United States Department of Agriculture
Food Safety and Inspection Service
Washington, D.C. 20250

Dr. Tony Zohrab
Director, Market Access
New Zealand Food Safety Authority (NZFSA)
South Tower, 86 Jervois Quay
PO Box 2835
Wellington, New Zealand

OCT 29 2007

Dear Dr. Zohrab:

The Food Safety and Inspection Service (FSIS) conducted an on-site audit of New Zealand meat inspection system May 3 to May 31, 2007. Comments received from the government of New Zealand have been included as an attachment to the final report. Attached is a copy of the final report.

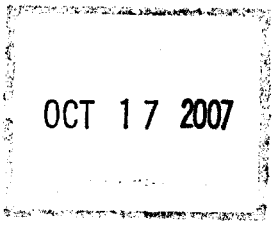
If you have any questions regarding the FSIS audit or need additional information, please contact me at telephone number (402) 344-5100, by facsimile at (402) 344-5169, or electronic mail at donald.smart@fsis.usda.gov

Sincerely,

Donald Smart
Director
International Audit Staff
Office of International Affairs

Enclosure

FINAL



FINAL REPORT OF AN AUDIT CARRIED OUT IN NEW ZEALAND COVERING NEW ZEALAND'S MEAT AND POULTRY INSPECTION SYSTEM

MAY 3 THROUGH MAY 31, 2007

Food Safety and Inspection Service
United States Department of Agriculture

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ABBREVIATIONS AND SPECIAL TERMS USED IN THE REPORT

ATM	Agency Technical Manager
BSE	Bovine Spongiform Encephalopathy
CCA	Central Competent Authority, the New Zealand Food Safety Authority (NZFSA)
CIG	Compliance and Investigation Group
E. coli	*Escherichia coli*
FSIS	Food Safety and Inspection Service
GREX	General Export Requirements
MAF	Ministry of Agriculture and Forestry
MSOE	Ministry of State-Owned Enterprises
NOID	Notice of Intent to Delist
NZFSA	New Zealand Food Safety Authority
OMAR	Overseas Market Access Requirement
PR/HACCP	Pathogen Reduction/ Hazard Analysis and Critical Control Point Systems
SOE	State Owned Enterprise
SPCS	Statistical Process Control System
SSOP	Sanitation Standard Operating Procedures
Salmonella	*Salmonella* species
SRM	Specified Risk Material
TD	Technical Directive
TL	(NZFSA VA) Team Leader
TTS	Traveling Technical Supervisor
VA	Verification Agency
VTS	Veterinary Technical Supervisor

1. INTRODUCTION

The audit took place in New Zealand from May 3 through May 31, 2007.

An opening meeting was held on May 3 in Wellington with the Central Competent Authority (CCA). At this meeting, the auditor confirmed the objective and scope of the audit, the audit itinerary, and requested additional information needed to complete the audit of New Zealand's meat and poultry inspection system.

The auditor was accompanied during the entire audit by representatives from the CCA, the New Zealand Food Safety Authority (NZFSA), and by representatives from the regional and local inspection offices.

2. OBJECTIVE OF THE AUDIT

This was a routine annual audit. The objective of the audit was to evaluate the performance of the CCA with respect to controls over the slaughter and processing establishments certified by the CCA as eligible to export meat and poultry products to the United States.

In pursuit of the objective, the following sites were visited: the headquarters of the CCA, two regional inspection offices, nine slaughter and processing establishments, and one cold storage facility.

Competent Authority Visits			Comments
Competent Authority	Central	1	Wellington
	Regional	2	Hamilton and Christchurch
Slaughter and Processing Establishments		9	
Cold Storage Facilities		1	

3. PROTOCOL

This on-site audit was conducted in three parts. One part involved visits with CCA officials to discuss oversight programs and practices, including enforcement activities. The second part involved an audit of a selection of records in New Zealand's inspection headquarters and regional offices. The third part involved on-site visits to 10 establishments: nine slaughter establishments and one cold storage facility.

Program effectiveness determinations of New Zealand's inspection system focused on five areas of risk: (1) sanitation controls, including the implementation and operation of Sanitation Standard Operating Procedures (SSOP), (2) animal disease controls, (3) slaughter/ processing controls, including the implementation and operation of Hazard Analysis/Critical Control Point (HACCP) programs and the testing program for generic *E. coli*, (4) residue controls, and (5) enforcement controls, including the testing program

for *Salmonella* species. New Zealand's inspection system was assessed by evaluating these five risk areas.

During all on-site establishment visits, the auditor evaluated the nature, extent and degree to which findings impacted on food safety and public health. The auditor also assessed how inspection services are carried out by New Zealand and determined if establishment and inspection system controls were in place to ensure the production of meat and poultry products that are safe, unadulterated and properly labeled.

During the opening meeting, the auditor explained that New Zealand's inspection system would be audited in accordance with two areas of focus. First, the auditor would audit against FSIS requirements. These include daily inspection in all certified establishments, humane handling and slaughter of animals, the handling and disposal of inedible and condemned materials, species verification, and FSIS' requirements for HACCP, SSOP, and testing for generic *E. coli* and *Salmonella* species.

Second, the auditor would audit against any equivalence determinations that have been made by FSIS for New Zealand under provisions of the Sanitary/Phytosanitary Agreement.

Currently, FSIS has determined that five alternate procedures are equivalent to FSIS requirements, regarding alternate testing measures for generic *E. coli,* alternate testing measures for *Salmonella* species, alternate post-mortem inspection procedures for lambs and 5- to 10-day-old "bobby" calves, and permission to slaughter, dress, and/or process equines in an establishment in which other species are also slaughtered, dressed, and/or processed.

4. LEGAL BASIS FOR THE AUDIT

The audit was undertaken under the specific provisions of United States laws and regulations, in particular:

- The Federal Meat Inspection Act (21 U.S.C. 601 et seq.),
- The Federal Meat and Poultry Inspection Regulations (9 CFR Parts 301 to end), which include the Pathogen Reduction/HACCP regulations, and
- The Poultry Products Inspection Act (21 U.S.C. 451 et seq.) and the Poultry Products Inspection Regulations (9 CFR Part 381)

5. SUMMARY OF PREVIOUS AUDITS

Final audit reports are available on FSIS' website at the following address: http://www.fsis.usda.gov/Regulations_&_Policies/ Foreign_Audit_Reports/index.asp.

The last two FSIS audits of New Zealand's inspection system were conducted in September-October 2004 and October-November 2005.

During the 2004 audit, no establishments were delisted or received Notices of Intent to Delist (NOID). The following deficiencies were identified:

- In one residue-testing laboratory, there was insufficient documentation that the procedures for servicing and system suitability/verification, as recommended by the manufacturers, were being routinely performed.
- In one residue-testing laboratory, the training program for new analysts was not clearly outlined; detailed requirements for the attainment of proficiency (e.g. bench-training, number of analyses required to be performed correctly) were not evident.
- In one residue-testing laboratory, control charts containing QC spikes and blind spiked recoveries were not plotted for the results of pesticide analyses.
- In one residue-testing laboratory, several illegible corrections were found in the official documentation.
- In one residue-testing laboratory, the acceptability criteria for the monthly check samples were not consistent with those used for the daily positive-control spiked samples.

All the abovementioned deficiencies had been addressed and corrected by the FSIS audit in 2005.

The following deficiencies were identified during the 2005 audit in which one establishment was issued an NOID by the CCA:

- In one establishment, rodent feces were found in several areas of the main carton storage room.
- In two establishments, edible product containers were cracked and in need of repair or replacement.
- In one establishment, general housekeeping and maintenance had been neglected in the carton preparation room.
- In three establishments, the documentation records for verification of the monitoring activities did not contain the actual times when the verification procedures were performed.
- In two establishments, the establishment employee performing the pre-shipment document review was the same person who was performing the verification of the monitoring.
- In two establishments, the details of the verification procedures were not adequately described in the written HACCP plans.
- In one establishment, the monitoring records did not contain the actual times when the monitor observed the critical limits to be exceeded.
- In one establishment, there was insufficient supporting documentation that physical hazards had been considered during the hazard analysis.

6. MAIN FINDINGS

6.1 Government Oversight

6.1.1 CCA Control Systems

Oversight of the New Zealand meat and poultry inspection system is provided by NZFSA which currently operates as a semi-autonomous body in the Ministry of Agriculture and Forestry (MAF) under the Minister for Food. However, NZFSA has recently announced that it is to become an independent Ministry on 1 July 2007. Oversight of meat and poultry inspection in the slaughter and processing establishments is under ASURE.NZ, a State Owned Enterprise (SOE) under the Ministry of State Owned Enterprises (MSOE).

NZFSA came into being on 1 July 2002, bringing together domestic and processed food functions from the Ministry of Health and the primary production, processing and export functions from MAF Food, together with a small part of the MAF policy group, into a semi-autonomous body, the NZFSA, attached to MAF. NZFSA was restructured on July 1, 2005, providing horizontal groups in place of the former vertical, commodity-based groups, to enable it to function in a risk-based environment and facilitate the evolution toward its status as an independent Ministry. NZFSA is comprised of the following groups, each of which is headed by a Director who reports to the Executive Director and is a member of the NZFSA Board:

- New Zealand Standards Group (NZSG)
- Export Standards Group (ESG)
- Approvals and Agricultural Compounds and Veterinary Medicines
- Compliance and Investigation Group (CIG)
- Science
- Policy and Joint Food Standards (with Food Standards Australia and New Zealand)
- Communications and Infrastructure
- NZFSA Verification Authority (NZFSA VA, usually shortened to VA)

There is an additional Director (Market Access) who is not a board member, and who interacts with the Deputy Director (Export Standards) and the Programme Managers (Market Access) within the Export Standards Group. These persons are responsible for ensuring that requirements necessary for access to various markets that are additional to the New Zealand Standards are published for implementation by industry and by ASURE NZ, and are verified by VA.

Oversight is provided by NZFSA through the CIG, the ESG, and VA. The Director (Market Access) of ESG is the FSIS contact or chief veterinary officer for New Zealand's meat and poultry inspection system. MSOE provides oversight through ASURE New Zealand. The various responsibilities of these organizations are outlined in a Memorandum of Understanding, dated June 2003, stating that MAF/NZFSA/ESG - NZSG (formerly the Animal Products Group) sets the standards, applies sanctions, and provides the statutory authorization to VA and ASURE. NZFSA CIG audits the

performance of VA, ASURE, and industry. VA implements the standards, verifies that they are met, and certifies product. ASURE inspects livestock and product and performs associated tasks such as slaughter brand control and product sampling. Both VA and ASURE have divided their field staff according to the locations, numbers, and complexity of the establishments. VA is divided into nine regions, each managed by a Team Leader who maintains technical competence. ASURE managers are located in numerous offices around the country as needed to provide oversight for the ASURE staff in the establishments. At the time of the audit, the government of New Zealand had authorized the merger between AgriQuality, another food safety/security-related SOE, and ASURE. This process is scheduled for completion no later than the start of the next calendar year (2008).

6.1.2 Ultimate Control and Supervision

VA maintains a physical presence in all establishments where ASURE inspectors are assigned. ASURE inspectors perform post-mortem inspection and related activities, and may perform ante-mortem inspection as well; most ante-mortem inspection is performed by NZFSA Technical Supervisors, who are veterinarians. VA is required to verify that ASURE employees are effectively delivering their mandatory functions and that establishments are in compliance with all New Zealand and FSIS requirements.

New technical information is distributed to all meat and poultry inspection employees via Overseas Market Access Requirements (OMARs), General Export Requirements (GREX), and Technical Directives (TDs). OMAR and GREX documents are based on the Animal Products Act of 1999 and TDs are based on the Meat Act of 1981. Furthermore, Technical Directive's issued under the Meat Act 1981 have been given full legal effect under the Animal Products Act 1999.

Information on new and updated requirements is sent from NZFSA headquarters directly to all NZFSA field personnel, ASURE managers, and establishment management officials via e-mail. The Agency Technical Manager (ATM) conducts a weekly teleconference that is attended by all NZFSA Team Leaders (TL). The Veterinary Technical Supervisors (VTS) and Traveling Technical Supervisors (TTS) in remote locations provide monthly reports to the TL specifying the compliance synopses of the establishments and also synopses of the technical information they have received during the month, as well as what they have done to ensure establishment compliance. For less remote locations, there are weekly circuit meetings in which all current issues are discussed and correlated; either the TL or the TL's Unit Coordinator attends these meetings. Each TL provides a (monthly) Approved Signatory Report to the ATM; this report includes the minutes from these meetings, the monthly synopses, certification issues, complaints and appeals, ASURE issues, VA procedural issues, compliance issues, safety issues, and recommendations regarding technical specifications.

ASURE serves the meat and poultry inspection program in a unique environment. On the one hand, ASURE is obliged to make a profit as a State-Owned Enterprise; however, on the other hand, ASURE is not allowed to make a profit from the costs imposed on industry for meat and poultry inspection. ASURE is, therefore, commercially driven to

provide "Added Value" work that ASURE performs for industry on a fee basis. However, only 2-3 percent of ASURE's income comes from fee work. Fees are standardized, payments are made directly to ASURE headquarters, and the employees are always accountable to ASURE.

6.1.3 Assignment of Competent, Qualified Inspectors

The process of maintaining competency and compliance is approached differently by NZFSA, VA, and ASURE. NZFSA performs CIG audits, on a periodic basis, that cover VA, ASURE, and industry activities and compliance. VA performs Technical Reviews of establishment compliance and inspection activities and conducts Performance Based Verification (PBV) audits and Bulk Audits of each Establishment and of the ASURE presence within that establishment. VA also performs frequent Regulatory Overviews at each establishment. ASURE performs Statistical Process Control System (SPCS) Checks on the various aspects (22 Systems) of inspection that they monitor or perform. SPCS Checks include Procedures Checks and Decision Checks.

The VA Technical Reviews, in combination with CIG Audits, comply with the monthly supervisory visits required by FSIS. Team Leaders and Unit Coordinators perform this function for VA and maintain their competency via the Quality Assurance Assessor, who is supervised by the VA Technical Manager.

The Director General, through the Director (Market Access), negotiates a basic formula for ASURE staffing, which is subject to some modification according to individual requirements. The basic formula for staffing to meet NZFSA mandatory requirements is determined by ASURE; this obligation is placed on ASURE in the Memorandum of Understanding between NZFSA, NZFSA VA, and ASURE. The VA VTS has the authority to order a decrease in line speed if he/she finds it necessary for the post-mortem inspectors to perform their duties adequately. If the VTS is not confident that the staffing is adequate, he/she informs the TL, who will confer with his/her counterpart (Regional Manager) in ASURE to resolve the issue. If the issue cannot be resolved at this level, it will be elevated to involve the Deputy Director (Market Access, Animal Products) and the CEO for ASURE in Wellington.

Concerning training, the NZFSA VA Technical Supervisor Training Program takes trainees approximately ten weeks to complete. NZFSA VA has between three and four block training courses per year. The theory training is provided by the Induction Trainer in the VA training centre at Hamilton and at practical training is undertaken at the trainee's "base Premises". Other training locations may be used if required.

The training program has been developed and is facilitated by NZFSA VA to meet the requirements of the NZFSA and NZFSA VA own specifications. External training providers are used when appropriate.

The Technical Supervisors must also pass a JAS-ANZ (Joint Standards Australia and New Zealand body in accordance with ISO) accredited Lead Auditing course. (MAFVA uses an external course provider). They are also assessed and accredited to the New

Zealand Qualifications Authority Unit Standard 8084 (Audit Quality Systems for Compliance to Quality Standards)

NZFSA VA Team Leaders are responsible for the final assessment of the Technical Supervisors. Team Leaders hold the New Zealand Qualifications Authority Unit Standard 4098 (Assessment of Adult Learning)

After the Technical Supervisors have passed a final competency assessment and the Team Leaders have a written six month post warranting plan, application is made to NZFSA that the Technical Supervisors to be appointed as Official Inspectors under the Animals Products Act 1999. (Technical Supervisors cannot legally perform their duties until they have been appointed as Inspectors under the relevant Acts). After completing specific Animal Welfare training and case studies, the Technical Supervisors are also appointed as Inspectors under Animals Welfare Act 1999.

Technical Supervisors continue to receive ongoing skill enhancement through training and skills maintenance programs. Team meetings, peer reviews and regular assessments of individuals provide calibration and help to ensure best practices are followed. All Technical Supervisors attend their own team meetings and one of a series of three day conferences held in the off-peak time of the year. Specialized training, which may include postgraduate courses, is provided as appropriate to staff holding specialized positions or working in sectors other than meat game and poultry processing premises.

The TL appraises the performances of each supervising veterinarian annually. The TL and the supervising veterinarian together evaluate the performances of each VTS and each TTS, also annually.

6.1.4 Authority and Responsibility to Enforce the Laws

Accountability for administrative and technical activities also varies between VA and ASURE. The VA Technical Manager is technically accountable to the Director (Market Access) of the ESG. However, this manager is administratively accountable to and supervised by the General Manager for VA. The Agency Technical Manager is the supervisor of the Team Leaders, who manage the field inspection staff. In contrast, the ASURE Technical Manager does not directly supervise the field inspection staff, and most of the Area/Site Managers who do have supervisory responsibilities, do not maintain their technical competence in meat and poultry inspection.

U.S. requirements were found not to have been adequately enforced in nine of the 10 establishments audited. Some deficiencies were "horizontal" in nature as they were duplicated at a majority of the establishments visited. During the course of the audit it was noted that portions of the document used to convey FSIS requirements (US Overseas Market Access Requirements) to inspection personnel contain only general transpositions of the regulations contained in 9 CFR. In particular, the portions concerning corrective actions under HACCP and SSOP did not include all of the elements mentioned in the relevant sections of these regulations.

6.1.5 Adequate Administrative and Technical Support

NZFSA VA has the ability to support a third party audit.

6.2 Headquarters Audits

The auditor conducted a review of inspection system documents at the headquarters of the inspection service. The records review focused primarily on food safety hazards and included the following:

- Internal review reports
- Supervisory visits to establishments that were certified to export to the U.S.
- Changes to structure and staffing
- Training records for inspectors and laboratory personnel, including courses in HACCP and SSOP
- New laws and implementation documents such as regulations, notices, directives and guidelines, including official communications with field personnel, both in-plant and supervisory, in which U.S. requirements are conveyed
- Sampling and laboratory analyses for residues
- Sanitation, slaughter and processing inspection procedures and standards
- Control of products from livestock with conditions such as tuberculosis, cysticercosis, etc., and of inedible and condemned materials
- Enforcement records, including examples of criminal prosecution, seizure and control of noncompliant product, and delisting an establishment that is certified to export product to the United States
- A summary of the species verification policy & program
- Control of products imported from other countries for use in US-eligible product

No concerns arose as a result of the examination of these documents.

6.3.1 Audits of Regional Inspection Offices

In the course of the routine audit, the auditor interviewed two regional VA Team Leaders in their offices in Hamilton and Christchurch, in order to discuss delivery of oversight and to review documents regarding internal review reports and other supervisory visits to establishments that were certified to export to the U.S., training records for NZFSA officials, and export product inspection and control, including export certificates. No concerns arose as a result of these interviews.

7. ESTABLISHMENT AUDITS

The FSIS auditor visited a total of 10 establishments: nine slaughter/processing establishments and one cold storage facility. None of the establishments audited were delisted or issued a Notice of Intent to Delist (NOID).

Specific deficiencies observed during this routine audit are noted in the attached individual establishment checklists.

8. LABORATORY AUDITS

While actual laboratory visits were not within the scope of the current audit, performance was assessed through interviews conducted at the CCA, regional, and local inspection offices.

During these interviews, emphasis was placed on ensuring that the application of procedures and standards are equivalent to United States requirements.

Assessment of residue laboratories audits focused on sample handling, sampling frequency, and timely analysis data reporting.

Assessment of microbiology laboratories focused on sample receipt, timely analysis, analytical methodologies, recording and reporting of results.

No concerns arose as a result of these interviews.

9. SANITATION CONTROLS

As stated earlier, the FSIS auditor focuses on five areas of risk to assess New Zealand's meat and poultry inspection system. The first of these risk areas that the FSIS auditor reviewed was Sanitation Controls.

Based on the on-site audits of establishments, and except as noted below, New Zealand's inspection system had controls in place for SSOP programs, all aspects of facility and equipment sanitation, the prevention of actual or potential instances of product cross-contamination, good personal hygiene practices, and good product handling and storage practices.

In addition, New Zealand's inspection system had controls in place for water potability records, chlorination procedures, back-siphonage prevention, separation of operations, temperature control, work space, ventilation, ante-mortem facilities, welfare facilities, and outside premises.

9.1 SSOP

Each establishment was evaluated to determine if the basic FSIS regulatory requirements for SSOP were met, according to the criteria employed in the U.S. domestic inspection program.

- In the nine slaughter establishments audited, review of the *preoperational* sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established.

9.2 OTHER SANITATION CONCERNS

In four of the 10 establishments audited, the Sanitation Performance Standards were not met:

- In one establishment, condensation was identified on the overhead structures of a portion of the carcass unloading bay. However, this accumulation of condensation was not yet at a point where dripping would occur.
- In one establishment, a container designated for edible product was used for collecting meat trim from a conveyor belt transporting inedible product.
- In one establishment, ventilation in the employee equipment washing room was insufficient as it was unable prevent the formation of condensation on the walls and ceiling of this area after peak periods of use.
- At one establishment, blood was accumulating on the operator's stand and was not removed in a manner sufficient to prevent the creation of insanitary conditions in the ovine sticking area.

10. ANIMAL DISEASE CONTROLS

The second of the five risk areas that the FSIS auditor reviewed was Animal Disease Controls. These controls include ensuring adequate animal identification, control over condemned and restricted product, and procedures for sanitary handling of returned and reconditioned product. The auditor determined that New Zealand's inspection system had adequate controls in place. No deficiencies were noted.

There had been no outbreaks of animal diseases with public health significance since the last FSIS audit.

11. SLAUGHTER/PROCESSING CONTROLS

The third of the five risk areas that the FSIS auditor reviewed was Slaughter/Processing Controls. The controls include the following areas: ante-mortem inspection procedures, ante-mortem disposition, humane handling and humane slaughter, post-mortem inspection procedures, post-mortem disposition, ingredients identification, control of restricted ingredients, formulations, processing schedules, equipment and records, and processing controls of cured, dried, and cooked products.

The controls also include the implementation of HACCP systems in all establishments and implementation of a testing program for generic *E. coli* in slaughter establishments.

11.1 Humane Handling and Humane Slaughter

No deficiencies were noted.

11.2 HACCP Implementation

All establishments approved to export meat and poultry products to the United States are required to have developed and adequately implemented HACCP programs. Each of these programs was evaluated according to the criteria employed in the United States' domestic inspection program. The following deficiencies were noted:

- Eight of the nine slaughter establishments visited addressed the presence of feces/ingesta identified during product during post-fabrication quality checks through a CUSUM/lot-sampling program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system.
- At one establishment, the records documenting monitoring of the CCP for visible feces on ostrich carcasses utilized checkmarks to demonstrate that this procedure was performed, but did not include actual quantifiable values to indicate the monitoring results.

11.3 Testing for Generic *E. coli*

New Zealand has adopted the FSIS regulatory requirements for testing for generic *E. coli* with the exception of the following equivalent measures, which have been determined to be equivalent by FSIS:

- The testing frequency in lambs and sheep is five carcasses per week; this alternate frequency was written into the HACCP plans as required in all the lamb slaughter establishments visited during this audit.
- New Zealand samples cattle at three sites: flank, brisket, and outside hind-leg.
- New Zealand samples bobby calves prior to chilling, at three sites: flank, foreleg, and fore-rump, using a round 25 cm^2 template.
- New Zealand uses a swab sampling tool.

Nine of the 10 establishments audited were required to meet the basic FSIS regulatory requirements for testing for generic *E. coli* and were evaluated according to the criteria employed in the United States' domestic inspection program.

Testing for generic *E. coli* was properly conducted in all of the nine establishments in which it was required.

11.4 Testing for *Listeria monocytogenes*

None of the establishments audited were producing ready-to-eat products for export to the United States and were not required to meet the FSIS requirements for *Listeria monocytogenes* testing.

11.5 Ante-mortem Inspection

At seven of the nine slaughter establishments audited, ante-mortem inspection procedures were not consistent with current U.S. policy.

Presently, two methods of ante-mortem inspection are employed in the U.S. for red-meat species, as outlined in FSIS Directive 6100.1. The first method, applicable to all classes of livestock and utilized in establishments which do not have voluntary segregation procedures, requires the observation by inspection personnel of all animals both at rest and in motion. The second method, permitted only for market classes of swine and sheep (i.e., market hogs and lambs), assigns certain responsibilities to the establishment in addition to inspection personnel. Establishment responsibilities include the documentation and implementation of a written program to allow for the segregation of animals showing signs of abnormalities or disease. Inspection personnel responsibilities under the second method differ from those outlined in the first method in that, while all animals must be examined at rest, only 5 to 10 percent of animals are required to be observed while in motion.

During the course of the audit, interviews with NZFSA personnel concerning ante-mortem inspection methodology indicated that while animals were appropriately viewed at rest, observation of animals in motion did not routinely occur in accordance with either of the two U.S. methods outlined above.

11.6 Control of Specified Risk Materials (SRM)

National mandates for the implementation of compliance with the requirements for special handling of Specified Risk Materials (SRM) regarding Bovine Spongiform Encephalopathy (BSE) have been implemented as Overseas Market Access Requirements (OMAR). Non-ambulatory cattle are condemned upon ante-mortem inspection, no beef containing SRM is permitted in U.S.-eligible product, mechanically-separated beef is ineligible for use in U.S.-eligible product, and air-injection stunning is not permitted in New Zealand. The following deficiency was identified while reviewing the implementation of the SRM control program:

- At one establishment, the written program addressing the removal, segregation, and disposition of specified risk materials did not indicate how the distal ileum and applicable bones of the vertebral column were controlled. Although this establishment was currently exporting only boneless beef to the US, failure to address these materials does not meet the regulatory requirements of 9 CFR 310.22.

12. RESIDUE CONTROLS

The fourth of the five risk areas that the FSIS auditor reviewed was Residue Controls. As discussed, although actual laboratory visits were not within the scope of the current audit, residue controls were assessed through interviews conducted at the CCA, regional, and local inspection offices.

These controls include sample handling and frequency, timely analysis, and data reporting.

No concerns resulted from these interviews.

13. ENFORCEMENT CONTROLS

The fifth of the five risk areas that the FSIS auditor reviewed was Enforcement Controls. These controls include the enforcement of inspection requirements and the testing program for *Salmonella* species.

13.1 Daily Inspection in Establishments

Documented daily inspection was provided in all 10 of the establishments audited for production days on which U.S.-eligible product was produced.

13.2 Testing for *Salmonella* Species

New Zealand has adopted the FSIS regulatory requirements for testing for *Salmonella* species with the exception of the following equivalent measures, which have been determined to be equivalent by FSIS:

- Establishments take samples.
- Private laboratories analyze samples.
- A swab sampling tool is used.
- Samples are taken at the end of the slaughter or production process and prior to the carcass being cut and/or packaged.

Nine of the 10 establishments audited were required to meet the basic FSIS regulatory requirements for testing for *Salmonella* species and were evaluated according to the criteria employed in the United States' domestic inspection program.

Testing for *Salmonella* species was properly conducted in all of the nine establishments in which it was required.

13.3 Species Verification

At the time of this audit, New Zealand was required to test product for species verification. Species verification was being conducted in those establishments in which it was required.

13.4 Periodic Reviews

Periodic reviews had been conducted and were well-documented for all months during which U.S.-eligible production had been conducted in all 10 of the establishments audited.

13.5 Inspection System Controls

Except as noted below, the CCA had controls in place for ante-mortem and post-mortem inspection procedures and dispositions; restricted product and inspection samples; disposition of dead, dying, diseased or disabled animals; shipment security, including shipment between establishments; and prevention of commingling of product intended for export to the United States with product intended for the domestic market.

Furthermore, controls were in place for the importation of only eligible meat and poultry products from other countries for further processing, security items, shipment security, and products entering the establishments from outside sources.
Lamb and bobby calf slaughter were performed in accordance with the alternate procedures determined to be equivalent by FSIS:

- Post-mortem inspection of lambs and bobby calves without the heads and tongues is permitted.
- Sheep carcasses are permitted to contact each other after inspection of the outside of the carcass.

Deficiencies which should have been identified in advance by NZFSA were found in nine of the 10 establishments audited. These involved:

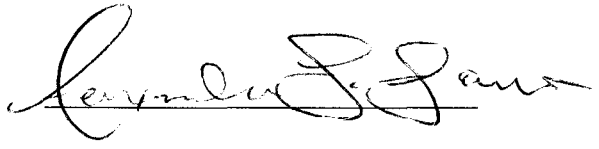
- SSOP (9 establishments)
- Sanitation Performance Standards (3 establishments)
- HACCP-Implementation (9 establishments)
- Ante-mortem inspection (7 establishments)
- SRM Control (1 establishment)

14. CLOSING MEETING

A closing meeting was held on May 31, 2005, in Wellington with the CCA. At this meeting, the primary findings and conclusions from the audit were presented by the auditor.

The CCA understood and accepted the findings.

Alexander L. Lauro, DVM
Senior Program Auditor



15. ATTACHMENTS

Individual Foreign Establishment Audit Forms
Foreign country response to Draft Final Audit Report

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
Riverlands Eltham Limited London Street Eltham	05/28/07	ME 43	New Zealand
	5. NAME OF AUDITOR(S) Alexander Lauro, DVM		6. TYPE OF AUDIT [X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	
31. Reassessment	
32. Written Assurance	

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	X
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment Date: 05/28/07 Est #: ME 43 (Riverlands Eltham Limited [S/P/CS]) (Eltham, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks through a CUSUM program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

54/51. Current ante-mortem inspection procedures were not consistent with current U.S. policy in that they did not routinely require that animals be viewed in motion. At the time of the audit, approximately only 10-15% of the animals (cattle) were being viewed in this fashion.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander Lauro, DVM	Alexander S Lauro 5/28/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
AFFCO New Zealand Limited Main Road Moerewa	05/18/07	ME 47	New Zealand
	5. NAME OF AUDITOR(S)		6. TYPE OF AUDIT
	Alexander L. Lauro, DVM		[X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	
31. Reassessment	
32. Written Assurance	

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	X
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	X
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment | Date: 05/18/07 Est #: ME47 (AFFCO New Zealand Limited [S/P/CS]) (Moerewa, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks through a CUSUM program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

46/51. In the ovine sticking area, blood was accumulating on the operator's stand and was not removed in a manner sufficient to prevent the creation of insanitary conditions. [9 CFR 416.4(b), 416.17]

54/51. Current ante-mortem inspection procedures were not consistent with current U.S. policy in that they did not routinely require that animals be viewed in motion.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L. Lauro 5/18/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
Alliance Group Limited State Highway 99 Lorneville Invercargill	05/07/07	ME50	New Zealand
	5. NAME OF AUDITOR(S) Alexander L. Lauro, DVM		6. TYPE OF AUDIT [X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	O
31. Reassessment	O
32. Written Assurance	O

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	X
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment

Date: 05/07/07 Est #: ME50 (Alliance Group Limited [S/P/CS]) (Invercargill, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence where not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks through a CUSUM program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

54/51. Current ante-mortem inspection procedures were not consistent with current U.S. policy in that they did not routinely require that animals be viewed in motion.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L. Lauro 5/7/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
Alliance Group Limited 19 Racecourse Road Sockburn Christchurch	5/15/2007	ME 69	New Zealand
	5. NAME OF AUDITOR(S) Alexander L. Lauro, DVM		6. TYPE OF AUDIT [X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	
31. Reassessment	
32. Written Assurance	

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	X
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	X
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment | Date: 5/15/2007 Est #: ME 69 (Alliance Group Limited [S/P/CS]) (Christchurch, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks within its lot-based sampling program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

41. In the unloading bay, condensation was seen above a portion of the rail used to transport lamb carcasses to the fabrication area. This accumulation of condensation was not yet at a point where dripping would occur. [9 CFR 416.2(d)]

54/51. Current ante-mortem inspection procedures related to cattle slaughter were not consistent with current U.S. policy in that they did not routinely require that animals be viewed in motion.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L. Lauro 5/15/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
Canterbury Meat Packers Limited RD 7 Seafield Road Ashburton	5/11/2007	ME 78	New Zealand
	5. NAME OF AUDITOR(S) Alexander L. Lauro, DVM		6. TYPE OF AUDIT [X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	X
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	
31. Reassessment	
32. Written Assurance	

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	X
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment | Date: 5/11/2007 Est #: ME78 (Canterbury Meat Packers Limited [S/P/CS]) (Ashburton, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks through a CUSUM program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

22/51. The records documenting corrective actions taken in response to contamination of product by visible feces, ingesta, or milk did not clearly indicate that the CCP was under control after a deviation from the critical limit occurred. [9 CFR 417.3(a), 417.5(3), 417.8]

54/51. Current ante-mortem inspection procedures were not consistent with current U.S. policy in that they did not routinely require that animals be viewed in motion.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L. Lauro 5/11/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
Wallace Corporation Limited Wood Road Waitoa	05/24/07	ME 100	New Zealand
	5. NAME OF AUDITOR(S)		6. TYPE OF AUDIT
	Alexander L. Lauro, DVM		[X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	
31. Reassessment	
32. Written Assurance	

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	X
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment | Date: 05/24/07 Est #: ME 100 (Wallace Corporation Limited [S/P/CS]) (Waitoa, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. The corrective actions described in the HACCP plan addressing the contamination of carcasses or carcass portions with visible feces/ingesta did not clearly reference that the CCP would be under control after a deviation from the critical limit occurred. [9 CFR 417.2(c)(5), 417.3(a), 417.8]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks through a CUSUM program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

48/51. The establishment's written program addressing the removal, segregation, and disposition of specified risk materials (SRM) did not indicate how the distal ileum and applicable bones of the vertebral column were controlled. Although this establishment is currently exporting only boneless beef to the US, failure to address these materials does not meet the regulatory requirements of 9 CFR 310.22.

54/51. Current ante-mortem inspection procedures related to cattle slaughter were not consistent with current U.S. policy in that they did not routinely require that animals be viewed in motion.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander S Lauro 5/24/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
Clover Export Limited River Street Gore	5/7/2007	ME 117	New Zealand
	5. NAME OF AUDITOR(S)		6. TYPE OF AUDIT
	Alexander L. Lauro, DVM		[X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	X
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	O
31. Reassessment	O
32. Written Assurance	O

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

22/51. The records documenting monitoring of the CCP for visible feces (i.e., "zero tolerance") on ostrich carcasses utilized check-marks to demonstrate that this procedure was performed, but did not include actual quantifiable values to indicate the monitoring results. [9 CFR 417.5(a)(3)]

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L. Lauro 5/7/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
PPCS Limited Tuna Street Dargaville	05/21/07	ME 125	New Zealand
	5. NAME OF AUDITOR(S)		6. TYPE OF AUDIT
	Alexander L. Lauro, DVM		[X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	
31. Reassessment	
32. Written Assurance	

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	X
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment Date: 05/21/07 Est #: ME 125 (PPCS Limited [S/P/CS]) (Dargaville, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks through a CUSUM program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

41/51. Ventilation in the employee equipment washing room was insufficient as it was unable prevent the formation of condensation on the walls and ceiling of this area after peak periods of use. [9 CFR 416.2(d), 416.17]

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L Lauro 5/21/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
Lean Meats Ltd Red Castle Road Oamaru	5/10/07	ME 137	New Zealand
	5. NAME OF AUDITOR(S)		6. TYPE OF AUDIT
	Alexander L. Lauro, DVM		[X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	
8. Records documenting implementation.	
9. Signed and dated SSOP, by on-site or overall authority.	
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	
11. Maintenance and evaluation of the effectiveness of SSOP's.	
12. Corrective action when the SSOP's have failed to prevent direct product contamination or adulteration.	X
13. Daily records document item 10, 11 and 12 above.	
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	
16. Records documenting implementation and monitoring of the HACCP plan.	
17. The HACCP plan is signed and dated by the responsible establishment individual.	
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	
19. Verification and validation of HACCP plan.	
20. Corrective action written in HACCP plan.	X
21. Reassessed adequacy of the HACCP plan.	
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	
28. Sample Collection/Analysis	
29. Records	
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	
31. Reassessment	
32. Written Assurance	

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
Part E - Other Requirements	
36. Export	
37. Import	
38. Establishment Grounds and Pest Control	
39. Establishment Construction/Maintenance	
40. Light	
41. Ventilation	
42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	X
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	X
52. Humane Handling	
53. Animal Identification	
54. Ante Mortem Inspection	X
55. Post Mortem Inspection	
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment

Date: 5/10/07 Est #: ME 137 (Lean Meats Ltd [S/P]) (Oamaru, New Zealand)

12/51. A review of the establishment's preoperational sanitation standard operating procedures (SSOP) indicated that corrective actions taken in response to contamination of product-contact surfaces were incomplete in that measures to prevent recurrence were not always established. [Regulatory reference: 9 CFR 416.15(b), 416.17]

20/51. At the time of the audit, the establishment considered it appropriate to address the presence of feces/ingesta identified on product during post-fabrication quality checks through a CUSUM program rather than the HACCP plan. As this point in the process is after the specified point of monitoring for this hazard, it is required that the presence of contamination of this nature be treated as a deviation from the critical limit within the establishment's HACCP system. [9 CFR 417.3(a), 417.8]

45/51. In the processing room, a container designated for edible product was used for collecting meat trim from a conveyor belt transporting inedible product. Establishment personnel took immediate action to replace this container with one which was appropriately identified.

54/51. Current ante-mortem inspection procedures were not consistent with current U.S. policy in that they did not routinely require that animals be viewed in motion.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L. Lauro 5/10/07

United States Department of Agriculture
Food Safety and Inspection Service

Foreign Establishment Audit Checklist

1. ESTABLISHMENT NAME AND LOCATION	2. AUDIT DATE	3. ESTABLISHMENT NO.	4. NAME OF COUNTRY
PPCS Limited-Islington 380 Waterloo Road Islington Christchurch	05/16/07	PH 366	New Zealand
	5. NAME OF AUDITOR(S) Alexander L. Lauro, DVM		6. TYPE OF AUDIT [X] ON-SITE AUDIT [ ] DOCUMENT AUDIT

Place an X in the Audit Results block to indicate noncompliance with requirements. Use O if not applicable.

Part A - Sanitation Standard Operating Procedures (SSOP) Basic Requirements	Audit Results
7. Written SSOP	O
8. Records documenting implementation.	O
9. Signed and dated SSOP, by on-site or overall authority.	O
Sanitation Standard Operating Procedures (SSOP) Ongoing Requirements	
10. Implementation of SSOP's, including monitoring of implementation.	O
11. Maintenance and evaluation of the effectiveness of SSOP's.	O
12. Corrective action when the SSOPs have failed to prevent direct product contamination or adulteration.	O
13. Daily records document item 10, 11 and 12 above.	O
Part B - Hazard Analysis and Critical Control Point (HACCP) Systems - Basic Requirements	
14. Developed and implemented a written HACCP plan .	O
15. Contents of the HACCP list the food safety hazards, critical control points, critical limits, procedures, corrective actions.	O
16. Records documenting implementation and monitoring of the HACCP plan.	O
17. The HACCP plan is signed and dated by the responsible establishment individual.	O
Hazard Analysis and Critical Control Point (HACCP) Systems - Ongoing Requirements	
18. Monitoring of HACCP plan.	O
19. Verification and validation of HACCP plan.	O
20. Corrective action written in HACCP plan.	O
21. Reassessed adequacy of the HACCP plan.	O
22. Records documenting: the written HACCP plan, monitoring of the critical control points, dates and times of specific event occurrences.	O
Part C - Economic / Wholesomeness	
23. Labeling - Product Standards	
24. Labeling - Net Weights	
25. General Labeling	
26. Fin. Prod. Standards/Boneless (Defects/AQL/Pork Skins/Moisture)	
Part D - Sampling Generic *E. coli* Testing	
27. Written Procedures	O
28. Sample Collection/Analysis	O
29. Records	O
Salmonella Performance Standards - Basic Requirements	
30. Corrective Actions	O
31. Reassessment	O
32. Written Assurance	O

Part D - Continued Economic Sampling	Audit Results
33. Scheduled Sample	
34. Species Testing	
35. Residue	
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36. Export	
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42. Plumbing and Sewage	
43. Water Supply	
44. Dressing Rooms/Lavatories	
45. Equipment and Utensils	
46. Sanitary Operations	
47. Employee Hygiene	
48. Condemned Product Control	
Part F - Inspection Requirements	
49. Government Staffing	
50. Daily Inspection Coverage	
51. Enforcement	
52. Humane Handling	O
53. Animal Identification	O
54. Ante Mortem Inspection	O
55. Post Mortem Inspection	O
Part G - Other Regulatory Oversight Requirements	
56. European Community Directives	O
57. Monthly Review	
58.	
59.	

60. Observation of the Establishment

Date: 05/16/07 Est #: PH366 (PPCS Limited-Islington [CS]) (Christchurch, New Zealand)

There were no significant findings to report after consideration of the nature, degree and extent of all observations.

61. NAME OF AUDITOR	62. AUDITOR SIGNATURE AND DATE
Alexander L. Lauro, DVM	Alexander L Lauro 5/16/07

5 October 2007

Donald Smart
Director
International Audit Staff,
Office of International Affairs
U.S. Department of Agriculture Food Safety Inspection Service
Omaha
NEBRASKA

Dear Don

Response to Draft Final Audit Report

Thank you for the opportunity of responding to the Draft Final Audit Report for the FSIS audit 3 May to 31 May 2007 and your letter that accompanied the report dated 22 June 2007.

Firstly, I would like to express our general satisfaction with the conclusions of the FSIS Draft Final Audit report for New Zealand. There are some amendments to the draft report which New Zealand would propose to increase the accuracy of the final report and additional comment regarding ante-mortem inspection procedures and the referencing of FSIS policy.

The amendments New Zealand proposes are as follows:

6.1.1 CCA Control Systems.

- The first paragraph should be amended to read: "Oversight....is under ASURE NZ a State Owned Enterprise (SOE) under the Ministry of State Owned Enterprises (MSOE)."

- In the third paragraph a title needs to be corrected. Deputy Director (Market Access) should be Deputy Director (Export Standards).

- You should also note that at the time of the audit the New Zealand government was considering merging AgriQuality and ASURE both of which are SOE's. The New Zealand government has since this time now decided to merge these two SOE's, this process should be concluded soon and no later than the end of 2007.

6.1.2 Ultimate Control and Supervision.

- In the second paragraph it should be noted that the Technical Directive's (TD's) issued under the Meat Act 1981 have been given full legal effect under the Animal products Act 1999.

11.5 Ante-mortem Inspection.

New Zealand is concerned that ante-mortem inspection procedures and FSIS policy on these procedures was raised during this audit. New Zealand understands that it is obliged to comply with Title 9CFR 327.2(a)(2)(ii)(A) which states: "Ante-mortem inspection of animals for slaughter and inspection of methods of slaughtering and handling in connection with slaughtering which shall be performed by veterinarians or by other employees or licensees of the system under the direct supervision of the veterinarians" and feel that it fulfils this obligation. The policy requirements as described by the auditor did not, to the best of NZFSA's knowledge, appear in US legislation and as such should not be applied to exporting countries.

The procedures witnessed by the auditor have been in place for at least 20 years, and have been viewed by numerous FSIS auditors without any concerns being raised. As New Zealand has a negligible risk BSE status as confirmed by the World Animal Health Organisation (OIE) we do not feel that the procedures now specified in the recently issued Directive, referenced in the next paragraph, are equally applicable to our system. Attached as Annex 1 to this response is a document outlining ante-mortem inspection procedures for New Zealand, including those which apply to non-ambulatory cattle. New Zealand intends to continue with its current procedures for ante-mortem inspection while FSIS considers our response.

New Zealand has noted that FSIS has issued FSIS Directive 6100.1, 13 September 2007 which takes effect on 1 October 2007. In noting this fact New Zealand is cognisant that such Directives are instructions to FSIS staff on how they should conduct specified activities and as such should not be applied to exporting countries.

13.5 Inspection System Controls.

- The Ante-mortem deficiency in seven establishments is covered by the above comment under 11.5 Ante-mortem Inspection.

Thank you for the opportunity to respond. Should you have any questions with regard to this letter and attached annex I would be happy to discuss them with you. Please advise me in the first instance by E-mail tony.zohrab@nzfsa.govt.nz.

Yours faithfully

Dr Tony Zohrab
Director (Market Access)