



Meat Industry Association of New Zealand (Inc)
and
The Renderers Group of the MIA

Submission to MAF Biosecurity New Zealand
on the

Proposed Changes to Ruminant Protein
Regulations

30 October 2008

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I: About the Meat Industry Association and the NZ Renderers Group of the MIA

1. The Meat Industry Association of New Zealand Incorporated ('MIA') is a voluntary trade association representing New Zealand meat processors, marketers and exporters. It is an Incorporated Society (owned by members) that represents companies supplying virtually all of New Zealand sheepmeat exports and all beef exports, producing 15 per cent of our nation's exports by value (26 percent of New Zealand's primary sector export revenue). The New Zealand meat industry earned \$5.5 billion in export revenue in the year ended May 2008.
2. MIA member companies operate approximately 80 processing plants dispersed throughout the country. The plants slaughter and process approximately 27 million lambs, 5.1 million sheep and 3.7 million cattle and calves each year. Ninety percent of this production is processed into value-added products. Approximately 1,200,000 tonnes or 86% of the production is exported to overseas destinations. Our affiliate members add to the depth of expertise available from the membership, with representation throughout the meat supply chain, including road and rail transport, shipping lines, ports, packaging firms, specialist product exporters, research and technology.
3. The Association advocates on behalf of its members and provides advice on economic, trade policy, market access, employment relations, business compliance costs and technical and regulatory issues facing the industry, with a particular focus on:
 - Food safety trends and developments in importing countries
 - Economic and trade aspects of market access to key overseas markets
 - Major public policy proposals that could impact on industry operations
4. The MIA is also the interface between the meat industry and government (i.e., it is the consultative body referred to in various New Zealand statutes, such as the Meat Board Act 2004, Meat Act 1981 and the Animal Products Act 1999).
5. The Association's mission is to:
 - Provide a forum for consideration of industry-wide commercial, human resource, marketing, and sanitary and zoosanitary issues; and
 - Provide the means of formulating a collective view on issues of industry wide interest, and of conveying that position to government, departments of state, trade bodies, and other appropriate external agencies and organisations.
6. A list of Association members is attached as Appendix 1.
7. The **Renderers Group** is a semi-autonomous committee of the Meat Industry Association. Membership consists of members of the MIA, together with 13 active members that are independent processors or otherwise have a substantial investment or activity in the rendering industry, and 14 associate members. The associates include storage operators and exporting agents.
8. The Renderers Group operates approximately 35 rendering premises dispersed throughout the country. The premises produce approximately 140,000 tonnes of tallow (85% exported) and 200,000 tonnes of meat and bone meal from 700,000 tonnes of raw material.

9. The Rendering industry provides an essential service to the NZ agricultural sector by providing an efficient means for the disposal of meat processing waste and dead animals thus minimising the impact on the environment and any biosecurity risk.
10. A list of Renderers Association members is attached as Appendix 2.

II: Background

11. This submission is in response to MAF Biosecurity New Zealand Discussion Paper No: 2008/03: Proposed Changes to Ruminant Protein Regulations –July 2008
12. In developing the submission all MIA members, affiliate members, renderer members and associates were consulted and asked for input, although individual members may also make their own submissions specific to the view of their operations.

III: Executive Summary

13. The Meat Industry Association and the Renderers Group (“The Meat Industry”) strongly supports the need to provide risk mitigation measures against TSE’s of livestock, as required to protect New Zealand’s BSE–free status and preserve market access.
14. The Meat Industry supports the proposed changes ‘in-principle’.
15. The Meat Industry makes recommendations on the selection and the cost recovery of auditors.
16. The Meat Industry recommends that the regulated labelling be “Notice: *This product may contain ruminant protein*”.
17. The Renderers Group notes that New Zealand fish meal is subject to a discount in the international market due to New Zealand’s ruminant protein labelling and proposes options are explored to minimise this discount.

IV: Submission

18. The Meat Industry Association and the Renderers Group (“The Meat Industry”) strongly supports the need to provide risk mitigation measures against TSE’s of livestock, as required to protect New Zealand’s BSE–free status and preserve market access.
19. The Meat Industry agrees with the proposed change, to specify in the regulations that feed for ruminants must be produced on dedicated equipment that has no contact with ruminant protein at any point in the feed production process.
20. The Meat Industry submits that this requirement is essential to ensure that New Zealand retains its status as being recognised by the World Organisation for Animal Health (OIE) as ‘negligible risk’ and also to meet the obligations imposed on us by our trading partners.
21. The Meat Industry submits that any changes to the appointment of auditors for Ruminant Protein Control Programmes (RPCP) must allow for RPCP operators to select auditors on a contestable basis.

22. The Meat Industry submits that if NZFSA Verification Agency staff (from a premises with full time veterinary presence) are the accredited person used in auditing the RPCP, that the premises from which the accredited persons are based do not receive any charges for the time taken to carry out the audit. This includes overhead costs as well as on-site and off-site time.
23. The Meat Industry supports the changes to the definitions of "ruminants" and "operator".
24. The Meat Industry understands and supports the need to change the regulated labelling but does not support the proposed wording.
25. The Meat Industry submits that the sentence "*This product contains ruminant protein*" be replaced with "*This product may contain ruminant protein*".
26. The labelling proposed in the discussion document infers that the product does contain ruminant protein (which it may not) and thus contravenes truth of labelling requirements.
27. The Renderers Group (RG) note that New Zealand fish meal is subject to a significant discount (up to 20%) in the international market place against fish meal supplied by competitor countries. This is more predominant where the end use of the fish meal is as a feed for aquaculture. A reason given for applying the discount is that the regulatory labelling "Not to be fed to cattle, sheep, deer, alpacas and goats or other ruminant animals" gives the perception that the product is of inferior quality.
28. The proposed changes to the labelling requirements, especially the requirement that, "the notice advising the product contains ruminant protein must be the first thing people see", needs further consideration in relation to products destined for non-ruminant feed in overseas markets.
29. The Renderers Group propose that MAF Biosecurity NZ and NZFSA meet with the RG at their next meeting on 25 November 2008, to discuss New Zealand's regulatory obligations in export labelling requirements in the context of ruminant protein and explore options to minimise commercial impacts.

V: Recommendations

30. The Meat Industry recommends that:
 - i. The appointment of auditors for Ruminant Protein Control Programmes (RPCP) must allow for RPCP operators to select auditors on a contestable basis.
 - ii. Where NZFSA Verification Agency staff (from premises with full time veterinary presence) are the accredited person used in auditing RPCP's, that the premises from which the accredited persons are based do not receive charges for the time taken to carry out the audit.
 - iii. The proposed regulated labelling be "Notice: *This product may contain ruminant protein*".
 - iv. MAF Biosecurity NZ and NZFSA meet with the Renderers Group to discuss New Zealand's regulatory obligations in export labelling requirements with the aim of minimising commercial impacts.

VI: Concluding Remarks

31. The Meat Industry strongly supports the need to provide risk mitigation measures against TSE's of livestock, as required to protect New Zealand's BSE-free status and preserve market access.
32. The Meat Industry supports the proposed changes 'in-principle' and provides some recommendations on operational detail.
33. The Meat Industry recommends further discussion between MAF Biosecurity NZ, NZFSA and the Renderers Group of the Meat Industry Association at their next meeting on 25 November 2008.

VII: Contact Details

34. For any queries relating to this submission and the Renderers Group meeting, please contact Kevin Cresswell at e-mail Kevin.Cresswell@mia.co.nz or DDI (04) 495 8377.

Meat Industry Association of New Zealand (Inc)
30 October 2008

VIII: Appendix 1: Association Members and Affiliate Members as at 1 September 2008

Members
Advance Marketing Ltd
AFFCO New Zealand Ltd
Alliance Group Ltd
ANZCO Foods Ltd
ANZCO Green Island Ltd (ANZCO group)
ANZPAC Foods Ltd
APJ Meats Ltd
Auckland Meat Processors Ltd
Ballande New Zealand Ltd
Bernard Matthews New Zealand Ltd
Blue Sky Meats (NZ) Ltd
Canterbury Meat Packers Ltd (ANZCO group)
Columbia Exports Ltd
Crown Marketing Ltd (ANZCO group)
Crusader Meats New Zealand Ltd
Davmet New Zealand Ltd
Fern Ridge Ltd
Frasertown Meat Company Ltd
Garra International Ltd
Greenlea Premier Meats Ltd
Harrier Exports Ltd
Horizon Meats New Zealand Ltd (wholly owned subsidiary of Blue Sky Meats (NZ) Ltd)
Lamb Packers Feilding Ltd (wholly owned subsidiary of Bernard Matthews NZ Ltd)
Land Meat (NZ) Ltd (AFFCO group)
Lanexco Ltd
Lean Meats Oamaru Ltd
Lowe Corporation Ltd
Mathias International (Mathias Meats NZ Ltd)
New Zealand By-Products
Pilot (NZ) Ltd
Progressive Gisborne Ltd (wholly owned subsidiary of Bernard Matthews NZ Ltd)
Progressive Meats Ltd
Riverlands Ltd (ANZCO group)
Silver Fern Farms Limited (previously PPCS LTD)
South Pacific Meats Ltd (AFFCO group)
South Pacific Meats - Malvern (AFFCO group)
Tara Exports Ltd
Taylor Preston Ltd
Te Kuiti Meat Processors Ltd
Towers Thompson (New Zealand) Ltd
Universal Beef Packers Ltd (UBP)
Wallace Corporation Ltd

Affiliate Members
AgResearch-MIRINZ Centre
Aon New Zealand Limited
Axis Intermodal (Ports of Auckland Ltd)
CentrePort Wellington
DeLaval Cleaning Solutions
Energy for Industry (ex Meridian Solutions)
GHD International
Hamburg-Sud New Zealand Ltd
Hapag-Lloyd (New Zealand) Ltd
Intralox Ltd
Maersk New Zealand Ltd
Millers Mechanical NZ Ltd
NZI Marine
Oceanic Navigation Ltd
Port of Napier
Port Otago Ltd
Port Taranaki Ltd (previously Westgate Transport Ltd)
Sealed Air (New Zealand), Cryovac Division
Vero Marine Insurance

IX: Appendix 2: Members of the NZ Renderers Group of the MIA

Members
MIA Members –as listed in Appendix One
Bakels Edible Oils (NZ) Ltd
CTG Rendered Products
Gardner Smith NZ Ltd
Hawkes Bay Protein Ltd
Kakariki Proteins Ltd
Keep It Clean Ltd
Levin Meats Ltd
Prime Range Meats Ltd
PVL Proteins Ltd
SBT Group
South Canterbury Byproducts Co
Taranaki Abattoir
Tegel Foods Ltd
Tradeskins (NZ) Ltd
Associate Members
A & S Thai Works Co Ltd
Alfa Laval New Zealand Ltd
Argent Energy
Bangma Marketing
Chemiplas
Flo Dry Engineering
Green Island NZ
G-Tech Separation-Bellmor Engineering
Kemin Industries (NZ) Ltd
Liquistore
Mars Pet Care
Napier Engineering and Contracting
Pacific Terminals
Pinches Industries NZ
Rendertech
Transpacific
Westfalia Separator NZ Ltd
Ziwi Peak (Wilderness Foods)