



# Webinar for the Import risk review for dairy products for human consumption: draft report

## Webinar transcript

(Duration 39 mins 42 secs)

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### Introduction

This is the transcript of a webinar, presented by the Department of Agriculture, Fisheries and Forestry, about the draft report for the *Import risk review for dairy products for human consumption*. The 45 participants included members of domestic and international industry organisations.

### Transcript

[Webinar begins]

Clarice Ko: Welcome everyone, we'll just give everyone a couple of minutes and we'll get started as soon as possible.

Clarice Ko: So for everyone who is joining us we're just waiting a couple of minutes, we'll get started very soon.

Clarice Ko: Hi everyone, good afternoon, my name is Clarice Ko and on behalf of the Department of Agriculture, Fisheries and Forestry I'd like to welcome you to today's webinar.

So I'd like to start by acknowledging the Traditional Custodians of the land in which we are meeting on today, and myself and the team here in Canberra, the Ngunnawal people, and I extend that recognition to the Traditional Custodians of all the lands that you join us from across Australia. I acknowledge and respect the continuing culture and connection to land, sea, and community and pay my respect to Elders both past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples in attendance today.

So the purpose of this webinar is to discuss the department's draft Import risk review for dairy products for human consumption, and address any questions that you might have. Questions can be asked at any time during today's webinar, so you can use the Q&A box which is at the bottom of your screen. And if you do have a question, please pop it into that box and the team will do their best to answer those questions for you.

In that team today, we have Dr Peter Finnin, Assistant Secretary of the Animal Biosecurity Branch; Dr Brian Clarke, director of the dairy team; and Dr Tristine Friedrich, a veterinary officer in the team. So

welcome to you all. So just to start us off, I'll pass over to Peter, who will give a brief introduction, which will then lead to a presentation by Brian. So on to you Peter.

Dr Peter Finnin: Good afternoon everyone, so great to be here with you all today to have this conversation in relation to the draft dairy review that has recently been published. We are really looking forward to the opportunity today to get some direct feedback from yourselves around the information that we've put out there in the review. I'd particularly like to thank the team, Brian, and Tristine, and Louise Sharp and others who have done a lot of work over the last 18 months to 2 years perhaps even a little bit longer that has brought us to having a draft review that we could put out for public consultation. So there's a lot of really good work that has gone into that. But the test of that really is to see whether or not we've clearly communicated with you all, the risks that are posed through the importation of dairy products, and whether or not, particularly if anyone feels that there are any particular gaps or that the conclusions that were drawn based on the evidence that we've set out whether or not they are reasonable or unreasonable.

So we really do appreciate your thoughtful feedback on the draft review as we're looking to ensure that we continue to effectively manage biosecurity risk that's posed by the import of dairy products, but at the same time to ensure that the risk management that we've put in place is that which is necessary to manage biosecurity risk, but also enables effective trade in dairy products. Noting that dairy product imports and exports are really important to Australia as a nation, and so whatever import settings we have also need to be considered in light of the export settings that we might want to have applied to us when it comes to exporting our own dairy products. So there's a range of really important considerations that we need to bring together in arriving at what is, at the end of the day, at least in our view at this point in time. I'm welcoming any feedback on our position that's articulated in the draft review that says that Australia's appropriate level of protection will be managed by the risk management processes that are proposed.

So I will leave it at that, then Brian and the team will then present to you. And as Clarice has already said, if you do have any questions, please feel free to pop them in the chat, and we'll do our very best to answer them today. If not we will, post the meeting, make sure that answers to all questions that we received today are answered and put that information up on our website. Thanks Clarice.

Clarice Ko: Thanks Peter. So over on to you Brian, for the short presentation and the overview of the dairy review.

Dr Brian Clarke: Thanks Clarice and Peter. So as we mentioned, I'm just going to give a very brief presentation that covers up on the key points that we've covered in the review and go through some of our proposed risk management options for the importation of dairy products. It's not designed to be an exhaustive technical presentation. The dairy review itself is a very long technical document, and we welcome your feedback on that document. As Peter mentioned today I'm just going to attempt to touch on the highlights and the key points of the review.

So I thought it might be useful to talk first about animal import, our animal import risk analyses and the purposes of them. These risk analysis documents provide guidance to inform our decision makers under the Biosecurity Act. They start with an assessment of risk and identify any key diseases which must be managed to ensure that Australia's ALOP is met. They establish a baseline of the likelihoods

of entry, exposure, and consequences of those diseases, and they propose recommendations for risk management.

The IRAs, or import risk analyses themselves, do not spell out chapter and verse how these recommendations for risk management will be operationalised and the exact conditions of the permits. As we work towards the finalisation of the publication of report, we will develop the import conditions and look at the levels of assurance and verification we require to ensure that the recommendations in the review are met. So as you can see, we're kind of, as Peter mentioned, this work's been going on for a number of years now, and we've reached the point of releasing the draft report and seeking as much feedback from yourselves and from all of our stakeholders as we can get, as we move toward the finalisation of the risk analysis.

As we move towards the finalisation of the risk analysis, there will be further opportunities for you to provide feedback on the draft report and as we move to developing import conditions.

So the key points. The purpose of the dairy review was to modernise Australia biosecurity measures for dairy to reflect current and future, the current and future trading environment. So over many years, the overwhelming feedback from industry groups and importers has been that the dairy policy needs review and doesn't deeply completely reflect industry practice. We began the review in 2021 to begin to consolidate a large number of both the 1999 review and a large amount of policy advice that has been developed over many years. So, this review considers all of those pieces of policy advice as well as new scientific information, relevant international standards, industry practice and operational practicalities. The review focuses solely on milk, dairy products manufactured from or obtained from domestic cattle, water buffalo, sheep, and goats. The key recommendation of the review is that minimum conditions for imported dairy products, which may include pasteurisation and thermal treatment, as well as government oversight, are required to manage a number of diseases outlined in the final appendix of the document.

As part of our hazard identification, we went through and identified many, many diseases that could be present within dairy. And from those we identified a number that did require risk management, however, that could be managed by a set of generic conditions that were reflected in the Food Standards Code. In addition to this, the dairy review focuses on biosecurity measures to manage risk of foot-and-mouth disease, lumpy skin disease, peste des petits ruminants and scrapie. The review also did an in-depth consideration of bovine vaccinia virus, and that in-depth consideration led us to conclude that the minimum conditions that we're proposing would also manage the risk of bovine vaccinia.

So the risk review proposes that we should change the current conditions for the import of dairy from diseases, including foot-and-mouth disease. Currently for foot-and-mouth disease, dairy is required to be sourced from countries free from foot-and-mouth disease, which are those listed on the department's FMD-Free Country List, or alternatively, the product must be retorted. The draft review proposes that in addition to these conditions, foot-and-mouth disease can also be managed by pasteurisation and further heat treatment of at least 100 degrees for 30 minutes if the source country is not free from foot-and-mouth disease.

In the case of lumpy skin disease and sheep and goat pox, currently, either, dairy must be sourced from countries free from LSD and sheep and goat pox as listed on the relevant country lists, or the

products must be retorted. Or we consider that specific pasteurisation methods will be effective at managing the risks of lumpy skin disease and sheep and goat pox. When we reviewed the literature around lumpy skin disease and SGP, we did an in-depth review of all of the literature, including reaching out to the OIE experts that established the conditions in the OIE Code. We were able to find evidence that a number of pasteurisation methods, low-temperature-long-time and ultra-high temperature pasteurisation, there was sufficient evidence that these methods would manage the animal biosecurity risk. However, we did not, we were not able to establish that there was sufficient evidence that all pasteurisation methods, so high-temperature-short-time pasteurisation, would manage the risk of LSD and SGP.

In the case of peste des petits ruminants, there are currently no conditions for dairy products recommended in the current dairy IRA. However, we've reviewed recent scientific information which suggests that PPR is present in significant amounts in milk derived from infected sheep and goats, and that this milk, and that milk containing PPR is infectious. Therefore, we recommend that either source country must be free from PPR, and the review recommends that a PPR Country List is created, or the product should be retorted, or again specific pasteurisation methods on its own will manage the risk of PPR. In the case of PPR, currently those countries affected by PPR are all also affected by foot-and-mouth disease.

Finally, the review recommends that specific measures are required to manage the risk of scrapie. These measures are unchanged from the previous 1999 review.

In addition, the review recommends that if the product is sourced from a country not free from all diseases requiring specific risk management, for the alternative heat treatment recommendation to be considered to manage risk, the department will need to assess the supply chain to ensure that the risks of contamination of that product and that the heat treatment is being appropriately performed, to ensure that the animal biosecurity risks are managed. The product will also need to be commercially prepared and packaged, and ready for retail sale.

In the case of cheese, cheese will continue to have separate risk management options, and raw milk cheese will continue to be assessed by the department, both through our imported foods program and for biosecurity risks on a case-by-case basis.

In talking a little bit more depth about the supply chain and approval process I mentioned earlier, the assessment process will be developed along with the final report. The level of detail requires part of that assessment process will be developed on a risk basis, so it facilitates us appropriately assessing the risk. The involvement and cooperation of the competent authorities and facilities and importers will be required. This will be a significant piece of work by the department and those importers to ensure, with appropriate level of assurance and verification in place, that the risks of these diseases are managed. A desktop assessment and in-person verification might be required. These measures are proposed to apply only to countries affected by diseases requiring specific risk management.

So that's I guess, a brief overview of what we consider to be the key points of the review, and I'll toss over to Clarice to walk us through some questions and answers that we've received prior to this webinar.

Clarice Ko: Thanks Brian for the comprehensive overview. We'll jump to now answering some questions that were pre-received. So, since many questions were received from stakeholders on the draft report, some of which were quite similar, the team have tried to combine some questions by a topic or issue and those that aren't covered now will be included in a frequently asked questions document following the webinar.

So the first question is for Tristine, which I will ask of you, what will the proposed changes mean for dairy availability?

Dr Tristine Friedrich: Thanks Clarice. So, in almost all cases, these changes will have no effect on the availability of currently imported dairy products, and the intent is that most dairy products that can meet the current requirements will remain eligible.

What the changes will mean is that some dairy products previously not allowed to be imported into Australia may now become eligible subject to them meeting the biosecurity measures that manage the risk. Thanks Clarice.

Clarice Ko: Thanks Tristine. The second question that was received was has the dairy review addressed biosecurity measures for raw milk cheese? Back to you Tristine.

Dr Tristine Friedrich: Thanks Clarice. So since the dairy review was announced, we have received multiple queries and comments about issues that are relevant to the import of raw milk cheese. You may or may not be aware that under the imported food legislation, imports of raw milk cheese must be covered by what's called a foreign government certificate, under a government-to-government certification arrangement. The Imported Foods section of the department is responsible for leading and conducting this assessment, and their prime focus is on whether Australian food safety requirements can be met. The Animal Biosecurity section of the department is consulted during the assessment just to ensure that any animal biosecurity requirements are met.

The assessment process for setting up this arrangement is not within the scope of the dairy review, and any questions we have received that are relevant to the import of raw milk cheese will be forwarded to the Imported Food section for their knowledge. You can find further information about importing raw milk cheese on the department's website, and there is also a contact email on there that you can email for further information. Thanks Clarice.

Clarice Ko: Thanks Tristine. Moving on to the next question, which I'll throw to Brian, what does it mean now that butter is no longer considered separately from other dairy products?

Dr Brian Clarke: So as part of the dairy review, we reviewed all the underlying assumptions and the science that was presented in the 1999 dairy IRA. In that IRA, that IRA considered that butter was unlikely to be fed to animals susceptible to diseases that may be present in dairy products.

However, over the last period since that review, the department has become more and more aware that dairy products, including butter, are being repurposed for use in stockfeed domestically in Australia. For this reason, the dairy review considers that butter should no longer be considered separately from dairy products, and that risk management for LSD when sourced from bovine, or for sheep and goat pox and peste des petits ruminants, (when) sourced from sheep and goats, is required to manage the biosecurity risk.

So, what this means is that rather than an import permit for butter and cheese, a standard dairy product permit will be required, is proposed to be required.

Clarice Ko: Thanks Brian. Our next question is, will the proposed disease risk management measures for countries or zones of storage or transshipment en route to Australia apply to dairy products that remain in the port?

Dr Brian Clarke: So the proposed supply chain risk management, verification for countries or zones of storage or transshipment do not apply to dairy products that are in containers shipped with seals intact.

The intent of these proposed risk management measures for zones of storage and transshipment is to facilitate any unloading of goods and for goods to be transported and stored without manipulation in these countries.

It should be noted that, as I mentioned earlier, an assessment will be required for the eligibility for this new proposal, and the department will need to be satisfied that the competent authorities of the countries of storage and transportation have sufficient oversight of this process to ensure that any of these goods are not subject to manipulation, and that these assessments will be specific to the supply chain and again, will require significant investment of time from both the department, the importer, and the competent authority.

Clarice Ko: Great, thank you. Our fifth question is what is the basis for the minimum requirements, which is section 4.1 of the draft report, and what does this mean? This is for you Tristine.

Dr Tristine Friedrich: Thanks Clarice. So, as you're aware, foods that are imported for sale in Australia must comply with the Australia New Zealand Food Standards Code. The dairy review has considered that imported dairy products comply with the standards within the code, and it has also identified that there are several standards within the code that provides significant value in managing the risk of some animal diseases, and these standards are implementing documented food safety programs for dairy primary production, collection, transportation and processing; sourcing milk only from healthy animals; processing requirements of milk and dairy products such as HTST pasteurisation and the specific processing requirements for cheese; and the requirement for food business operations to notify themselves to authorities. The review refers to these standards as the minimum requirements.

Now, one of the recommendations of the dairy review is that a number of the diseases that were identified as hazards in imported dairy products can be managed specifically and solely by the measures of the minimum requirements, and these diseases can be found in the Appendix of the draft report. For diseases that can't be managed solely by the minimum requirements, additional risk management measures have been developed, and these diseases are lumpy skin disease, foot-and-mouth disease, sheep and goat pox, peste des petits ruminants, and scrapie.

How the minimum requirements will be operationalised and to what level they need to be verified still needs to be finalised, and this will be finalised along with the final report, and we will also be seeking input from the relevant operational teams within the department. Thanks Clarice.

Clarice Ko: Thanks Tristine. Our sixth question is, is the requirement to declare country of origin of dairy ingredients on a health certificate new? Also for you Tristine.

Dr Tristine Friedrich: Thanks Clarice. So, this is a nice, easy question to answer, and no, this is actually not a new requirement. Current health certificates for dairy products exported to Australia already contain this information. Thanks Clarice.

Clarice Ko: Thanks so much. Moving on to the next question. Will the department consider alternative risk management measures? Over to you Brian.

Dr Brian Clarke: So a large number of the comments and questions we have received to date deal with alternative risk management measures. And a lot of them get down deep into the weeds of time, temperatures and alternative proposals. In the case of the webinar, I don't really have time to discuss them all, so I'll give some kind of general answers about equivalence.

Short answer is yes, we will consider equivalent heat treatment and risk management measures. As I mentioned at the start, the IRA proposes baseline measures to provide information to decision makers about risk management.

So, at the current point in time is very difficult for the department to assess alternative risk management as being equivalent to any measure currently proposed in the current dairy IRA. The current dairy IRA proposes that retorting is the only alternative to country freedom that is acceptable. That's challenging to ever assess an alternative condition against, as there really is no alternative to retorting/canning. Retorting provides a very significant heat treatment, a pressure treatment, and manages contamination risk simultaneously in a single treatment. There is no single alternative risk management measure that is the equivalent to retorting, which is why we are proposing that to manage the biosecurity risk of these significant diseases, that both additional heat treatment and assessment by the department of the supply chain is required. So the measures we have proposed in the dairy review give us a new basis to assess equivalence and provides more options for us to assess alternative risk management measures against.

So any assessment for alternative heat treatments would consider how different the proposed heat treatment is from current risk assessment heat treatment options and the availability and depth of the scientific data available to demonstrate that these treatments are effective in inactivating disease agents which may or may not be present in imported dairy.

I think it probably goes without saying that the more these proposed alternative heat treatments move away from established risk management measures, the greater the scientific evidence that they are effective will be required.

Alternative measures. We will also consider equivalence to other measures proposed in the IRA. However, where a heat treatment is required to manage the biosecurity risk, any alternatives must also be demonstrated to effectively inactivate specific diseases of concern.

Clarice Ko: Thanks Brian. So, we're almost getting to the end of our list of questions, which we've got a total of 10. I can't see that we've got any other questions at the moment, so just encouraging you all to put your questions in the Q&A box. Otherwise, we will try and address as many as we can.

So just moving on to our eighth question, would a country that is FMD-free with vaccination be considered for lower heat treatment requirements? That one's for you Brian.

Dr Brian Clarke: So, the department considers countries where vaccination for FMD is practiced to be affected by foot-and-mouth disease virus. Whilst vaccination can be effective at managing foot-and-mouth disease, vaccination may also reduce the clinical expression of disease or animal, which may lead to an animal being infected which look healthy or may not prevent infection occurring, and animals can become carriers. So FMD risk management measures will apply to countries free from foot-and-mouth disease with vaccination.

Clarice Ko: Thank you Brian. So just moving on to our next question, will zones be considered for inclusion in the department FMD-Free Country List? Tristine?

Dr Tristine Friedrich: Thanks Clarice. So yes, the department does consider zones for inclusion in the department FMD-Free Country List. However, because of the extreme consequences of an FMD outbreak in Australia, the department conducts its own evaluation of FMD-free status of countries and zones. The recognition of animal disease-free zones is a lengthy process, and it does require significant investment of resources from both the competent authority of the country or zone in question and the department. The department has established procedures to assess the FMD status of countries and zones for trade purposes. The recognition of the country or zones FMD status by the World Organisation for Animal Health, or WOAHA, is considered as part of this assessment.

I just want to highlight though, that the criteria and procedures for inclusion in the department's FMD-Free Country List are not within the scope of the dairy review. Thanks, Clarice.

Clarice Ko: Thanks Tristine. Just moving on to our final question that has been pre-received by the team. Just wondering if anyone has any further questions to pop into the box, now is your chance, and we'll try to address them as best we can.

So our last question is, what are the proposed timings for implementation of new biosecurity measures for dairy products imported for human consumption? Over to you Tristine.

Dr Tristine Friedrich: Thanks Clarice. So I'd just like to reassure everyone that there will be plenty of time before any changes to current biosecurity measures occur. Once the consultation period closes on the 31st of March, we will consider all the feedback received and start developing a final report.

Once the final report has been developed, this will be published onto the dairy review website and there will be other opportunities to provide feedback and for discussion before import conditions are implemented.

Once the dairy review has been finalised, there will be a transition period, the length of which has not been determined yet. Thanks Clarice.

Clarice Ko: Thanks Tristine. So just having a look at our Q&A box, we've just got a comment, which isn't quite a question, but I will just read it out quickly. So thank you for clarifying that ship-to-ship transshipment in sealed containers will remain permissible for dairy ingredients that stay in-port. That was a relief.



So, I will just pass over to Brian now, keep putting those questions in if you do have them, we do have time. We do have another 30 minutes or so for this webinar, so we'll just encourage those questions. But in the meantime, I'll just pass on to Brian to make any further comments that he'd like to make.

Dr Brian Clarke: So just on some of the questions we have answered, and some that we haven't, we received quite a lot of comment about current operational matters and matters that are much more directed towards import conditions. For most of those we haven't answered them in this webinar as we are quite a long way from establishing final conditions, final level of assurance and final verification. So we will put those in a frequently asked questions document and the transcript of this presentation will be made available. We did receive those questions, we will answer them but they are little outside the scope, I guess, of the draft release of the review. As I mentioned at the beginning, there will be more opportunities for feedback and comment.

Clarice Ko: Thanks Brian. So yes we still have time to keep submitting those questions, otherwise I believe we will just wrap up a little bit earlier. If we could just move on to the next slide, thank you.

Just to explain the next steps of the dairy review and to reiterate that stakeholder consultation will close on the 31st of March so please put your submissions in through the Have Your Say page on the department's website, and all submissions will be considered in the final report, which will then be published on the department's website once again. There will be continued opportunities to discuss this final report as well.

Just while in that time I've seen a new question pop up so I'll just read that out. Can DAFF elaborate on what 'all the facilities involved in manufacture have current approval' entails in the above proposed minimum import conditions? Brian?

Dr Brian Clarke: Sure. So the intent of that minimum import conditions is to ensure that the CA in question, or the competent authority in question, or of the appropriate regulatory agency of that country in question, has oversight of the food production systems that are used in the production of dairy products for import into Australia. So that is basically equivalent to the notification requirement under the food standard notification of businesses as required under the Food Standards Code. The final stages of this review process will look at the level of assurance that we require around those documentations. So I think that answers the question around that minimum import facilities involved in manufacture.

Clarice Ko: Thanks Brian. We've got another one come in. So has the department considered the following? Foreign manufacturers will be able to use dairy ingredients from countries not free from FMD and then ship those finished goods to Australia packed for retail. Australian manufacturers won't be able to use those same ingredients.

Dr Brian Clarke: Thanks. So this comes down to, yes we have considered that. So we consider that the bulk importation of ingredients presents a significantly increased risk of diversion, and having products packed for retail, in their final condition of sale limits some of that exposure risk. As I mentioned a few times, the review provides a baseline set of options around risk management. For those type of ingredients to be used in bulk in Australia, they will need to be heat treated and there would need to be significant other risk management in place to ensure that there was no likelihood

of diversion of those bulk ingredients outside of retail, before being retail ready for sale. There are potential equivalent risk management measures that could be put in place. I'm thinking at this point of which the department has an approved arrangement scheme for processing facilities, we may be able to consider that an equivalent risk management measure; however, that will require quite a significant investment of work by both the department and the manufacturer to ensure there is sufficient oversight that nothing left that processing facility even once it was heat treated in a country in question. So nothing will be ever permitted into Australia without that initial heat treatment to ensure that there is sufficient oversight that those bulk ingredients would not be used outside of retail preparation.

Clarice Ko: Thanks Brian. I can see there's a follow up question. It's just following on from the previous question. Is this a new requirement?

Dr Brian Clarke: I assume that's talking about the previous question. And the answer is yes, it is a new requirement. There is currently no option for those types of ingredients to be used at all. So all of the requirements around those conditions are new. Previously there is no option for any of those ingredients to be used in any product imported into Australia, other than retorting.

Clarice Ko: Thanks Brian. I can't see any more questions coming through, but thank you so far everyone for your questions, they have been really great. So if you do have any other questions please pop them into the Q&A box. Otherwise, any questions that the team haven't answered today will be taken on notice and then published in a FAQ document following the webinar.

I will see if there are any more questions coming through in the meantime. Keep them coming if you do have any.

Dr Brian Clarke: So if you do have any other questions that come up that will inform your comments on the final report, you can send them in on the Have Your Say page or through the same links that people have submitted, that are available for this webinar, and we will endeavour to answer them.

Clarice Ko: Thanks Brian. So I can't see any more coming through so I will probably just wrap it up now. Just to close, I'm trying to reiterate that the draft report is currently on the department's Have Your Say webpage for comment, and you are encouraged to make those submissions by the 31st of March. Today's full presentation will be uploaded onto the department's website as well as the transcript. And so, once again, thanks so much, on behalf of the Department of Agriculture, Fisheries and Forestry for your attendance today. And on behalf of the team, thank you very much for your time and we will talk to you all soon. Thank you, thanks for attending. Bye.

[Webinar ends]

#### **Acknowledgement of Country**

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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