

19 March 2018

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Dear Sir Madam

Attached are the comments that the New Zealand Food & Grocery Council wishes to present on the ***Call for submissions – Application A1144: Re-categorising coconut milk for food additive permissions.***

Yours sincerely

Chief Executive



***Call for submissions – Application A1144:
Re-categorising coconut milk for food
additive permissions***

**Submission by the New Zealand Food & Grocery
Council**

19 March 2018

NEW ZEALAND FOOD & GROCERY COUNCIL

1. The New Zealand Food & Grocery Council (“NZFGC”) welcomes the opportunity to comment on the ***Call for submissions – Application A1144: Re-categorising coconut milk for food additive permissions.***
2. NZFGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. This sector generates over \$34 billion in the New Zealand domestic retail food, beverage and grocery products market, and over \$31 billion in export revenue from exports to 195 countries – some 72% of total merchandise exports. Food and beverage manufacturing is the largest manufacturing sector in New Zealand, representing 44% of total manufacturing income. Our members directly or indirectly employ more than 400,000 people – one in five of the workforce.

THE APPLICATION

3. The Australian Food and Beverage Importers Association prepared and application to FSANZ requesting alignment of the treatment of coconut milk products in the Australia New Zealand Food Standards Code (Food Standards Code) with the treatment that is provided for these products in the Codex Alimentarius. The Codex standard (Codex STAN 240-2003) allows for the addition of a range of emulsifiers, stabilisers, thickeners, preservatives and bleaching agents primarily for enhancing the stability of coconut milks and creams used in cooking/baking to counteract the propensity of such milks and creams to separate into a heavy aqueous (water) and fat layer on top. The Codex Standard is targeted at the baking/cooking ingredient (light coconut milk, coconut milk, coconut cream and coconut cream concentrate) and not at the coconut drinks sector.

OVERARCHING COMMENTS

4. NZFGC agrees with the FSANZ proposed change in the Food Standards Code that would see the sub-category of coconut milk, coconut cream and coconut syrup moved from the beverages category in Schedule 15 to the category of processed fruits and vegetables.
5. Such a change, which would align the Food Standards Code with the Codex Standard in this area, would:
 - Meet consumer needs to have continued supply of coconut milk and cream products for baking/cooking
 - Facilitate the continued trade in coconut milk and cream for baking/cooking
 - Enhance the ease of trade with Pacific Island nations (subject to hygiene and safety requirements)
 - Align our market needs with the global trade.
6. We note that two additives permitted by Codex but not permitted at Good Manufacturing Practice (GMP) by the Food Standards Code under Schedule 16, appear not to be included:
 - INS No. 432 polyoxyethylene sorbitan monolaurate
 - INS No. 434 polyoxyethylene sorbitan monopalmitate.
7. We ask that, for consistency and to meet the objective of harmonisation with the Codex Standard in this case, provision be made for INS No. 432 and 434 to be included in the Food Standards Code for application to coconut milk and cream.

DETAILED COMMENTS

8. NZFGC notes that coconut milk and related products are used by consumers as an ingredient in cooking and baking. We are also aware of the propensity of the product to separate due to its oil-in-water nature. To counteract this propensity, certain emulsifiers, stabilisers and thickeners can be used to enhance the product and deliver a much more homogenous product to the consumer.
9. A Codex Alimentarius standard (Codex STAN 240-2003) allows for the addition of just such a range of emulsifiers, stabilisers, thickeners, preservatives and bleaching agents primarily for enhancing the stability of the product and to counteract its propensity to readily separate. The Codex Standard presents the product as a baking/cooking ingredient in fruits and vegetables categories rather than as a drink.
10. The trade in coconut milk and cream is mature – the top global exporters are Indonesia, Vietnam, Thailand, India and Sri Lanka. New Zealand has strong trade with each of these exporters and the New Zealand market is dominated by exports in these products from Thailand and Indonesia but another interest is in the emerging Pacific Island trade. By supporting and encouraging this trade, New Zealand would be enhancing its role in the Pacific Island community. Most of the Pacific Islands and indeed the major global exporters, draw on the Codex Standards for trade, hygiene and safety reasons.
11. New Zealand imports are also driven by strong demand from the Pacific Island and Asian communities particularly in Auckland.
12. Aligning the Food Standards Code with the Codex Standard in this area would:
 - Meet consumer needs to have continued supply of coconut milk and cream products for baking/cooking
 - Facilitate the continued trade in coconut milk and cream for baking/cooking
 - Enhance the ease of trade with Pacific Island nations (subject to hygiene and safety requirements)
 - Align our market needs with the global trade.
13. We concur with FSANZ that benefits of alignment of the Food Standards Code with Codex in this area would therefore outweigh costs. Consumers would benefit from certainty that the requirements in standards for the product would not present as a trade barrier. Industry would benefit from greater ease in trade and there would be no additional cost to Government than the current standards impose and possibly less cost because of the confusion that the current categorisation of products that not are drinks are regulated as though they were.
14. NZFGC is aware that there remain categories of coconut products in drinks and oils and that these will continue to be dealt with under separate provisions within the Food Standards Code. We note in particular the need to clearly differentiate these products from the products being proposed for re-categorisation and suggest that one key element is the addition of sugar. However, that will not be sufficient to demarcate the categories and we suggest further consideration be given to such demarcation.
15. Nonetheless, NZFGC agrees with the FSANZ proposed change in the Food Standards Code that would see the sub-category of coconut milk, coconut cream and coconut syrup moved from the beverages category in Schedule 15 to the category of processed fruits and vegetables. This would mean that additives and colourings permitted at GMP and

colourings permitted to a maximum level would apply in addition to the specific provisions for food additives 200-203, 210-213.

16. We note that two additives permitted by Codex appear not to be permitted at GMP by the Food Standards Code under Schedule 16:
- INS No. 432 polyoxyethylene sorbitan monolaurate
 - INS No. 434 polyoxyethylene sorbitan monopalmitate.
17. We ask that, for consistency and to meet the objective of harmonisation with the Codex Standard in this case, provision be made for INS No. 432 and 434 to be included in the Food Standards Code for application to coconut milk and coconut cream.