

Scanning the Horizons

Quarterly Update

INNOVATING AND

ADAPTING have been key trends for 2021. As the year draws to a close and we reflect on what has happened in the past twelve months, adapting to change must be one of the key themes for this year.

New products delivered in new ways with health led messaging are continually growing in popularity. Snack products and beverages are leading this space with benefit focussed offerings for gut, immune and general wellbeing. 'Functionality' appears to be the name of the game as we head into 2022.

Hopefully you manage to find some time to rest over the holiday season and are ready to hit the ground in the new year.

Ngā mihi o te Kirihimete
me te Tau Hau



This Issue

Gut Health and Foods **P.1**

Regulation Updates **P.2**

Plant Based Alternatives **P.3**

Gut Health and Foods

Products for gut health continue to grow in the functional food category. It is a key trend in both new product innovation and new ingredient/health claim approvals.

This reflects growing scientific research and consumer understanding into how the gut microbiome can affect overall health and wellbeing. The foods we eat have significant influence on the type of bacteria in the digestive tract.

Two key food categories for gut health are prebiotics and probiotics. There are different regulatory considerations in each category when looking to incorporate them into a functional food product.

PROBIOTICS: The specific strain of probiotic must be authorised for use in foods in the target market. As more and more new strains are available, it pays to ensure they are permitted for use in foods. Depending on the nature and origin of the strain, it may be considered a novel food if there is no clear history of use or demonstration of safe consumption.

Authorised health claims for probiotics vary by market. For example, Singapore has a number of authorised health claims and all are related to healthy digestive function¹. Several markets such as the EU/UK, USA, and China do not

have authorised health claims, and therefore, label claims can be limited. In the EU and UK, this is even further fragmented. In UK, Ireland, Germany and France it is viewed as an implied health claim and not permitted on labelling². In Italy and Spain, it is permitted to state 'probiotic' on the label if specific criteria such as count and strain type are met³.

New Zealand and Australia do not have authorised general level probiotic health claims, but several companies have notified food-health relationships to FSANZ for self-substantiated probiotic health claims.

The stability/viability of the probiotics should be verified prior to placing the product on the market. Foods are expected to maintain any label claims over the stated shelf life. The bacterial count on the label needs to be maintained until the best before or expiry date.

PREBIOTICS: The requirements are simpler because they can leverage the nutrient content and authorised health claims for dietary fibre if minimum dietary fibre content is satisfied. The exact minimum content can vary by market, so all target markets should be checked as part of formulation development. Any dietary fibre authorised health claims typically relate to bowel regularity rather than more general digestive health.

NZ UK FTA

New Zealand – United Kingdom Free Trade Agreement⁴

New Zealand and the UK reached Agreement in Principle (AIP) on 20th October 2021. This is a major step in negotiating the free trade agreement with the UK. This AIP confirms the parameters and terms of the deal.

A key feature of the AIP is that all tariffs will be eliminated on goods traded between the two countries. The day the FTA comes into force, 97% of product lines will have their tariffs eliminated immediately.

The agreed rules of origin recognise the use of materials from both domestic and global sources. The rules are designed to be easy to understand and self-declaration will be used by traders to establish origin.

Customs procedures will enable electronic submission of customs documentation and facilitate quick clearance times.

There are also provisions to facilitate people travelling and working between the two countries.



Several countries have progressed with regulatory changes in the past year.

CHINA GENERAL RULES FOR NUTRITION LABELING OF PREPACKAGED FOODS (GB 28050)⁵. China is consulting on draft changes to the GB standard for prepackaged food nutrition labelling. Some of the key draft changes are mandatory declaration of saturated fat and sugar, per serving option for nutrition declaration, and changes in some Nutrient Reference Values (NRV) including Vitamin D and Zinc. Another draft change is to require a new warning for prepackaged foods warning children and teenagers to be cautious of choosing foods with high salt, fat and/or high sugar.

JAPAN CAA PLANT BASED PRODUCT LABELLING GUIDANCE⁶. The Consumer Affairs Agency in Japan (CAA) has issued guidance for labeling plant based food products that are animal product alternatives. This includes meat, milk, cheese, fish and honey substitutes.

Plant based alternatives to these traditional animal products are required to contain clarification statements such as 'no meat, not a dairy product, not milk' to try and reduce consumer confusion. Ingredient lists should not use terms such as 'meat alternative', as this does not align with the Food Labelling Standards. Instead, the general/common name should be used (e.g. soybeans).

SINGAPORE FOOD REGULATION UPDATES⁷. Singapore has permitted three new types of steviol glycosides as sweetening agents. These are Rebaudioside D, Rebaudioside E, and Rebaudioside AM. Also the updates propose use of 2'-fucosyllactose/difucosyllactose (2'-FL/DFL) mixture, and Lacto-N-tetraose (LNT) in infant formula with specific maximum concentrations.

US FDA YOGHURT STANDARD OF IDENTITY⁸. The US FDA are amending the standard of identity for yoghurt to allow greater innovation.

Regulation Updates

Regulation updates from around the world

Amendments to the standard include incorporating yoghurt, low fat yoghurt and non-fat yoghurt into a single standard with a general definition. There will be an increase in the permitted ingredients for yoghurt and minimum levels of live and active probiotic cultures will be established for claims such as "contains live and active cultures".

CALIFORNIA LEGALISES HEMP CBD⁹. The CBD bill AB45 has been approved by the California state legislature. This bill will allow a formal pathway for hemp-based CBD to be used legally in foods, beverages, and other products in the state. Suppliers and manufacturers of these products will be subject to the similar inspections and licenses as the marijuana industry. The details on how the bill is going to be implemented and enforced are yet to be determined especially given the fragmented nature of regulation in this space to date.

QUARTERLY FOCUS: Plant Based Alternatives

Alternatives to animal derived food products and ingredients is an area of continual growth and innovation. Consumers are continually looking for opportunities to include plant-based alternatives, most commonly in the meat and dairy sectors.

Options for alternatives to traditional animal derived ingredients include plant derived sources (e.g. soy, rice, coconut), cell culture (gene technology) and slightly on the fence, insect derived sources (e.g. cricket protein powder). Key features to note with non-animal alternatives are compliance with novel foods regulations and product labelling.

NOVEL FOOD TECHNOLOGY: The nature of the source material and the manufacturing process can have a significant impact on the classification of the final ingredient as a novel or non-novel food.

Novel foods, in regulatory terms, are foods without a history of safe consumption. Regulatory approval is required before these foods or food ingredients can be sold. Often the primary question is the safety of long-term consumption of these foods as part of the regular diet, which must be addressed as part of the approval process.

Ingredients using gene technology are classified as novel foods and require regulatory approval before they can be used in food products. Ingredients from new sources need to consider whether the source material is recognised as a food source and also whether the manufacturing process changes the ingredient, so it is substantially different from traditional food sources.

Novel food approval processes vary throughout the world and separate applications are required for individual markets. Underlying toxicology data may be able to be shared but be prepared that additional testing could be required.

LABELLING PLANT BASED ALTERNATIVES:

Labelling products using plant sourced ingredients that are traditionally from animal sources has been met with some challenges. The main concern appears to be misleading the consumer by using terms such as milk, cheese, meat, butter, and sausage, which traditionally described animal products^{10, 11}. Are consumers confused over labelling and what are the impacts?

The trend in regulating labelling plant alternatives is to either prohibit use of traditional terms or require additional descriptors such as imitation, alternative, or substitute. The EU has prohibited use of dairy terms such as milk and cheese for non-dairy products¹². An EU wide ban on meat terms was previously rejected. However, France has taken the extra step to prohibit use of specific meat terms such as steak and sausage.

The USA has not regulated use of meat and dairy terms at the Federal level but in response to dairy industry lobbying, the FDA has requested that plant based dairy alternatives use more descriptive names such as 'cheese alternative'. Several states have prohibited the use of meat and animal names for non-animal alternatives¹³. This appears to be in response to the rising popularity of cell culture meat.

Canada requires additional descriptors as part of the product name. For example, simulated chicken should be used to describe a meat free chicken substitute¹⁴.

Food Standards Australia New Zealand (FSANZ) has ruled the current labelling requirements are adequate. There is continual political pressure in Australia over the potential for misleading information but there is no indication of further FSANZ review in the future¹⁵.

What to Watch and Read?

Key HVN webinars and resources are available now to watch and read.

REGISTER: [HVN National Science Challenge 2022 Foodomics Conference 28 February – 01 March 2022 Cordis, Auckland](#)

READ: [HVN Novel Foods Navigation Tool](#)

READ: [Chinese consumers' perceptions and demand for New Zealand foods: a post COVID perspective of Daigous](#)

WATCH: [Science of Food Scanning the Horizons Regulatory & Market Trends Webinar](#)



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