Fonterra Co-operative Group Limited

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All Fonterra manufacturing specifications are developed to meet New Zealand Government, importing country Government regulations and, when requested, customer specific requirements.

The New Zealand Food Safety Authority (NZFSA) regulations require all milk produced on New Zealand dairy farms meet the regulatory requirements as specified under the Animal Products Act 1999. The approved criteria (DPC2: Approved Criteria for Farm Dairies) under this Act stipulates the following:

Veterinary Medicines

Where milking animals are treated with veterinary medicines:

- The use is appropriate, and recognised for the condition being treated in milking animals;
- The farm dairy occupier accurately follows the instructions on the label, or provided by a veterinarian; and
- The farm dairy occupier uses the medicine appropriately, to avoid violative residues.

The milk from animals which have been treated with veterinary medicines is withheld for the time specified by the supplier of the remedy, or the veterinarian. The withheld milk is not used for human consumption.

When mastitic animals are treated with veterinary medicines, milk is withheld from all quarters for the specified withholding time.

Raw Milk Testing Programme

Under the National Chemical Contaminants (NCCP) programme administered by the NZFSA, regular random and targeted sampling and testing of raw milk for a wide range of chemical residues operates throughout each year. The NCCP includes monitoring for residues of antibiotics and anthelmintics.

In addition to the NCCP Fonterra operates a two tiered system for testing raw milk for antibiotics.

- All tanker loads are screened for antibiotics prior to delivery for further processing.
- Daily samples of milk are obtained from each supplying dairy farm at time of milk collection. Samples are tested by the NZFSA approved laboratories for the presence of inhibitory substances using microbial inhibition assays such as the Delvo test with a sensitivity of 0.003 IU/ml benzyl penicillin randomly at least 4 times per month.

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- Detection of residues in a supplier's milk results in immediate suspension of supply until the next milk consignment is confirmed as being fit for purpose. Very heavy penalties are imposed on all milk tested positive. Each consignment of milk is tested for a 12 month period after a positive result is detected.

In addition to this, every batch of milk powder is tested using the IDF 57 test method.

Yours faithfully
FONTERRA CO-OPERATIVE GROUP LIMITED

Bo Patel
Manager, Global Market Access