# MARKET January 2024 NEWS



# **01** 2024 HAPPY **NEW YEAR!** We wish you a year of Better Food, Better Health and, above all, a Better World! **MERIEUX NUTRISCIENCES(CHINA)**

**BETTER FOOD. BETTER HEALTH. BETTER WORLD.** 

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### **Focus on China**

#### China's catering revenue surpasses 5 trillion yuan in 2023

BEIJING - China's catering industry registered robust recovery in 2023, with its total revenue nearing 5.29 trillion yuan (about \$743 billion) for the first time, official data shows.

The figure hit a record high last year, according to the National Bureau of Statistics.

In 2023, the catering industry led to about 2 trillion yuan of operating revenue growth in the sectors of agricultural and sideline products, as well as food processing, according to the calculation from the China Hospitality Association.

Among nearly 15.73 million catering enterprises across the country, more than 4.1 million were newly registered last year, with private firms accounting for over 80 percent, industry data shows.

#### Pet economy continues to expand in China

China's pet consumption market has shown great vitality as the size of the urban pets (dogs and cats) market reached 279.3 billion yuan (\$39.1 billion) in 2023, an increase of 3.2 percent over 2022, People.cn reported on Thursday.

Urban residents' general demand for pets has brought pets into



thousands of households. The continuous improvement of living standards has also made pet owners pay more attention to the personalized needs of pets.

Experts said, changes in the pet market come from changes in people and society, and demographic structures, consumption levels, social environments, policy orientations, and mental health are all important driving forces for the continuous growth of the number of pets and the size of the pet market.

With the rapid increase in the number of pets, people have also begun to pursue the improvement of their pets' happiness and quality of life. The changes in the concept of pet raising makes people willing to invest more money and care in order to meet the needs of their pets. The overall consumption of pets shows an upgrading trend toward higher end products and services.

The industrial chain of the pet industry covers the whole life cycle of a pet, from the perspective of clothing, food, housing, transportation, medical treatment, play and other anthropomorphic needs. Its industrial chain almost covers the entire consumption track. Experts have said that in the future, the demand for creative services related to pets will become increasingly obvious, and how to meet the new needs of pet owners such as pet friendly design, elderly pet care and smart pet equipment will become new fields in the industry.

### International News

#### EU modifies the frequency of controls on food imports

The European Commission has changed the level of inspections on various imported products, including decreases related to ethylene oxide and increases in pesticide residues.

The revised legislation sets the rate of official controls and special conditions for food and feed of non-animal origin imported into Europe. Rules are modified every six months.

Decisions are based on reports in the Rapid Alert System for Food and Feed (RASFF) and information from documents, identity, and physical inspections by EU countries in early 2023.

Checks on sesame seeds for Salmonella from India have been tightened to 30 percent of consignments. However, controls for ethylene oxide will be relaxed from 50 percent to 30 percent of shipments.

#### **Ethylene oxide amendments**

Instant noodles containing spices and seasonings or sauces from South Korea have had a higher rate of official controls because of the risk of contamination by ethylene oxide since December 2021. Findings by member states show better compliance, so the control level of 20 percent of consignments entering the EU has been reduced to 10 percent.

Stricter checks on food supplements containing botanicals from



South Korea and peppers (other than sweet) from Uganda due to ethylene oxide have been removed.

The frequency of identity and physical checks on cumin seeds from Turkey for pyrrolizidine alkaloids has been increased to 30 percent.

Guar gum from India has been subjected to increased official controls because of the risk of contamination by pentachlorophenol and dioxins since February 2015. National inspections show improvement in compliance, so the level of controls has been reduced from 50 percent of consignments entering the EU to 30 percent.

Peanuts, also known as groundnuts, from the U.S., will still be checked at a frequency of 20 percent for aflatoxins. Vanilla extract controls for pesticide residues also remain unchanged at 20 percent.

The majority of updates feature pesticide residues. Increased oversight has been put on seem and helmet beans from Bangladesh, yard-long beans from India and Sri Lanka, granadilla and passion fruit from Thailand, durian from Vietnam, vine leaves from Egypt, and rice from Pakistan. However, controls have been relaxed for mint from Israel.

#### **Oversight related to Chernobyl**

The EU Commission has also updated rules covering import conditions of food and feed from other countries following the accident at the Chornobyl nuclear power station in 1986.

Conditions apply to products containing or derived from wild mushrooms and wild fruits of the genus Vaccinium, such as cranberries and blueberries, several other mushroom types, and some juices and waters.

Mixtures of nuts and dried fruits, jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, mixtures of juices, flavored waters, and certain foods with several ingredients containing the affected mushrooms and fruits are also covered by the rules.

Certain foods with wild mushrooms or wild berries might also contain ingredients of animal origin, so physical controls should only be performed at the border control post, said the EU Commission.

The maximum permitted levels of radioactive contamination in terms of cesium-137 is 370 Bq/kg for milk and milk products and food for infants and young children. It is 600 Bq/kg for all other covered products.

#### EFSA confirms inorganic arsenic in food risks

Consumer exposure to inorganic arsenic in food raises health concerns such as skin cancer, according to the European Food Safety Authority (EFSA).

In a <u>risk assessment</u>, EFSA considered the increase in skin cancers associated with inorganic arsenic exposure as the most relevant harmful effect. Experts concluded that ensuring protection against



skin cancer will also be protective against other potential effects.

EFSA calculates a margin of exposure (MOE) for consumers when assessing genotoxic and carcinogenic substances unintentionally in the food chain. This is a ratio of the dose at which a small but measurable adverse effect is observed and the level of exposure to a substance for a given population. A low MOE represents a greater risk than a higher one.

Based on data from human studies, an MOE of 1 or less would correspond to an exposure level to inorganic arsenic that might be associated with an increased risk of skin cancer. In adults, the MOEs are low – ranging between 2 and 0.4 for average consumers and between 0.9 and 0.2 for high consumers. Experts said they were 69 percent certain that high consumers of inorganic arsenic may have an increased risk of developing skin cancer.

Arsenic is a contaminant that is present naturally and as a result of human activity. Food is the main source of exposure to inorganic arsenic for people in Europe. The main contributors to dietary exposure are rice, rice-based products, and grains and grain-based products. Drinking water also contributes, although levels are usually low in Europe.

#### Association with certain cancers

Findings confirm results from EFSA's previous assessment of the risks linked to inorganic arsenic in food from 2009. EFSA's Panel on

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Contaminants in the Food Chain (CONTAM) concluded the minimum amount of inorganic arsenic that produced a low-level health risk lied between 0.3 and 8  $\mu$ g/kg of body weight (bw) per day.

The European Commission asked EFSA for an update considering new studies on toxic effects. EFSA consulted with stakeholders on its draft opinion and considered comments.

In the latest work, the CONTAM Panel concluded that low to moderate exposure to inorganic arsenic can cause some cancers and other issues such as stillbirth, congenital heart disease, neurodevelopmental effects, respiratory disease, chronic kidney disease, decreased birth weight, and skin lesions.

Epidemiological studies showed the chronic intake of inorganic arsenic via diet or drinking water was associated with an increased risk of cancers of the skin, bladder, and lungs.

EFSA's assessment established a reference point of 0.06  $\mu$ g/kg bw per day based on a case-control study on skin cancer. This is an estimate of the lowest dose that could be associated with increased induction of skin cancer after exposure to inorganic arsenic and is lower than the 2009 figure.

Dietary exposure estimates for inorganic arsenic were 0.03 to 0.15  $\mu$ g/kg bw per day for average and 0.07 to 0.33  $\mu$ g/kg bw per day for European high-level adult consumers.

A risk assessment of combined exposure to inorganic and organic harmonic 400-645-8088 www.merieuxnutrisciences.com



arsenic will be available by 2025.

#### FAO and WHO release produce and poultry meat reports

FAO and WHO have published two complete reports on microbial hazards in fruits and vegetables and measures to control Salmonella in poultry meat.

The first UN Food and Agriculture Organization (FAO) and World Health Organization (WHO) document covers hazards in produce.

The Joint FAO/WHO Expert Meetings on Microbial Risk Assessment (JEMRA) previously released a summary of findings. Still, the final report is <u>now available</u> as part of the Microbiological Risk Assessment (MRA) series. Part three <u>is sprouts</u>, and part four is leafy vegetables and herbs, berries and tropical fruits, melons and tree fruits, and root vegetables. It has <u>already been published</u>.

FAO and WHO held several expert meetings from 2021 to 2022 to collect, review, and discuss measures to control microbiological hazards from primary production to the point of sale in fresh, ready-to-eat (RTE) and minimally processed fruits and vegetables.

#### Interventions and stage of supply chain

Primary production in open fields was investigated by considering the location, adjacent land use, topography, and climate; prior land use; water; wildlife, animal and human intrusion; soil amendments; and harvest and packing. Experts also looked at production in protected **m** www.merieuxnutrisciences.com.cn



facilities and post-harvest activities such as transport, distribution, and handling at the point of sale.

For primary production in open fields, research on the survival and growth of pathogens in fresh produce indicates that results are usually context-dependent. Experts said there are significant data gaps primarily because of insufficient scientific evidence. Primary production in protected facilities can be more controlled. However, if not well-managed, these sites can have as many risks and represent a source of cross-contamination.

Data are needed to understand the efficacy of water disinfection treatments to maintain the microbiological quality of process water. There is also a need to search for post-packaging decontamination interventions that could reduce or eliminate the risk of contamination.

The complexity and diversity of how produce is stored, distributed, and marketed at the point of sale creates data gaps, particularly in developing economies. Scientists said retail and food service was the "forgotten part" of the supply chain because limited studies highlight the significance of education and training on produce safety.

FAO and WHO said the advice is helpful for risk assessors and risk managers at national and international levels and those in the food industry working to control hazards or develop improved mitigation and intervention measures.

#### **Poultry meat report**

For the <u>chicken meat assessment</u>, experts said no single control measure was sufficiently effective in reducing either the prevalence or the level of contamination of broilers and poultry meat with Salmonella. They added that control strategies based on multiple interventions would have the most significant impact on Salmonella in the broiler production chain.

Scientists found that vaccine-based strategies reduce the prevalence or level of shedding of Salmonella in flocks but do not eliminate it. Stringent biosecurity measures, including sanitation and hygiene, are important factors, and it is essential for breeding flocks to be Salmonella-free.

There was no substantial evidence that substances with antimicrobial activity, such as feed and water additives, effectively control Salmonella in broilers. There was limited information on the effectiveness of bacteriophage-based control of Salmonella at the farm level.

High-pressure processing and irradiation are valuable interventions. Chlorine-based compounds and organic acids, such as lactic and peracetic, showed potential effectiveness.

Experts did not address virulence factors and dose-response curves as they judged the science incomplete. Issues regarding ducks, turkeys, and other species, as well as consumer education, were also

not covered.

#### Studies use RASFF data to analyze nut and seafood hazards

Two studies have analyzed data from the European Rapid Alert System for Food and Feed (RASFF) portal to examine mycotoxins in nuts and hazards in seafood.

In the first study, scientists analyzed reports from RASFF on nuts and nut products contaminated with mycotoxins, from 2011 to 2021. 4,752 mycotoxin reports were published for food products worldwide, and 3,000 were in "nuts, nut products and seeds." They included 1,545 for groundnuts, 795 for pistachios, 311 for hazelnuts, and 149 for almonds.

A total of 95 percent, or 2,669 reports, were from aflatoxins. More than half of these were reported for groundnuts, and 441 notices were for groundnuts from China. Border rejection was reported for 91 percent of the nuts and nut products exported to EU countries.

Groundnuts are susceptible to contamination because they grow in soil where the aflatoxin-producing fungus thrives.

The study, published in <u>Food Research International</u>, also covered Aflatoxin B1 and ochratoxin A, with 105 and 26 notifications, respectively.

#### Decline because of tighter controls

The frequency of RASFF notifications for nuts and nut products increased from 233 in 2012 to 443 in 2018 and decreased to 179 in 2021.

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Border rejections followed the same trend, likely due to stricter regulations issued by the EU Commission in 2019, said researchers.

The largest proportion of mycotoxin notifications received for groundnuts were exported from China, followed by Argentina. The United States was fifth. For pistachios, the U.S. was third, behind Iran and Turkey. The U.S. was the top place of origin for almonds, followed by Australia.

To tackle the issue, the Almond Board of California (ABC) ensures aflatoxin testing of almonds destined for export to the EU.

Stringent EU mycotoxins regulations mean developing countries have to export their highest-quality nuts to prevent economic losses. However, this also means they may be consuming contaminated products internally.

"To prevent escalation of frequency of RASFF notifications, exporting countries must guarantee that their sampling procedures, validation of methods and results, and reporting comply with the regulation requirements enforced by the EU Commission. Rejected shipments should be adequately followed up to assess the root causes of contamination and in carrying out preventive measures," said researchers.

#### Seafood findings

Meanwhile, another study <u>published in the journal Water</u> analyzed RASFF notifications for seafood from 1996 to 2020. It covered hazard,

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year, product, notifying country, country of origin, notification type and basis, distribution status, and action taken.

The primary reported hazards were microorganisms such as Listeria, Salmonella, E. coli, Vibrio, norovirus, and histamine; heavy metals like mercury and cadmium; veterinary products including nitrofuran, chloramphenicol and leucomalachite green; poor temperature control and hygiene; parasites such as Anisakis and additives or allergens including sulfites.

Listeria was reported primarily in salmon over a wide range of time. This product was notified by Italy and originated mainly from Poland Denmark, Germany, and Vietnam.

Histamine was reported mainly in tuna and sardines. Italy and concerned products primarily transmitted notifications from Spain, Morocco, and Asian nations Indonesia, Malaysia, Sri Lanka, and Vietnam. Notifications on heavy metals covered almost a fifth of all seafood alerts.

Anisakis was found mainly in mackerel and hake but also in anchovies, anglerfish, and squid. Italy, Greece, and Spain reported it in products originating from Croatia, Denmark, France, Norway, Spain, the United Kingdom, and New Zealand.

Other notifications included carbon monoxide in tuna, benzo(a)pyrene in sprats, Diarrhoeic Shellfish Poisoning (DSP) toxins in mussels, health certificates, packaging and foodborne outbreaks.



RASFF annual reports include information on the ten most frequently reported hazards. Common problems include mercury in fish from Spain and pathogens, such as E. coli and norovirus, in bivalve mollusks.

"To minimize or eliminate risks, it is important to have the right activity of control authorities, appropriate legislation at the European and national levels, and awareness at the different stages of the food chain," according to the study.

### FDA Releases the CORE 2022 Annual Report: Investigations of Foodborne Outbreaks and Adverse Events in FDA-Regulated Foods

Today, the U.S. Food and Drug Administration (FDA) Coordinated Outbreak Response & Evaluation (CORE) Network released its first <u>annual report</u> summarizing the investigations of foodborne outbreaks and adverse events in FDA-regulated human foods for the 2022 calendar year.

The FDA's CORE Network was established in 2011 with the mission to find, stop, and aid in the prevention of foodborne illness outbreaks. This is accomplished through disease surveillance, outbreak response, post-response activities, and collaboration with CDC and state and local public health agencies. Every year, CORE evaluates and responds to numerous foodborne outbreaks related to FDA-regulated products.



CORE investigations also resulted in numerous public health actions, including recalls, public health advisories, Warning Letters, FDA prevention strategies, a country-wide Import Alert, and a Consent Decree. These are further described in the report.

The 2022 annual report highlights a few noteworthy outbreaks from2022: Listeriamonocytogenes linkedtoenokimushrooms, Salmonella linked to cantaloupe, and Salmonella linkedto peanut butter.

Up-to-date information on outbreak-related activities and investigations can always be found on the <u>CORE Investigation</u> <u>Table</u>, <u>FDA's Public Health Advisories</u>, <u>Outbreak Investigation Reports</u>, and <u>Publications</u>.

### **Enterprise News**



# Company recalls cheese after testing shows contamination with Listeria

The Hawaii State Department of Health is alerting residents of a recall of Rizo Bros. California Creamery's Cotija Aged Mexican Grating Cheese because tests have found Listeria monocytogenes contamination.

The product was distributed nationwide.

The recall is the result of a food sampling and analysis partnership conducted by the state health department's Laboratory Preparedness and Response Branch and Food and Drug Branch.

To date, there have been no reports of illness or adverse events in Hawaii attributed to the recalled product.

There is concern that consumers may have the recalled cheese in their homes because it has a sell by date of May 12. The batch code and sell-by date can be found printed along the back edge of the package.

The recalled product information is as follows:

- UPC code: 72724200043
- Batch number: 4DW-23318
- Sell by: 05/12/24
- Size: 8-ounce package
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For additional information, consumers may contact Rizo Bros. California Creamery at 209-232-3700.

#### Infant formula recalled over Cronobacter concerns

Reckitt/Mead Johnson Nutrition (MJN) is recalling select batches of Enfamil brand Nutramigen Powder, a specialty infant formula for the dietary management of Cows Milk Allergy (CMA) in 12.6 and 19.8 oz cans from the U.S. market because of possible contamination with Cronobacter sakazakii in product sampled outside the U.S.

According to the recall, all products in question went through extensive testing by MJN and tested negative for the bacteria.

Nutramigen in 12.6 and 19.8 oz containers was manufactured in June 2023 and distributed primarily in June, July and Aug. 2023. Based on the limited availability of the remaining stock of this special infant formula, it is believed that much, if not all, of the products recalled in the United States have been consumed.

As of the posting of this recall, there are no reports of illnesses or adverse events to date. The products were distributed through retail stores nationwide. The batch code on the bottom of the container can identify the batches in question.

The following recalled product batch codes and can size associated with each batch were distributed in the U.S.:



- ZL3FMH (12.6 oz cans);
- ZL3FPE (12.6 oz cans);
- ZL3FQD (12.6 oz cans);
- ZL3FRW (19.8 oz cans); and
- ZL3FXJ (12.6 oz cans).

The products have a UPC Code of 300871239418 or 300871239456 and "Use By Date" of "1 Jan 2025".

Consumers who purchased Nutramigen should check the bottom of the can to identify whether the batch number is affected. Products with the batch codes listed above should be disposed of. The company can be contacted for a total refund at 866-534-9986 or by email at consumer.relations@rb.com.

### MARKET NEWS - REPLY

If you have any views or comments on the articles in the marketing news please feel free to contact us on the following email address: <u>sales.china@mxns.cn</u>

• ZL3FHG (12.6 oz cans);