



TE MANA WHAKARITE KAI
MO AHITEREIRIA ME AOTEAROA

28 July 1999
1/00

PROPOSAL P150

STATEMENT OF REASONS

FOR RECOMMENDING A JOINT DRAFT GENERAL STANDARD FOR FOOD ADDITIVES

The Australia New Zealand Food Authority has a proposal to develop a Joint General Standard for Food Additives.

The Authority has recommended to the Australia New Zealand Food Standards Council that it adopt the draft variations to the *Food Standards Code*, as amended, for the following reasons:

- it provides the most effective means of achieving the aim of ensuring that the intake of food additives from the food supply does not present a risk to public health and safety
- consumers are not exposed to unnecessarily high levels of food additives
- it facilitates both the consumers' desire to exercise choice, and innovation in food technology, by applying the minimum restriction on use consistent with GMP

The drafting prepared after Full Assessment is amended for the following reasons:

- current additive permissions in the Code or NZFR that were previously omitted
- to ensure consistency with international regulations
- submissions received indicated a justification for specific additive permissions
- submissions received indicated that specific additive permissions were not required
- to aid in clarity and understanding of the new draft Standard

The commencement date of the (amended) draft variation be the date of gazettal.

REGULATORY IMPACT

The Authority has undertaken a regulation impact assessment process which also fulfils the requirement in New Zealand for an assessment of compliance costs. That process concluded that the amendment to the Code is necessary, cost effective and of benefit to both producers and consumers.

WORLD TRADE ORGANIZATION (WTO) NOTIFICATION

Australia and New Zealand are members of the WTO and are bound as parties to WTO agreements. In Australia, an agreement developed by the Council of Australian Governments (COAG) requires States and Territories to be bound as parties to those WTO agreements to which the Commonwealth is a signatory. Under the agreement between the Governments of Australia and New Zealand on Uniform Food Standards, ANZFA is required to ensure that food standards are consistent with the obligations of both countries as members of the WTO.

In certain circumstances Australia and New Zealand have an obligation to notify the WTO of changes to food standards to enable other member countries of the WTO to make comment. Notification is required in the case of any new or changed standards which may have a significant trade effect and which depart from the relevant international standard (or where no international standard exists).

This matter was notified to the WTO because it contains proposed changes to food standards, to protect public health and safety in the use of food additives, which could have impacts on the compositional requirements of foods imported into Australia and New Zealand.

FOOD STANDARDS SETTING IN AUSTRALIA AND NEW ZEALAND

The Governments of Australia and New Zealand entered an Agreement in December 1995 establishing a system for the development of joint food standards. The Australia New Zealand Food Authority is now developing a joint *Australia New Zealand Food Standards Code* which will provide compositional and labelling standards for food in both Australia and New Zealand.

Until the joint *Australia New Zealand Food Standards Code* is finalised the following arrangements for the two countries apply:

- **Food imported into New Zealand other than from Australia** must comply with either the Australian *Food Standards Code*, as gazetted in New Zealand, or the New Zealand *Food Regulations 1984*, but not a combination of both. However, in all cases maximum residue limits for agricultural and veterinary chemicals must comply solely with those limits specified in the New Zealand *Food Regulations 1984*.
- **Food imported into Australia other than from New Zealand** must comply solely with the Australian *Food Standards Code*.
- **Food imported into New Zealand from Australia** must comply with either the Australian *Food Standards Code*, as gazetted in New Zealand, or the New Zealand *Food Regulations 1984*, but not a combination of both.
- **Food imported into Australia from New Zealand** must comply with the Australian *Food Standards Code*. However, under the provisions of the Trans-Tasman Mutual Recognition Arrangement, food may **also** be imported into

Australia from New Zealand provided it complies with the New Zealand *Food Regulations 1984*.

- **Food manufactured in Australia and sold in Australia** must for most products comply solely with the Australian *Food Standards Code*.

In addition to the above, all food sold in New Zealand must comply with the New Zealand *Fair Trading Act 1986* and all food sold in Australia must comply with the Australian *Trade Practices Act 1974*, and the respective Australian State and Territory *Fair Trading Acts*.

Any person or organisation may apply to ANZFA to have the *Food Standards Code* amended. In addition, ANZFA may develop proposals to amend the Australian *Food Standards Code* or to develop joint Australia New Zealand food standards. ANZFA can provide advice on the requirements for applications to amend the *Food Standards Code*.

FURTHER INFORMATION

Further information on this and other matters should be addressed to the Standards Liaison Officer at the Australia New Zealand Food Authority at one of the following addresses:

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Requests for copies of other information papers should be addressed to the Authority's Information Officer at the above address, or Email <info@anzfa.gov.au>.

DRAFT STANDARD TO THE JOINT AUSTRALIA NEW ZEALAND FOOD STANDARDS CODE

To Commence: On gazettal.

ANZFA recognises that a lead in time for the joint Australia New Zealand Food Standards Code is necessary to ensure an ordered and workable transition period. Accordingly, implementation of the joint Code envisages a period where both the Australian *Food Standards Code* and the New Zealand *Food Regulations 1984* will run in parallel with, and as alternatives to, the new Code in Australia and New Zealand respectively. A transition period in the order of 18 months to two years is considered adequate for the Food Additive Standard.