Work continues on FSMA animal food training program

By David Fairfield, Sr. Vice President of Feed Services

The Animal Food Subcommittee of the Food Safety Preventive Controls Alliance met Jan. 13-15 in Raleigh, N.C., to continue work on training courses and educational materials designed to assist facilities in complying with the current good manufacturing practice (CGMP) and hazard analysis and preventive control requirements for animal food established under the Food Safety Modernization Act (FSMA).

NGFA Senior Vice President of Feed Services David Fairfield serves as chair of the Alliance’s Animal Food Subcommittee. Other representatives from NGFA-member companies also participated in the meeting, which was conducted to solicit feedback on the draft training curriculum being developed to inform industry firms about animal feed and pet food regulatory obligations and provide guidance on various compliance issues.

The CGMP and hazard analysis and preventive controls regulations issued by the Food and Drug Administration (FDA) on Sept. 17, 2015 form the cornerstone of the new animal food regulatory framework mandated by FSMA. The regulations apply to most animal food facilities registered with the FDA under the Bioterrorism Act of 2002 – including feed, feed ingredient and pet food manufacturers; grain processors; biofuels companies manufacturing co-products as feed ingredients; and foreign facilities that ship products intended for consumption in the United States.
Under the CGMP regulations, facilities are obligated to comply with baseline standards for producing safe animal food that address conditions associated with personnel, buildings and grounds, sanitation, water supply, equipment, plant operations, and holding and distribution.

The preventive controls regulations require facilities to implement a written food safety plan that is developed and overseen by a “preventive controls qualified individual” (PCQI). The PCQI is responsible for evaluating “known or reasonably foreseeable” biological, chemical and physical hazards that are associated with the facility’s food and its operations. The PCQI also is to determine whether hazards exist that require a preventive control, and, if so, implement effective controls to ensure the hazard will be significantly minimized or prevented. The regulations define a PCQI as a “qualified individual who has successfully completed training in the development and application of risk-based preventive controls at least equivalent to that received under a standardized curriculum recognized as adequate by FDA, or is otherwise qualified through job experience to develop and apply a food safety system.”

Covered facilities have a staggered number of years to comply with the regulations, based on business size. The regulations also establish staggered compliance dates for the CGMP requirements a year prior to the deadline for implementing the preventive controls requirements. The following table shows the compliance dates for various business sizes and regulations.

<table>
<thead>
<tr>
<th>Business Size</th>
<th>CGMP Compliance Date</th>
<th>Preventive Controls Compliance Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business other than Small and Very Small</td>
<td>Sept. 19, 2016</td>
<td>Sept. 18, 2017</td>
</tr>
<tr>
<td>Small Business</td>
<td>Sept. 18, 2017</td>
<td>Sept. 17, 2018</td>
</tr>
<tr>
<td>Very Small business</td>
<td>Sept. 17, 2018</td>
<td>Sept. 17, 2019</td>
</tr>
</tbody>
</table>

To define business size, the regulations establish the following definitions:

- **Small Business**: A business employing fewer than 500 full-time equivalent employees. All employees within the business and all of its subsidiaries and affiliates, regardless of whether an employee is involved in animal food-related activities, are to be counted in this determination.

- **Very Small Business**: A business (including any subsidiaries and affiliates) averaging less than $2.5 million, adjusted for inflation, per year, during the three-year period preceding the applicable calendar year in sales of animal food, plus the market value of animal feed manufactured, processed, packed or held without sale (e.g., held for a fee or supplied to a farm without sale).
**Alliance Training Materials:** The Alliance course will be the standardized curriculum that FDA considers adequate for the purpose of becoming a PCQI that is required to develop and oversee a written food safety plan. An individual successfully completing the Alliance training will meet the requirements for training of a PCQI.

Topics to be addressed within the anticipated 2½-day-long training include:

- implementing good manufacturing practices;
- conducting a hazard analysis;
- determining appropriate preventive controls and accessing their effectiveness;
- evaluating the need for supply chain controls; and
- establishing and maintaining required records.

The Alliance’s goal is to have the animal food curriculum completed and available to industry by June 1, 2016.

**Background:** The Alliance is a broad-based public-private partnership of key industry, academia and government stakeholders. It was established in late 2011 by a grant from FDA to Illinois Institute of Technology’s Institute for Food Safety and Health. The mission of the Alliance is to support safe food production by developing and delivering educational programs that assist the food industry in complying with regulations promulgated under FSMA. The NGFA has served as a member of the Alliance since its inception to represent the interests of the grain, feed and processing industry.

**FSMA takes center stage at AAFCO meeting**

**By David Fairfield, Sr. Vice President of Feed Services**

Discussion at the Jan. 18-20 meeting of the Association of American Feed Control Officials (AAFCO) in Charleston, S.C., centered on federal and state implementation issues pertaining to the far-reaching new feed safety rules being promulgated by the Food and Drug Administration (FDA) in response to the **Food Safety Modernization Act** (FSMA).

During an opening session of the meeting, Jeannette Murphy, consumer safety officer at FDA’s Center for Veterinary Medicine, reminded attendees that FDA already has completed three major rulemakings that apply to animal feed and pet food – current good manufacturing practice and preventive controls; foreign supplier verification programs; and third-party accreditation. In addition, the agency plans to publish a fourth rule – sanitary transportation of food – by mid-April that will impact the feed industry.

To further explain requirements established by the rules, Murphy noted that FDA will issue guidance documents in 2016 that address the following topics: current good manufacturing practice; human food by-products for use as animal food; small entity compliance; and hazard analysis and preventive controls. Murphy also highlighted the **Food Safety Preventive Controls Alliance** (FSPCA) and FDA technical assistance networks that have been created to address regulatory and scientific questions posed.
by industry, and provided insights on FDA’s training plans for investigators and the agency’s approach for inspections.

Meanwhile, during the meeting of the AAFCO Model Bill and Regulations Committee, feed regulatory officials considered how to facilitate adoption of the new federal feed safety requirements within state feed laws. A variety of proposed options were considered, but no committee action was taken. The topic will be discussed further at the committee’s next meeting slated for Aug. 1 in Pittsburgh, Pa.

Further, members of the FSPCA met to continue work on developing training and guidance materials to assist firms in complying with the new current good manufacturing practice and preventive controls requirements for animal feed and pet food. NGFA Senior Vice President of Feed Services David Fairfield serves as chair of the Alliance’s animal feed/pet food-related activities and directed the meeting.

AAFCO is the professional organization of federal and state feed regulatory officials, with which the NGFA interacts extensively. Among other things, NGFA industry members and NGFA staff serve as non-voting advisers to key AAFCO committees, and participate actively in committee deliberations.

**Other Issues:** Other significant issues addressed during the AAFCO meeting included:

- **Feed Labeling:** The Feed Labeling Committee made plans to conduct a medicated feed labeling workshop on July 31 in conjunction with 2016 AAFCO Annual Meeting to be held in Pittsburgh.

- **Training, Certification of Feed Inspectors:** The Education and Training Committee continued work on implementing proficiency training and certification of inspectors who meet the requirements of FDA’s Integrated National Food Safety System initiative. It is anticipated that state inspectors at some point in the future will need such certification before conducting inspections on behalf of FDA.

- **Feed Ingredient Definitions and Approvals:** The AAFCO membership voted to move from tentative to official ingredient definitions for: 1) distillers oil, feed grade; 2) bio-diesel derived glycerin; and 3) various pulse products. In addition, the AAFCO membership voted to accept a new tentative definition for direct dehydrated alfalfa meal or pellets, but did not accept proposed revisions to the current definition for dehydrated alfalfa meal or pellets. Among the other new tentative definitions accepted were fat product feed grade, poultry by-products, poultry by-product meal, poultry, and poultry meal. The Ingredient Definition Committee also approved modifying the feed term for “feed grade” and establishing new feed terms for “human grade” and “suitable for use in animal feed.”

- **Pet Food Issues:** The Pet Food Committee discussed and will continue to work on language to add to the AAFCO Model Regulations for Pet Food that would allow human food grade claims and carbohydrate claims for pet food products.

- **Feed Contaminants:** The Feed and Feed Ingredient Manufacturing Committee discussed and made plans to review recommendations for the guidelines for contaminant levels permitted in mineral feed ingredients that are published in the AAFCO *Official Publication*. 
China launches anti-dumping, countervailing duty investigation of U.S. DDGs exports

By Randy Gordon, President

China’s Ministry of Commerce (MOFCOM) on Jan. 12 issued formal notification that it has initiated anti-dumping and countervailing duty investigations of U.S. distillers dried grains (DDGs) exported to China.

The formal declaration stated that the investigation will focus on the alleged subsidization of U.S.-produced dried distillers grains (DDGs), with or without solubles. The investigation applies to DDGs products classified under tariff code 23033000. The investigation, which resulted from a petition filed with the Chinese government by the China Alcoholic Drinks Association, will focus on shipments that occurred during the time period of Oct. 1, 2014 through Sept. 30, 2015. The Chinese government formally accepted the petition after consulting with the association, giving the U.S. government an opportunity to respond, and allowing an opportunity for public comment.

The announcement triggered the start of an industrywide registration process for U.S. companies that produce or sell DDGs to China, which is being coordinated by the U.S. Grains Council (USGC) along with Growth Energy and the Renewable Fuels Association (RFA).

The anti-dumping case alleges that the Chinese ethanol industry has been injured by imports of U.S. DDGS at unfairly low prices. The countervailing duty case maintains that U.S. and state agricultural and ethanol policies allegedly unfairly subsidize production of U.S. DDGs exports to China through a network of 42 national, state and local programs. There is a 20-day period following initiation of the cases in which U.S. companies that want to maintain access to the Chinese market must register to indicate their cooperation with the investigation.

The Chinese investigation is scheduled to be completed by Jan. 12, 2017, but could be extended for an additional six months – to July 12, 2017 – if more time is needed.

This marks the second time in less than a decade that China has launched an anti-dumping investigation into U.S. DDGs exports. China’s previous investigation started in late 2010 and was dropped in mid-2012 after the Chinese complainants withdrew their petition.

China imported more than 50 percent of the exportable supply of U.S. DDGs – roughly 6.4 million metric tons valued at $1.5 billion – from January to November 2015, up from 4 million metric tons in 2013 and 5.4 million metric tons in 2014.
GIPSA requests stakeholder views on marketing standards

By Jess McCluer, Vice President of Safety and Regulatory Affairs

The Grain Inspection, Packers and Stockyards Administration (GIPSA) recently published a Request for Information (RFI) seeking stakeholder comments on USDA’s current marketing standards.

Specifically, the agency is seeking information on how “GIPSA can best facilitate the marketing of grains, oilseeds, rice, pulses, and related products or products made from them, including co-products of ethanol production, commonly referred to as distillers’ grains (DDGS), based on market-identified quality attributes.”

The 90-day comment period ends on April 18.

GIPSA periodically reviews the standards to ensure they reflect marketplace needs. In the most recent request, GIPSA said it specifically would like feedback on the following issues:

1. Are there any market-identified quality attributes that GIPSA does not currently describe (or provide testing) that would facilitate the marketing of grain, oilseeds, and related products?

2. What role should GIPSA take, if any, in standardizing the testing of inputs and outputs of ethanol co-product processing? Has anything changed in the marketing of ethanol and ethanol co-products since GIPSA’s last ANPR in 2007 related to standardization, product description, or quality assessment?

3. Are there any other services that GIPSA could offer to facilitate the marketing of grain, oilseeds, or related products?

NGFA’s Biofuels Committee, Grain Grades and Weights Committee, Feed Legislative and Regulatory Affairs Committee and Feed Manufacturing and Technology Committee will be involved in reviewing GIPSA’s request for input and developing the NGFA’s response.

What is your Congress up to during the week of Jan. 25?

By Bobby Frederick, Director of Legislative Affairs and Public Policy

A heavy snow storm has resulted in a light legislative week ahead. The House canceled votes altogether and will reconvene on Feb. 1 to take up an Iran sanctions measure and an attempt to override the president’s veto on a measure that would repeal parts of the Affordable Care Act.

The House Committee on Agriculture postponed a committee hearing that was scheduled for Jan. 26 featuring EPA Administrator Gina McCarthy.

Photo: Getty Images
This hearing will put a spotlight on EPA’s regulatory actions and how they impact rural America.

House Democrats will still meet in Baltimore, which broke its previous snow record, at the end of the week for their annual issues retreat.

The Senate pushed back votes until Wednesday of this week on a judicial nomination and a comprehensive energy policy package introduced by Sen. Lisa Murkowski, R-Alaska.

**Fly-in, fly-out, give your members of Congress (and their staff) a shout:**

On Feb. 1-2, a number of NGFA State and Regional affiliate associations will be participating in a series of congressional visits on legislative issues, and the NGFA will be hitting the Hill in support of these efforts. Priority issues include biotech labeling, waterways funding and the Trans Pacific Partnership trade agreement. Putting a face to a name at a Washington fly-in or back home in a congressional district provides an edge in the policy making process.

**Election Calendar**

- Feb. 1- Iowa Caucuses
- Feb. 9- New Hampshire Primary
- Feb. 20- South Carolina Primary
- Nevada Caucus

If you have any questions about these policies above, or on something you did not see in this update, please contact Bobby Frederick at bfrederick@ngfa.org or 217-417-5400.

**Trivia**

Last week, this Jeopardy question stumped all three contestants resulting in no winner for only the fifth time in the show’s history. Each contestant answered incorrectly, betting and losing all money won during the game.

**Category:** State Capitals

**Clue:** A 1957 event led to the creation of a national historic site in this city, signed into law by a president whose library is now there too.

**Answer:** What is __________?

Please e-mail your answer to bfrederick@ngfa.org

**Tom Harmon,** safety manager at Gavilon Grain, won the inaugural trivia question regarding presidential State of the Union speeches.

1/12 NGFA Newsletter Answers:

Bonus: The next president most likely will address a joint session of Congress in Jan/Feb of 2017. But no president since John F. Kennedy has called their first joint session of Congress a “State of the Union.” They typically call it an “Address to a Joint Session of Congress.”

**NGFA announces staff promotions**

NGFA President Randy Gordon recently announced the promotions of several executive staff members.

Promoted to the newly created position of senior vice president are Charlie Delacruz, general counsel and corporate secretary; David Fairfield, feed services; and Todd Kemp, marketing and treasurer.

Former Director of Safety and Regulatory Affairs Jess McCluer is promoted to vice president of safety and regulatory affairs.

“Each of these individuals has contributed greatly to the success of the NGFA during their combined 67 years of service, and continue to be integral to the growth in government representation and services the Association provides to meet our member companies’ business needs,” Gordon said. “Their dedication, hard work, selfless effort and specialized knowledge in their respective fields make them invaluable members of our staff team.”

Kemp, who joined the NGFA’s staff in 1991 as director of legislative affairs, was promoted to vice president of marketing in March 2012 after having served as director since 1997. He was elected corporate treasurer in 2000. Before joining NGFA’s staff, he worked for the Agency for International Development, as a budget analyst at the U.S. Department of Agriculture and as a legislative assistant for then-Sen. Nancy Landon Kassebaum-Baker, R-Kan.

Fairfield was promoted to vice president of feed services in March 2012, after having served as director since joining the staff in 2001 after a more than 20-year management career in the feed industry.

Delacruz joined the NGFA’s staff in 2002, and was also promoted to vice president in March 2012. Delacruz was an attorney with a Baltimore, Md.-based consulting firm providing services for Fortune 500 food industry clients on regulatory, import-export, safety and quality, and business and litigation issues before joining NGFA’s staff.

McCluer joined NGFA’s staff in 2007 after serving since April 2003 as a program analyst at the Occupational Safety and Health Administration’s (OSHA) Office of Outreach Services and Alliances, where he worked to coordinate implementation of national alliances and development of compliance-assistance resources for businesses and was twice honored with the secretary of labor’s Exceptional Achievement Award.

**FDA to finalize antimicrobial drug data collection plan this year**

By Sarah Gonzalez, Director of Communications and Digital Media

The U.S. Food and Drug Administration (FDA) recently summarized its efforts to collect data on the use of antimicrobial drugs on farms. The agency intends to finalize its data collection plan this year, noted a biannual progress report FDA issued on Jan. 20.

The FDA’s data collection program under the National Antimicrobial Resistance Monitoring Program is part of an overall strategy to implement new antimicrobial-resistance policies that apply to drugs used in feed for food-producing animals.
“This and other work will help us to develop a more comprehensive and science-based understanding of antimicrobial drug use and resistance in animal agriculture and help us to measure the impact of our regulatory actions,” noted Stephen Ostroff, FDA’s acting commissioner of food and drugs, in a public post.

FDA’s recent report provides a summary of the agency’s actions related to antimicrobial resistance, as well as an update on the transition of medically important drugs from an over-the-counter to a Veterinary Feed Directive marketing status.

The report may be accessed using this link.

The White House released early in 2015 the National Action Plan for Combating Antibiotic-resistant Bacteria in a government-wide effort to combat antibiotic resistance. The FDA has made several policies to phase out the use of antibiotics for growth promotion, including the Veterinary Feed Directive (VFD) final rule, which dictates that medically important antimicrobials intended for use in animal feed will be limited to use under a VFD order issued by a licensed veterinarian. Please contact Senior Vice President of Feed Services David Fairfield with any questions.

Employers must post 300A injury/illness forms between Feb. 1 and April 30

By Jess McCluer, Vice President of Safety and Regulatory Affairs

The Occupational Safety and Health Administration (OSHA) requires employers to post OSHA's Form 300A, which summarizes the total number of job-related injuries and illnesses logged during 2015, between Feb. 1 and April 30, 2016.

The form should be displayed in a common area where notices to employees usually are posted, according to the agency.

Employers with 10 or fewer employees and employers in specific low-hazard industries are normally exempt from federal OSHA injury and illness recordkeeping and posting requirements. Due to changes in OSHA’s recordkeeping requirements that went into effect Jan. 1, 2015, certain previously exempt industries now are covered. Lists of both exempt and newly covered industries are available on OSHA's website. Visit OSHA’s Recordkeeping Rule webpage for more information on recordkeeping requirements.

The information recorded on the OSHA 300 Log and 300A Summary Forms are specific to each facility location, meaning that each feed mill and grain elevator that is part of a larger company must have its own log and summary form. During an inspection, OSHA may ask to review 300 logs and 300A Summary Forms from the past five years.

A facility’s NAICS code number must be included on the 300A Form. Many businesses operate under more than one of these code numbers, but OSHA wants the code number of the primary business operation – the operation that generates the most revenue for the company.

Here are a few NAICS code numbers that may apply to facilities in the grain, feed and processing industry:

<table>
<thead>
<tr>
<th>NAICS Code</th>
<th>Business Operation</th>
</tr>
</thead>
</table>

Return to contents
San Diego is waiting: Annual Convention early bird rate ends soon

Members can save $50 on registration for the NGFA’s 120th Annual Convention in San Diego if they register by Feb 10.

The convention, which takes place March 13-15 at the historic Hotel del Coronado in San Diego located right on the Pacific Ocean, features notable speakers, open forums and general sessions that explore the most important issues facing the industry in the year ahead.

Annual association business is also taken care of at convention; the event begins with a day of open committee meetings and association business is conducted throughout the meeting.

Events include several tours, the National Grain and Feed Foundation Golf Tournament and the gala banquet and reception. Confirmed speakers include Carl Casale, the president/CEO of CHS Inc., Ivo Daalder, the president of The Chicago Council on Global Affairs, and Commissioner Christopher Giancarlo of the Commodity Futures Trading Commission.

More program information is coming soon for a not-to-be-missed convention! Register here.

Safety seminars continue in 2016

For any grain facility, safety procedures should be top priority to keep employees safe and to maintain a successful operation. To keep safety uppermost in mind, the NGFA helps provide vital information on safety best practices and compliance with appropriate federal regulatory rules.

NGFA conducts regional safety seminars every year in cooperation with regional and state affiliate associations that focus on key elements of OSHA’s grain handling standard and how to prepare for an OSHA inspection. In 2016, the seminars are focused on implementing a safety and health management plan to comply with OSHA standards, while also practicing loss control through a risk management system.
NGFA Vice President of Safety and Regulatory Affairs Jess McCluer has led two seminars already this year. The remaining seminar dates and locations include:

- Montana Grain Elevator Association – Jan. 26 in Great Falls, Mont. (Due to an East Coast snowstorm, McCluer will not be present at this seminar, but it will continue as scheduled).
- Oklahoma Grain and Feed Association/Texas Grain and Feed Association – Feb. 24 in Oklahoma City, Okla.
- Ohio Agribusiness Association and Agribusiness Council of Indiana – March 8 in Columbus, Ohio