PET FOOD INDUSTRY
ASSOCIATION OF SOUTHERN AFRICA

FEED & PET FOOD BILL

overview

UPHOLDING QUALITY & SAFETY IN PET NUTRITION

Pet Food Industry Association of South Africa (PFI)
Representation today:

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Today's purpose:

- **Provide an overview of the new Feed & Pet Food Bill**
- **Provide information on the working group action**

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Who is the PFI?

- ✓ NPO
- ✓ Represent pet food industry on various platforms – DALRRD, SAIF, AgBiz, SABS, GAPFA
- ✓ Voluntary association

- ✓ Lobby for industry
- ✓ Regulatory review & input
- ✓ Address issues
- ✓ Drive legislative reform
- ✓ Partner with AIC

- ✓ Project manage industries needs, as identified by members
- ✓ Represent industry in various working groups

- ✓ Uphold safety & quality standards
- ✓ Aid in matters of non-compliance

- ✓ Industry spokesperson
- ✓ Media liaison, as required

Broad summary of issues

South Africa's unique challenges
Governmental issues

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Core issues of the Agriculture Inputs Control (AIC)
e.g. Lack of capacity, archaic systems etc.

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Legislative limitations: Act 36 of 1947

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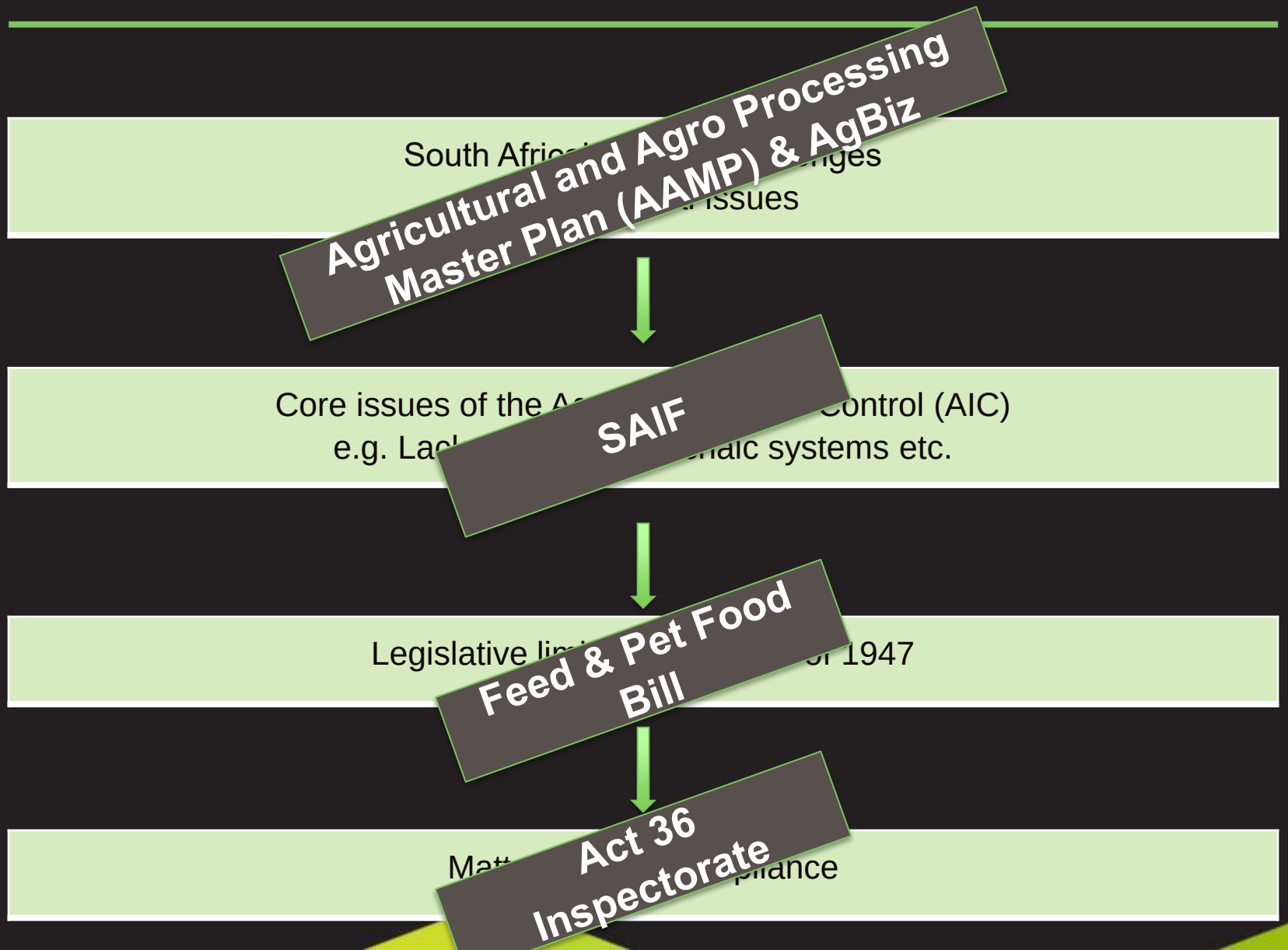
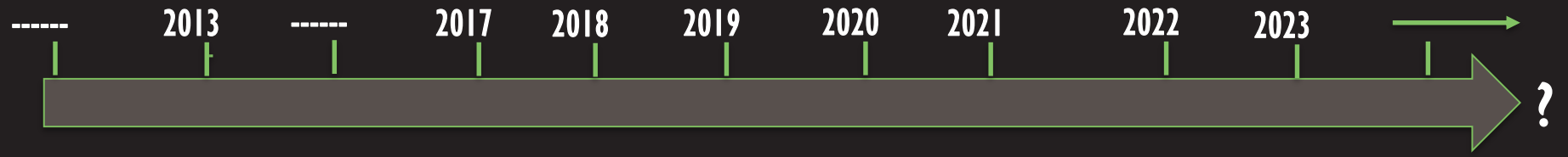
Matters of non-compliance

Broad summary of issues



Brief view of history

Timeline: history



As far back as 2002 need for the new Bill was noted

1st draft ±2009

Industry meeting took place to gauge support

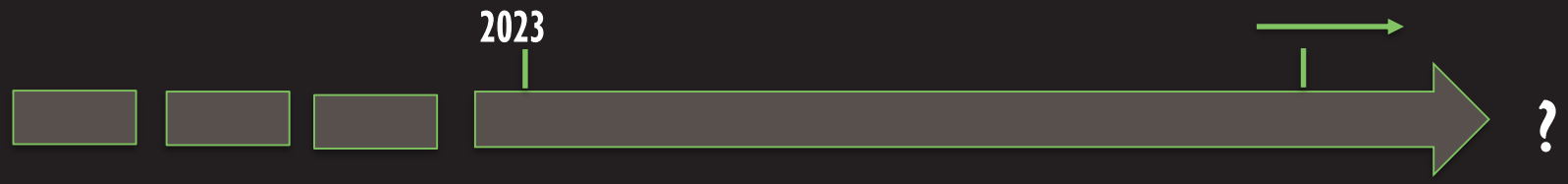
Bill reaches Parliament – thrown out due to lack of public consult

Workshops on new draft Bill
Further workshops
Socio Economic Assessment performed

Bill published
Comments submitted but we have yet to understand how comments, queries, concerns etc. will be addressed

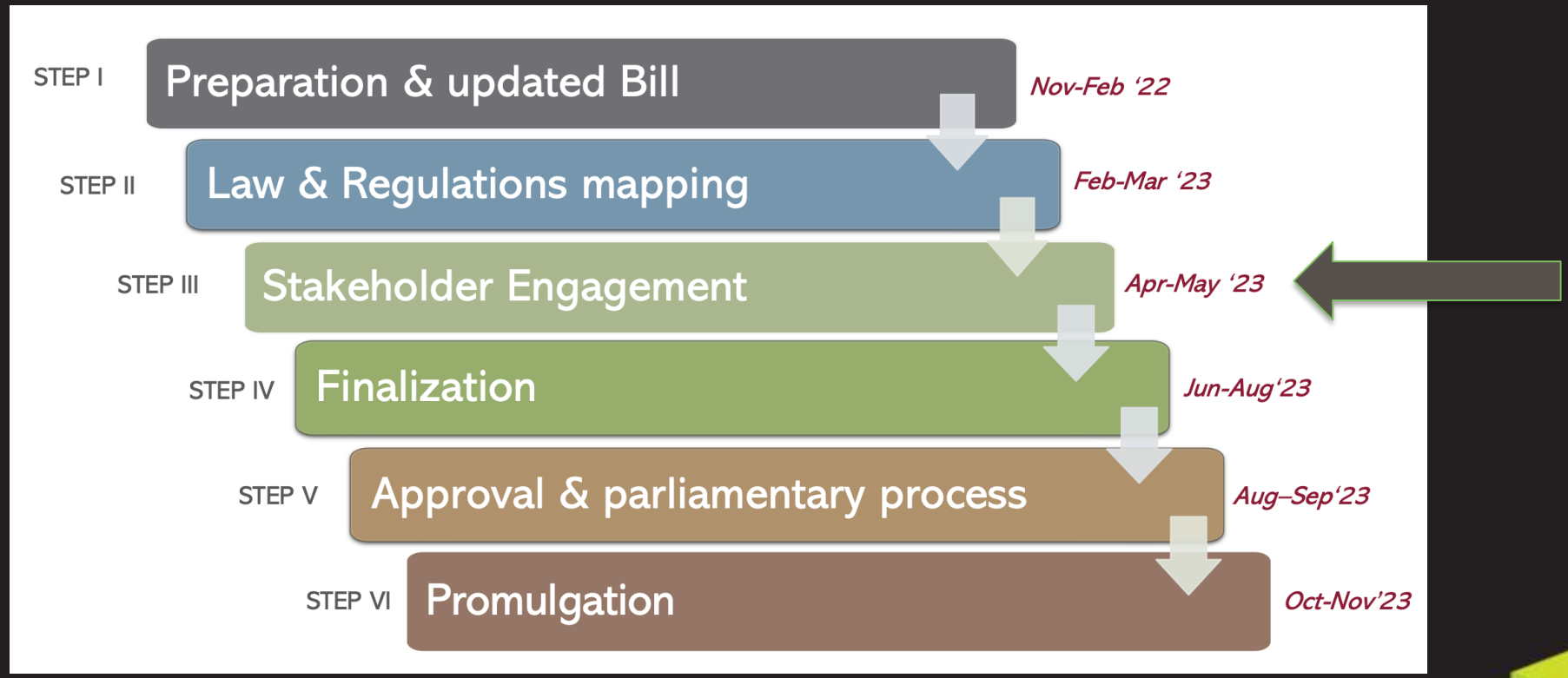
Agricultural Master Plan
AgBiz involvement in driving new Bills to completion (Feed & Pet Food and Fertiliser)
Working group formed to assist and drive the process for finalization of the Bill

Looking to the future



- 2023 should be a pivotal year for the Feed & Pet Food Bill
- Invitation from Registrar for industry to direct the legislative framework, for a more collaborative effort
- Through the working group, made up of AIC Technical Advisor, primary stakeholders (PFI & AFMA), legal and the initial drafting team
- Great deal of work still required ahead of the parliamentary process:
  - Compile a programme of work
  - Address unresolved matters, comments etc. and propose solutions/options
  - Decide the optimal legal framework (incl. regulations, guidelines, and standards)
  - Begin drafting such supporting elements
  - Engage strategic partners to facilitate the process (e.g. AgBiz)
  - Engage partners, affected parties, stakeholders
  - Compile final draft Bill
  - Compile draft regulations

Looking ahead



The Parliamentary Process

Future:
Feed & Pet Food Bill

Main principles of the Bill:

1. Move away from individual product registrations
2. Less restrictive regulations that allow for South Africa to operate in a global market
3. Move towards registration of raw materials and licensing of facilities
   a) GRAS list allowance
4. Allowance for – “assignees”

To:

Modernised regulatory system that still addresses food safety

Create a mechanism for external parties to play a role

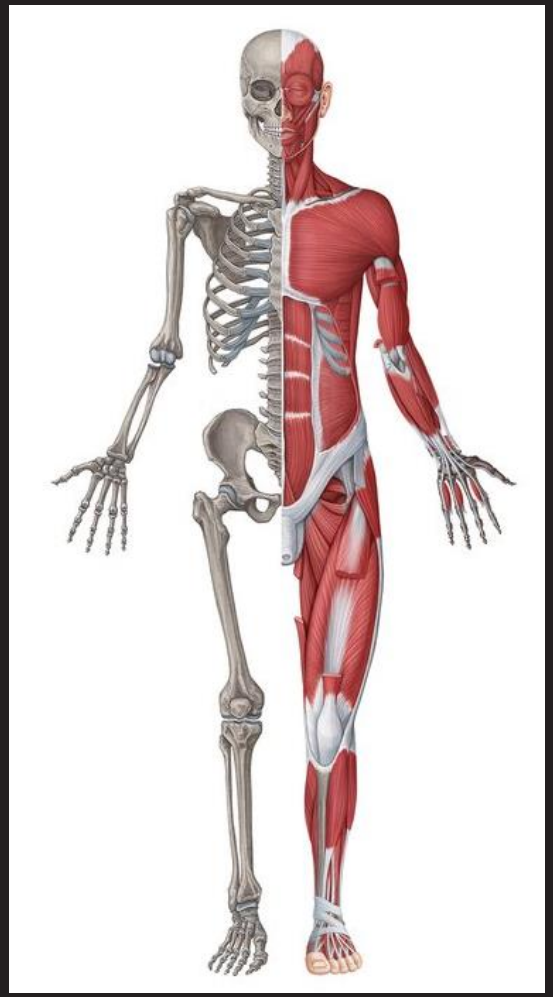
Opportunity address other issues we were not clear on before e.g. the need for interim options when the system is failing.

Legislation

Bill:

- Draft piece of legislation, prepared by government department under direction of Minister
- Requires Parliamentary approval to become an Act
- Bill must make allowance for any detail to be included in the Regulations

The "**what**"



Regulations:

- Provide for detail, procedures etc. not included in the Bill
- Overarching concept must be covered in the Bill (i.e. cannot be introduced in Regulations – *ultra vires*)
- Published in Government Gazette by Minister

The "**how**"

Feed & Pet Food Bill: overview

Objectives:

1. To regulate:
   a) Animal feed
   b) Pet food
   c) Ingredients used in the manufacturing of feed / pet food
2. To appoint a Registrar to administer the Act
3. To appoint advisory committees & advisors to assist the Registrar in administration, compliance, monitoring and enforcement:
   a) Advisers
   b) Assignees
   c) Auditors
   d) Inspectors

Feed & Pet Food Bill: overview

Priorities:

1. Safe feed for animals destined for human consumption
2. Safe pet food for companion animal consumption
3. Food safety, nutrition and food security
4. Traceability and compliance
5. Protect consumers and users

Feed & Pet Food Bill: overview

Current Act 36:

1. Animal feed grouped with other, such as fertilizer, pest controllers
2. No assignees allowed for – Registrar hands' tied
3. Foreign suppliers comply with local requirements
4. Individual product & raw material registration + sterilizing plant registration

New Feed & Pet Food Bill:

1. Animal feed & pet food
2. Allowance for appointment of assignees
3. Foreign supplier accreditation
4. Manufacturing facility licensing & raw material registrations

Animal Feed & Pet Food Bill

1. Separated from other industries, such as fertilizers
2. Allows for easier control
3. Amendments to law should, in theory, be a smoother more time-effective process:
   - Amendments to Acts and new Acts require Parliamentary approval
   - Amendments to Regulations and new Regulations require Ministerial approval
   - Amendments to guidelines / notices require action by the Registrar

Allowance for appointment of assignees

1. Bill allows for the appointment of advisory committees, advisers and assignees
2. Registrar may appoint a legal entity to perform duties / functions conferred on the Registrar or inspector
3. Selection based on:
    - Recommendation of the advisory committee
    - Publicly advertised need
    - Qualifications and ability must be proven
    - Funded by levy imposed by Minister, notice in Government Gazette
    - Appointed for no less than 5 years at a time
4. Funding detailed in a business plan, inclusive of proposed collection methods
5. See chapter 2 of the Bill

Allowance for appointment of assignees

1. Relatively new concept
2. Other industries have implemented, some more successfully than others (e.g. grain industry versus red meat industry)
3. In the fortunate position to learn from these other industries and hopefully implement a more risk-free solution
4. Funding, costs, mechanism currently unclear in the Bill and requires clarity in the Regulations

Government appointed assignee
versus
Industry created company
versus
Industry self regulation

Foreign supplier accreditation

1. Chapter 4 deals with IMPORTS and EXPORTS
2. Any person importing raw materials, feed, pet food, animal by-products, feed additives or premixtures requires the authority of a permit unless obtained from an accredited foreign supplier
3. **Foreign supplier accreditation**: At risk and expense of applicant – perform risk-based foreign supplier verification may be performed – *as determined by the Registrar* – to verify that the supplier complies with the requirements of the Act & regulations
4. An accredited foreign supplier has “approval” of raw materials, feed, pet food, animal by-products, feed additives or premixtures manufactured or supplied by them, under the conditions stipulated and for the period of validity

Facility licensing

1. Manufacturing and rendering plants
    a) Commercial feed
    b) Premixtures
    c) Feed additives
    d) Animal by-products
    e) Pet food
2. Combined licenses allowed for (if more than 1 activity)
3. Subject to compliance to the Act, Regulations and other applicable laws
4. Validity: not more than 10 years (section 16.(4) states 10 years)
5. Facility obtain a unique identifying number
6. May be subject to certain conditions related to:
    a) Operations & maintenance,
    b) Products and/or product requirements
    c) Risk management (hazard analysis, monitoring, withdrawal plans, auditing, inspections etc.)
    d) Termination, amendments and transferability of license
    e) Fines & fees

Raw material registrations

1. All raw materials, animal by-products or feed additives must be registered and issued with a certificate of registration:
   - Assign registration number
   - Specify period of validity
2. Unless **exempted** (e.g. GRAS list)
3. Chapter 5 deals wit LICENSING and REGISTRATIONS

Timeframes included in Bill

1. Import permit: 14 days
2. Export assistance: 14 days
3. License (application, amendment, exemption): 120 days
    - If additional info required – 120 days from receipt of
    - Declines: 14 days
4. Products: within “prescribed period”
    - Decline: 14 days
5. Transitional period of Bill being enforced:
    - Raw materials registered under Act 36 remain valid
    - Applications for raw materials submitted to Act 36 – deemed an application under new Act
    - Manufacturing facilities will have 2 years to apply
    - Working group tasked with suggesting transitional rules and requirements

Recourse & sanctions under new Bill

1. Judicial proceedings in the High Court

1. **Offence committed (unauthorized action):**
   a) Import when not authorized to do so
   b) Manufacture without facility license
   c) Not comply with directive or order issued
   d) Hinders or obstructs an official

   Fine or imprisonment (to 5 years) or both

Or keep, use, buy or sell

1. **Offence committed (non-compliant product)**:
   a) Includes vet medicine / stock remedy
   b) Import, manufacture, keep, use, buy or sell product that does not comply to standards
   c) Store, sell, buy or distribute a product that is not graded, classed, packaged or labelled
   d) Package, label or advertise is a false, misleading manner to create erroneous impression of product

   Fine or imprisonment (to 2 years) or both

Regulations (to still be defined)

- Application form, requirements and info to be supplied
- License conditions
- Standards for products
- Levels for incorporating veterinary medicines & stock remedies
- Inspection, auditing, monitoring and compliance
- Standards of laboratory practice
- Foreign supplier verification
- Fees and levies

- Packaging, labelling & advertising requirements
- Sampling & analysis procedures
- Details to be held by the Registrar and made publicly available
- Recording info of sales, retentions & reporting
- Quality management systems
- Requirements for preservation and detention of seized samples
- Administrative penalties
- Anything else to administer the Act

Published in Gazette for comment (not less than 30 days)

Suggested stakeholder input

Considerations:

- Review the current Bill and provide input
- Review definitions – allow for inclusion of your sector?
- Consider any specifics that the working group should be made aware for the work that still needs to be defined of and provide that input
- Review the final draft Bill and Regulations (+ supporting standards and other guidelines) once available and ensure your industry specific operations can function within those laws

Questions?

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Thank you for the opportunity!