



30 April 2008

Project Officer  
Chemicals & Plastics Regulation Study  
Productivity Commission  
LB2 Collins Street East  
MELBOURNE VIC 8003

Dear sir,

### **Chemicals & Plastics Regulation**

#### **Draft Research Report**

This is to provide some comment on the discussion of maximum residue limits in the food safety section of the draft research report, in particular Recommendation 5.9.

The Food & Beverage Importers Association (FBIA) is an industry association that represents importers of food and beverages, both retail ready and ingredients for further processing, into Australia.

Draft Recommendation 5.9 provides as follows:

*Maximum residue limits set by the APVMA, which take account of dietary impacts using methods agreed with Food Standards Australia New Zealand (FSANZ) and the Australian Government Department of Health and Ageing, should be automatically incorporated into the Australia New Zealand Food Standards Code. Any decision to the contrary by FSANZ and the Australia and New Zealand Food Regulation Ministerial Council should be based on a cost-benefit analysis and be reported publicly.*

We appreciate the objective of the draft recommendation is to simplify the regulatory process but would like to point out that the recommendation does not take into account the fact that the FSANZ round of public consultation is the only opportunity for importers to have input into the setting of residue standards. The implementation of this draft recommendation would effectively preclude importers from commenting on a change in the Australia New Zealand Food Standards Code that may apply to their imports.

**Food & Beverage Importers Association**

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It is critical for importers to have an opportunity to comment on proposed changes to MRLs, because, just the same as domestic foods, imported foods must comply with the MRLs set out in the Australia New Zealand Food Standards Code (see Standard 1.4.2 – Maximum Residue Limits). If a MRL is not set for a particular pesticide/commodity combination, then no trace of that pesticide is permitted in that commodity. The detection of any non-permitted residue, even at very low or trace levels, will result in imports being denied access to the Australian market. Indeed, one of the regular analytical tests required by the Australian Quarantine & Inspection Service under the Imported Food Program is a pesticides and veterinary chemicals screen to check for compliance with prescribed maximum limits and products with levels that do not comply with those limits are failed.

Under the current method for amending food standards, FSANZ engages in a round of public consultation before adding, varying or deleting a maximum residue limit. This is the only opportunity importers have to comment on a proposed variation as the APVMA concerns relate solely to agricultural use in Australia.

This opportunity is particularly important where it is proposed to delete a MRL because a particular chemical is no longer being used in Australia on a particular commodity. That particular chemical/commodity may be permitted in an overseas country. If the deletion occurs, then the imported product that did comply with the Food Standards Code would no longer comply, simply because the chemical was no longer registered for that use in Australia, and even though the product did not pose any risk to public health.

This situation is not theoretical, but very real. For example, the APVMA has recently deleted the use of endosulfan in relation to tea, but endosulfan is used in overseas tea-producing countries. FSANZ's public consultation process has allowed importers to request that the MRL be retained as there are legitimate overseas uses of the chemical in relation to tea. It is therefore critical that importers continue to have the opportunity to comment on proposed amendments to Standard 1.4.2 – Maximum Residue Limits and that deletions are not automatically incorporated into that standard.

One other matter relating to residues that might assist in simplifying the regulatory process would be for the adoption of Codex MRLs by Australia. Those MRLs are developed on the basis of same principles used by Australia in developing MRLs and are primarily concerned with the protection of consumers. To ensure that a Codex MRL was appropriate for Australia, it would be in order for FSANZ to conduct a dietary exposure assessment before that MRL was incorporated into the Food Standards Code.



If you have any questions on these comments, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink that reads "A J Beaver". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

A J Beaver  
Food & Beverage Importers Association