

Scanning the Horizons

Quarterly Update

2022 WRAP UP

As this year draws to a close, it is time to reflect on some of the changes that have happened this year in food regulation. Food health ratings and clear labelling requirements have been two key global food regulator topics this year. For New Zealand food exporters, registration of food manufacturing facilities has rounded out the year with China's requirements coming into force in January and India announcing that their facility registration requirements will come into force in February 2023. Look out for more, not less, regulatory standards in the new year. So, take time to rest up for what is shaping to be another busy year ahead.

Ngā mihi o te Kirihimete
me te Tau Hau



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REGULATORY CHANGES IN 2022

EUROPEAN UNION: The EU Court of Justice has annulled a previous European Commission ruling on Titanium Dioxide as a carcinogenic substance by inhalation in certain powder forms¹. This ruling was made in 2019 after the French competent authority submitted a proposal to the ECHA to classify titanium dioxide as a carcinogen. In separate EU regulation, titanium dioxide is prohibited as a food additive (E171) so the annulment does not have a direct impact on this current ban. However, given the continued widespread permitted use as a food additive internationally, watch this space for potential future updates about the permitted use of E171 in foods in the EU.

INDIA: There has been a wide range of food regulation updates in India this year. Some of the notable ones are that it is now possible to rectify labelling non-compliances at a bonded warehouse at the Indian border². Authorised officers are required to verify label compliance before the products are released for sale. Other changes include registration of foreign manufacturing facilities for certain food products including dairy and infant food³, food labelling, infant nutrition standards, and proposed health rating system for packaged foods⁴.

JAPAN: Updates this year include tighter controls for labelling of genetically modified foods⁵, implementation of country of origin labelling of main ingredients for domestically produced products⁶, and revisions to health food regulations including the addition of permitted claims such as improving natural immunity, enhancing natural healing ability, and anti-aging⁷.

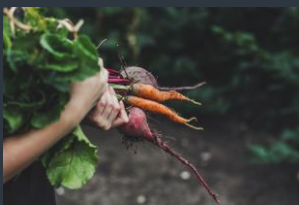
CHINA: Continual updates of a raft of GB standards happened this year. Some of the most notable ones are food additive safety standards, maximum limits for contaminants in foods, beverage standards, dairy product standards, and updates to the Cross Border E-Commerce (CBEC) positive list. Decree 248 came into force at the beginning of the year⁸ which required overseas manufacturers of foods within the scope of the decree to be registered with China's General Administration of Customs (GACC). Depending on the type of food, registration is via MPI recommendation or self-registration directly with GACC. It is important to check how this may impact manufacturing facility choices when developing new food products for China.

Regulatory Trends

Access to stable and safe food supply has been the primary focus for food regulators this year. All signs point to the fact that this will continue in 2023. Safety is regulated in the form of assurances around manufacturing practices and compliance with maximum residue and contaminant levels.

Innovation continues to challenge food regulations with the use of new manufacturing technologies, alternative sources for popular foods, and exciting scientific research into how foods impact our health.

Health ratings are featuring strongly in regulatory updates with a particular focus on beverages. This is also reflected in changing consumer preferences towards healthier alternatives especially for snack foods.



REGULATORY CHANGES IN 2022

THAILAND: The Thai FDA published new requirements for certain food types to be manufactured according to Good Manufacturing Practice (GMP)⁹. There are 66 food types listed and includes foods for infants and young children, electrolyte drinks, foods/beverages in sealed containers, and foods containing aloe vera. As part of this GMP regulation, the Thai FDA requires a food product registration certificate. For NZ businesses this is obtained through MPI, and the application process varies depending on whether it involves animal or non-animal derived foods.

The Thai government has also published some major amendments to the existing food regulations¹⁰. One of the most notable proposed amendments is revision to the food advertisement requirements. The proposal will require Thai FDA approval for all advertisements related to nutritional value, qualities, and characteristics of food regardless of advertising channel. There is also clarification of prohibited claims through inclusion of a list of forbidden advertising content.

AUSTRALIA / NEW ZEALAND: FSANZ has approved changes to Standard 2.6.2 for electrolyte drinks¹¹. Notable changes include 'electrolyte drink' becoming a prescribed name with an amended definition to align more closely with compositional requirements. The maximum fructose content will be limited to 50% of the total amount of carbohydrate. Health claims including self-substantiated health claims are prohibited except for the 3 existing pre-approved health claims on electrolyte drinks. Nutrient content claims are also limited to specific nutrients.

SINGAPORE: Amendments have been made to delete 59 standards of identity for products that do not pose a high food safety risk¹². This covers a range of flours, breads, oils, and spices. The aim is to increase innovation in these categories as products will no longer have to comply with a fixed standard of identity. There is a second phase to these amendments tentatively proposed for 2023. Phase 2 proposes to delete all remaining standards of identity once the Singapore Food Agency (SFA) has developed a food category system¹². Other applicable standards such as CODEX commodity standards and standards of identity in the country of origin for imported products will still be considered.

The SFA has also reviewed Insect Regulations with the aim to permit import and sale of insects for human consumption – an activity which is currently prohibited¹⁴. Proposed regulations include identifying insect species that are safe for consumption and placing controls on potential diseases and contaminants. Imports will require certification from the competent authority of the exporting country both to verify that production is manufactured in a controlled premises, and to verify particulars for each consignment such as insects are not harvested from the wild. Ready to eat foods containing insect products e.g. protein bar with insect powder, must be able to show the product has been sufficiently treated to kill pathogens prior to consumption. The proposed regulations are currently available for consultation.

QUARTERLY FOCUS: LOOKING AT EXPORTING

Ingredients

Labelling

Manufacturer

Documentation

Registration

Exporting food and beverage products from New Zealand requires consideration of both domestic and export market regulations. Ministry for Primary Industries (MPI) is responsible for helping exporters meet domestic and international standards. A key point to remember is that foods must meet the requirements of New Zealand food regulations as well as the requirements of the destination market.

INGREDIENTS: Depending on the complexity of the formulation, checking ingredients can be a simple or in-depth process. It is quite common for there to be differences in ingredient permissions between different countries. Especially with respect to permitted food additives, processing aids or novel foods. A complete formulation review for both New Zealand and the destination market(s) is a priority when assessing export opportunities. There are standing MPI exemptions in place for a variety of products and ingredients, for example Formulated Supplementary Foods for Young Children. These allow products manufactured in New Zealand to access international markets despite differences in permitted ingredient levels.

LABELLING: There are numerous differences between domestic and export market regulations. The most common differences such as language and nutrition information panels are often accounted for in existing exemption notices. Other more detailed differences such as different permitted food health claims may require further engagement with MPI to ensure that the exporter is meeting all possible requirements. If the same label is being used in both New Zealand and the destination market, it must accommodate all mandatory labelling requirements for both markets on the label.

MANUFACTURER: Verify that the food manufacturing facility has the correct program in place for the type of food product being manufactured – Food Control Plan, National Program or Risk Management Program (animal products). Note that food exporters must also operate under one of these programs.

DOCUMENTATION: Often there are various documentation requirements to facilitate market access when exporting food products. These can include export certificates (official assurances), free sale certificates (FSC), and free sales

statements (FSS). It is important that all requirements are met for MPI to be able to issue any of these documents. Check Overseas Market Access Requirements (OMARs), Importing Country Phytosanitary Requirements (ICPRs), and For Your Information (FYI) documents for information and guidance on specific export market requirements.

EXPORTER REGISTRATION:

Companies exporting foods containing animal products including meat, dairy and honey must register as an exporter with MPI. The type of animal product will determine the information that must be submitted with the registration. Exporters of on-animal food products are not required to register.

E-COMMERCE CONSIDERATIONS:

Selling internationally via e-commerce does not exempt exporters from complying with requirements. Products being exported through e-commerce channels (brand websites, online marketplaces, and apps) must still meet both New Zealand and applicable export market regulations. In some cases, products such as honey still require export certification which also requires registration as an exporter.

What to Watch and Read?

Key HVN webinars and resources are available now to watch and read.

[*HVN Highlights: A Year in Review June 2021 – July 2022*](#)

[*HVN Regulatory Resources*](#)

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Smart Regulatory Solutions