Program for Dairy SME Exporters
Draft program outline
Our Challenge
To continue the growth of dairy exports and enable all companies to leverage the strong reputation for safety that Australian dairy products enjoy, we must futureproof our approach to Dairy Export facilitation within a rapidly changing export environment across key industry and government bodies.

To do this we must evolve and develop the tools, systems and activities, particularly targeting Small to Medium Dairy Enterprises (SMEs), that will enhance our industry culture across all stakeholders to protect the reputation of our businesses and the industry in global markets.
PASE Workshop Objectives

1. Attract and engage current and prospective SME’s in the dairy industry who wish to develop or expand their product offer into domestic and/ or export markets

2. Ensure companies obtain the core knowledge required to understand the critical success factors for developing a successful dairy processing business including:
   - The market for dairy in Australia and for export including ‘passive’ exporting
   - The regulatory requirements and framework in domestic and export markets
   - Challenges faced within the industry
   - Support that is available in each state
Today’s workshop agenda

1. Your Business Growth Challenge
2. Dairy Market Overview (Domestic and International)
3. The Regulatory Framework & Food Safety Culture
4. Implications for your business & export planning tools
5. Q&A Feedback and Close
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Australian Food Regulatory Framework
Package Assisting Small Exporters Program
Tbc 2018
What do you mean by food safety?

Food is not safe if it would be likely to cause physical harm to a person who might later consume it.

Is it the same as Food Quality?
Food safety issues can come from:

- poor hygiene practices (e.g. cleaning, sanitising and hand washing)
- inadequate temperature control
- equipment failure (e.g. from poor maintenance)
- mistakes by people handling food
- unsafe inputs (e.g. poor water or soil quality, contaminated ingredients)
- packaging faults (e.g. failure of seals)
Risk to Food Safety

- Microbial
- Chemical
- Physical
Sources of Food Safety Risks

- Environment
- Human
- Environment
- Raw materials
- Animal
- Water

- Environment
- Heavy metals
- Mycotoxins
- Agricultural Chemicals
- Veterinary Medicines
- Cleaning agents
- Raw materials
- Water

Microbial

Chemical

Physical

- Environment
- Human
- Parasites
- Mechanical
- Raw materials
Dairy Food Regulations – Responsibilities

**Federal Government**

**Certify**
Exports for overseas governments/markets

**Department of Agriculture & Water Resources**
- Export documentation, compliance to foreign standards
- Negotiation of trade agreements
- Registration of Ag & Vet chemicals,
- Animal health and welfare

**Develop**
National Food Safety Policy and Standards

**Food Standards Australia New Zealand (FSANZ)**
- Manages development and review of foods standards for locally manufactured and imported foods
- Develops Recall protocols, and coordinates any product recalls when necessary.

**State Government**

**Implement**
National Food Safety Policy and Standards

**State Dairy Food Authorities**
- Registration/licensing of farms, factories, warehouses,
- Farm, factory and warehouse audits
- Monitors milk quality-Australian Milk Residue Survey (AMRA).
- Environmental Protection Authorities monitor conformance to standards for water, air, and waste.
State Specific Presentation

Department of Health

Safe Food Queensland

Dairy Authority of South Australia

New South Wales Food Authority

Tasmanian Dairy Industry Authority

Dairy Food Safety Victoria

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Development of Food Standards is a collaborative process with input from multiple stakeholders.

Result is a system owned by the industry and largely industry self-managed.
HACCP Principles

1. Hazard Analysis
2. Preventive Controls
3. Monitoring Procedures
4. Corrective Actions
5. Verification
6. Record Keeping
Australian Dairy Food Regulation Framework

Food Safety and Product Quality from Paddock to Plate

Pre-Farm
Animals
Water
Feed
Ag Vet Chemicals
Fertilisers

Farm
Water
Feed
Ag Vet Chemicals
Fertilisers
Veterinary Chemicals
Animals
Premises & equipment
Milking practices
Cleaning
Milk storage
Skills & knowledge
Traceability

Transport
Milk/Traceability

Manufacture
Milk
Ingredients
Water
Packaging material
Equipment
Cleaning
Skilled Staff
Traceability

Distribution
Product/Traceability

Markets
Product/Traceability

HACCP – a key Food Safety Principle Underpins each of the Food Safety Plans at every step in the value chain.
- Herd is free of Bovine Tuberculosis, Brucellosis and BSE
- National Livestock Identification System (NLIS)/Vendor declarations for all stock movements
- Animal Health Australia implements animal health and welfare programs

- Water must be potable and suitable for animal consumption to assure animal health
- Water for cleaning purposes must be potable and not risk milk contamination
- Effluent disposal monitored by EPA

- Pasture feeding supplemented with grain, concentrates, fodder
- Commercial stockfeed inputs monitored by HACCP programs and any chemicals require APVMA registration – MRL’s the focus
- Vendor declarations required for all sale of stockfeed

- All Agvet chemicals (medicines, cleaning agents, pesticides) must be APVMA registered
- Products must have approved labels with clear instructions for use and withhold periods
- All use must be recorded
- Veterinary medicines can only be administered by a registered Veterinarian

- Maximum use levels set and regulated by State Governments to manage long term accumulation risks to agriculture
Farm

• Every farm must have a Food Safety Program and comply with the Primary Production Standard 4.2.4 of the Food Standards Code
• Milking equipment cleaned and sanitised
• Approved and audited process
• Staff must be trained to accredited qualifications
• Milk cooling standards – 5°C within 3.5 hours
• Milking shed and holding yards designed for optimal cleaning, and minimal animal stress.
• Records must be kept for:
  • Chemical use
  • Vet medicine usage
  • Withhold periods
  • Vendor declarations
  • Milk quality reports
  • Audit results and corrective actions.
Mandatory Food Safety Program must cover:
- Control of hazards during milk collection and transport
- Product traceability
- Time and temperature controls
- Personnel skills
- Quality, temperature and Antibiotic residue testing done pre-unloading
- Positive results = supervised disposal
- Tanker cleaning by CIP process with APVMA approved chemicals
- CIP processes validated with surface swabbing.
A Food Safety Plan is mandatory for licensing.

It must cover:
- Pathogen reduction technologies including pasteurisation
- Temperature controls
- Processing
- Cleaning and sanitising
- Storage
- Traceability forwards and backwards through the supply chain from farm to customer
- Post-pasteurisation hazard management
- Raw material and ingredient management
- Records
- Personnel competency
Distribution

• All distribution warehouses require a Food Safety Plan
• All transports of bulk dairy products require a FSP
• Both must cover
  • Identification of food safety hazards and control factors
  • Visual cleanliness inspections of transportation units
  • Product temperature monitoring pre and during transportation
• Documentation of product movement for traceability
• FSANZ Recall Protocol mandatory
Market

- All product sold in Australia must comply with the Food Standards Code
- All retailers must have a Food Recall plan
- Many customers apply stringent product safety specifications which exceed the mandatory regulatory requirements – applicable to domestic retailers and export customers.
Australian Dairy Export System

Regulation of Dairy Export
Under the Australian Constitution:

• State and territory governments are responsible for public health and food safety

• The Australian government is responsible for export controls of certain food commodities, including dairy.

Exports must comply with:

• Australia New Zealand Food Standards Code - microbiological, residue, contaminants, and Primary Production and Processing Standard


• Importing country requirements
Elements of the export dairy system

- Approved Arrangements - documented food safety programs
- Inspection and auditing shared between DAWR and state authorities
- Establishment Registration
- Testing, where required - laboratories ISO 17025 National Association of Testing Authorities (NATA) accredited
- Permit to export
- Government certificate as per importing country requirements
Approved Arrangements

Key features:

- Establishments must have documented food safety program based on Codex HACCP principles
- Programs are verified and approved by DAWR through desk audits followed by site audits
- Approval maintained through ongoing audits, minimum of twice a year by SRA’s (DAWR in WA and SA)
- SRA performance verified annually by DAWR
- Registered establishment information is maintained in Establishment Register (ER) database
Approved Arrangements

Elements of the documented food safety program:

- Management practices
- Water supply and potability
- Mandatory HACCP (including raw material)
- Cleaning, hygiene and GMP
- Training
- Identification and traceability
- Product sampling, standards & testing requirements
- Maintenance of equipment and buildings
- Pasteurisation and heat treatment specifications
- Internal audit and corrective actions
- Product recall procedures
- Importing country requirements
Establishment Registration

Key features:

- Register of establishments is maintained in the DAWR database Establishment Register (ER)
- Establishment details, type of operation, country eligibility listings, staff in management and control of the operation
- Supported by ‘financial’ and ‘fit and proper person’ checks
- ER links to EXDOC - export permit and government certificate issued only when all elements align
- Non-conforming establishments are suspended or deregistered
Export documentation system - EXDOC

Key features:
- Assesses information for eligibility of goods and establishment to export
- Issues export permit per consignment
- Compliance with importing country requirements based on a declaration of compliance issued by the manufacturer
- Government certification issued in accordance with importing country requirements
- Export eligibility is assessed prior to approval to export
- Establishments or products can be prohibited from export if required
Food safety culture

- How everyone (owners, managers and team members) thinks and acts in their daily job to make sure the food they make or serve is safe.
- More than training, programs and processes → behaviour
- It’s what happens when no-one’s watching
Background

• Food safety cannot be guaranteed by a simple standards based approach

• 2015 onwards - term ‘food safety culture’ increasingly used

• National leadership and our role

• 2016 FSANZ and Safe Food Production Qld orum “Food Safety Culture – drivers, challenges and opportunities”
Food regulatory system

Priorities for 2018 -2021 and beyond

1. Reduce foodborne illness, particularly related to *Campylobacter* & *Salmonella*
2. Support public health objectives to reduce chronic disease related to overweight and obesity
3. Maintain a strong, robust and agile food regulation system
Why is it important?

Food safety is everyone’s responsibility

- Avoid illness and other costs of mistakes
- A trustworthy product & brand
- Safe behaviour makes safe food
Biggest challenge to developing a strong, positive food safety culture

- Lack of resources
- Negative employee attitudes
- Lack of effective communication
- Multi-cultural workforce
- Negative management attitudes
- High staff turnover
- Lack of awareness of culture
- Lack of co-ordination across company
- Lack of prioritisation of culture
- Inability to measure culture
- Lack of technology
FSANZ’s work program
Where to start

1. Know your company’s starting point – Do a health check of your food safety culture

2. Do something to make a difference – Shape and strengthen your food safety culture

3. Follow through for a long-lasting impact – Track and improve your food safety culture
### What does a strong culture look like?

| Strong leaders | Openly commit to making safe food the top priority | • Schedule and lead regular meetings to openly report and discuss food safety  
• Regularly review FS performance & budget, follow up on identified issues  
• Encourage input from everyone, take suggestions seriously  
• Reward people that show strong commitment to FS |
|----------------|--------------------------------------------------|----------------------------------------------------------------------------------|
| Committed managers | Dedicate time and effort | • Meet with team often (e.g. weekly) to talk about FS issues & challenges  
• Encourage input from everyone, take suggestions seriously |
| Everyone contributes | Whole organisation believes safe food is important and everyone plays a part | • Speak up if you see something done wrongly  
• Suggest things that could improve food safety  
• Ask questions if unsure about practices |
What does a strong culture look like?

| Everyone’s accountable | Everyone understands they are held responsible for ensuring food is safe | Understand your role & responsibilities • Understand that if things go wrong consumers can get ill or die and the business can be harmed |
| Know that and doing things right | More than training – making sure people know the food safety risks and do the right thing, every time | Assign time & money to FS training, refreshers and updates • Put plans in place for everyone to be involved in FS observations, checking things are done correctly every time • Reward people & teams who show a strong commitment to food safety |
| Continual improvement | Be proactive – monitor what goes on, look for ways to improve, prevent future problems | Regularly review FS observations and overall performance • Encourage suggestions for improvement • Regularly & actively discuss these to find better ways to do things |
Food Product Recall Decision Tree

**Issue identified with food**

- **Is the issue a public health and safety risk? e.g.**
  - Microbial contamination
  - Chemical contamination
  - Physical contamination
  - Undeclared allergen

- **Yes**
- **Unsure**
- **No/Unconfirmed**

**Has the affected product reached the marketplace and/or consumers?**

- **Yes**
  - Consult with home state and/or seek expert advice
  - **Does the food need to be removed from sales as a precaution? e.g.**
    - Waiting confirmation of a presumptive positive for a pathogen test
    - Labelling issue
    - Or for other reason e.g. quality or suitability issue
  - **Yes**
    - Commence withdrawal in consultation with home state, where required
  - **No**
    - Take other appropriate action
- **No**
  - Commence recall according to this plan
  - Consumer level call • Trade level call
Food Recall Tasks and Timeline

**Let your customers know**
- Stop the product’s distribution and sale: identify your customers (who you have supplied the product to)
- Advise your customers of the recall and what they need to do (i.e.: remove product from retail sale)
- Confirm instructions in writing, including all information about the product and a photo if possible

**Notify government**
- Notify your local food enforcement agency - confirm whether a recall is needed and what level is needed
- Notify FSANZ - call the recall coordinator and provide recall information
- Fill out the Food Recall Report (available on FSANZ website) and email to food.recalls@foodstandards.gov.au
- Include details on the product, the problem, where it was manufactured and sold, etc.
- Provide FSANZ with a distribution list of all customers (with names, contact details, addresses)
- Provide a draft recall notice or press advertisement to FSANZ to check before going public

**Let the public know** (for consumer-level recalls)
- Decide how to communicate to the public (media release, website, social media, point of sale notice, etc.)
- Organise a media contact person to handle enquiries
- Develop a Q&A sheet if appropriate
- Set up a hotline or brief reception to answer public or media enquiries
- Rehearse answers to tricky questions
- Post communication contacts on website/social media
- Place press advertisement in relevant newspapers
- Place point-of-sale notice in store(s)
- Post social media and website notices
National resources
Where to find help

- visit the FSANZ Food Safety Hub
  www.foodstandards.gov.au

- Email FSANZ at
  foodsafeculture@foodstandards.gov.au
The Australian Approach to Dairy Food Safety
Implications for Your Business

Thinking about what you’ve just heard, what do you need to do to maximise your potential in the dairy market?

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Thanks – any questions?