

# SADA UPDATE

## SADA Fresh International Update: Consequence of Parmalat Suspension into China

On the front page of the Business section of the Australian Newspaper today members may be aware of an article discussing the suspension of Parmalat's capacity to import its product into China. Parmalat is currently providing processing services to the SADA Fresh Product both domestically and internationally.

SADA appreciates the continued support of SADA Fresh consumers in South Australia through our Coles partners where our product remains on the shelves.

Sadly, this suspension of Parmalat's export product suspends the SADA Fresh export product as well.

It is important to note that there is no health concern regarding the integrity, quality or standard of the SADA Fresh export product processed by Parmalat on our behalf.

The issue raised by the Chinese Authorities is in relation to the processing procedures regarding the temperatures at which the milk is processed. The Chinese have argued that the temperature is too high for the milk to be labelled as "Fresh". The process does not offend any law in Australia regarding the production of fresh milk and SADA Fresh maintains the same position as Parmalat that the product is fresh milk.

The Australian reported, *"The all-powerful Certification and Accreditation Administration of the People's Republic of China (CNCA), which is authorised by China's State Council to administer the importation of key food products, was unhappy with the temperatures Parmalat was heating its milk to."*

Parmalat is currently engaged in work to create a processing system that will pass muster for the Chinese Authorities. At the moment, we remain in the hands of Parmalat and these outcomes have no effect on the domestic supply of SADA Fresh into the Coles Supermarkets.

We continue to work with Parmalat, Federal Authorities, our Chinese Partners and the Chinese Authorities to see the successful resumption of the export of our milk to China.

For now, it is a case of hurry up and wait. As further information comes to hand we will keep members posted.

For the full article please cut and paste the link below:

<http://www.theaustralian.com.au/business/companies/china-suspends-overheated-parmalat-milk/news-story/597a22d5ebc7e9dc7e76eb617ecaf19e>

