



Dairy for life

# Raw milk producers & processors

## Fonterra Food Safety and Quality Requirements



# We make food that families everywhere trust.

By partnering with Fonterra you become part of our wider family and part of that promise we make to our customers and consumers.

Together we keep their trust by showing up every day and doing the right thing for food safety and quality.

**Safe Food.  
World Class Quality.  
It's our Promise.**



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**These requirements supplement the terms of any service or supply contract that you may have entered into with Fonterra, and broadly reflect the scope of any compliance audits we may undertake. In the event of an inconsistency between these requirements and the terms of any contract, the most stringent requirements will prevail.**

# Introduction

Fonterra is committed to produce and supply safe, quality food. Quality is everyone's responsibility.

Every step of the way, from our farms to the market, Fonterra is trusted by customers and consumers to supply them the best.

To earn this trust, we will ensure food safety and quality throughout the supply chain – from grass to glass. As a raw milk producer or raw milk processor, you are an integral part of our supply chain and we seek your assistance to meet our objectives, satisfy our customers and deliver on our promise.

All operations involved in raw milk harvesting, collection and transport must ensure the sustainable supply of safe, high quality and traceable raw milk to manufacture safe, quality products for sale by Fonterra.

# Scope

These requirements apply to raw milk harvesting, collection, transport and processing where such milk is supplied:

- To all Fonterra manufacturing operations
- To Fonterra joint ventures and contract manufacturers, where the supplied milk is to be used in products being manufactured for Fonterra.

Hand milking operations must comply with these standards unless the requirement specifically relates to machine milking and milking machine maintenance.



# Quality Systems

All raw milk sourcing operations must have a food safety and quality management system in place.

The system must ensure that:

1. All food safety and raw milk quality risks are identified, assessed and either eliminated or managed
2. Raw milk supplied is fit for purpose
3. Raw milk supplied can be traced from the manufacturing site back to the individual supplier or collection point
4. Raw milk is supplied in a sustainable manner.

The system must be based on the requirements of an internationally recognised standard for a food safety and quality system and reflect the relevant components of these Requirements.



# Risk Management

Raw milk must be fresh, unadulterated and free from contaminants. Every milk pool must be assessed for potential risks to food safety and raw milk quality during all stages of sourcing raw milk.

The assessment must identify risks such as:

- Enzootic diseases, animal health and animal welfare
- Animal feeds
- Milk adulteration
- Raw milk temperature
- Foreign matter
- Hygiene (plant, staff and facilities)
- Relevant testing
- Transport
- Design (milking plant, facilities, transport, collection/chilling centres).
- Agrichemicals used on farm

All risks are to be eliminated where possible. Where elimination is not possible, the risks must be minimised and/or controlled.

It is recommended that internationally recognised risk assessment and risk management tools are used.

# On-Farm Requirements

## Management

The on-farm food safety and quality management system must ensure there is a nominated person, with appropriate capability, responsibility and accountability:

- To implement and uphold Fonterra Food Safety and Quality Requirements for Raw Milk Producers
- To ensure that all procedures, systems and records are complied with and hence ensure that milk supplied is fit for its intended purpose.

## Human Resources

All applicable labour laws must be respected and followed at all times. Staff must be adequately trained for all the tasks they complete on the farm. Staff with notifiable diseases must not work on the farm if there is a risk of contamination of milk from the diseases.

## Food Safety and Milk Quality

- Milk must be fit for purpose. Milk must not be supplied that:
- Is from any animal infected by a clinical disease that is communicable to humans
- Is from any animal that is outwardly sick or unhealthy
- Is from an animal within four days or eight milkings after calving, whichever is the longer period.

- Contains any inhibitory substance, chemical residue or any other substance that could compromise food safety or fitness for purpose
- Fails an organoleptic (senses) assessment
- Contains any foreign matter or added water
- Has been in any way adulterated or tampered with
- Has been harvested by any person with a communicable or notifiable disease
- Has deteriorated because of inadequate cooling or age of milk
- Exceeds 12°C at the time of collection, unless it is assessed to be fit for collection as defined by the Business Unit procedures
- Originates from any cow that has been genetically modified, or has inherited a genetic modification (e.g. produced from a GM bull), or which is a reproductive clone
- Has not been filtered to remove foreign matter before entering on farm storage.

# On-Farm Requirements

## Plant Design

The farm dairy must be sited, designed, constructed, and maintained in a manner that prevents the contamination of the raw milk supply during milk harvesting, storage and collection.

All milk contact surfaces must be food grade material and must not contaminate the milk in any way.

All milking equipment needs to be designed and constructed, and maintained in a manner to:

- Prevent the contamination of the raw milk supply during milk harvesting, storage and collection
- Minimise overall degradation of the raw milk.

The milking plant must be designed to:

- Minimise damage to milk during harvesting
- Neither injure nor damage the animal during milking
- Allow efficient internal cleaning
- Drain completely once washing has been completed
- Ensure milk is not contaminated by foreign materials.

## Milk Handling

The milk refrigeration system must be capable of cooling the milk to  $\leq 6^{\circ}\text{C}$  within two hours of the completion of milking and maintaining the milk at  $\leq 6^{\circ}\text{C}$  until collected.

When fresh milk is added to milk already in the vat, the blend temperature must not exceed  $10^{\circ}\text{C}$  and be cooled to  $\leq 6^{\circ}\text{C}$  within two hours of the completion of the subsequent milking.

The thermometer on the milk vat must be calibrated annually against a known calibrated instrument, and records of the calibration must be kept.

Milk vats must:

Be provided with agitation sufficient to keep the milk thoroughly mixed, to prevent thermal layering and to ensure foaming or churning of the milk does not occur

Have an acceptable method for hygienically measuring the milk volume in situations where tankers are not fitted with meters

Be fitted with a thermometer that will not contaminate the milk should it break.

# On-Farm Requirements

## Farm Practices

The farm dairy must be used only for the milking of cows for the supply of raw milk, and associated animal husbandry activities.

All feed given to lactating cattle must be fit for purpose and not result in an unwanted residue in the raw milk supply.

Supplementary feeds given to milking animals must not cause milk taints or residue contamination. Feed must be stored in conditions that do not cause development of contaminants.

Feeds containing animal by-products such as ruminant protein must not be fed to dairy cows.

Agricultural chemicals such as herbicides, pesticides and other potential contaminants must be:

- Approved and used in accordance with country regulations
- Stored away from the farm dairy
- Stored in a safe, secure manner, and separate from animal health medicines and treatments, to prevent contamination of milk
- Used according to manufacturer's/supplier's instructions
- Used in a way that mitigates the risk of contamination of milk, water or the environment
- Have their use recorded, indicating what, where, when and how

Grazing withholding periods, as recommended by the agricultural chemical manufacturer, must be followed. Non-dairy wastes must not be applied to land used for grazing milking animals without the prior approval of Fonterra Business Unit raw milk quality personnel.

## Farm Dairy Facilities

The plant (internally and externally) and premises must be maintained in a hygienic manner to ensure milk meets the quality requirements and is fit for purpose.

The structures and facilities of the farm dairy must be maintained in good working condition.

The area around the farm dairy and the tanker roadway must be maintained in a tidy condition, and allow for the efficient collection of milk.

Only detergents and sanitisers that have been approved by the relevant regulatory body, or by the applicable milk processor if no regulations exist, shall be used for cleaning in the farm dairy. Such chemicals must be stored securely in the farm dairy to ensure contamination of milk is prevented.

# On-Farm Requirements

## Animal Husbandry

Managing animals responsibly: supporting our milk and dairy ingredient suppliers to meet globally recognised standards and continuously improve animal wellbeing through promotion of positive experiences as described by the 'Five Domains' and elimination of practices that contravene the 'Five Freedoms'. The 'Five Domains' Model builds on the existing 'Five Freedoms' concepts. These Freedoms and Domains are defined as:

1. Freedom from hunger or thirst – Nutrition
2. Freedom from discomfort – Environment
3. Freedom from pain, injury or disease – Health
4. Freedom to express normal behaviour – Behaviour
5. Freedom from fear and distress – Mental State

All medicines must be approved for use by a veterinarian and be used in a manner which will ensure the medicine is suitable for animal treatments and does not impact on food safety.

All medicines and other animal health treatments administered must be recorded, including the unique identifier of the animal treated, the date of and reason for treatment, the medicine or treatment used, the withholding period, and the date the milk was returned to vat.

The farm must comply, or be in the process of gaining compliant status, with the relevant national animal health programme. Where there is no such programme, the farm must actively manage the following diseases to meet the following requirements:

- Milk from animals testing positive to Brucellosis must be excluded from supply
- Milk from animals testing positive to Tuberculosis must be excluded from supply
- A vaccination programme that meets country and importing country requirements for Foot and Mouth Disease must be in place.

Where there is a vaccination programme or control programme implemented to meet country regulations, the programme must be recorded and signed by the appropriate authority.

Animals must be identified from 3 months old. Details on date of birth, acquisition and/or replacement must be kept.

# Storage and Transport

## Milk Transport Vessel Design

The design, construction, materials and maintenance standards for milk transport vessels must minimise any deterioration in milk quality during transportation and must comply, where applicable, with regulatory requirements.

All materials that are part of a milk contact surface must be approved as food-grade materials.

Vessels used in the collection and transportation of milk must:

- Be maintained in a clean hygienic state that has been predetermined and documented
- Have cleaning systems designed to ensure the vessel is kept hygienic at all times
- Have provision made to take load samples to test for quality purposes
- Be routinely inspected to verify cleaning effectiveness and to identify maintenance issues. Records of the inspections must be available for audit purposes.

All detergents used in wash systems must be approved by a recognised authority for use on milk contact surfaces and must be used in accordance with manufacturer's guidelines.

## Operations

All storage and transport operations must minimise any deterioration in milk quality, and prevent adulteration or contamination of the raw milk.

Where there is on-farm refrigerated storage for raw milk, collection times must not exceed 72 hours.

Where there is no on-farm refrigeration, collection or delivery to a chilling centre must not exceed 2 hours.

A system must be in place that allows the traceability of milk from an individual farm or collection point, to a processing site.

The process used for measuring milk volumes for payment purposes must be calibrated to government standards or in the absence of such regulations, to an accepted international standard. Records must be kept of every calibration.



# Storage and Transport

## Collection Points and Chilling Centres

Collection points and chilling centres must comply with the following sections of On Farm Requirements:

- Plant Design
- Milk Quality
- Milk Treatment and
- Farm Dairy Facilities.

Additionally, there must be a food safety and quality management system which includes nominating a person, with appropriate capability, responsibility and accountability:

- To implement and uphold Fonterra Food Safety and Quality Requirements for Raw Milk Producers and Processors; and
- To ensure that all procedures, systems and records are complied with and therefore ensure that milk supplied is fit for its intended purpose.

All test methods used for milk acceptance must be a Fonterra approved test method.

## Sample Collection and Storage

Samples taken must be true representation of the milk being sampled including:

- Use of clean, hygienic sampling equipment
- Milk well agitated
- Samples clearly identified.

Samples must be stored between 2 and 6 degrees Celsius.

Documented procedures must ensure all samples taken are clearly identified, truly represent the milk volume being sampled and are stored at 2°C to 6°C during transportation. Periodic checks must be carried out to ensure the validity and the integrity of the samples, and a record must be kept of these results.



# Processors of Raw Milk

Raw milk must be fresh, unadulterated and free from contaminants.

A risk-assessment must be undertaken by the processor, in accordance with the Risk Management section of these Requirements, to determine any chemical contaminants and/or drug residues that may present a food safety or quality risk in the raw milk supply. Contaminants and/or residues identified as requiring management must be monitored to ensure that the management of the risk of contamination of raw milk has been effective.

Milk must not be used from locations where soil chemical residue concentrations exceed limits agreed between Fonterra and the processor.

Further targeted testing must be performed for adulterants where there is a known risk for adulterants to be present in the raw milk supply chain.

The processor must ensure that:

There is full traceability of supplied milk from individual farms and/ or collection point, to the processing site

The relevant components of the Requirements are complied with in its raw milk supply chain.

All tankers must undergo testing for known inhibitory substances prior to unloading milk into a manufacturing site. For results greater than 0.006 IU/ml, the milk must not be accepted for unloading.

Specific criteria relating to quality (including importing country requirements where appropriate) will be agreed between Fonterra and the processor, and may be defined in product manufacturing specifications.

Any central or local regulatory requirements that are stricter than these food safety and quality requirements will take precedence.

There must be a documented Audit Programme implemented for the routine assessment of farm dairies to ensure the production of safe milk in compliance with regulatory requirements.



# Sustainability

Sustainability for Fonterra is about being responsible for the impact of our decisions and activities on communities and the environment.

We see animals as an integral part of farm sustainability, with healthy animals being at the heart of milk production, essential for farm productivity, milk quality and profitability. Good welfare exists when an animal is well-fed and watered, healthy, safe, able to express normal behaviour and is not suffering unpleasant states such as pain, fear and distress. The milk producer should maximise the opportunities for

comfort and normal social behaviour, while minimising the likelihood of injury, pain, disease, distress, hunger and thirst.

Milk producers and processors should be committed to protecting the environment through the use of sound environmental practices. The reduction and prevention of all forms of waste, including solid and liquid wastes, dangerous or toxic emissions, and the efficient use of all energy sources, should be a fundamental business policy.

Processes for managing environment risks such as rubbish, agrichemicals, waterways/wetlands, nutrient management, fertiliser, effluent, milk disposal, contaminated sites, biodiversity, water use, soil management and air quality need to be in place.

All relevant in country environmental regulations must be complied with. An environmental risk management plan should be in place to actively identify, manage and report environmental risks.

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and globally. To ensure the quality of the products or services provided, specifications are agreed with the vendor and routine assessments are undertaken to ensure the vendor is able to produce products to Fonterra's requirements.

Management of the milk pool is also about being responsible for managing health and safety, labour laws and staff training. Processes to manage these need to be in place to ensure that the communities and people are protected and given development opportunities. Disreputable business measures such as bribes and corrupt payments must be avoided.

Milk producers and processors shall not discriminate workers, use child nor forced labour under any circumstances.

Milk producers and processors shall ensure that working hours and remuneration are in compliance with all applicable national and local laws.

Economic viability of the milk pool is crucial to the success of Fonterra and the communities it operates in. All reasonable measures should be taken to ensure raw milk producers are protected in terms of financial volatility and profitable return on operations.



# Regulatory Compliance

Fonterra is committed to comply with all relevant regulatory requirements for both country of manufacture and country of destination/sale. Where regulatory requirements exceed Fonterra requirements, regulatory requirements must be complied with.

The producer and/or processor shall operate in full compliance with all laws and regulations applicable to their operations, and obtain all necessary approvals and permits.



# Communication

Regular reporting as specified in the contractual agreement between Fonterra and joint venture partners/third party manufacturers must be complied with.

The Approved Suppliers Audit Programme will provide a regular communication channel for communications between the milk pool management team and the Fonterra On Farm Excellence – Milk team.

Fonterra must be notified in the event of:

- A significant change in milk pool operation (e.g. sourcing milk from new area/country)
- A contamination issue has occurred (e.g. whey contamination, adulteration)
- A food safety issue has arisen
- The acquisition of new business unit sourcing raw milk.

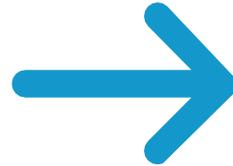
Regular reporting as specified in the contractual agreement between Fonterra and the supplier must be complied with.

# Summary

By having a collaborative relationship between Fonterra and our raw milk producers and processors, we can:



1. We can ensure that the quality and integrity of the product is maintained throughout the supply chain



2. We will be able to fulfil our promise of consistent delivery of safe food to customers



By working together we meet our promise of delivering safe, high quality food every single day - for our kids, our grandmas, our mates and our communities.

Tātou Tātou.

**Safe Food. World Class Quality.**  
**It's Our Promise.**

