that have banned the use of Ractopamine.
- Safety Concerns - raised by Codex Alimentarius Commission (CAC) members, including China and the European Union.

Trade Impacts

Importance of Trade to Australia's Beef Supply Chain

The Australian red meat industry is uniquely positioned, with trade central to viability. Australia currently exports the large majority of beef produced, with 2019-2020 exports accounting for approximately 70 per cent of beef. Without trade, the cattle industry would not be viable in its current state, and this would adversely affect not only the entire red meat supply chain, but also associated sectors, resulting significant impacts to the Australian economy.

Supporting Trade

FSANZ has recognised, in their recent scoping paper regarding the review of the Food Standards Act, that supporting trade should be considered as a primary goal for FSANZ, with the suggested inclusion of the goal *"an efficient and internationally competitive food industry"*. Therefore, it is appropriate that FSANZ considers the consequential impacts to trade, if an MRL for Ractopamine was introduced.

Australian beef has a strong international reputation for its safe, 'clean and green' image, which both aids to position it favourably against its international competitors and underpins Australia's access to export markets. This standing has also resulted in Australian beef leading the international market in position of value, with total product valued at $10.8 billion in 2019, greater than any other country. This positive reputation of 'clean and green' beef has been carefully fostered by the Australian meat industry through decades of investment and promotion.

Once there is an established MRL for a veterinary chemical, it allows for the residues assessment component of registration process with the Australian Pesticides and Veterinary Medicines Authority (APVMA) to be expedited. This will result in an easier process of registering Ractopamine for use in Australian cattle, by international chemical companies. There are real concerns that the registration of Ractopamine may damage the image of Australian beef, as it may be perceived by consumers as 'un-natural' or 'un-healthy', akin to a meat additive or adulterant. Furthermore, whilst the risk to trade may increase once the product is registered, even the introduction of an MRL will result in reputational damage, regardless of the actual usage or uptake of Ractopamine in Australian beef. It is possible that trading partners will require Australia to prove freedom from Ractopamine in beef products, as soon as the MRL is introduced.

Additionally, Ractopamine is actively banned in several markets that Australia currently has access to, including China and the European Union (EU). These are high value markets for Australia, with beef exports to China worth $2.83 billion, and to the EU $208 million in 2020. For Australia to use Ractopamine and comply with the international requirements for those markets without a designated MRL, would be exceedingly difficult and high risk. This is because in markets without an MRL, there would be an absolute zero tolerance, and any level of a Ractopamine would be extremely significant. This means that if even trace levels of Ractopamine were detected, levels which could occur due to cross-contamination, it could be significant enough for the importing country to ban all Australian beef access.

If Australia was to continue to trade to those markets that have banned Ractopamine, there would be significant costs to industry to implement assurance programs, including segregation and increase residue testing of product. This has been seen in the programs required for Hormone Growth Promotant free product, which requires additional labour to palpate for implants, and has also required additional residue testing by the National Residue Survey. Furthermore, there would be no guarantee that trading partners would accept these programs as assurance. This is especially so for the more volatile market of China, where Ractopamine usage is a critical issue. This has been historically evident in China's requirement for beef from the United States to be ractopamine free, in comparison to the removal of the strict HGP requirements, under the US-China Phase One agreement.

AMIC urges FSANZ to recognize the potential implications to trade, and reconsider introduction of an MRL for Ractopamine in beef products.

Ractopamine – Safety concerns within Codex Alimentarius Commission

As noted in the FSANZ paper, FSANZ have incorporated many Codex Alimentarius Commission (Codex) MRLs into schedule 20 over the past decade and will continue to include these MRLs where *"appropriate and when a need has been established."* It is AMIC's opinion that Ractopamine does not meet either of these criteria, as the safety of the veterinary chemical has been questioned by CAC members, and currently there

is no need in Australia, as the veterinary chemical is not registered for use in cattle, and therefore an MRL should not be introduced.

The safety of Ractopamine, and the introduction of the Codex MRL, has historically been very controversial. It took many years for the Ractopamine MRL to be agreed upon at CAC, and even then, it was based off a vote, rather than the usual method of Codex which is to reach a consensus. The vote was exceptionally close, with those in favour winning by only one vote. Several CAC members voiced their concern around the MRL being established, after the MRL was agreed to.

In the meeting minutes for the 2012 CAC meeting, it was noted that,
"The Delegation of China expressed their disappointment that the Commission did not resolve the issue by consensus. They reiterated their position against the adoption of the MRLs for ractopamine and expressed their reservation." Furthermore, *"the Delegation of the European Union stated that it was strongly opposed to the adoption of the MRLs for ractopamine in pigs and cattle as there were outstanding concerns regarding its safety assessment. The European Union's risk assessment body, the European Food Safety Authority, concluded that there is insufficient data upon which to make a proposal for MRLs for ractopamine and that possible risks to human health had not been sufficiently ruled out."*

The European Food Safety Authority (EFSA) also provided a detailed report[1] and concluded that the Joint FAO/WHO Expert Committee on Food Additives (JECFA) study, which provides the scientific basis for the Ractopamine MRL has *"experimental weaknesses"* and the design of the study *"limits the conclusiveness of the study".* AMIC would urge FSANZ to ensure that they have considered the safety of the veterinary chemical Ractopamine and ensure that they have considered the report by the EFSA, a highly regarded international Food Safety Authority.

Furthermore, the MRL for Ractopamine was decided on by CAC in 2012. However, the paper notes that the Codex MRLs adopted at the latest 2019 CAC meeting were being considered for harmonisation. AMIC would like to be provided with further information regarding why FSANZ is only now considering the adoption of this MRL, as there was no discussion, or update of this MRL at the most recent CAC meeting, and therefore as FSANZ states "Requests for harmonisation with Codex MRLs that were adopted by the CAC prior to 2019 were still required to be submitted." However, AMIC notes that Codex is not included on the list of 25 stakeholders that had made MRL change requests.

Conclusion

In conclusion, AMIC strongly disagrees with the introduction of an MRL for Ractopamine, due to the potential trade impacts, and safety implications. AMIC would like the panel to consider the concerns, comments and recommendations in this submission, to ensure that the importance of protecting the safety of Australian consumers, as well as the red meat supply chain. If you have any further questions regarding this submission, or should you wish to engage on AMIC's suggestions, please contact me at:

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1. Bores, G et al, 2009, 'Safety evaluation of ractopamine- Scientific Opinion of the Panel on Additives and Products or Substances used in Animal Feed', *The EFSA Journal* 1041, 1-52