FOOD STANDARDS
Australia New Zealand
Te Mana Kounga Kai – Ahitereiria me Aotearoa

15 September 2008
[16-08]

APPLICATION – ADMINISTRATIVE ASSESSMENT

<table>
<tr><td>A1013</td><td colspan="2">Date Received: 8 August 2008
Date Due for completion of Administrative Assessment: 29 August 2008
Date Administrative Assessment Completed: 29 August 2008</td></tr>
<tr><td colspan="2">Applicant: Pureharvest</td><td rowspan="2">Potentially Affected Standards in the Code:
1.2.1
1.5.2</td></tr>
<tr><td colspan="2">Title: Extension of Mandatory GM Labelling Requirements

Brief Description of Application:
To significantly extend the current provisions as they relate to labelling of genetically modified [GM] foods.</td></tr>
<tr><td>Procedure:
Major

Reasons why:
The Application involves a significant change to the scope of the food regulatory measure and would involve a change to a labelling requirement impacting on a wide range of foods.</td><td>Estimated total hours (Major Procedure)
4550 hours

Reasons why:
The assessment of the Application will require extensive stakeholder consultation, consumer research,
The Application would require:
• the development of a complete community communications strategy to address public concern
• the development and distribution of community education material
• extensive consultation with government agencies, industry, consumer groups
• establishment of external working parties and advisory groups
• a benefit cost analysis of the proposed labelling changes and food compositional analyses to determine which foods are affected for the Benefit Cost Analysis, in addition to a comprehensive assessment of risk management strategies
• notification to the World Trade Organization</td><td>Estimated start work:
If not paid to expedite the Application, the project would be deferred for at least two years from the time of receipt due to current work load.</td></tr>
</table>

DECISION

Application rejected

Date: 29 August 2008

If rejected, list reasons for rejection:
The Application does not meet the mandatory information requirements under Part 3 of the *Application Handbook*, as required under subsection 22(2) of the FSANZ Act.

Has the Applicant claimed Confidential Commercial Information status?

Yes No ✓

What documents are affected? N/A

Has the Applicant provided justification for Confidential Commercial Information status?

N/A

Is the Application for a High Level Health Claim?

Yes No ✓

If so, has the Applicant made an election to have FSANZ give public notice calling for submissions under s.51 of the FSANZ Act?

N/A

Has the Applicant sought special consideration e.g. novel food exclusivity, two separate applications which need to be progressed together e.g. a novel food and a related high level health claim.

Yes No ✓

Details: N/A

Charges

Does FSANZ consider that the application is subject to ECCB?

Yes No ✓

If yes, indicate the reason:

N/A

Does the Applicant want to expedite consideration of this Application?

Yes No Not known ✓

Application Handbook Requirements

Which Guidelines within the Part 3 of the *Application Handbook* apply to this Application:

Sections 3.1, 3.2.1, 3.2.4

Does the Application meet the requirements of the relevant Guidelines?

Yes No ✓

Is the checklist completed?

Yes ✓ No

What information is not provided?

The proposed variation to the Code would require a major assessment of a highly complex issue. The information provided in the Application is not commensurate with the information requirements for the proposed labelling changes.

3.1 – General Requirements

3.1.5	**Information to support the Application** • Has not met information requirements under Sections 3.2.1 and 3.2.4. • Query quality of information provided.

3.2.1 – General Food Labelling

A 2	**Justification for the Application** • While the general statements in relation to (e) benefits of proposed labelling change for consumers were comprehensive, the statements provided about the costs to industry, consumers and government were minimal.
C 1	**Information to demonstrate consumer support of the proposed labelling change** • The Applicant describes some research related to consumer support, but the information is insufficient to assess its quality. • The research described does not provide representative and quantitative information on the level of support for the proposed change in Australian and New Zealand. • The Applicant does not provide information on the consumer groups and number of consumers that would be affected by the proposed change.
C 2	**Information to demonstrate that the proposed labelling change will be understood and will assist consumers** • Some information is provided by the applicant, but the information is insufficient to assess the its quality. • The research described does not provide representative and quantitative information on how the proposed change will be understood by consumers and whether it will assist them.
D 1	**Data on the projected cost to the food industry of the proposed labelling change** • The Applicant acknowledges there will be costs associated with traceability and enforcement and likens this to existing arrangements for Country of Origin labelling. • No cost data supplied, for example, the size of the market/number of industry bodies affected, the number of organic food producers, the cost of establishing traceability records, possible reformulation costs, labelling costs or any data relating to potential costs for industry as a result of the proposed labelling change.
D 2	**Impact on international trade** • Discussion on the impact on international trade limited; the Applicant considered impacts will be minor in relation to additional labelling required to imported products and importers will need to seek appropriate documentation from suppliers. • No discussion around size of imported foods market, costs to enforcement agencies.

3.2.4 – Labelling for Consumer Information and Choice

A 2	**Information to show that there are no, or a limited number of, suitable substitute products in all food categories currently available to consumers** • Information not provided; no indication of size of current market for organic/non-GM foods.
A 3	**Information to show that the proposed specific labelling change will assist consumers to make an informed choice or will provide alternative labelling that will not hinder consumers from making an informed choice** • Some information is provided by the applicant, but the information is insufficient to assess the quality of the information. • The research described does not provide representative and quantitative information on how the proposed change will assist consumers.
A 4	**Information to demonstrate that, in the absence of the proposed labelling, alternative measures to address the issue would not be effective** • Information provided does not address the issue of whether alternative measures would be effective in Australia and New Zealand. • Recorded the seven GM labelling approaches used by Codex Members, identified by CCFL GM Working Group in Feb 2008; stated that the focus of the Application is to compare/contrast Aust/NZ labelling regime with that of the EU and that the effectiveness of most other approaches in list of seven were not relevant. • Referred to an EC discussion on voluntary labelling, but did not discuss the merits or otherwise of self-regulation, other legislative measures (e.g. trade practices) or national manufacturing standards (including those developed by Standards Australia).

Does the Application relate to a matter that may be developed as a food regulatory measure, or that warrants a variation of a food regulatory measure?

Yes ✓ No

Is the Application so similar to a previous application or proposal for the development or variation of a food regulatory measure that it ought not to be accepted?

Yes No ✓

Did the Applicant identify the Procedure that, in their view, applies to the consideration of this Application?

Yes ✓ No

If yes, indicate which Procedure: Major

Other Comments or Relevant Matters:

The Applicant referred to the FSANZ Review on Labelling of Genetically Modified Foods (2003) and considered that the Review Report provided sufficient information for changes to be made to Standard 1.5.2. The Review did not include a review of labelling policy for GM foods. The scope of the review was limited to:

- a review of GM food labelling requirements that have been introduced in other countries around the world
- an examination of consumer attitudes in relation to GM labelling
- a report on compliance and enforcement of the Standard
- noting any developments in Codex in respect of a standard for GM labelling.

In the outcomes of the Review it was noted that, in Australia and New Zealand, the majority of consumers want mandatory GM food labelling so they can make informed purchasing decisions. There was also some support for method of production labelling, rather than labelling based on the composition of the food. The Review Report also noted that, based on the studies examined, it was difficult to determine the strength of the link between consumer demand for GM labelling and the actual use of GM labelling in purchasing behaviour.

CONSULTATION & ASSESSMENT TIMEFRAME

<table>
<tr>
<td>Consultation Strategy:
Proposed length of public consultation periods:
Major Procedure Post 1st Assessment (8 weeks)
Post 2nd Assessment (8+ weeks)

• A Standards Development Advisory Committee (SDAC) would be required, rigorous consumer behaviour research, broad consultation with stakeholders.
• Significant evaluation of costs to industry.</td>
<td>Community Involvement Category:
4 Intensive and broad focus
• Significant potential economic impacts
• Broad public interest in the issue</td>
</tr>
<tr>
<td colspan="2">Proposed Timeframe for Assessment: N/A</td>
</tr>
</table>