

Submission to

**P1027: Managing Low-level Ag & Vet
Chemicals without MRLs**

Food Standards Australia New Zealand

Prepared by Dairy Australia

The Australian Dairy Industry

Dairy Australia welcomes the chance to present this submission in response to P1027: Managing Low-level Ag & Vet Chemicals without MRLs.

Dairy Australia is the dairy industry-owned service company, limited by guarantee, whose members are farmers and industry bodies, including the Australian Dairy Farmers, and the Australian Dairy Products Federation

Australian dairy is a \$13 billion farm, manufacturing and export industry.

Australia's 6400 dairy farmers produce around 9.2 billion litres of milk a year.

The Australian dairy industry directly employs 43,000 Australians on farms and in factories, while more than 100,000 Australians are indirectly employed in related service industries.

Our industry has the potential to grow substantially over the next decade to meet growing domestic and international demand.

Realising this growth potential and expanding the industry's economic, social and environment benefits depends on a positive national and international operating environment.

Our interest in managing low-level agvet chemicals without MRLS

Spray drift, crop rotation or use of packaging material may result in the inadvertent presence of low-level agvet chemicals in food commodities. Such low-level residues may be found in milk, in rare instances where inadvertently contaminated horticultural and cereal crops are fed to dairy cows. Moreover, residue testing techniques mean that lower and lower levels of residues can now be detected—below any level of health and safety concern.

Australia's 'zero tolerance' approach to inadvertent presence of low-level chemical residues in milk and milk products poses a trade risk to the dairy industry among our major trading partners. Where Australia's 'zero tolerance' regime for these residues in domestic and imported foods is not in harmony with importing requirements in major dairy export markets, trade with those countries may be disrupted.

Any reform to Australia's arrangements must enhance our reputation with trading partners and facilitate import/export dairy trade.

Key points

- The current 'zero tolerance' regime for the inadvertent presence of low-level chemical residues in food commodities places an unnecessary burden on industry. The dairy industry supports a science-based approach to relax this regime and reduce trade barriers.
- The dairy industry acknowledges that FSANZ Proposal P1027 aims to overcome regulatory issues associated with low concentrations of 19 pesticides in food that breach the Food Standards Code but are safe for consumers.
- We also note that the approach outlined in P1027 does not duplicate the current MRL harmonization program.
- However, we remain concerned that arrangements proposed in P1027 will not solve the issues described by FSANZ and acknowledged by all stakeholders.
- **In particular, the MRLs for 'All other foods except animal commodities' will not be relevant to milk.** There is therefore no pragmatic step forward in solving issues associated with inadvertent presence of low-level residues in the trade of milk and milk products, as the 'zero tolerance' regime will continue to apply.
- A default MRL should be set to accommodate low-level residues for all **other** pesticide/food combinations, to ensure that inadvertent presence does not result in non-compliant residues in food, making trade of that food illegal.
- The key advantage of a default MRL is a clear, measurable, transparent standard understood by both importers, exporters and destination countries. In addition, it avoids the complex and lengthy process of review that will be required by FSANZ for every additional chemical proposed for inclusion on the list of proposed MRLS for *All other foods except animal commodities*.
- The Australian dairy industry—with its pasture-based farming systems—uses different treatments not used in more intensive dairy production systems overseas. Accordingly, we need the regulators in destination markets to recognize our chemical use patterns as legitimate. To facilitate trade, we need to be able to demonstrate regulatory equivalence when products from those countries arrive in Australia. A default MRL, covering all pesticide/commodity combinations would help serve this purpose. Any lack of harmonization between trading partners (such as 'zero tolerance' to inadvertent presence of residues) is counter to Australian trade interests. Further consideration of how export destination countries might respond to P1027 is warranted.
- **The dairy industry is not currently served by P1027. Dairy Australia requests that, complementary to the P1027 proposal, FSANZ consider the establishment of a default MRL, set at an appropriate level, to accommodate the rare instances when inadvertently contaminated horticultural and cereal crops may be fed to dairy cows, resulting in low residue concentrations in milk.**