



Natural Link

First Quarter 2003

A Special Message from the INSCA Chairman

Dear Fellow Members,

As many of you know, the headquarters office of INSCA has not been operating at a maximum level of production recently. The Board has placed a great deal of attention addressing this issue. The re-emergence of our quarterly newsletter should serve as a good indication as to what we hope is now a more active and responsive organization.

Many diverse influences were in play that caused this situation. Most notable was how Mr. Fellman's business had shown dramatic growth via the increase of the demand of his time generated by his other clients. The result was he was unable to serve us in the manner that we had come to expect. Although Mr. Fellman expressed his desire to withdraw from INSCA nine months ago, the organization required more time to find an alternative management situation. In addition to this INSCA, along with ENSCA, initiated a joint working committee whose mission was to investigate methods in how we could synergistically streamline our association management, reduce our expenses and better maximize our productions by avoiding the various redundancies inherent to running two industry associations. This more or less forced us to take our eye off the ball of the everyday activities of INSCA and its membership. With FBC and INSCA going in opposite directions, a breakdown in adequate performance was the result.

The matter is now attended to. With the appointment of Joshua Hull to the full time executive secretary position and the implementation by INSCA of a bi-monthly action plan, the association is now again going in the proper direction and speed.

It was fortunate for INSCA that during this uncertain period our various trade, scientific and government challenges remained

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under the skilful guidance of our legal counsel, Mrs. Shirley Coffield, Dr. Gisela Panzer of the Scientific Working Group (SWG), the SWG committee, Vice Chairman Grundt and the many board members and members of the association at large who continued to work without fail in addressing these serious subjects.

These issues aside, the industry is itself under siege. Everyday is another piece of news that affects our businesses. We are now in constant dialogue with governments around the world trying to ensure the free movement of our products. We are not losing the battle but it has certainly intensified. It is essential that we continue to deal with governmental matters on a unified front. Your Chairman is heartened to

see the level of cooperation on the part of our various worldwide associations. Almost without fail, all contacts with government officials have been pre-coordinated between INSCA-ENSCA and the various State associations such as the US, French, German and Chinese associations. We are becoming one voice and a strong one voice.

In regards to our future activities in the area of the joint INSCA/ ENSCA re-organization committee, I would like to comment. The boards of both INSCA and ENSCA have voted support of the fundamentals involved with merging our groups. The joint committee will now be entering the second phase of the concept by working to define the qualifications and requirements of management and finances for the new concept of joint association structuring. Hopefully a complete report with the recommendation will be submitted to the boards in Berlin at our upcoming INSCA convention.

It is our plan to publish and distribute the second-quarter newsletter prior to the convention in Berlin, so that an updated status report of association matters can be made available to the membership. In the meanwhile, please review your recently distributed minutes of the Board meeting in Scottsdale and view the INSCA website for the latest convention information. ■

Most Sincerely Yours,
Richard P. Theise, INSCA Chairman

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Executive Secretary's Report

Greetings to INSCA Members

Joshua Hull

I would like to take this opportunity to introduce myself to the INSCA membership. My name is Joshua Hull, and I am a graduate of Towson University in Baltimore, Maryland and a resident of Washington, DC. I have been with Mr. Fellman's company in various roles for three years now, and I have been lucky to have met many of you at the Prague and Vienna annual meetings, as well as the semi-annual meeting this past autumn in Scottsdale, Arizona. I am very proud to be your new Executive Secretary.

Mr. Theise stated in his message in this newsletter that there was some dissatisfaction in the quality of services delivered to INSCA last year, and it is my intention to improve the level of service so that INSCA remains one of your leading sources for news, information and assistance with the natural casing trade. I have already spoken with many members regarding situations or issues needing resolution. If you have a problem or information you wish to share regarding the natural casing trade, please contact me.

For now, the areas I and the FBC staff are concentrating on include the timely dissemination of information to our members and issues related to the annual meeting in Berlin. Forms for the annual meeting will be posted to the website as soon as they are available, in addition to being mailed to the members. It is important to note that the information we have to distribute is only as good as the addresses we have for our members, so please keep us abreast of any changes to your physical addresses, as well as email and website addresses. It is essential that INSCA has the best, most up-to-date contact information for our member companies.

In the mean time, feel free to email or call me with any questions, suggestions or advice you may have regarding the service your company receives from the INSCA office. Also, the deadline to reserve advertising space (as well as forward relevant art work, if necessary) in the 2003 INSCA Yearbook is April 15, 2003. This is a great way to market your companies products and services to your industry colleagues! ■

Make Convention Plans Now

This years meeting in Berlin promises to be one of the most well attended and exciting INSCA meetings in years. Not only will Berlin provide a centrally located setting for our European members, as a world capital an annual meeting in Berlin will be an enticement for the rest of the world-wide membership to attend this dynamic event..

INSCA 38th Annual Meeting
May 29 – June 1, 2002
The Hilton Berlin • Berlin, Germany

GOVERNMENT REPORT

By Shirley Coffield

The past several months have found the INSCA Government Committee busy in trying to deal with various uncertainties in trade due to a number of factors:

US-EU Disputes

EU Retaliation: On November 12, INSCA/ENSCA submitted a joint response to the EU request for comments on its proposed lists of retaliation against US products in response to a US violation of WTO rules. Natural casings are listed on the proposed list. In our submission we requested that casings be removed from the list and presented arguments as to why having casings on the list would be detrimental to the EU industry. We are now awaiting the final EU list to be published, which we expect soon. In the meantime, the EU and the US continue to try to resolve the issue, and even if a final list is published, it is possible that it will not go into effect soon. We are hopeful that our submission will be given serious consideration. We will keep members informed on new activities.

US Retaliation: INSCA and NANCA continue to try to find ways to have the US retaliation against French and German origin casings, in response to a EU WTO violation, removed. This issue is another one that is subject to ongoing negotiations between the US and the EU and is tied up with several other issues, including the proposed EU retaliation. While we have several supporters in the USDA and Congress, the politics of the US EU disputes, which have nothing to do with our product, have made progress difficult. We will continue to work on this project and keep members informed.

New Country Restrictions

We continue to see additional restrictions on casings in countries due to various diseases.

The **BSE/TSE** threat has caused more countries to now restrict all bovine, and sometimes, all ovine (sheep) products, including casings. We are now working on preparing an updated list of those restrictions. As they change regularly, it has been a difficult task, but we hope to have something for members in the next 60 days that will show how countries treat beef and sheep casings. In the meantime, there have been several more BSE outbreaks in Japan.

TSE/BSE Sheep: INSCA continues to support ENSCA and the country associations in Europe who are working hard to try to convince the EU not to put sheep casings on the SRM list for BSE. There have been several meetings with EU officials and evidence has been presented to show the low risk of BSE in sheep casings. However, there is now a proposal to put the ileum of sheep on the SRM list. This proposal is expected to be voted on in the EU on February 18th. We will keep members informed on this very important issue for Europeans and also for third country exporters to the EU. **FMD:** There are increasing concerns about the spread of FMD and several countries are now either restricting all product from FMD countries, or planning to do so. For example, the US is in the process of preparing a regulation that will restrict casings from countries not free of FMD. We have been working with USDA to try to reduce the impact of such a regulation. At this point, they have agreed that there will not be a regulation in the near future, and they

have encouraged us to try to find acceptable ways to neutralize or kill the FMD virus so that trade will not be disrupted.

Countries have also expressed concern about classical swine fever and swine vesicular disease. The SWG is doing a study on possible treatments for FMD and their effects on natural casings. In addition NANCA is working on a project to see if an Ozone treatment can be used successfully to kill the FMD virus and also other viruses of concern, such as CSF, SVD, PRRS etc.

Residues: There continues to be increasing problems between the EU and China on residues, such as CAP and Nitrofurane. Currently, the EU is testing 20% of all product exported from China. There has not yet been an agreement with the Chinese government on how to insure the absence of residues. The SWG sent a group to China in December to look at this issue and a report was made to the membership. It has now been reported that incidences of residue have increased in the EU tests and therefore, some further action may be taken. In the meantime, the trade continues to be tenuous, as China is also putting into effect testing requirements. As much of the Chinese actions are not yet formal, it is sometimes difficult to understand the precise requirements and we continue to seek information on this subject. Members are encouraged to send in their own experiences in this trade so that we can get a clearer picture of how our members will be impacted.

Security: In the US and Canada, there will be new requirements for registration, by the end of 2003, of

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SCIENTIFIC WORKING GROUP REPORT

By Dr. Gisela Panzer

Introductory Remarks

With the CRAFT I project in 1997, scientific work and follow-up for lobby-activities was initiated for the international casing industry. In 2000 the structure of the Scientific Working Group (SWG) was decided.

The SWG is composed by 8 people plus 3 substitutes from the 3 involved associations ENSCA, INSCA and NANCA. From ENSCA: the ENSCA chairman L. Munkholm, P. Gelhard, Lex van Hessen (chairman of the SWG) and as substitute James Harder. From INSCA: the INSCA chairman R. Theise, Ph. Leymonie, J. Roelsgard and as substitute C. Billon. From NANCA: the NANCA chairlady B. Negron, M. Koss and as substitute M. Mayo. G. Panzer was appointed as administrative secretary, R. Bradley is the Scientific adviser whenever it is appropriate.

All these representatives from the associations are open for any suggestion, report on special needs for the industry and also criticism – if necessary at all – from members in order to make the work of the SWG as close to the needs of the industry as possible.

On 23rd January 2003 David Byrne – European Commissioner for Health, Consumer Protection and Food Safety – stated in a speech in Berlin on occasion of “Grüne Woche: “I firmly believe that policy makers in food safety have to base all their decisions on sound risk assessment – delivered by independent scientists in a transparent manner.”

No better justification could have been delivered for the activities and achievements of the SWG.

The documentation “Activities and Achievements of the Scientific Working Group” was distributed to all INSCA members in October 2002.

Ongoing Activities

Residue problem with Casings from China

When in January 2002 the EU introduced a ban for all products of animal origin coming from China due to residues of animal drugs and pesticides found during random checks, casings were exempted based on scientific research performed by the SWG at the Institute Tiergesundheitsdienst München in 2000/2001. Unfortunately in February 2002 Chloramphenicol residues were found in a lot of Chinese casings in Germany. The EU introduced an obligatory checking of 20% of all consignments of casings from China in June 2002 for residues of animal drugs, pesticides and other contaminants not permitted in the EU for a period to 30.9.2002. This time limit for the 20% checking was changed to an unlimited schedule in September 2002.

In the course of the checking activities at the border control posts in the EU the incidence of found residues increases.

During the visit of Prof. Schmidt and Dr. Panzer from 14.10.-20.10.2002 in China no clear evidence for the occurrence of the residues could be found. The general conclusion was that due to the legal situation – as the animal drugs found mainly in casings coming from China as Chloramphenicol and Nitrofurans – are banned for use only since the beginning of 2002 the improving of the situation will take some time.

In the meantime negotiations have taken place between Chinese authorities and the Chinese Casing Association – CNSCA – to find methods of better control of casings intended for export to other countries.

On the base of the results of these negotiations a probable plan for a “risk management” to be introduced

in Chinese Casing plants under the guidance of CNSCA and backed by local CIQ's is under preparation.

Due to the increased findings of residues in imports to the EU in the last weeks EU officials have reported that from Chinese official sources no concrete offers for better controls have been received.

Scientifically there is no proof that Chloramphenicol in the traces found in casings when consumed as sausage envelopes and also Nitrofurans are hazardous for human health. The existing problems are of legal and political nature and should be solved on association level.

The SWG has already prepared also a paper on the residue situation of sausages filled with casings deriving from contaminated lots with the result that residues in the sausages were not detected.

BSE and sheep casings.

The Scientific Steering Committee of the EU published in September 2002 an official opinion based on two studies presented by the SWG (under the label of ENSCA to make it acceptable for EU purpose) stating that the processing of sheep intestines to casings reduces the risk for probable BSE in sheep casings with factor of 100 and most probably of 1000 so that there is no need for including sheep casings into the list of risk materials – provided that no BSE was found in sheep. This will change the whole situation.

The two studies – “Risk assessment of the use of sheep natural casings and leg of lamb” - University Utrecht- Koolmees, Berends, Tersteeg and “Assessment of the risk of exposure to the BSE agent through the use of natural sausage casings” DNV London- Ph. Comer – are posted on the Web-site of INSCA

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SWG Report

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under Research Papers where the scientific world has now access to it.

As consequence of requests from the EU Commission, which was under pressure from the UK Food Standards Agency demanding to include sheep casings in the list of Specified Risk Material as a precautionary measure despite the opinion of the SSC, a new project was started by the SWG: "Histological research on the efficacy of mechanically versus manually deslimed sheep intestines." This project will be performed by P.Koolmees/University Utrecht, the very experienced histologist for intestines/casings due to several studies for the SWG.

The new draft from the EU to include at least the ileum of sheep casings in the SRM list is not finally decided yet, it is expected for the next meeting of the Standing Committee on Food Safety and Animal Health on 18./19.2.03 .

In the lobby activities of the ENSCA and their national member associations the HACCP Concept initiated by the SWG and the scientific definitions of the ileum gathered by the SWG from highly reputed scientists were integrated.

FMD Curing Study

Already since 1972 by a study initiated in those days by the German Zentralverband, a method to inactivate FMD virus by using 0.5% solution of either lactic- or citric-acid for 5 minutes is internationally recognised and accepted in most of the countries. The SWG initiated in 1998 a study to detect methods for inactivation of the CSF virus. The Bundesforschungsanstalt Insel Riems performed the study with the results that using phosphate salt for increasing the ph-value of the casings to 10 is effective to inactivate the CSF virus.

In order to avoid negative effects

for the treated casings it was decided to study casings after curing treatment concerning their usability in the filling process. Also neutralisation treatment and detection of the curing treatment are under investigation.

The detection of the curing treatment is of importance for official acknowledgement of the inactivation procedures. It is the aim to propose these curing procedures officially to the OIE and countries with FMD and/or CSF outbreaks in order to secure export of casings.

The results of this study are expected next month.

Salmonella, Listeria and Sulphit-reducing Clostridia in Casings.

As the bacterial contamination and also zoonose causing agents in meat-products is getting more and more attention of the authorities and also costumers and consumers the SWG decided in 2001 to monitor the situation for the most important agents for casings of all origins..

Hog, sheep and beef casings of the Netherlands, China, New-Zealand ,UK and Brazil are monitored. From the total Target (lots in total to be investigated) 33% have been tested until November 2002 with the result that all available consignments were sampled and were all negative. When finalized the study will be published and handed also out to all members in order to show the careful risk management of the casing industry in this respect.

Other items.

Beside the mentioned activities some other projects are under investigation or preparation as occurrence of brown pimples in beef casings, Ozone treatment as a possibility for decontamination, coating of casings with antimicrobial treatment.

Every interested member should use the opportunity to come up with ideas for improvements in the casing industry in whatever field it may be.■

Government Report

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exporters having the last contact with a product, and importers, as part of new security regulations. This requirement will affect third country exporters to the US. We are watching this and will provide further information as more facts about the new registration requirements are known. In addition, beginning on February 3, 2003, there are new requirements for shipping companies to notify US Customs 24 hours before cargo is loaded for the US. There is a requirement from steamship lines that steamship lines must be notified 4 days prior to loading for shipments destined to the US. In the future if the information is not received in a timely fashion, there will be penalties to the exporter

Scientific Information for Governments

The joint INSCA-ENSCA-NANCA Scientific Working Group continues to work on issues of great importance to the whole industry. As noted above there are several ongoing projects which are aimed at maintaining the disease free status of casings around the world. This information will be critical as members work with their governments on a variety of issues involving disease status of casings.

Certificate Issues

As in the past, we are seeing more and more new and changed certificate requirements. Please continue to inform the INSCA office of changes and new requirements so that we can keep updated and help where possible to insure movement of trade.■

Visa Requirements for Germany

The following information was taken from the official website of the German Consulates office (<http://www.germany-info.org>). It is deemed accurate as of February 28, 2002. However, changes to Visa requirements happen all the time, and you should check with your local German consulate or travel agent to verify the information presented below.

Entry clearance requirements are dependent on the citizenship of the applicant. Citizens of many countries do not need a visa to visit Germany for stays up to 90 days. Please check the visa requirement list below if you are not sure whether you need a visa.

German consular services are available through its embassy and consulate offices around the world. Except for rare instances, you have to submit your application in person. Visit <http://www.germany-info.org> to locate your nearest embassy or consulate office.

If you do need a visa, be sure to bring the following required documents with you when you make your application: fully completed application form (obtain from the website named above); two passport photographs; valid national passport and one copy; your current bank statement and one copy; proof of health insurance coverage for trips outside the US and one copy; business references (letter from INSCA, invitation from German company or organization; fee (check with your local German office for costs). Please note: In individual cases, you may be required to provide additional documents.

The entry "yes" against a country's name below means its citizens always require a visa to enter Germany. The entry "no" against a country's name means its citizens do not require a visa to enter Germany. Without a visa, however, they may not stay longer than three months every half-year or take up gainful employment requiring a work permit. Excepted are citizens of European Union member states (*).

<u>Country</u>	<u>Entry visa required (no/yes)</u>
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Argentina	no
Austria*	no
Australia	no
Belgium*	no
Brazil	no
Canada	no
China	yes
Czech Republic	no
Denmark*	no
Egypt	yes
Finland*	no
France*	no
Hong Kong	no
Hungary	no
Iran	yes
Iraq	yes
Ireland	no
Italy	no
Japan	no
Mongolia	yes
Netherlands*	no

<u>Country</u>	<u>Entry visa required (no/yes)</u>
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New Zealand	no
Norway	no
Pakistan	yes
Poland	no
Portugal*	no
Romania	no (from 1.1.2002)
Russia	yes
Saudi Arabia	yes
Slovak Republic	no
South Africa	yes
Spain*	no
Sweden*	no
Switzerland**	no
Taiwan	yes
Turkey	yes
United Kingdom	no
U.S.A.	no
Uruguay	no

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