



# ***Investigation into the dairy industry's participation the continuation and maintenance of the National Chemical Residue Monitor Programme (NCRCP)***

(PRJ-0176-2017)

## **DAIRY STANDARD AGENCY**

**Quarter 3 2017/2017** (July 2017 till September 2017)

### **Project goals**

**Goal 1 - To investigate and facilitate the process of industry participation in the implementation and maintenance of a national Residue Monitoring Programme in collaboration with DAFF**

#### ***Achievements***

Further to the meeting held on 5 May 2017 information has been requested from DAFF with regard to the role of the organised dairy industry participation in the National Chemical Residue Monitoring Programme. In recent correspondence from DAFF the response was that since the end of March 2017, the EU restricted the import of composite products containing dairy i.e. composite products where less than half their content is processed milk product. Prior to this, certain products containing less than 50% of dairy and/or egg (e.g. rusks and chocolates) were imported by the EU from South Africa. The dairy industry has requested the Directorate Animal Health to enquire on the current procedures and requirements to follow in order to re-establish the market to export dairy from South Africa to the EU. The Department has been investigating ways in which the matter may be addressed for some time now.

Challenges include the residue monitoring programme, the traceability of animals from birth to final product and the use of feed additives, medications and/or hormones in production, which are prohibited by the EU. Regarding the residue monitoring of animal products (including dairy):

1. The EU has banned growth promoters in animal production. This includes Stilbenes (including associated derivatives, salts and esthers), anti-thyroid agents, Steroids, Resorcylic acid lactones (including zeranol) and Beta-agonists, many of which are currently widely used in animal production systems in South Africa. (Evidence however do exist that dairy products from 3rd world countries into the EU are allowed to contain rbST)
2. South Africa has a National Chemical Residue Control Programme in place which is co-ordinated by the Department of Agriculture, Forestry and Fisheries and is approved on an annual basis by the EU.
3. Based on industry compliance to ALL EU requirements (including residue monitoring in products), South Africa exports animal products that are approved by the EU
4. The purpose of the National Chemical Residue Control Programme is to verify that EU-prohibited substances are not being used by the industries/compartments exporting animal products to the EU.
5. The use of EU banned substances in the South African dairy industry currently negates the need for a Residue Control Programme in the industry for the purpose of export to

the EU since South Africa does not meet the EU requirements for the export of these products.

The efforts from DAFF veterinary services include the following:

1. The dairy industry has been advised to consider the implementation of a split system where these substances will not be used in production compartments in order for them to re-access the EU market (i.e. animals are maintained in closed systems and are not exposed to these substances during production. The EU conducts regular audits of these systems to ensure that the necessary guarantees are in place. Such systems are more costly to develop and maintain and require full traceability throughout production).
2. A chemical residue programme has been drafted for the dairy industry and a cost estimate for the programme has been obtained. This has been communicated to the dairy industry for the consideration of funding since the Directorate: VPH lacks the funds for this additional programme.
3. The Directorate: Veterinary Public Health is in the process of expanding the laboratory capacity for residue testing of animal products in South Africa.
4. DAFF has compiled a briefing note to the Department of Trade and Industry on the status of exports of animal products to the EU.

It was noted that the dairy industry's involvement in the National Chemical Residue Monitoring Programme would be limited to funding as it is the task of DAFF as the competent authority to implement the programme. Upon further discussions with VPH concerns were raised that should industry participate in such programme what assurances will be given by DAFF that the programme will be maintained in such a manner as to comply with the minimum requirements to remain sustainable. Following request to VPH regarding the involvement of the dairy industry in terms of supporting the National Chemical Residue Monitoring Programme, VPH responded that it is best to await the outcome of the DAFF proposed budget. The matter is to be followed up in the fourth quarter by means of a formal meeting regarding EU export and the implementation of a programme to suit the needs of a National Chemical Residue Monitoring Programme and EU export requirements.

No project funding has been used until the third quarter of 2017.

***No Non-achievements / underperformance has been reported***

## Income and expenditure statement

Income and expenditure statement	No file has been uploaded
Unnecessary spending during period	No

## Popular Report

No file has been uploaded

## Additional documentation

No file has been uploaded

## Statement

Levy funds were applied only for the purposes stated in the contract	No
Levy funds were applied in an appropriate and accountable manner	No

Sufficient management and internal control systems were in place to adequately control the project and accurately account for the project expenditure	Yes
The information provided in the report is correct	Yes