CODEX ALIMENTARIUS COMMISSION 🗜



Food and Agriculture Organization of the United Nations



Agenda Item 2

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### JOINT FAO/WHO FOOD STANDARDS PROGRAMME

### FAO/WHO COORDINATING COMMITTEE FOR NORTH AMERICA AND THE SOUTH WEST PACIFIC

Eleventh session

Nuku'alofa, Tonga, 28 September - 1 October 2010

# COMMENTS AND INFORMATION ON MATTERS REFERRED FROM THE 64<sup>TH</sup> SESSION OF THE EXECUTIVE COMMITTEE AND THE 33<sup>RD</sup> SESSION OF THE COMMISSION

(replies to CL 2010/33-NASWP and CL 2010/41-NASWP of Australia, Canada, New Zealand and ICGMA)

## I. STRATEGIC PLAN 2008-2013

(1) Activity 4.5 Promote interdisciplinary coordination at the national and regional level

### AUSTRALIA

Australia has strong linkages through established communication and consultative mechanisms ensuring whole of government positions are developed on Codex issues. At the national level, the agencies responsible for food safety issues include the Australian Government Department of Agriculture, Fisheries and Forestry (DAFF); the Australian Pesticides and Veterinary Medicines Authority (APVMA); the National Measurement Institute (NMI); the Australian Government Department of Health and Ageing (DoHA) and its associated agency - Food Standards Australia New Zealand (FSANZ).

Codex Australia has developed a reference guide "*Procedures and Guidelines for Australia's participation in the Codex Alimentarius Commissions*" which outlines the roles and responsibilities of participants in Australia's Codex processes and, in particular, that of delegation members. In addition to this document, Australia's delegates are required to familiarise themselves with the Codex Alimentarius Commission Procedural Manual and the FAO's Guide on Conduct of Plenary Meetings. Ad Hoc seminars are also conducted to raise the awareness of Codex processes.

Promoting coordination at the regional has been discussed under the NASWP Strategic Plan (Objective 1). While several steps have been identified to enhance this coordination, we consider that there is a need for the current session of CCNASWP to re-confirm or to identify additional measures that would assist in improving coordination/linkages at the regional level.

### CANADA

Canada has initiated a number of actions to promote interdisciplinary coordination at the national level. We would note that this objective is reflected in Objective 1 of the CCNASWP strategic Plan. Canada believes that this regional objective is still valid and relevant but there is a need to revisit this objective to determine if additional measures are required to enhance its implementation.

In Canada, food safety is a multi-jurisdictional responsibility involving various federal government agencies and departments, provincial, territorial and municipal governments. Coordination of Canada's involvement in the Joint FAO/WHO Food Standards Program is the responsibility of the Office of the Codex Contact Point for Canada (OCCPC) located in the Food Directorate, Health Canada. The OCCPC maintains a registry of all stakeholders and ensures that all Codex documents are circulated to these stakeholders.

### NEW ZEALAND

New Zealand has recognised and supported sound consultation arrangements at the national level to promote inter disciplinary coordination. In the revised NZ Strategic Objectives in Codex document released earlier this year, there is a clearly defined action 'to work with MAF Biosecurity New Zealand to share information

and develop coordinated strategies for advancing New Zealand's interest on food safety and veterinary public health'.

New Zealand Food Safety Authority already has a close working relationship with Biosecurity New Zealand which deals with plant and animal health matters. This relationship will be further strengthened with the amalgamation of NZFSA and the Ministry of Agriculture and Forestry into a single organisation. Under the new structure horizontal linkages on Codex, OIE and IPPC matters should be strengthened with improved structures and processes.

NZFSA has an active Memorandum of Understanding with the New Zealand Ministry of Health that requires collaboration on WHO matters where these relate to food and nutrition interests relevant to Codex.

NZFSA communicates before key Codex meetings with the Regional coordinator in Tonga.

# (2) Activity 5.5 Enhance participation of non-governmental organizations at international, regional and national levels

### AUSTRALIA

DAFF is responsible for Australia's input into Codex's work. Codex Australia's consultative processes provide the avenue for key stakeholders to consider policy and strategic issues relating to Australia's role in Codex.

Australia continues to focus on communication activities designed to increase the involvement of the processed food industry and to improve the information flow between government and industry, providing improved and more effective stakeholder involvement in the Codex process.

Codex Australia developed a brochure 'Codex – Understanding International Food Standards' designed to provide stakeholders within the Australian food industry with information on Codex issues and Codex processes and to encourage the food industry to engage with Codex Australia in providing an increased level of input to the Codex consultative process. This brochure has been made available to members of the food industry (processors, importers, exporters, and producers); Australian Government agencies with an interest in food safety and regulation; consumer and public groups; and members of academia with an interest in the food industry and international food trade.

Codex Australia also has a dedicated website <u>www.codexaustralia.gov.au</u>, which provides stakeholders with up-to-date information regarding the work of Codex Committees and allows them to subscribe to receive Codex papers and other relevant Codex information.

Registered stakeholders receive copies of all Codex documentation for the issues relevant to their interests and are able to comment on Codex discussion papers, provide input to Australian positions for Codex meetings and nominate representatives to attend meetings as part of Australian delegations.

Codex Australia also holds an annual Stakeholder Forum that focuses on the role and importance of the Codex Alimentarius Commission (Codex) for Australia's agriculture-food industry. This Forum engages a wide range of stakeholders from industry, state and territory governments and public interest groups in an effort to enhance the ability of food producing industries to contribute to Australia's input to the work of Codex and to identify measures that will assist government in representing the interests of industry across the work of Codex committees.

### CANADA

At the national level, Canada has a number of initiatives that have as their objective enhancing involvement of non-governmental organizations in the work of Codex. We would note, however, that the CCNASWP Strategic Plan does not place explicit emphasis on promoting the involvement of NGOs in Codex work, the focus is rather on activities related to enhancing PICs participation at the government level. As the capacity of the PICs Codex programs continues to mature, we would suggest that the next CCNASWP Strategic Plan might include an objective focussed on NGO involvement.

### NEW ZEALAND

New Zealand has well established structures and processes for consultation on Codex matters with all interested parties. NZFSA, which is the lead agency for Codex at the national level, published a revised New Zealand's' Strategic Objectives in Codex, 2010-2013 document in January 2010. This document spells out

our strategic priorities in Codex and the actions we would take to achieve these objectives. The revised document reinforces the importance of consultation at the national level and requires us to:

- Consult all interested parties on Codex matters;
- Improve the NZ Codex website to allow better dissemination of information on Codex and ensure it is kept up to date; and
- Improve stakeholder knowledge and understanding of Codex, both within and outside of NZFSA through targeted training and information workshops.

In addition we invite participation of non-governmental representatives to attend Codex meetings as observer members. New Zealand delegations to many Codex Committees include representatives of non-governmental organizations. Such participation has helped improve understanding of Codex processes for international standards development.

# II. PRIVATE STANDARDS

# (1) Have food producers/processors in your country experienced any problems in meeting private standards?

### AUSTRALIA

Australian companies regularly comply with private standards, which can also be termed buyer's or commercial specifications. The meeting of customer requirements and expectations (as reflected in private standards) is the basis for commercial trade to occur, especially repeat business. Australian and international suppliers meet these private standards both within the Australian market and in international trade.

In Australia's experience, most problems associated with private standards in international agri-food trade have stemmed from:

- the lack of mutual recognition of standards by private standard holders;
- cost increases in the areas of compliance and certification; and
- a lack of transparency and consultation in the development of private standards.

### CANADA

We have not been made aware of any particular problems that may be facing Canadian food producers/processors in meeting private standards' requirements. As private standards are usually relevant in the context of "business transactions" (between a seller and a buyer of a food), it is not typically the type of information that government officials are privy to.

### NEW ZEALAND

In October 2008, the SPS Committee agreed to undertake a comparative study on the effects of private SPS standards. The first phase of the study consisted of inviting interested Members to identify products of export interest whose trade was affected by private standards. The study sought information on, among other things, products and markets of concerns, relevant private and international standards, trade effects, costs of compliance and certification. The responses provided in this study may be of interest to the Commission.

A summary of the main points of the responses can be found in the Secretariat's note, G/SPS/GEN/932. As New Zealand's response covers the details of which the Commission is currently conducting further analysis on, sections from the response are provided below.

New Zealand's response in the comparative study focused on raw onions (HS number 07 03 10 01 00), as the example of a product of export interest affected by private standards. The product's main export markets are retailers in the European Union (United Kingdom, Germany, and Belgium). The type of domestic business whose exports need to meet the private standard included: domestic cooperatives, large domestic and vertically integrated businesses as well as small private traders. The collective international schemes which applied to the product included Good Agricultural Practice (GAP) and Global GAP. A collective national scheme also applied to the product, New Zealand GAP.

New Zealand GAP is a private quality assurance programme for the production of fruit, vegetables, olives and flowers. New Zealand GAP is predominately made up of producers supplying the domestic market, but includes export markets by benchmarking to the international quality assurance programmes Global GAP and the Global Food Safety Initiative (GFSI). New Zealand GAP is accepted by some international markets as an alternative to other assurance programmes. New Zealand GAP is based on: GAP, HACCP (Hazard Analysis and Critical Control Points) and the ISO 9002 quality management system.

The scope of the private standard that applied to the product was food safety. Supermarkets were identified as requiring compliance with MRLs that are lower than those set by regulators and/or Codex. The relevant Codex standard which applied for this product included the MRLs for pesticides as set by the Codex Committee on Pesticide Residues. For example, suppliers of products must not have (dependent upon the item group) more that 3-5 active ingredients detectable, must not have a single active agent exceeding 70% of the regulatory MRL, and the sum of all detected active ingredients is less that 80% of the regulatory MRL and acute reference dose.

### (2) What are the financial implications of meeting private standards, especially implications for SMEs?

### AUSTRALIA

Inevitably, companies incur costs in meeting private standards; however, they can also derive benefits. Benefits accrue through ongoing revenue to the companies concerned, facilitating their continuing existence and growth. There may also be a competitive edge for some companies associated with a standard, should competitors not be able to meet those specific commercial requirements. Australian companies have reflected these views in discussions with government.

Australia agrees with views expressed elsewhere that for developing countries, there may be new or continued access to developed-country markets through meeting private standards. Private standards can also provide capacity building opportunities in developing countries though the establishment of joint ventures and training of local labour in sophisticated agri-food manufacturing.

Australia agrees with the view that private standards also provide a quick response mechanism to international or national developments, thereby allowing trade to continue while international standards are developed. Private standards can also help inform the development of such international standards.

Australia notes that a number of arguments have been made against the use of private standards, including that:

- the complexity and compliance costs of private standards are onerous and can act as a disincentive to participation by developing country farmers in international trade;
- private standards reduce the importance of official (including government) standards;
- private standards have become so widespread that they are effectively mandatory for access to developed-country markets;
- there is a lack of transparency in the development of private standards.

#### CANADA

As noted under question 1, government officials are not "privy" to this type of information, which is relevant in the context of business transactions. Therefore, we have no information to share on this question.

### NEW ZEALAND

As many New Zealand producers who export already operate under New Zealand GAP, the compliance costs associated with meeting the private standards are minimal. Domestic producers operating under NZ GAP already have certification systems in place and as such additional certification costs are minimal. The costs are, however, high for new entrants to the schemes and many smaller producers choose not to export or supply major supermarkets as a result.

It was found that when the small producers/one off traders were not able to, or choose not to, meet the private standard requirements, it was identified that these businesses are/were able to supply alternative markets. The economic impacts (impact on prices received) were not available.

### (3) What measures have been taken to overcome/ease the problems in implementing private standards?

## AUSTRALIA

Australia has supported the view in the World Trade Organization's Committee on Sanitary and Phytosanitary Measures (SPS Committee) that the negative impacts of private standards on producers in developing countries can be addressed by engaging standard holders (buyers using the standards) and their representing organizations, by governments and/or international standard-setting bodies through encouraging:

- mutual recognition of standards by private standard holders;
- cost reduction in the areas of compliance and certification; and
- greater transparency and consultation.

For example, some Australian companies have adopted new processes where one third-party certifier/auditor audits/certifies against several standards relevant to the company in question. This minimises both the costs of certification and disruption of business operations.

## CANADA

As we are not aware of any particular problems that may be facing Canadian food producers/processors in meeting private standards requirements, specific measures have not been taken to overcome/ease problems in implementing private standards.

Nevertheless, Canada recognizes that some Members have expressed concerns with the impact of private standards on trade. The regular exchange of information between member representatives and private standards setting organizations underlining the importance of appropriate consideration of international standards may alleviate problems raised by Members. This may also be useful in promoting the development of private standards consistent with and supportive of the "public" food safety standards and requirements.

In our view, another important consideration is the need for the "private standards setting bodies" to work cooperatively between themselves, so as to promote the development of consistent approaches and to minimize the cost of implementation and certification to the producers.

### NEW ZEALAND

New Zealand Government agencies have not introduced any specific measures to overcome/ ease problems in implementing private standards. While it was recognised that the requirements imposed were more stringent then official requirements, when surveyed the onion exporters did not see the private standard as a negative and instead these were seen as commercial requirements and a cost of doing business. Private standards were/are seen as a commercial requirement that need to be met in order to enter some premium markets. As noted earlier, it is acknowledged that some smaller exporters may no longer supply a retailer operating a private standard. These smaller exporters are still able to enter alternative markets. This is a commercial decision based on economic and capability constraints.

Specifically, with regard to the onion example, no technical or financial assistance is provided by government, the standard setter or NGOs to assist the producer to meet the associated private standard. At government level, no action has been taken as this is a commercial issue between the supplier and the retailer. At the private trader/business level, exporters have the ability to seek exemptions from the requirements of some private standards if they can provide scientific rationale to the retailer operating the standards.

Exporters who have decided to meet private standard requirements, particularly international initiatives such as Global GAP, have reported that their business systems have improved as a result of operating to private standards requirements and their businesses have benefited from increased competitiveness in international markets.

## (4) What should the CAC/FAO/WHO do in the context of private standards?

### AUSTRALIA

Australia supports the Codex Chair's conclusion that the legal trade implications of private standards are best dealt with in the World Trade Organization.

Australia envisages Codex playing three important roles in the further consideration of private standards. These are:

### 1. A forum for discussion of the issue of private standards, especially aspects relating to food safety

From experiences in other international fora, Australia notes that there continues to be considerable confusion over the issue of private standards, particularly in differentiating between official (or government standards) and private or commercial standards.

Discussions in Codex should seek to build an understanding of the differences between official and private standards. Some of the examples that have been raised in other fora, when considering the trade effects of private standards, relate to official rather than commercial requirements. One way to build this understanding is to invite key private standard holders, such as the Global Food Safety Initiative, to present to Codex on their activities.

Codex should also encourage its members to initiate or continue discussions with private standard holders, such as supermarket chains within their territory, as well as with food producers, processors and exporters.

### 2. Dissemination of information on the role of Codex and the international role of Codex's standards

Australia notes that the Chair of Codex has made an offer for the Commission to discuss the importance of its international standards with individual private standard holders where there is a difference between Codex standards and the limits prescribed by private standards. Australia supports this initiative where there are significant differences, such as companies implementing requirements for Maximum Residue Limits, for example, that are 60% of those listed by Codex. We note that the World Organisation for Animal Health has undertaken similar initiatives on animal welfare, to great effect.

3. Continue to encourage private standard setting bodies to limit number of audits and to work more cooperatively among themselves

Australia continues to be of the view that the negative impacts of private standards on producers in developing countries can be addressed by engaging standards holders (buyers using the standards) and their representing organizations, through encouraging:

- o mutual recognition of standards by private standard holders;
- o cost reduction in the areas of compliance and certification; and
- o greater transparency and consultation.

Australia urges Codex to continue to pursue these aims.

Finally, Australia encourages Codex to continue to work closely with the World Organisation for Animal Health, the International Plant Protection Convention and the World Trade Organization's SPS Committee and the Committee on Technical Barriers to Trade on the issue of private standards.

#### CANADA

The CAC, FAO and WHO should further engage with global private standard setting bodies and encourage their participation in Codex as observers. There should be proactive communication and exchange with these groups, with the objective that they become more active and involved in the "technical" discussion at the relevant Codex Committees.

The consultants' report presented at the last CAC indicated that "collective private food safety standards" (PFS) were largely compatible with Codex standards. The report further noted that Codex standards primarily deal with "what" food safety requirements needed to be achieved and less with "how" they were to be achieved. Additional details within PFS on how to achieve the food safety requirements did not necessarily mean that they were inconsistent with Codex. One reason given to explain this fact is that given Codex standards were global in scope; they did not contain the details that may only be appropriate for

selected members. We believe this may be a significant contributing factor that has led to the "proliferation" of PFS, since Codex "outcome-based standards" may be lacking some of the specificities that is important/more relevant to the end users. On this issue, it is further noted in the consultants' paper that if "there was globally valid prescription that could enhance Codex standards, member countries should give appropriate consideration". We believe Codex should carefully reflect on this issue, and that the relevant Committees give appropriate consideration to the development of more "end users' relevant" standards, yet ensuring they continue to be globally valid.

Finally, we are of the view more work could be done with other international standard setting bodies on private standards. This collaboration would allow identifying common problems and issues with private standards, with solutions that may be relevant to all international standard setting bodies (ISSBs).

# NEW ZEALAND

New Zealand believes that future work undertaken by Codex in the context of private standards should be focused on continued efforts to engage with private standards bodies. Activities should be focused on improving dialogue and promoting greater awareness of Codex standards and their status as international benchmarks. This recommendation corresponds to New Zealand's position in current discussions on private standards in the forum of the SPS Committee.

The SPS Committee has established a working group to develop a set of recommendations on private standards for the Committee to consider. While noting that this work is yet to be completed, some of the recommendations have to date referenced Codex. New Zealand supports the progression of a set of recommendations on private standards (at least in the short term) until the Committee focuses its resources on proposed actions. New Zealand believes that clarity is required through the development of an agreed definition for the term "SPS-related private standard". There is also a need to support recommendations that focus on improving communication with entities involved in SPS related private standards. This is important to sensitize these entities to issues raised in the SPS Committee, reiterate the main principles of the SPS Agreement and underline the importance attached to international standards established, including those established by Codex.

### III. PROCESSED CHEESE

#### AUSTRALIA

#### General Comments

Australia is disappointed that this issue continues to be discussed. In our view the technical experts within the Codex Committee on Milk and Milk Products (CCMMP) dedicated much time and effort to try and reach consensus on a proposed draft standard for processed cheese. This is reflected in the reports of physical and electronic working groups and the committee. The Commission heard from the Chair of CCMMP that, despite the committee's efforts, they were unable to reach agreement on the scope and content of a proposed draft standard.

It is our strong view that the Commission should in these circumstances support the decision of the committee to discontinue this work.

# (i) The need for a standard on processed cheese and the rationale for such a standard i.e. whether there is a problem or potential problem in the trade of these products

The need for an international standard for processed cheese should be addressed in terms of the Commission's criteria for development of commodity standards. The relevant criterion is "Diversification of national legislations and apparent resultant or potential impediments to international trade."

Processed cheese products are traded freely in international trade and, to the best of our knowledge, there are no known problems or impediments to international trade either existing or potential.

With regard to development of regional standards trade in processed cheese products is not limited to a particular region/s; therefore it would be impractical to develop regional standards for these products.

The CCMMP could not reach consensus on a number of basic issues in the development of a standard for processed cheese including the scope and compositional requirements. Australia is of the view that the regional committees will not be able to overcome the same issues faced in the CCMMP when developing a

standard for processed cheese. Even if consensus were possible at the regional level, the establishment of multiple regional standards is likely to create confusion among consumers and potentially inhibit trade.

Australia does not support the development of regional standards for processed cheese.

### (ii) The scope of such a standard i.e. compositional aspects of the products to be covered by the standards.

We note that the composition of processed cheese was the most difficult issue to resolve in the CCMMP, and was the issue that led the last working group on processed cheese to conclude that it was unable to present a draft revised standard. Australia notes there are differences in compositional aspects at the national level as to what constitutes processed cheese and, because of this, we consider that consensus on this issue would be difficult to achieve.

### CANADA

# (i) The need for a standard on processed cheese and the rationale for such a standard i.e. whether there is a problem or potential problem in the trade of these products

To our knowledge, there is no evidence of any significant problem in the international trade of these products. Canada recognizes that over the years, many attempts and diligent efforts have been made by the Codex Committee on Milk and Milk Products to advance the development of the standard, including the use of several electronic and physical working groups.

In the context of the Codex work program and priorities, recognizing the cumulative Codex and national governments' resources used over the last 10 years to try advancing the standard, we cannot see justification for continuing work on the development of a Codex standard on processed cheese. Hence, Canada continues to support the discontinuation of the work.

### (ii) The scope of such a standard i.e. compositional aspects of the products to be covered by the standards.

As noted in the report of the last CAC (ALINORM 10/33/REP, paragraph 90), due to both the wide variety of what is considered processed cheese around the world currently traded and the difficulty to get an agreement on their compositional aspects, establishing the scope has always been the main challenge in advancing the standard. We do not have evidence or new information that would lead us to believe that the task of agreeing on a scope would be any easier. Hence, we do not believe it is possible to specify a scope for the standard.

#### NEW ZEALAND

# (i) The need for a standard on processed cheese and the rationale for such a standard i.e. whether there is a problem or potential problem in the trade of these products

The need for an international standard for processed cheese should be addressed in terms of the Commission's criteria for development of commodity standards. The relevant criterion is "Diversification of national legislations and apparent resultant or potential impediments to international trade."

Diverse national legislations have existed for many years, and for this reason New Zealand supported the development of a revised international standard. Nevertheless, though the differences have continued despite the existence of Codex standards for processed cheese products since 1978, the products are traded freely in international trade and there are no known problems or impediments, either existing or potential, to international trade. New Zealand therefore does not see any critical need for an international standard.

On this basis New Zealand cannot see any justification for continuing work on the development of a Codex standard for processed cheese.

CCMMP began work on processed cheese at its 3<sup>rd</sup> session in 1999. The committee established a series of working groups over the subsequent 10 years, which were asked to examine various aspects of standardisation. The working groups were unable to resolve a number of basic issues, of which cheese content was the most difficult.

The first working group was asked to consider whether the use of minimum cheese content was adequate to characterise the products covered. This group reported that the use of cheese is recognised as essential in the production of these products, but found that most countries had not specified a minimum quantified value in their legislation, and among those that did, a majority favoured an alternative approach. Cheese content was still the number one issue for the last working group, which met in 2009. This working group concluded that

it would not be possible to reach an agreement on composition, and since other issues depended on agreement on this point the working group was unable to present a revised draft standard.

Codex horizontal standards, such as labelling, food additives and contaminants, apply to processed cheese, and general dairy standards such as the Code of Hygienic Practice for Milk and Milk Products and the General Standard for the Use of Dairy Terms cover processed cheese. With these standards consumers and the food trade are well covered in regard to protection of health and ensuring fair trade practices.

As regards the proposal to develop regional standards, New Zealand would have the same concerns as mentioned above. New Zealand would question the rationale and justification for developing one or more regional standards for processed cheese when there are no impediments to international or regional trade. Regional committees are likely to encounter the same problems that CCMMP did on core issues relating to the composition of the product. Even if consensus were possible at the regional level the establishment of multiple regional standards is likely to create confusion among consumers and potentially inhibit trade. For these reasons New Zealand cannot support any proposal for developing regional standards for processed cheese.

### (ii) The scope of such a standard i.e. compositional aspects of the products to be covered by the standards.

We have noted above that the composition of processed cheese is the most difficult issue to resolve, and was the issue that led the last working group to conclude that it was unable to present a draft revised standard. New Zealand therefore considers it is not possible to specify the scope of a standard for processed cheese.

### ICGMA

The International Council of Grocery Manufacturers Associations (ICGMA) appreciates the opportunity to provide comments to the Codex Regional Coordinating Committees related to the Circular Letter pertaining to matters referred from the 64<sup>th</sup> session of the Executive Committee and the 33<sup>rd</sup> Session of the Commission specifically as it relates to a Codex standard for processed cheese.

ICGMA, a recognized INGO before the Codex Alimentarius Commission, represents the interests of several hundred food companies that trade food and consumer products globally. Many of those companies process cheese products and trade them globally. ICGMA strongly supports the work of Codex Alimentarius and promotes the harmonization of science based standards and policies. ICGMA supports the recommendations of the Codex Committee on Milk and Milk Products (CCMMP) to withdraw the existing Codex standards for processed cheese and to discontinue work on a revised standard. Considering the global trade in processed cheese, ICGMA strongly opposes any efforts within the regional committees to elaborate one or more regional standards for processed cheese.

#### **ICGMA notes that:**

- 1. CCEXEC approved, without comments, all recommendations from CCMMP;
- 2. The Chair of CCMMP clearly informed the Commission that the Committee had invested a "tremendous" amount of work over more than a decade without achieving consensus on a revised standard for processed cheese and that the differences are fundamental and compositional;
- 3. There are no food safety issues relevant to trade in processed cheese; and
- 4. The variety of processed cheese currently in the marketplace is not presenting problems in trade or market access.
- 5. Codex' finite resources should not be dedicated to additional work on standards for which there is neither safety nor trade justification especially when a consensus is not likely to be reached.
- 6. CCMMP is adjourned *sine die* and there is no existing committee mechanism to address recommendations from the regional committees.

ICGMA agrees with the decision of the CCMMP that the existing Codex standards for processed cheese were no longer used and do not reflect the products currently in the market. It was appropriate to discontinue those standards.

Referring the relevant Terms of Reference for the regional coordinating committees, ICGMA notes the committees can:

- 1. Develop regional standards for food products moving **exclusively** or almost exclusively in intra regional trade; and/or
- 2. Make recommendations to the Commission on worldwide standards for products of interest to the region.

Specifically related to the Circular Letter, ICGMA believes it would be <u>inappropriate</u> for regional standards to be developed for processed cheese which is traded globally and that the committee role should be limited to those questions in the circular letter related to regional trade, need and rationale for such standards. Inconsistent regional standards for processed cheeses would result in trade problems.

# IV. PREPARATION OF THE REVISED STRATEGIC PLAN FOR 2013 - 2018

# a) Are the current five goals still relevant? What changes would you propose (if any)?

## AUSTRALIA

Australia continues to support the current five goals and does not propose any major changes at this time. However we do note that the commentary under each goal together with the information in Table 2 will need to be reviewed carefully during the process of drafting the revised Strategic Plan for 2013-2018.

# CANADA

The current goals are high level, and in Canada's view are still relevant.

## NEW ZEALAND

New Zealand sees all of the existing goals to be relevant for the period going forward but the narrative and actions to achieve the objectives will need to be reviewed in the light of progress made thus far and taking into account the challenges and priorities for the future.

# b) The 2003-2007 Framework did not include measurable indicators, as does the current Strategic Plan. Should the next Strategic Plan include measurable indicators? Is the current "table" format useful or would you suggest changes? For example, is it useful to track "ongoing" activities?

### AUSTRALIA

As a basic template which is used to report to the Executive and the Commission, on the general implementation status of the activities associated with the plan, we consider that the format as it is currently provides adequate information. It is worth noting that the Executive committee at its 64<sup>th</sup> Session<sup>1</sup> agreed to a format for the Codex business plan and the need to link it to the Strategic Plan. As the format for the business plan includes outputs/measurable indicators it may be appropriate to include the link between the business plan and the Strategic Plan under Part 2 Programme Areas and Planned Activities or as a new column under Table 1 Implementation of the Strategic Plan.

With regards to including a means of tracking 'ongoing' activities, the 63<sup>rd</sup> Session of the Executive committee<sup>2</sup> had a general discussion whether the items of work that had only been approved by the Commission as new work but had not yet been discussed by the Committee should be included in the table provided for the *Critical review for the elaboration of Codex standards and related texts - monitoring of standards development*. Several delegations pointed out that this would be useful in order to have a better idea of the overall workload of the committees, and it was agreed that these items would be included for the purpose of monitoring standard development.

The Executive Committee also discussed a proposal to include discussion papers in the critical review. Some members pointed out that, as Codex committees might spend several sessions on discussion papers before deciding to undertake new work, it would be useful to examine that process as well in the Executive Committee. After some debate the Committee agreed that a list of discussion papers should be included in the document on monitoring for information purposes only, in order to present a complete view of the workload of each Committee, but would not be discussed as such. This information once made available to the Executive will be available for all Codex members and would provide a means of tracking 'ongoing'

<sup>&</sup>lt;sup>1</sup> ALINORM 10/33/3A paragraph 43

<sup>&</sup>lt;sup>2</sup> ALINORM 10/33/3 paragraphs 23 - 25

activities.

# CANADA

In Canada's view, the revised plan should have measurable indicators. Inclusion of such indicators is consistent with the budgetary/planning approach being used at FAO, i.e. moving toward a more results based/performance indicators model. The table format is useful and should be retained as it aids in monitoring progress of the implementation of the plan.

## NEW ZEALAND

The next Strategic Plan should include measurable indicators. Greater experience with reporting against indicators has been developed and benefits of such reporting are evident.

The current tabular format remains a useful format and basis for monitoring performance particularly as part of the critical review process by the Executive Committee. It captures two basic requirements for monitoring performance namely time frame for completion and measureable indicators. Together they provide the basis for the EXEC and CAC to assess whether the objectives of the plan are being achieved on time and that the progress is measurable against the indicators listed. New Zealand is satisfied with this format and does not have any proposals for modification.

# c) What are the most significant challenges facing Codex? What goals/activities should be included in the next plan to insure that these challenges get the necessary attention?

### AUSTRALIA

Strengthening work management capabilities should remain a priority within Codex. In order to meet the needs of all members Codex processes must be flexible, innovative and not be bound by past practices or procedures. For example, development of mechanisms to facilitate greater interaction between committees including if necessary the capacity to consider hosting of joint meetings and/or working groups should be considered.

The methods of operation of the Executive and the Commission should be explored in order to identify vulnerabilities or measures that may help to increase their efficiency. This may include exploring alternative ways of operating these meetings. It is our strong view, for instance that the core functions of the Commission are adoption of standards and matters referred to it for action or advice. While the majority of standards are adopted without issue, when there is a problem with a particular standard for adoption, it is imperative that sufficient time is allocated to discussion. The ability to have a broader discussion could help to facilitate consensus through a greater understanding of the issue and the reasons for varying positions.

Promoting maximum and effective participation of members will continue to be a challenge. The Codex Strategic Framework activities should continue to support effective participation that also encourages members to show a willingness to negotiate workable compromises, in order for decisions to continue to be made by consensus.

# CANADA

Over the next two to three years, Codex will need to address a number of issues including:

(a) <u>Impact of non-science factors in the decision-making process</u>. It is becoming increasingly difficult to reach consensus on some issues as non-science factors need to be reconciled. While such factors may sometimes be legitimate at a national or regional level, they are not always globally applicable. This could create a situation where the global application of a Codex standard might be restricted due to members in some regions being unable to apply a standard, particularly in those instances where members have expressed reservations on a standard but have not "blocked" its adoption. The work being undertaken by the CCGP eWG on "Issues Surrounding Standards and Related Texts Held at Step 8" might be the basis of an activity under Goal 1 that could be identified in the next Strategic Plan to address this issue.

(b) <u>Effective participation of developing countries</u>. In recent years, developing countries have become much more active in the work of the Codex Alimentarius Commission due mainly through the use of the Codex Trust Fund (CTF). While participation has been increasing, the level of actual engagement on Codex issues is not consistent amongst these members. Some developing countries are better prepared than others in making effective interventions at Codex session and working groups. We would suggest that activities be

created under Goal 5 that would focus on strengthening the scientific and technical infrastructures in developing countries to contribute to national positions being based on sound science.

# NEW ZEALAND

One of the most significant challenges facing Codex includes the need to continue to strengthen its work management capabilities against the background of ever increasing work load of the Commission and its subsidiary bodies. Good progress has been made in recent years through the establishment of revised criteria for new work and improved processes for prioritisation. Maintaining disciplines around these processes will continue to challenge the organisation.

Another key challenge is the level of involvement of other government and non-government agencies in the international food safety standards area. Activities for the plan might cover the level of interface/interaction achieved in this area – or the level of recognition/uptake of existing Codex standards by these organisations.

# d) Given the fact that developing country participation in the work of Codex is presently a major issue, what goals/activities should be included in the next plan to insure that this issue gets necessary attention in 2013-2018?

## AUSTRALIA

The consistent and effective participation of developing countries should be promoted through the objectives of the Strategic Framework. This can be covered under existing goals with some specific focus through additional activities.

# CANADA

Canada agrees that participation of developing countries is an important issue for Codex. We would suggest that activities be created under Goal 5 that would focus on strengthening the scientific and technical infrastructures in developing countries to contribute to national positions being based on sound science. While it is recognized that the Codex Trust Fund has contributed significantly to the increased participation of developing countries, we would suggest that any new activities are not overly reliant on the Trust Fund given the uncertain future of the Fund after 2015.

### NEW ZEALAND

New Zealand agrees that developing country participation in Codex work will remain a critical and ongoing priority for the Commission and continuing actions will be needed to achieve this objective. The Trust Fund has been the most significant factor in facilitating participation of developing countries in the work of Codex. It is important that the momentum and interest that has been generated by the Trust Fund is maintained through ongoing financial support both for direct participation and capacity building initiatives at the national level.

# e) Do current Codex structures and procedures adequately meet present needs of members (i.e., various "step procedure" options, critical review by CCEXEC, etc.)? What changes might be considered?

### AUSTRALIA

The Evaluation of the Codex Alimentarius and other FAO and WHO Food Standards work carried out in 2002 raised the question of possible review of the step procedure during the extensive discussions on the outcomes there was little or no support for any change to the current procedure. The recent studies conducted by the Secretariat on the speed of Codex standards setting identified several areas that could be considered 'best practice', these practices should be promoted to all Committees. The increased use of the Step 5/8 process (with the omission of Steps 6 and 7) has contributed to improving the speed of Codex standards setting. Progress on the development of a standard depends on the complexity of the standard and difficulties in reaching consensus on particular points. In this situation the greater priority might be to address issues and approaches to advancing texts during the very early stages of development. A greater focus on the preparation of and discussion of Project Documents at the committee level before recommending new work should focus on identifying these issues before the work is commenced.

The Executive committee has strengthened its conduct of the *critical review* and its provision of advice to the Commission and committees on actions to take when standards are not progressing. It appears from recent decisions of the Commission, with regard, in particular, to the proposal to discontinue work on a standard for

processed cheese, members are not giving due respect to the decisions of committees/Executive. In this regard perhaps there is a need for improved communication to members of the purpose and role of the Executive committee rather than specific changes to the Step procedure *per se*.

# CANADA

It is Canada's view that Codex must continue to examine ways to work more effectively and efficiently. Canada has always been of the view that it is not necessary to have every country at every meeting in order to ensure transparency and inclusiveness. In this regards, we support further consideration of new ways to improve the efficiency of the Codex standard-setting process including the proposals from the CCEXEC. For example, at the 25<sup>th</sup> Session of the CCGP, Canada had suggested that Committees should make more use of small, regionally balanced technical working groups that would actually be involved in negotiating texts and then the Committee would "fine tune" the text before it moves to the Commission for adoption. This process would honour the principles of transparency and inclusiveness but would still leave final decisions to the committee. We are of the view that small groups are more conducive to negotiating texts than larger groups which tend to be unwieldy. Activities focused on reviewing and enhancing the working procedures of the Codex committees could be included under Goal 3.

## NEW ZEALAND

The Commission should continue to invest in efforts to improve work management systems to advance work through the step process. With the intensification of Codex work, the Commission should continue to investigate and support opportunities to use web based systems to facilitate participation of interested countries.

New Zealand recalls that the question of possible review of the step procedure was considered in the context of the review of Codex but there was little or no support for any change to the current procedure. New Zealand believes that the critical issue here is not whether the procedure is an impediment to timely and expeditious advancement of standards. In recent years a number of committees have been able to advance drafts swiftly through the step process. Progress has frequently depended on the complexity of the standard and difficulties in reaching consensus on particular points. In this situation the greater priority might be to address issues and approaches to advance texts during the stages of development.

f) The Commission operates in an environment of change and technological advancement. Should issues such as the food safety consequences of climate change, and new production technologies such as nanotechnology, etc., be reflected in the new Strategic Plan? If so, how?

### AUSTRALIA

In Australia's view the existing Strategic Plan provides an adequate framework for dealing with the challenges of scientific and technological developments it would be reasonable to expect this to continue well into the future therefore we do not see the need to capture specific technologies. The Strategic Plan will span a five year period during which time we can expect to see many changes.

# CANADA

It is recognized that climate change might affect growing patterns and land use but it is not clear if climate change would result in different types of hazards would be present in or upon a food due to climate change. Therefore, Canada does not support the inclusion of food safety consequences of climate change as a separate issue under the Strategic Plan. We do, however, believe that the elaboration of standards to address new production technologies would be an appropriate consideration in a new Codex strategic plan.

### NEW ZEALAND

The current strategic plan (see para 2) clearly recognises the changing environment in which Codex operates. Furthermore there is a more explicit recognition of the need to take account of scientific and technological developments in the process of standards development in the various activities listed under Goal 1. We see these references as providing Codex with a clear direction to take concerning contemporary issues and technological advances in its deliberations and standards development processes. On this basis New Zealand is satisfied that the existing Strategic Plan provides an adequate framework for dealing with the challenges of scientific and technological developments.