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INFORMATION SUMMARY

APPLICATION A404

THE LACTOPEROXIDASE SYSTEM

The Australia New Zealand Food Authority has received an application to amend the Australian *Food Standards Code* on the above matter. The Authority's Preliminary Assessment Report is provided below and provides further detail. The Authority now invites public submissions on any issue raised in the Report for the purposes of making a full assessment.

PRELIMINARY ASSESSMENT REPORT

APPLICATION A404 - THE LACTOPEROXIDASE SYSTEM

Applicant: AgriFood Services on behalf of

Tatua Cooperative Dairy Co Ltd, NZ.

Date received: 30 November 1999

BACKGROUND:

Tatua Cooperative Dairy Co Ltd has made an application to include permission in Standard A16 - Processing Aids in the Australian Food Standards Code, for the components of the lactoperoxidase system to be used with meat and meat products (including poultry), fish and fish products and processed and cultured dairy products.

This application specifically requests variation to Standard A16 to allow the use of the enzymes, lactoperoxidase and glucose oxidase and sodium thiocyanate and/or potassium thiocyanate. Hydrogen peroxide is generated in the system.

The enzyme lactoperoxidase is currently obtained from bovine milk and is proposed to be used at levels up to 20 mg/kg of the food product. The thiocyanates are proposed to be used at levels up to 40 mg/kg (measured as the active ingredient SCN) of the food product. Glucose oxidase is proposed to be used at levels up to 50 mg/kg.

Standard A16 makes provision for the appropriate use of approved processing aids in food manufacture. A processing aid is a substance used in the processing of raw materials, foods or ingredients, to fulfill a technological purpose relating to treatment or processing, but does not perform a technological function in the final food.

Standard A16 in the Australian *Food Standards Code* currently permits the use of the enzyme glucose oxidase when sourced from the organism *Aspergillus niger*.

There is no comparable standard for processing aids in the *New Zealand Food Regulations* 1984. Processing aids in New Zealand are either currently regulated as food additives or are not specifically regulated, although there are treaty arrangements with Australia.

ANZFA proposed in Proposal P188, *Processing Aids* to provide a joint Australia New Zealand standard for processing aids in the joint Food Standards Code. This application will, if successful, require an amendment to draft Standard 1.3.2 for processing aids in the proposed joint *Food Standards Code*.

OBJECTIVE

Variations to Standard A16 - Processing Aids, of the Australian *Food Standards Code*, to permit the components of the lactoperoxidase system at the levels specified in the foods indicated.

POSSIBLE OPTIONS

Option 1

Maintain the status quo and do not permit the lactoperoxidase system for use in food products.

Option 2

Amend the Australian *Food Standards Code* accordingly to allow the use of the lactoperoxidase system in the foods specified at the levels specified.

IDENTIFICATION OF AFFECTED PARTIES

- Manufacturers and importers/exporters of processing aid products, particularly those participating in trade between New Zealand and Australia.
- Government agencies regulating the food industry in Australia and New Zealand.
- Consumers of foods and food ingredients produced using processing aids.

POTENTIAL REGULATORY IMPACTS

Option 1 would be inconsistent with maintaining a Standard for processing aids in the Australian *Food Standards Code.* There is no regulatory reason to not consider accepting this system in the standard for processing aids.

Option 2 would result in a wider range of permitted enzyme processing aids in the Australian *Food Standards Code*.

There are minimal perceived costs in including the lactoperoxidase system in the current standard and consequently in the joint standard for processing aids.

The information needed to make an assessment of this application will include that provided from public submissions. This preliminary assessment invites public comment on this application.

OTHER RELEVANT MATTERS

ANZFA recommended at Inquiry in review proposal P188, *Processing Aids*, that the Australia New Zealand Food Standards Council adopt a joint standard for processing aids in Australia and New Zealand.

The lactoperoxidase system is used extensively in underdeveloped countries where it provides a valuable alternative to pasteurisation and the refrigerated storage of milk products. The lactoperoxidase system allows for a reduction in the level of hydrogen peroxide necessary to extend the shelf life of non-refrigerated milk products.

The Codex Committee on Milk and Milk Products endorsed the lactoperoxidase system in 1998 for use on milk when pasteurisation was not available.

CONCLUSIONS

The above application fulfils the requirements for preliminary assessment as prescribed in section 13 of the *Australia New Zealand Food Authority Act 1991*.

If recommended by the Authority and agreed to by the Australia New Zealand Food Standards Council, an amendment to the Australian *Food Standards Code*, as suggested by the applicant, would include the components of the lactoperoxidase system as processing aids. The enzyme, lactoperoxidase, obtained from bovine milk would be permitted to be used at levels up to 20mg/kg of the food product. Potassium and/or sodium thiocyanate would be permitted to be used at levels up to 40mg/kg (measured as the active ingredient SCN ⁻) of the food product. The enzyme, glucose oxidase would be permitted to be used at levels up to 50mg/kg.

CONSIDERATION OF ISSUES UNDER SECTION 13

- (a) This application relates to a matter that may require a variation to a standard.
- (b) This application is not so similar to a previous application that it ought not be accepted.

TOXICOLOGY

Toxicological data has been provided and this data will be comprehensively addressed during the full assessment stage of the application.

REGULATION IMPACT ANALYSIS

The Authority develops food regulation suitable for adoption in Australia and New Zealand. It is required to consider the impact, including compliance costs to business, of various regulatory (and non-regulatory) options on all sectors of the community which includes the consumers, food industry and governments in both countries. The regulation impact assessment will identify and evaluate, though not be limited to, the costs and benefits of the regulation, and its health, economic and social impacts. In the course of assessing the regulatory impact, the Authority is guided by the Australian *Guide to Regulation* (Commonwealth of Australia 1997) and *New Zealand Code of Good Regulatory Practice*.

To assist in this process, comment on potential impacts or issues pertaining to these regulatory options are sought from all interested parties in order to complete the development of the regulation impact statement. Public submissions should clearly identify relevant impact(s) or issues and provide support documentation where possible.

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).

Matters relating to public health and safety may be notified as a Sanitary or Phytosanitary (SPS) notification, and other matters as a Technical Barrier to Trade (TBT) notification. A decision on whether to make a notification to the WTO will be made during the Authority's full assessment of this matter.

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:

• <u>Food imported into New Zealand other than from Australia</u> 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*.

- <u>Food imported into Australia other than from New Zealand</u> must comply solely with the Australian *Food Standards Code.*
- <u>Food imported into New Zealand from Australia</u> must comply with either the Australian *Food Standards Code* or the New Zealand *Food Regulations 1984*, but not a combination of both.
- <u>Food imported into Australia from New Zealand</u> must comply with the Australian *Food Standards Code.* However, under the provisions of the Trans-Tasman Mutual Recognition Arrangement, food may be imported into Australia from New Zealand if it complies with the New Zealand *Food Regulations 1984* or *Dietary Supplements Regulations 1985*.
- <u>Food manufactured in Australia and sold in Australia</u> must comply solely with the Australian *Food Standards Code*, except for exemptions granted in Standard T1.

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*.

INVITATION FOR PUBLIC SUBMISSIONS

Written submissions containing technical or other relevant information which will assist the Authority in undertaking a full assessment on matters relevant to the application, including consideration of its regulatory impact, are invited from interested individuals and organisations. Technical information presented should be in sufficient detail to allow independent scientific assessment.

Submissions providing more general comment and opinion are also invited. The Authority's policy on the management of submissions is available from the Standards Liaison Officer upon request.

The processes of the Authority are open to public scrutiny, and any submissions received will ordinarily be placed on the public register of the Authority and made available for public inspection. If you wish any confidential information contained in a submission to remain confidential to the Authority, you should clearly identify the sensitive information and provide justification for treating it in confidence. The *Australia New Zealand Food Authority Act 1991* requires the Authority to treat in confidence trade secrets relating to food and any other information relating to food, the commercial value of which would be or could reasonably be expected to be, destroyed or diminished by disclosure.

Following its full assessment of the application the Authority may prepare a draft standard or draft variation to a standard (and supporting draft regulatory impact statement), or decide to reject the application. If a draft standard or draft variation is prepared, it is then circulated to interested parties, including those from whom submissions were received, with a further invitation to make written submissions on the draft. Any such submissions will then be taken into consideration during the inquiry which the Authority will hold to consider the draft standard or draft variation to a standard.

All correspondence and submissions on this matter should be addressed to the **Project Manager** - **Application A404** at one of the following addresses:

Australia New Zealand Food Authority Australia New Zealand Food Authority

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Canberra Mail Centre ACT 2610 The Terrace WELLINGTON 6036

AUSTRALIA NEW ZEALAND

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The Authority should receive submissions by 5 April 2000.

General queries on this matter and other Authority business can be directed to the Standards Liaison Officer at the above address or by Email on <slo@anzfa.gov.au>. Submissions should not be sent by Email as the Authority cannot guarantee receipt. Requests for more general information on the Authority can be directed to the Information Officer at the above address or by Email <info@anzfa.gov.au>.