

15 May 2009

New Zealand Food Safety Authority submission on food regulation to the Productivity Commission

Thank you for the opportunity to comment on the Issues paper developed by the Productivity Commission.

This submission provides some background information on the New Zealand Food Safety Authority (NZFSA) including its role, structure, core operating principles, relationships with both Australia and other countries, and the regulatory environment in New Zealand including imports and exports. The submission addresses the sixteen issues outlined in the Issues paper.

The role of NZFSA, Public Health Units and Territorial Authorities

NZFSA

NZFSA is responsible for New Zealand's food policy and regulation in the domestic, import and export sectors. The role and functions of NZFSA have been broadly specified as follows.

NZFSA's mandate is to protect consumers by providing an effective food regulatory programme covering food produced and consumed in New Zealand as well as imports and exports of food products.

In delivering this mandate, NZFSA is to:

- engender high levels of trust and confidence in the New Zealand regulatory programme covering food and related products both domestically and internationally;
- base risk management decisions designed to protect consumers on sound science and an evidence base, applying precaution when faced with scientific uncertainty;
- apply the principles of openness and transparency;
- engage with stakeholders including consumers and industry sectors;
- minimise the costs of regulatory actions/interventions, recognising the economic benefits to domestic and export food businesses and the flow-on effects in consumer food prices;
- communicate food risks, hygienic practices and nutritional information as far as these are known and relevant to the food supply and consumer behaviour;
- recognise that there are New Zealand customs and practices that involve the non-commercial hunting, gathering and/or preparation of food where the public does not expect regulatory intervention;
- utilise any capacity to improve business opportunities for domestic and export focussed food industries;
- maintain the integrity of official assurances provided to importing countries' governments; and

- work at the multilateral and bilateral level to ensure neither international standards nor importing country standards pose unjustified 'technical barriers' to trade.

In pursuing this mandate the overriding priority will always be to protect consumers.

NZFSA is the central government agency with overall management responsibility for the food safety system. Regulatory control of food safety and suitability in New Zealand is, however, spread across three levels:

- central Government through NZFSA;
- regionally through 12 Public Health Units (in District Health Boards); and
- locally through 73 Territorial Authorities.

Public Health Units

Public Health Units contribute to the administration of the food safety regime in a number of areas, including consideration of food safety programmes, recalls, investigations, inspection of certain types of food businesses (on contract to other agencies), and inspections of imported food. This is managed by contract between NZFSA and Public Health Units.

Territorial Authorities

Territorial Authorities currently implement the Food Hygiene Regulations 1974 with limited assistance from central government. Efforts to make the system work and frustrations with problems have largely been worked out at a local level. When initiatives have been taken by individual Territorial Authorities, the benefits have been limited to the particular Territorial Authority. Increasingly Territorial Authorities are working more closely with central government to implement, voluntarily, new food regulatory arrangements that are more risk-based and practical. This approach is predicated on Territorial Authorities working collectively and collaboratively through cluster groups of geographically close Territorial Authorities and with NZFSA as a lead and central coordinating agency.

NZFSA's structure

NZFSA has been a stand-alone public service department since 1 July 2007. From July 2002-2007, NZFSA operated as a semi autonomous body attached to the New Zealand Ministry of Agriculture and Forestry (MAF). NZFSA is made up of several business groups under the leadership of the Chief Executive, Andrew McKenzie. These are the: Policy Group, Science Group, Standards Group, Market Access Group, Agricultural Compounds and Veterinary Medicines (ACVM) and Approvals Group, Compliance and Investigation Group, NZFSA Verification Agency (NZFSA VA), Finance Group, and the Communications Group.

Verification

The former MAF Verification Agency formally joined NZFSA on 1 July 2004, becoming the NZFSA VA.

NZFSA VA audits the risk management programmes of food producers and processors, and provides export certification for a wide range of industry sectors such as meat, game, honey and seafood covering around 1200 programme registrants.

The agency is an operational business with an annual turnover of about \$34 million, all of which is recovered from industry. Some 210 of the 280 staff are veterinarians. They are stationed at 80 locations throughout New Zealand, including all export meat processing premises. Circuit staff cover smaller processing operations that have no permanent presence.

NZFSA's core operating principles

NZFSA's core operating principles are based on the regulatory model (the model), principles developed through the Domestic Food Review (DFR), cost recovery and NZFSA's Strategic Direction.

Regulatory Model

Figure 1 - The New Zealand Food Safety Regulatory Model



The Model encompasses of three participants: the regulator, the verifier and the industry operator. Each participant is represented by a tier in the Model. The three participants assume complementary roles and responsibilities which, when combined, enable the Model to function as a robust and effective tool to protect and enhance New Zealand's position as a trusted supplier of safe, "fit for purpose" and truthfully labelled food for domestic and international consumers.

The Model is consistently applied across all sectors of the food industry, regardless of whether products are sold domestically or exported. The Model is relevant to products which pose both lower and higher risks to public health.

Principles underpinning regulatory decisions and controls imposed

The regulatory systems and measures applying to domestic food underwent a significant review in 2002.

Seven Policy Principles were developed as the foundation for all aspects of the DFR, and to underpin decisions both on whether to regulate and on the form of any control. These principles have guided NZFSA's consideration of everything arising in the Review and the response to submissions. The Principles are:

Policy Principle 1: Government involvement and compliance costs imposed on the food sector will be minimised, consistent with government policies and the need for food to be safe and suitable.

Policy Principle 2: New Zealand's food regulatory model will be based on application of the current 'Regulatory Model' (ie, the three-tier model in Figure 1).

Policy Principle 3: Any government involvement and regulatory controls will be risk-based and science-based as far as possible.

Policy Principle 4: 'Persons' will take responsibility for producing safe and suitable food.

Policy Principle 5: Regulatory requirements will be applied consistently and equitably across sectors and groups. (The regulatory response will be used reasonably and fairly when identified as the appropriate option).

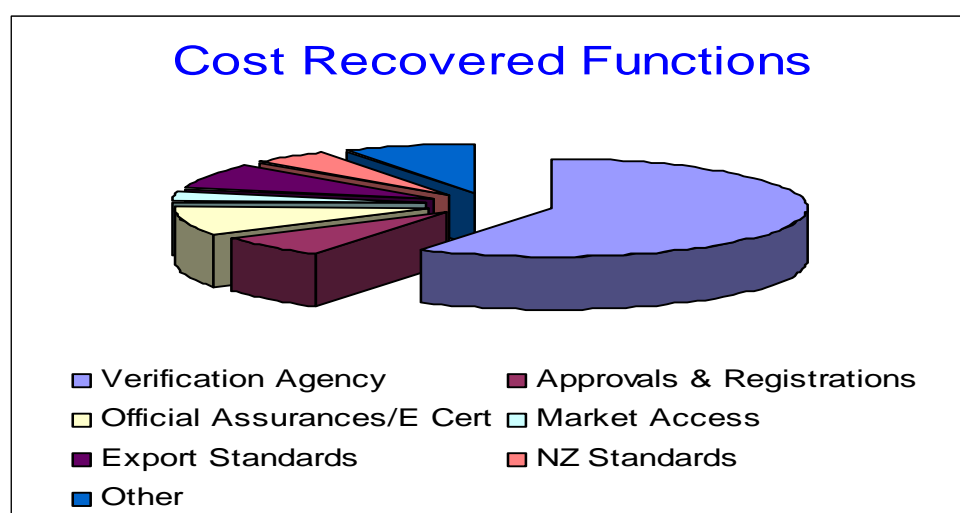
Policy Principle 6: The food regulatory programme will be seamless and coherent.

Policy Principle 7: Trade and commerce in food and associated products will be facilitated.

Cost recovery

Background

In 2008/09, Vote Food Safety was appropriated \$99.6 million. Of the appropriation, Crown revenue is \$36.1 million (36 percent) and the remaining 63.5 million (64 percent) is other revenue, mostly cost recovered from industry.



Of the cost recovered functions the largest proportion (\$45 million) comes from verification functions provided to animal products sectors. The "other" category includes compliance functions, the organic official assurance programme, services

provided to the plants sector, and agricultural compounds and veterinary medicine services.

NZFSA Cost Recovery Framework

The framework¹ that NZFSA uses for cost recovery is based on the government guidelines and high level principles set out in the Treasury's 'Guidelines for Setting Charges in the Public Sector'² and the Audit Office's 'Guidelines on Costing and Charging for Public Sector Goods and Services'³. The framework also takes into account constitutional principles as set out in Parliament's Standing Orders and guidance received from reports of the Regulations Review Committee.

Application of NZFSA's Cost Recovery Framework

Following the government guidelines mentioned above, NZFSA has classified its functions/activities as public, private or club/industry goods. The table below describes NZFSA's functions/activities relative to the type of good they provide.

Enforcement, policy advice, event and emergency response, multilateral standards, and Trans Tasman Relationships are fully Crown funded. This is because they are considered a public good or have public good characteristics.

Function	Type of Good
Enforcement	Public
Policy Advice	Public
Event/Emergency Response	Public
Multilateral Standards	Public
Trans Tasman Relationships (FSANZ)	Public
Issuing official assurances (export certificates)	Private
Approvals and registrations	Private
Verification	Private
Setting of New Zealand standards and systems	Club/Industry
Setting of Export Standards	Club/Industry
Market Access	Club/Industry
Compliance, covering: Monitoring and audit Investigations	Club/Industry

Other functions are subject to cost recovery. The use of approvals, registrations, verification, and official assurances are excludable and rival (their use by one person does not detract from their use by another), and benefits can be directly attributed to those persons requiring the particular function. Those functions are considered private goods. Treasury and the Audit Office guidelines suggest that the costs of providing private goods should be recovered from the users and beneficiaries of those functions.

Developing and establishing New Zealand standards and systems, export standards, market access and undertaking compliance functions are considered industry or club goods. A club good has some characteristics of a public good, in that its use by one person does not detract from its use by another, but people can either be excluded from the benefits of the good at low cost, or the beneficiaries are a narrow identifiable

¹ <http://www.nzfsa.govt.nz/policy-law/publications/reports/cost-recovery/index.htm>

² <http://www.treasury.govt.nz/publications/guidance/finmgmt-reporting/charges>

³ <http://www.oag.govt.nz/2008/charging-fees>

group. Treasury and Audit office guidelines suggest club goods should be funded by the identified group of users or beneficiaries.

Strategic Plan

NZFSA's Strategic Direction is based on the following three major outcomes that the Authority needs to focus on to achieve its mission.

- **Outcome 1 – Improved safety and suitability of food** i.e. protecting consumers from risks in our food supply'.
- **Outcome 2 – Effective government role in facilitating commerce and market access** i.e. a world class responsive and cost effective regulatory framework facilitates the uptake of opportunities for business.
- **Outcome 3 – Consumer food practices and choices that support better health** i.e. all New Zealanders practice safe food handling and choose food that leads to better health.

In working toward these outcomes, NZFSA must take account of the potential influence of a range of factors in the New Zealand environment and globally. These include:

- new and emerging food related risks;
- a tight world economic environment;
- heightened expectations for efficient regulation;
- New Zealanders' high rate of gastrointestinal illness;
- the continuing high prevalence of nutrition related diseases;
- consumer concerns and media coverage of events; and
- a constantly changing global trading environment.

Relationship with Australia

New Zealand and Australia share a strong relationship enhanced by a number of bilateral treaties and agreements. The Australia New Zealand Closer Economic Relations Free Trade Agreement (CER) is the overarching Agreement. Enhancing this Agreement are bilateral treaties and arrangements including the Trans-Tasman Mutual Recognition Arrangement (TTMRA) and the Agreement between the Government of Australia and the Government of New Zealand concerning a joint food standards system (the Food Treaty).

An Australia and New Zealand Food Regulation Ministerial Council, supported by officials committees such as the Food Regulation Standing Committee (FRSC), and the Implementation-Sub-Committee (ISC), provides oversight of the system and policy guideline to the standards setter, Food Standards Australia New Zealand (FSANZ). FRSC advises Ministers on policy matters and ISC develops and oversees a consistent approach across jurisdictions to the implementation and enforcement of food regulation. FSANZ is funded by New Zealand and the Australian Government. New Zealand participates at all levels of the joint food standards system.

In addition to the working relationship established under the Food Treaty, NZFSA and the New South Wales Food Authority (NSWFA) signed a Memorandum of

Understanding in September 2006, to boost cooperation on a range of food safety and regulatory issues. Areas of collaboration include policy development, standards and systems, incident response, science, communications, local government operations, and compliance and enforcement. It provides not only for the sharing of information but also the generation of information to the mutual benefit of both agencies.

Other international relationships

NZFSA represents New Zealand, singly and with other New Zealand government departments, at various international food safety fora which play a key role in developing food safety standards. The principal areas of representation include the following international bodies:

- Codex Alimentarius Commission (CAC);
- World Trade Organisation (WTO) Sanitary and Phytosanitary (SPS) Agreement Committee; and
- World Organisation for Animal Health (OIE).

Regulatory environment

Food-related legislation in New Zealand has two main aims – to protect public health and safety and facilitate commerce and trade including access to overseas markets.

NZFSA administers legislation covering:

- food for sale in New Zealand and imported food (the Food Act 1981 (Food Act) and Food Hygiene Regulations 1974 (made pursuant to the Health Act 1956 and the Food Act). These are currently under review with the prospect that they may be replaced by a new Food Act – refer 'Update on the Domestic Food Review' below;
- primary and secondary processing of animal products and the systems, standards and official assurances related to their export (the Animal Products Act 1999, (APA));
- controls surrounding registration and use of agricultural compounds and veterinary medicines and the import of animal feed (ACVM Act 1997 (ACVM)); and
- the production and export of wine (the Wine Act 2003 (Wine Act) and New Zealand Grape Wine Export Eligibility Requirements).

There is no specific legislation covering the production or export of plant or organic products although the processing of plant products tends to be covered by the Food Act 1981. NZFSA also developed the Official Organic Assurance Programme and provides human health assurances for the export of plant products.

Standards

NZFSA is responsible for issuing the following two types of food standards:

- New Zealand-only food standards under Section 11C of the Food Act (for example, maximum residue limits) that set the minimum requirements for the quality and safety of food for sale; and

- joint food standards covering food labelling and composition standards developed by FSANZ for both New Zealand and Australia. Not all aspects of the joint food standards system apply to New Zealand. The aspects that do not apply are sections of Chapter 1 (such as country of origin labelling and maximum residue limits (MRLs)) and Chapters 3 (food hygiene) and 4 (standards dealing with primary production and processing).

Private and independent standards

NZFSA does not have a role in administering private or independent standards that may apply to various New Zealand food businesses. Private or independent standards are the terms commonly used to refer to the range of commercial or quality requirements imposed on food producers, processors and manufacturers as a condition of sale. Such standards often cover aspects unrelated, or not directly related, to food safety, focusing instead on priorities such as quality targets, environmental or animal welfare, labour practices, or delivery volumes. Where food safety requirements are included in private sector standards, they may not be proportionate to any food safety risk the product may actually pose, or may not be equivalent to requirements set under regulatory standards. The lack of equivalence between government and private food safety standards can present a burdensome array of duplicative verification checks by multiple agents.

Update on the Domestic Food Review

The Government of New Zealand is currently considering options to improve the existing regulatory food regime and is working through the recent DFR and the resulting proposal for a new food regulatory regime. The DFR is being considered as part of the Government's recently initiated 2009 Regulatory Reform Programme. The intent of the Regulatory Reform Programme is to look at ways of reducing regulatory burdens. It is anticipated that the Government will make a decision by late July 2009 on how it wishes to proceed.

The regulatory impact assessment for the Food Bill will be released as soon as it is available. A high level regulatory impact assessment of the DFR proposals was included in DFR Position paper. The Position paper was consulted on in February 2006 and is available on the NZFSA website www.nzfsa.govt.nz.

Why the Voluntary Implementation Programme has been developed

Pending progress with the Food Bill, NZFSA has made a decision to prepare a Voluntary Implementation Programme (VIP) to build on the momentum of the DFR and implementation work completed thus far. The intention is to proceed as far as possible with implementation of the DFR using the current legislative base, i.e. the provisions of the current Food Act. VIP will be a broad based package of various aspects of the proposed new domestic food regime, including the implementation of the off-the-peg Food Control Plans as Food Safety Programmes for some of the sectors identified for early transition in the new regime.

VIP is seen to be an education opportunity for Territorial Authorities, Public Health Units, NZFSA and food businesses that choose to participate. The requirements of the VIP are in line with the proposed requirements of the new domestic food regime. VIP provides an opportunity to trial aspects of the domestic food regime from which lessons on implementation will be learned and incorporated into full implementation.

Since commencement in August 2008, the programme has attracted almost universal (68 out of 73) uptake by Territorial Authorities and nearly 500 food business participants.

Food Imported into New Zealand for Sale

NZFSA has responsibility for managing the food safety risks associated with imported foods. All food imported into New Zealand for sale must comply with the Food Act (or ACVM if relevant) and associated requirements including:

- Emergency Food Standards and the New Zealand (Prescribed Foods) Food Standards 2002;
- the Food (Importer Listing) Standard 2008, and the Food (Importer General Requirements) Standard 2008; and
- labelling and compositional requirements of the joint food standards system.

Exports

NZFSA's export policy platform comprises of New Zealand standards providing the basis for food production in New Zealand irrespective of destination (domestic or export) and export requirements being added to these on a needs basis.

Export certification and official assurances

New Zealand food is exported to some of the world's most demanding markets. Governments in these markets often require government assurances (official assurances) that the animal, dairy or plant products they receive from New Zealand are safe and comply with their standards. As New Zealand's principal regulator of food safety and suitability, NZFSA plays a key role in facilitating food exports through issuing these assurances, and for managing the verification and certification systems which protect the integrity of New Zealand as a trading partner.

NZFSA's Electronic Certification system (E-cert) is used to substantiate the claims made on an official assurance. E-cert allows information relating to an official assurance to be independently verified and for the product status and country eligibility assigned to a product to be traced as ownership of that product changes through the supply chain.

Export certificates are the most common tool used by NZFSA when providing official assurances, with over 200,000 export certificates being issued every year. These certificates contain statements attesting that a particular consignment is fit for a purpose, that it has met the requirements of New Zealand's legislation, as well as any specific requirement of the importing country.

Market Access

NZFSA encourages the competent authorities of all our trading partners to apply science and risk-based approaches to both the development and implementation of their import standards. Based on strategies agreed with the major export sectors, NZFSA negotiates market access conditions and establishes certification requirements that allow New Zealand companies access to importing countries' markets.

Trade Negotiations and Participation in International Forums

New Zealand has a number of Free Trade Agreements (FTAs) and Closer Economic Partnerships (CEPs) that have been implemented or are under development. NZFSA plays a significant role in bilateral negotiations during market access discussions and in the negotiation of SPS chapters of FTAs and CEPs relating to food safety and animal and plant health standards.

Once an FTA and CEP is in force, NZFSA is responsible for implementing any sanitary commitments made under SPS chapters, as well as a range of cooperative, capacity building and technical assistance obligations.

Regulation for the frequency of verification is set at different intervals for different sectors. For example, some sectors may require inspectors 24 hours per day seven days per week (such as on a meat chain). At the other end of the scale some sectors may only require verification on a bi-annual or tri-annual basis. Within the different sectors there is also variation in the frequency intervals of verification determined by the level of performance. The overarching principle is that good performers are verified less often than poor performers. A maximum period of time to which the verification can be moved out is set in the legislation. There is also criteria around the seriousness of the problem with certain problems considered to warrant only the most frequent verification.

Addressing the Issues – as outlined in the Issues Paper

Issue 1— Has the cost of complying with food safety regulation changed significantly since 30 June 2008? If so, please provide details of the changes you have observed (including any factors you consider contributed to the change).

NZFSA has not altered compliance costs significantly since 30 June 2008. Note that local government is presently responsible for setting fees for registration and inspection of businesses that are subject to these in accordance with the Food Hygiene Regulations. There are legitimate considerations for such decisions to be taken locally and the DFR proposes continuation of this. NZFSA is aware that registration fees prescribed by local government for business vary considerably. Some have implemented differential charges based on the achieved level of compliance. Others have mandated particular training requirements for all or some workers within a food business.

Issue 2 — Is there any other regulation related to food safety that should be covered in this benchmarking study? If so, please provide details.

Comments provided on the draft have been taken on board.

Issue 3 — Of those food safety regulations imposing a cost on your business, which do you consider could be improved while still meeting regulatory objectives?

The majority of New Zealand food businesses are regulated by local government under the Food Act regime. DFR if implemented seeks to remedy a number of ills associated with this aged framework. In short it seeks to implement a 21st century framework in a highly cost effective manner. DFR principles are outlined above and in essence propose to ensure that operators can take responsibility for improving food safety and suitability. Moving from 'inspection' of compliance with outmoded regulations to 'verification' that a business is systematically taking responsibility represents a quantum improvement in terms of both the level of assurance provided and of commercial certainty for business operators.

Issue 4 — *In conducting your business, do you face additional costs because of differences in regulations between local councils, or the Australian states and territories, or between Australian jurisdictions and New Zealand? What are those differences and what effect do these differences have on the costs you incur in complying with them? Do these differences create any other issues for your business?*

The TTMRA and Food Treaty both contribute to the single economic market (SEM) agenda and provide a solid platform for alleviating unnecessary costs associated with 'doing business' trans-Tasman. Notwithstanding this, legitimate quarantine/biosecurity restrictions remain which are often misinterpreted as food safety restrictions.

Complex quarantine requirements on food and related products continue to be imposed by the Australian Quarantine and Inspection Service (AQIS), with little justification in terms of animal health outcomes but with significant additional costs of compliance. The lack of trans-Tasman balance and the uncertainties arising from changes in requirements being applied by AQIS without consultation make for a difficult trading environment in an area where – given New Zealand's animal health status – there are few actual risks to Australia's biosecurity.

A considerable work programme of policy and implementation alignment provided for under the Ministerial Council framework will reduce interstate and trans-Tasman cost imposition over time. Specific ISC initiatives include:

- an agreed Australia New Zealand enforcement policy;
- the trial of a model that will see implementation of standards considered during their development;
- the development of performance indicators based on a programme logic approach.

Issue 5 — *What are the main government agencies and regulators with whom you interact regarding food safety matters?*

Refer attached table that outlines the number and type of food businesses and the respective regulator (Annex 1).

Issue 6 — *What government agencies and regulators do you think should be examined in the benchmarking study? Why?*

Not applicable

Issue 7 — *Are there food safety regulation services that have been contracted out to private service providers that should be covered by this study? Why?*

Contracting of food regulation services only occurs in New Zealand at the local government level. Approximately ten Territorial Authorities (out of 73) use either private inspection bodies or contract to other regulatory bodies such as public health units. They do this because in some situations it is more efficient to do so, especially in the case of the smaller Territorial Authorities.

Issue 8 — *Are there any particular aspects of the food production chain on which the Commission should focus its benchmarking of food safety regulations? Why?*

No – although NZFSA would consider the supply of relevant and specific data should the Commission choose to focus on a particular part of the food chain.

Issue 9 — *Food safety regulation may have different impacts on businesses operating in the same industry. For example, certain regulation may impose greater relative costs on a small business compared to a large business. Where a regulation has different impacts on businesses operating in the same industry, please provide details of the specific regulation and the differing impacts it has on business.*

Economies of scale affect all businesses whether that is a commercial matter (for example purchasing power) or a regulated matter (for example administrative capacity). Where there are discernable inequities that can be addressed fairly administrative assistance can be provided. For example, a business operating under the APA can prepare its own Risk Management Programme (RMP). This involves a degree of expertise that a smaller business may not have access to without employing a specialist contractor. To assist small businesses NZFSA prepares templates that can be adapted to a particular business' needs.

Issue 10 — *What is the impact on business of Australian jurisdictions using their discretion in implementing Annex B of the Model Food Act (which relates to the administration and enforcement of food safety regulation)?*

No comment

Issue 11 — *What are the differences in the fees charged to business by regulators? What are the differences in the administrative costs borne by the regulators?*

NZFSA recovers \$63.5 million in fees, charges and levies from businesses. Of this the largest proportion (84%) comes from verification functions provided to animal products sectors, the issue of registrations and approvals and official assurances. Those are considered private goods and are charged to business on an actual use basis, i.e. at the cost of the service provided (time taken plus any disbursements, travel etc). The remaining 16% is for market access and standard setting functions. Generally these costs are recovered by levy based on a businesses production or throughput.

Administrative costs are predicated on the roles of agencies and the relative value food safety regulation is afforded by government and other funders.

Issue 12 — *Which of the indicators in Box 6 are the most relevant to the effectiveness of a food safety regulator? Are there any other measures that would indicate the effectiveness of regulators or the burdens their actions may cause?*

NZFSA is a national regulator and has a much broader role in food safety regulation than that counterparts in Australia perform. There is, therefore, no comparative value either within New Zealand or between New Zealand and Australia for which the indicators in Box 6 could be used.

We suggest instead the use of a program logic approach to generate performance measures around regulatory effectiveness. Logic models have recently been completed for food safety regulatory activities by Queensland Health and New South Wales Food Authority. ISC intends to complete work on developing performance measures based on such an approach by December 2009.

Issue 13 — *The Commission seeks comment from participants on the incidence of non-compliance or partial compliance (by business) with food safety regulation, as well as the incidence of non-enforcement or partial enforcement by regulators.*

Enforcement decisions are prioritised according to health and safety and market access imperatives and the level of criminal activity involved.

In respect of non-compliance the Commission could look at the FSANZ evaluation surveys eg annual surveys that are available on its website <http://www.foodstandards.gov.au>.

Issue 14 — *Among other matters, the Commission is also interested in examples of:*

- *differences in the interpretation of regulatory requirements — by the one regulator (for example, different opinions from inspectors from the same regulator on common issues) or across regulators*
- *the efficacy, consistency, timing and frequency of food safety inspections, and audits of food safety plans and programs*
- *the approach of regulators to enforcement activities.*

It is recommended you seek information on consistent interpretation via the ISC. Patterns relating to inspections are generally determined by the relevant regulator or may be determined by an overseas competent authority, in the case of exported product.

In 2008 ISC developed an Australia New Zealand Enforcement Policy. This is presently being trialed in several states. The trial includes the involvement of local government food regulators.

Issue 15 — *Wherever possible in this study, the Commission will use existing data sources on both the burdens arising from food safety regulations and food safety outcomes. Which existing studies or sources of data would you consider suitable for use in this study?*

In 2005 NZFSA conducted a survey of local government fees and charges. Although a little dated, this information may still provide some illumination as to the variance in fees charged at this level. This is available on the NZFSA website (<http://www.nzfsa.govt.nz>) and was provided at the time of the Commission's visit.

NZFSA is presently generating data to assess the cost of the voluntary implementation programme. This data will be collated and supplied to government mid year.

Issue 16 — *To ensure the study includes the most significant burdens on business, the Commission invites participants to provide details of the 10 obligations arising from food safety regulation that, in their experience, are the most burdensome. The Commission would welcome any information participants can supply on the size/cost of their 'top 10' burdens. Box3 (page 10) provides some examples of the types of burdens businesses may face in complying with food safety regulation.*

Not applicable

Annex 1 – Food business/statute matrix

Statute	Objective of Statute	Sector(s) regulated	Primary Compliance Tool	Usual verifier/inspector	Numbers of Operators (estimated unless stated)
Animal Products Act 1999	Manage risks to human & animal health and to facilitate market access	Primary processors (e.g. meat - slaughter and dressing, dairy – processors incl. dairy farms and egg producers) Secondary processors of animal product may opt for coverage under APA (to facilitate export assurances) or remain within Food Act regime.	Risk management programme	NZFSA Verification Agency for Meat, Seafood and Poultry sectors. Third party verifier (NZFSA approved) for Dairy i.e. Asure Quality	1076 RMPs presently registered
Wine Act 2003	Manage risks to human health and facilitate market access	Wine producers	Wine Standards Management Programme	Third party auditors (NZFSA approved) – 40 presently approved	251 WSMPs registered
Food Act 1981	Not explicitly stated – but consumer protection is implied	Manufacturers, Food Service and Retailers	Two principal options 1) Registration per Food Hygiene Regulations (usual option for most retail and restaurants) 2) Operate a Food Safety programme (option usually taken by manufacturers and 'big retail' NZFSA presently operating a trial involving a templated Food Safety Programme for food service sector	One of 350 (estimate) Environmental Health Officers (from 73 Councils) Third party auditors (40 approx. approved) Audit/verification is undertaken by EHOs that have been trained, assessed and approved by NZFSA (Total of 209 auditors approved including the non Council FSP auditors as above)	25000 2171 FSPs presently registered 350 (and rising - fast).

