MARKET NEWS





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Focus on China

Over 5,000 public interest lawsuits concerning food, drug safety filed in Q1

BEIJING -- Procuratorial organs across China filed 5,126 public interest lawsuits concerning food and drug safety in the first quarter of 2024, the Supreme People's Procuratorate (SPP) said on Sunday.

Among the cases, 4,235 were related to food safety, including the quality and safety of agricultural products, while the remaining cases were related to drug safety, according to the SPP.

Procurators urged administrative organs to launch a special campaign against counterfeit agricultural materials and regulate online advertisements for food and medical products.

The SPP said it had continuously stepped up efforts on litigation concerning food and drug safety. It urged more efforts to guarantee the right to information for consumers and the safety regarding online consumption of food products.

Competitive growth from China propels Danone in first quarter

Leading food and beverage company Danone announces its first quarter results of 2024, with consolidated sales standing at 6.8 billion

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euros (\$7.2 billion), up 4.1 percent on a like-for-like basis, led by China's sustained competitive growth in all categories.

In the first quarter, China, North Asia & Oceania region achieved sales of 840 million euros and delivered 8.9 percent like-for-like sales growth, led by volume or mix up 6.9 percent and price up 2 percent.

In China, specialized nutrition maintained its competitive momentum, while Mizone, a sports drink brand of Danone, posted a strong start to the year, growing steep double-digits.

All categories positively contributed this quarter. On a like-for-like basis, specialized nutrition sales were up 3.8 percent to 2.18 billion euros. Waters sales were up 8.1 percent to 1.13 billion euros. Essential dairy and plant-based sales were up 3 percent to 3.5 billion euros.

Antoine de Saint-Affrique, CEO of Danone, said: "In what remains a challenging environment, we continued making good progress on our transformation agenda, strengthening our category fundamentals, intentionally driving our winning mixes and geographies while delivering on portfolio rotation with the successful closing of the disposals of our milk and dairy activity Horizon Organic and Wallaby in the United States and Michel & Augustin."

Danone expects 2024 full-year like-for-like sales growth between 3 percent and 5 percent with moderate improvement in recurring operating margin.



Crackdown to ensure safety of meat products

Local authorities have been urged to launch an eight-month crackdown on illegal activities related to meat products, according to a notice released after several food safety incidents were exposed on World Consumer Rights Day, which fell on March 15.

The notice, released by the Food Safety Commission of the State Council and three other government departments last week, called for a crackdown on the use of prohibited drugs such as ractopamine, a feed additive known as "lean meat powder", as well as the production of counterfeit beef and donkey products.

Focusing on pork, beef, mutton and chicken products, local authorities are required to thoroughly investigate sources of related illegal activities and target the entire chain of livestock and poultry farming from slaughter to sale.

Measures including the closure of illegal businesses and the exposure of typical cases should be taken to ensure the safety and quality of meat products, the notice said.

A China Central Television program aired on World Consumer Rights Day said some companies in Fuyang, Anhui province, had been using low-quality pork containing lymph nodes to produce semi-prepared dishes.

The part of the carcass between a pig's head and torso is known as "lymph meat" because it contains lymph nodes, fatty tumors and thyroid glands.

It is widely considered cheap, low-quality meat. The wholesale price of pork belly is around 24 yuan (\$3.30) a kilogram, but untreated lymph meat sells for around 6 yuan a kg, the program said.

It has been an open secret that such meat has been used in place of pork belly to make a popular semi-prepared dish that is mainly produced in cities such as Fuyang.

The companies involved have been closed down and are under further investigation, while related meat products and raw materials have been sealed off, Fuyang's market supervision bureau said.

The notice said local agriculture and rural affairs departments should focus on pig, cow, sheep and chicken farms and breeders, and crack down on illegal practices such as selling or disposing of sick or dead livestock and poultry.

Close attention must be paid to slaughterhouses and facilities dealing with deceased livestock and poultry, with strict penalties for adulteration, drug injection or the illegal use of meat from diseased animals, it said.

Local market supervision departments have been urged to punish those involved in the sale of livestock and poultry products that are of

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unknown origin or those that have not been approved by inspection and quarantine authorities, as well as those producing fake meat products, it added.

Si Guang, director of the food safety coordination department of the State Administration for Market Regulation, said that in recent years, the quality and safety of meat products in China have continued to improve. However, illegal acts still occur in some areas, disrupting market order and threatening public health.

International News

EU proposes change to Listeria in RTE food rules

The European Commission has published long-awaited plans to update the rules around Listeria monocytogenes in ready-to-eat (RTE) foods.

The draft regulation removes a section about the absence of Listeria in 25-grams before food has left the immediate control of the food business operator who has produced it.

It now states that Listeria monocytogenes not detected in 25-grams should apply to all situations where foods are placed on the market during their shelf-life and for which the producing food business has not been able to demonstrate, to the satisfaction of the relevant authority, that the level of Listeria will not exceed the limit of 100 colony forming units per gram (CFU/g) throughout their shelf-life.

The new rules would apply to RTE foods, other than those intended for infants and special medical purposes, that are able to support the growth of Listeria monocytogenes.

Infants and consumers with weakened immune systems are highly susceptible to Listeria monocytogenes and should not be exposed to food containing the pathogen at any concentration.

Comment period

To allow food businesses time to adapt their practices and procedures to the new requirement, the earliest the regulation will become applicable is January 2026. Comments on the proposals are open until May 8, 2024.

In a February meeting of the Biological Safety of the Food Chain section of the Standing Committee on Plants, Animals, Food and Feed, the EU Commission presented the plan to amend Annex I to Regulation 2073/2005, regarding the stage of the food chain where the entry 1.2 applies. Despite some requests for clarification, all member states that took the floor, expressed their support to the initiative, except one.

The Chilled Food Association has been preparing for the revision of the legislation for some time and had been concerned that the 100



cfu/g upper limit might be replaced by a zero tolerance or not detected in 25-gram or there would be requirements to set shelf life by challenge testing.

The Chilled Food Association established the Industry Listeria Group in 2021. Members include the British Retail Consortium, British Meat Processors Association, Provision Trade Federation, Fresh Produce Consortium, and European Smoked Salmon Association.

In Europe, the notification rate for listeriosis went up in 2022. One explanation for the rising trend is the increase in the elderly population, who are at higher risk of severe disease.

Thirty countries reported 2,770 confirmed listeriosis cases, which was the highest annual total since the start of EU-level surveillance. Germany, France, and Spain had the most cases with 548, 451, and 437, respectively.

Listeria monocytogenes was identified as the causative agent in 35 foodborne outbreaks that affected 296 people, with 242 hospitalized cases and 28 deaths. This was the highest since the European Food Safety Authority (EFSA) started collecting data.

FDA Releases Report on Economically Motivated Adulteration in Honey

The U.S Food & Drug Administration (FDA) is releasing data from a <u>sampling assignment</u> carried out in 2022 and 2023 to test imported

honey for economically motivated adulteration (EMA). EMA occurs, for example, when a valuable ingredient or part of a food is intentionally left out, taken out, or is substituted or when a substance is added to a food to make it appear better or of greater value. The sampling was designed to identify products that contained undeclared sweeteners that are less expensive than honey, such as syrups from cane and corn. This assignment follows a previous EMA in honey assignment in 2021–2022 and was intended to identify whether there continues to be issues with EMA for imported honey.

As part of the assignment, conducted between April 2022 and July 2023, the agency collected 107 samples of imported honey and found 3 samples (3%) to be violative. In 2021-2022, the agency collected and tested 144 imported honey samples, and found 10% of those samples to be violative. The two assignments were not designed for statistical comparison of violation rates. When a sample was found to be violative, the FDA took swift action, including refusing entry into the U.S. and placing the associated company and product on Import Alert (IA). The agency also continues to develop methods to further improve the detection of undeclared sweeteners in honey to protect consumers.

The results of this assignment underscore the susceptibility of honey to EMA, reaffirming the FDA's commitment to testing and ensuring consumers receive fair value for their purchases. The FDA will continue to test honey for EMA under the agency's import sampling



and risk-based import entry screening program. Violative samples are subject to compliance actions, and in certain cases, the FDA may consider criminal investigations.

Additionally, the FDA continues to collaborate with our domestic and international regulatory partners to combat economically motivated adulteration of food products, including honey.

FDA Issues Draft Guidance on New Dietary Ingredient Notification Master Files for Dietary Supplements

Today, the U.S. Food and Drug Administration (FDA) is announcing the availability of a draft guidance for industry titled "New Dietary Ingredient Notification Master Files for Dietary Supplements." This draft guidance responds to the dietary supplement industry's requests for specific guidance on recommendations about Master Files for new dietary ingredient notifications (NDINs).

NDIN Master Files are not required by statute or regulation, but, as explained in today's draft guidance, can be used to facilitate the submission of NDI-related identity, manufacturing, and/or safety information to the FDA for use in evaluating a potential future NDIN. The intent of the guidance, once finalized, will be to help industry comply more easily with the NDIN requirement by providing recommendations on the content, submission, and use of Master Files.

The recommendations in this draft guidance expand upon and replace the recommendations related to Master Files in the FDA's <u>revised draft guidance</u>, "Dietary Supplements: New Dietary Ingredient Notifications and Related Issues."

To Submit Comments

Comments on the draft guidance should be submitted within 60 days after publication in the *Federal Register* to ensure that we consider your comment on the draft guidance before we begin work on the final version of the guidance. Submit electronic comments to www.regulations.gov to docket number FDA-2024-D-0706. Written comments should be submitted to the Dockets Management Staff (HFA-305), Food and Drug Administration, 5630 Fishers Lane, Room 1061, Rockville, MD 20852. All written comments should identify the docket number FDA-2024-D-0706.

Scientists highlight tropane alkaloid contamination in Italy

Researchers have highlighted cases of tropane alkaloid contamination in Italy and called for increased monitoring and regulation.

The study detailed recent cases of tropane alkaloid intoxication after the consumption of spinach and spinach-based foods in Italy during October 2022. Symptoms can include a dry mouth, difficulty speaking and swallowing, tachycardia, drowsiness, dizziness, hallucinations, and delirium.



Incidents were linked to leafy vegetables contaminated with tropane alkaloids, likely due to cross-contamination with toxic plants from the Datura genus. Controls were unable to identify the specific weed responsible but chemical analysis of the remaining spinach and spinach-based foods consumed by affected people revealed atropine and scopolamine.

CDC ends the first quarter with some important active cases

The Atlanta-based Centers For Disease Control and Prevention is ending the first quarter of the year with a handful of active foodborne illness investigations.

CDC is the nation's leading science-based, data-driven service organization that protects the public's health. For more than 70 years, the agency has put science into action to help children stay healthy so they can grow and learn; help families, businesses, and communities fight disease and stay strong; and protect the public's health.

The Listeria outbreak linked to Queso Fresco and Corina cheese, which became active Feb. 6, has led to 26 illnesses in 11 states. Almost all required hospitalization, and two died. Cheese, cream, and yogurt made by Rizo-Lopez Foods were recalled to stem the Listeria outbreak.

A Salmonella outbreak also went active in February and remained so as the quarter ends. Charcuterie Meats was found responsible. The outbreak spans 30 states, with 87 illnesses involving 18 hospitalizations. No deaths have yet resulted.

An active investigation began Jan. 5. Coppa and charcuterie meat products containing Coppa were recalled.

The Lead and Chromium poisoning outbreak linked to Cinnamon Applesauce Pouches remains active and was updated on March 22.

The outbreak has 519 cases in 44 states. Anyone with a child who might have been exposed to the product should get a blood lead test.

And no-one should eat any recalled apple cinnamon puree pouches sold under the brands Wanabana, Schnucks or Weis.

Enterprise News

FDA asks company to warn consumers about its goat milk formula

The FDA has asked Sammy's Milk of Newport Beach, CA, to provide a warning against the use of its toddler formula as an infant formula.

The agency is concerned that the formula may not meet requirements for infant formula and may be unsafe and not provide sufficient nutrition when used as an infant formula.



The FDA's concerns were provided to Sammy's Milk in a meeting with agency officials this week that identified representations on the Sammy's Milk website and social media platforms that could be interpreted to indicate the product is safe for infants to consume.

The company says its product is specifically formulated for children between the ages of 12 and 36 months, as clearly indicated on its packaging and website. The product at issue was only available online, and included lot code SD348, with a "Best by" date of August of 2025.

"It is crucial that users adhere to the recommended age range for the consumption of our product. Sammy's Milk does not recommend the use of Goat Milk Toddler Formula for infants under 12 months of age. If you are feeding our product to an infant, we recommend that you stop doing so because the FDA has concerns that Goat Milk Toddler Formula does not meet all FDA requirements for infant formula and may be unsafe and not provide sufficient nutrition when used as an infant formula," the company said in a statement posted by the FDA.

"For further inquiries or clarification regarding the appropriate use of Sammy's Milk Goat Milk Toddler Formula, please contact our customer service team at info@sammysmilk.com."

In 2016 the company recalled all lots of Sammy's Milk Baby Food because of the possible presence of Cronobacter, a bacteria that can cause severe and sometimes fatal blood infections or meningitis in infants.

Ice cream bars recalled after testing finds Salmonella

Tropicale Foods of Modesto, CA is recalling Helados Mexico Mini Cream Variety Pack because the mango bars in the variety pack are potentially contaminated with Salmonella.

Testing on the mango bars revealed that the finished product may contain Salmonella.

According to the company's recall, the product was distributed at retail locations in Iowa, Illinois, Indiana, Kentucky, Massachusetts, Maryland, Maine, Michigan, North Carolina, New Hampshire, Rhode Island, South Carolina, Tennessee, Virginia, Wisconsin, West Virginia, Washington, DC and certain locations in Europe.

Recalled product:

- Helados Mexico Mini Cream Variety Pack with best by date of "MO Best By 10/11/2025"
- Product quantity: 5,224 units

The product best by date can be found on the bottom of the retail box.

As of the posting of this recall, no illnesses have been reported.

The company has ceased distribution of the affected product. The company is conducting an investigation as to what caused the problem.

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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: sales.china@mxns.cn