



Australian Government  
Australian Pesticides and  
Veterinary Medicines Authority



# REPORT OF THE REVIEW of the Overseas GMP Scheme

NOVEMBER 2008

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Report of the Review of the Overseas GMP Scheme

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1. Report of the Review of the Overseas GMP Scheme

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## INTRODUCTION

This report completes the review of the APVMA's Veterinary Post-Registration Overseas Good Manufacturing Practice (GMP) Compliance Scheme (Overseas GMP Scheme). The Overseas GMP Scheme commenced in February 2005 and became fully operational in October 2005.

The APVMA undertook the review to determine whether the Overseas GMP Scheme is effective in assuring that imported veterinary chemical products are manufactured in GMP-compliant facilities. The review requested feedback about experiences with the Overseas GMP Scheme, whether the scheme has affected GMP compliance generally, and whether it is useful and fair.

The review indicated that the Overseas GMP Scheme has had a positive impact on the assurance of GMP compliance for overseas manufacturers and that there are few changes required to the scheme's administrative processes. The issues of concern related primarily to difficulties with obtaining evidence of GMP compliance from overseas authorities and clarification of the APVMA guidelines for providing evidence of GMP compliance.

## TERMS OF REFERENCE

### Review objectives

This review examined whether the Overseas GMP Scheme was meeting its original objectives, and whether any modifications to the scheme were necessary.

The Overseas GMP Scheme commenced in February 2005. At the time of commencement, the APVMA released a Regulation Impact Statement (RIS) titled *Assuring the enduring GMP compliance of overseas veterinary chemical manufacturers*. The document is available on the APVMA's website at <[http://www.apvma.gov.au/qa/downloads/gmp\\_overseas\\_RIS.pdf](http://www.apvma.gov.au/qa/downloads/gmp_overseas_RIS.pdf)>. The APVMA released the RIS and began the scheme after a process of substantial stakeholder consultation. The APVMA undertook to review the new scheme by the end of 2007 against the objectives specified in this RIS.

The three objectives of the scheme, which are listed below, are based on a mechanism for ensuring the enduring GMP compliance of overseas manufacturers supplying veterinary chemical products to the Australian marketplace.

#### Objective 1: To ensure product safety

Objective 1 is to ensure the ongoing safety of all veterinary chemical products that are registered for use in Australia, irrespective of their site of manufacture.

GMP compliance is accepted by both the APVMA and industry as a mechanism to ensure product quality and safety.

#### Objective 2: To ensure compliance of veterinary chemical products with legislative requirements

Veterinary chemical products must comply with the legislative requirements of the APVMA's governing legislation, the *Agricultural Chemical (Administration) Act 1992* and the *Agricultural and Veterinary Chemicals Code Act 1994* (Agvet Code). Products manufactured without assurance of enduring GMP compliance may not comply with those legislative requirements.

It is also highly desirable for any scheme to allow the APVMA to take action if GMP compliance cannot be demonstrated.

#### Objective 3: To improve stakeholder confidence in imported products

Objective 3 is that the APVMA should maintain consumer confidence in imported products by applying requirements that are comparable to those required by other competent authorities and those required for domestic manufacturers.

As stated in the RIS, the scheme achieves its objectives by:

- i) imposing conditions of product registration for new veterinary chemical products manufactured overseas as new products are registered
- ii) re-considering pre-February 2005 product registrations for veterinary chemical products manufactured overseas in order to impose the conditions of product registration
- iii) developing a strategic program to request and consider evidence.

At the commencement of the scheme, the APVMA announced that it would:

- i) determine the number of routine checks done per annum and the percentage of manufacturing sites checked each year, based on risks and available resources
- ii) request evidence on a site-by-site basis for each registrant, where possible
- iii) consider a transition period for collection of evidence.

## Review method

The APVMA invited interested parties to make written submissions that comment on, but need not be limited to, the issues raised in the consultation paper.

The closing date for submissions was 29 August 2008. The APVMA received five submissions, including one that was late (Table 1).

An APVMA committee considered the submissions to decide whether any changes should be made to the scheme and whether further consultation was needed. It was decided that further consultation would not be necessary.

This report includes a full list of submissions and a discussion of all the issues that were raised. The APVMA will initiate several improvements to the scheme as a result of this consultation process.

## THE OVERSEAS GMP SCHEME

### First steps in implementing the scheme

The APVMA implemented two initial steps to establish the scheme in February 2005.

#### Step 1: Imposing conditions of product registration for new veterinary chemical products manufactured overseas

From February 2005, the APVMA has placed standard conditions of product registration on all new veterinary chemical product registrations that are manufactured overseas. These standard conditions are also included when an overseas manufacturer is added to the registration details of a veterinary chemical product initially manufactured in Australia.

The wording of these conditions is shown in Attachment One.

The conditions of product registration placed on these products require the registrant to be responsible for ensuring that an overseas manufacturer maintains GMP compliance. The registrant is required to retain relevant documentation to demonstrate this compliance. The standard conditions also require the registrant to 'produce, or cause to be produced, to the APVMA any record within 10 working days of the request having been made'.

These standard conditions only apply to veterinary chemical products with overseas manufacturers.

#### Step 2: Reconsidering existing product registrations for veterinary chemical products manufactured overseas in order to impose the conditions of product registration

In October 2005, the APVMA completed the reconsideration of 1093 existing product registrations for veterinary chemical products manufactured overseas. The reason for the reconsideration was to ensure that the products were manufactured to standards equivalent to the APVMA Manufacturing Principles and associated Australian Code of Good Manufacturing Practice for Veterinary Chemical Products.

The existing conditions of registration did not satisfy the APVMA requirements in this regard. Therefore, the APVMA varied the existing conditions of approval for all these products to incorporate the new conditions (see Attachment One).

### The current scheme

The scheme commenced in February 2005 and became fully operational after October 2005, when the APVMA finished its reconsideration of 1093 existing product registrations for veterinary chemical products manufactured overseas. Registrants were allowed a transition period of six months to collect evidence of GMP compliance for their manufacturing sites.

Manufacturers of certain veterinary chemical products are exempt from the licensing requirements of Part 8 of the Agvet Code.

These products are listed in Regulation 59 of the Agvet Code (see Attachment Two) and include:

- external coat conditioners
- any skin cleanser or shampoo
- equine hoof protectants
- sheep branding substances
- herb oils.

To be consistent with this exemption for domestic manufacturers, foreign manufacturers of these exempt products are excluded from the GMP requirements outlined in this document.

The APVMA now requests evidence of GMP compliance from registrants of veterinary products that are manufactured overseas. The APVMA has a target of 150 products per annum to select for audits against the conditions of product registration to ensure that the registrant maintains satisfactory evidence of GMP compliance.

The APVMA uses a risk-based approach to select products for these requests, prioritising those that have been the subject of any reports or problems that could potentially pose a risk to animal or public health. For reasons of efficiency, products that are produced by the same manufacturer are frequently dealt with together. The objective is to target a selection of products for review in order of highest risk.

In order to comply with the conditions of product registration, registrants of veterinary products manufactured overseas must maintain satisfactory evidence of GMP compliance and the evidence must be available for immediate submission when requested. The APVMA must receive responses within ten days of a product registrant receiving a request for evidence.

Evidence received is assessed against the Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers, which are available on the APVMA's website at [http://www.apvma.gov.au/qa/downloads/gmp\\_status.pdf](http://www.apvma.gov.au/qa/downloads/gmp_status.pdf).

If the evidence submitted does not satisfactorily confirm GMP compliance, the APVMA deems the product to be non-compliant with the conditions of product registration. In that event, the APVMA sends a letter to the registrant to confirm this non-compliance, and submission of satisfactory evidence is then required within 90 days. If the APVMA does not receive satisfactory evidence within 90 days, the product and its approved label may be subject to suspension or cancellation in accordance with Section 36 of the Agvet Code.

If the evidence submitted does confirm GMP compliance, the product is deemed compliant with the conditions of product registration. The APVMA sends a letter to the registrant to confirm this compliance, including forms detailing the assessment of each manufacturing site. If the audit identifies that a change to the product registration details is required, such as a change in the company name of a manufacturer, registrants must make an application (normally under Category 14) for approval of the change.

The APVMA maintains statistics for all steps of this process. For 2007–08, the APVMA requested evidence for 250 products with GMP compliance confirmed for 248 products by the end of the financial year.

## Benefits of the scheme

The APVMA believes that the scheme has resulted in significant positive benefits, including:

1. increased assurance of product quality and safety by regularly auditing the GMP compliance of overseas manufacturers throughout the life of a registered veterinary chemical product
2. increased awareness by registrants of the GMP compliance of their overseas manufacturers
3. increased awareness by registrants of the need to advise the APVMA of any change to the manufacturer details.

## THE REVIEW CONSULTATION PROCESS

The APVMA invited interested parties to make written submissions that comment on, but need not be limited by, the issues raised in the consultation paper.

Comment was sought on the following specific questions:

1. Has the Overseas GMP Scheme provided an effective mechanism for assuring the enduring GMP compliance of overseas veterinary chemical manufacturers?
2. Has the introduction of the scheme given your company greater awareness of the GMP compliance of the manufacturing sites being used to manufacture your products?
3. What part of the scheme has been the greatest influence on your compliance with the relevant conditions of product registration?
4. Have you found the scheme to be unnecessarily burdensome on your company when compared with those companies that use Australian manufacturers?
5. Have you experienced difficulties with the APVMA's administrative procedures for checking evidence of GMP compliance?
6. Do you believe that the scheme increases compliance with the Agvet Code?

Five submissions were received, as set out in Table 1. These included submissions from several large companies and one from a major industry organisation.

Table 1: List of submissions

SUBMITTER	DATE RECEIVED
FAMI-QS	8 July 2008
Novartis Animal Health Australasia Pty Ltd	21 July 2008
Fort Dodge Animal Health	8 August 2008
Intervet/Schering-Plough Animal Health	25 August 2008
Veterinary Manufacturers and Distributors Association Ltd (VMDA)	17 September 2008

An APVMA committee examined these submissions and identified sixteen issues, which primarily involved difficulties in obtaining satisfactory evidence of GMP compliance from overseas authorities. The committee considered that the APVMA's proposed responses would address many of these and make the scheme more effective and efficient.

The submissions received are listed in Attachment Three.

## ANALYSIS OF THE ISSUES

Response to the specific questions raised in the consultation paper indicated that industry considers the Overseas GMP Scheme provides an effective mechanism for assuring the enduring GMP compliance of overseas veterinary chemical manufacturers. It had also led to greater awareness of the GMP compliance of overseas manufacturing sites.

One company commented that the conditions of product registration had the greatest influence on their compliance with the scheme. Another comment was that requirements were 'not significant compared with the requirements for Australian manufacturers'.

Most respondents found the Overseas GMP Scheme's administrative procedures to be satisfactory and had experienced no difficulties. Some comments were made about the rejection of certificates that had been submitted. Some participants found the scheme unnecessarily burdensome because of the difficulties with obtaining evidence from overseas. In general, it was considered that the scheme increased compliance with the Agvet Code.

The issues identified in the consultation process are discussed in Table 2.

Table 2: APVMA responses to issues raised

ISSUES RAISED	RESPONSE TO ISSUES
<b>General issues</b>	
<p>Issue 1 'The process is not well defined and registrants changing product supply to an overseas manufacturer may not understand or appreciate the requirements for obtaining an acceptable overseas GMP certificate.'</p>	<p>The APVMA will expand and further clarify the Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers and other information about the Overseas GMP Scheme available on the APVMA website. While the APVMA can define requirements more clearly, decisions often need to be made on a case-by-case basis. The flexibility provided by this approach is often beneficial to applicants.</p>
<b>Issues relating to manufacturers in the EU</b>	
<p>Issue 2 There are significant difficulties in obtaining 'EU-Australia MRA' certificates, primarily difficulties and delays in obtaining the correctly formatted Certificate of GMP Compliance of a Manufacturer Issued Under the Provisions of the Mutual Recognition Agreement between the European Union and Australia (EU-Australia MRA). One suggestion was that the APVMA, 'should consider accepting the standard GMP certificates accepted in the EU.'</p>	<p>The EU-Australia MRA includes the format for a certificate that is acceptable to both parties to this agreement. This format includes all the information required by the APVMA for assessment of GMP compliance. It is acknowledged that there have been problems with certain authorities issuing certificates in the correct format. The APVMA will modify the Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers to state that they will consider accepting equivalent certificates in certain circumstances. However, the registrant should attempt to obtain the correct version of certificates in the first instance. The APVMA will also discuss this issue with the EU authorities.</p>
<p>Issue 3 Some agencies in the EU require a fee payment for the issue of certificates.</p>	<p>This issue is outside the scope of the review as it refers to fees charged by overseas authorities. However, it should be noted that any fees are likely to be small, especially when compared with the cost of commissioning an overseas audit by an APVMA-authorized auditor.</p>

ISSUES RAISED	RESPONSE TO ISSUES
<p>Issue 4 Some agencies have refused to issue a certificate unless the request is from the APVMA. The EU-Australia MRA specifies that certificates shall be issued, 'at the request of an exporter, importer or the competent authority of the other party.'</p>	<p>The APVMA acknowledges that there have been incidents where some authorities have refused to issue a certificate unless it is requested by the APVMA. The APVMA will try to ensure that the EU-Australia MRA operates as intended.</p> <p>Although we will discuss this issue with EU, the compliance of overseas agencies is beyond our direct control. We encourage any company encountering this problem to contact the APVMA so that it can be resolved immediately.</p>
<p>Issue 5 There have been occasional incidents of significant delays to audit schedules in the EU, so that more than three years might elapse between audits. This can mean that it is difficult to obtain current evidence of GMP compliance.</p>	<p>If there is a problem or delay with obtaining current evidence of GMP compliance in the EU, a letter from the government authority to confirm this should be sent to the APVMA.</p> <p>The APVMA will attempt to resolve the delay on a case-by-case basis. If there is no alternative, one option is to have an audit by an APVMA-authorized auditor.</p>
<p>Issue 6 APVMA officers have rejected EU certificates for being bilingual.</p>	<p>Bilingual certificates are acceptable to the APVMA if one of the languages is English and these certificates are submitted frequently. It is possible that a bilingual certificate may have been rejected because of other issues. The APVMA can interact with the company directly to resolve any issues that may have occurred.</p> <p>The APVMA will expand and further clarify the Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers to include a reference to bilingual certificates.</p>
<p>Issue 7 Certificates of GMP compliance from the EU have a currency of three years, but the APVMA only accepts a currency of two years.</p>	<p>The APVMA accepts certificates of GMP compliance from the EU as current for three years from the date of the last inspection, as indicated on the certificate, unless there are other validity limitations placed on the certificate. The date of the last inspection is indicated on the certificate but is not identical to the date the certificate is signed.</p> <p>The three-year currency of certificates allows time for the subsequent audit of a site to be closed. Generally, audit intervals are similar to those for Australian manufacturers.</p> <p>The APVMA will expand and further clarify the Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers to clearly state the currency of certificates of GMP compliance from the EU.</p>
<p>Issue 8 'The APVMA are not the arbiters of the suitability of EU-issued GMP Certificates. If the APVMA asserts an EU-issued GMP certificate is not compliant the matter is arbitrated under the conditions of the Mutual Recognition Agreement between the EU and Australia.'</p>	<p>The APVMA has a legal obligation to be satisfied that a product is safe and therefore reserves the right to reject a certificate that does not confirm the current GMP compliance of a manufacturer. If certificates are rejected, it is usually because they are no longer current, the site is not authorised for the appropriate type of manufacture, or similar issues that can be resolved within a short timeframe.</p> <p>The Joint Committee meets infrequently and primarily has the role of exchanging information about changes and verifying the technical competence of conformity assessment bodies. The Joint Committee monitors all sectoral annexes of the EU-Australia MRA and does not generally arbitrate on individual certificates.</p>

ISSUES RAISED	RESPONSE TO ISSUES
<p>Issue 9 A significant number of small volume products produced in the EU will be deleted due to the costs of GMP regulation in EU, as European manufacturers are deleting small production runs.</p>	<p>This issue is outside the scope of the review, as it relates to costs imposed by EU regulatory authorities for sites in their jurisdiction. This is not under APVMA control.</p>
<p><b>Issues relating to manufacturers from the USA</b></p>	
<p>Issue 10 There are significant difficulties in obtaining satisfactory evidence of GMP compliance from the USA, particularly the US Food and Drug Administration (FDA) and the US Department of Agriculture Centre for Veterinary Biologics (USDA). The standard certificates issued do not specify the inspection date and audit reports cannot generally be obtained.</p>	<p>The APVMA agrees that there are inadequacies in the evidence currently provided by the FDA and USDA. Unfortunately, this is outside the control of the APVMA. However, the APVMA usually liaises with the company on a case-by-case basis.</p> <p>The APVMA plans to initiate discussions with the FDA over the next twelve months to discuss these shortfalls.</p>
<p>Issue 11 The APVMA does not specify the expiry date of USA certificates.</p>	<p>Generally, certificates from the USA will include an expiry date, and usually these certificates are valid for two years from the date of issue. The APVMA will not accept a certificate that is expired.</p> <p>The APVMA will expand and further clarify the Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers to include information about expiry dates on certificates.</p>
<p>Issue 12 The USDA and FDA do not inspect sites and issue certificates for export only products.</p>	<p>The APVMA agrees that there can be difficulties in obtaining evidence for export-only products from the USA. Unfortunately, this is outside the control of the APVMA.</p> <p>The APVMA will consider, on a case-by-case basis, certificates from the FDA or USDA that refer to closely similar products manufactured at the same site. If acceptable evidence cannot be provided, an audit by an APVMA-authorized auditor will be required to confirm GMP compliance.</p> <p>The APVMA plans to initiate discussions with the FDA over the next twelve months to discuss this shortfall.</p>
<p>Issue 13 Some countries 'require a product to be registered and registration details provided before a GMP certificate is provided. This requirement imposes difficulties in obtaining GMP certificates prior to product registration by the APVMA.'</p>	<p>The APVMA acknowledges this difficulty, which arises because of the shorter timeframes for product registration in Australia. Unfortunately, this is outside the control of the APVMA.</p> <p>The APVMA will consider, on a case-by-case basis, certificates from the FDA or USDA that refer to closely similar products manufactured at the same site. Generally, an audit by an APVMA-authorized auditor will be required to confirm GMP compliance.</p> <p>The APVMA plans to initiate discussions with the FDA over the next twelve months to discuss these shortfalls.</p>
<p><b>Other international issues</b></p>	
<p>Issue 14 The APVMA does not issue 'up to date' or 'standard' certificates for local manufacturers.</p>	<p>This issue is outside the scope of the review because it relates to certificates for export of chemical products. The APVMA issues a range of export certificates, including the Certificate of GMP Compliance of a Manufacturer Issued Under the Provisions of the EU-Australia MRA.</p> <p>The APVMA also provides letters or other documents to satisfy unusual requirements from other countries. The APVMA will interact directly with the company to resolve any outstanding issues.</p>

ISSUES RAISED	RESPONSE TO ISSUES
<p>Issue 15 The APVMA should seek to set up mutual recognition agreements with similar regulatory requirements such as Canada, Japan and the USA.</p>	<p>Mutual recognition agreements are international treaties between governments. The establishment of these treaties is driven by the Australian Department of Foreign Affairs and Trade and is related to prevailing government policy on trade.</p> <p>It is not anticipated that a mutual recognition agreement with Canada, Japan or the USA would be established in the near future.</p> <p>The APVMA generally accepts licensing and inspection documents from the Canadian health authorities and certificates from the FDA and the USDA.</p> <p>The Japanese authorities are not recognised, but there are very few Japanese manufacturers exporting to Australia.</p>
<p>Issue 16 The Feed Additive and Premixture Quality System European Association (FAMI-QS) would like to be considered for the 'establishment of equivalency'.</p>	<p>This issue is outside the scope of the review. However, the APVMA will hold talks with the FAMI-QS association so that FAMI-QS can state the case for equivalency. It is not anticipated that FAMI-QS would be recognised as equivalent in the near future.</p>

## IMPROVEMENTS TO THE OVERSEAS GMP SCHEME

The APVMA considers that the Overseas GMP Scheme is providing an effective mechanism for assuring the enduring GMP compliance of overseas veterinary chemical manufacturers. The scheme has also resulted in greater awareness of the GMP compliance of overseas manufacturers without unduly burdening industry. Changes to the conditions of product registration are not required, and provide an effective tool in ensuring compliance.

The APVMA does not consider it necessary to make any changes to the administrative processes underpinning the Overseas GMP Scheme because they are working efficiently. Target goals for auditing of products have been exceeded each year since the scheme's inception.

Sixteen issues were identified in the consultation process. The APVMA considers that most of these will be addressed by implementing the following proposals to improve the Overseas GMP Scheme.

### Proposal one

The APVMA will expand and further clarify the Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers and other information about the Overseas GMP Scheme that is available on the APVMA website.

These changes will include the following information:

1. The APVMA accepts bilingual certificates, provided one language is English.
2. Certificates are valid only for the time period nominated on the certificate. If there is no expiry date nominated, the certificate is deemed to be valid for three years from the date of the last inspection of the manufacturing site.
3. The normal expiry time for certificates of GMP compliance from the EU is three years from the date of the last inspection. This date is indicated on the certificate. Occasionally, an earlier expiry date is nominated on the certificate. In those cases, the certificate is valid only for the time period nominated.
4. The expiry time of certificates from the FDA or the USDA is generally two years from the date of signing. The expiry date is usually nominated on the certificate. In those cases, the certificate is valid only for the time period nominated.
5. In certain circumstances, the APVMA will consider accepting a non-standard certificate that is equivalent to the Certificate of GMP Compliance of a Manufacturer Issued Under the Provisions of the Mutual Recognition Agreement between the EU and Australia. The non-standard certificate must contain all the required information. However, the registrant should attempt to obtain the correct version of certificates, in the first instance.
6. The APVMA should be notified if difficulties arise in obtaining certificates of GMP compliance from the EU, including delays in auditing schedules. If a certificate cannot be obtained, an audit by an APVMA-authorized auditor will be required to confirm GMP compliance.
7. If certificates from the FDA or USDA cannot be obtained because the product is not yet registered in the USA or the product is for export only, certificates that refer to closely similar products manufactured at the same site may be considered on a case-by-case basis. Generally, an audit by an APVMA-authorized auditor will be required to confirm GMP compliance.
8. While the APVMA can define requirements as clearly as possible, decisions often need to be made on a case-by-case basis. The flexibility provided by this approach is often beneficial to applicants.

## Proposal two

The APVMA will liaise with the EU to ensure that the EU-Australia MRA operates as intended. The APVMA acknowledges that there have been incidents where some authorities have refused to issue a certificate unless it is requested by the APVMA, or have refused to issue a certificate in the correct format. These issues will be raised with the EU.

## Proposal three

The APVMA agrees that there are inadequacies in the evidence currently provided by the FDA and USDA. Unfortunately, this is outside the control of the APVMA. In particular, certificates do not list the date of the last of inspection, there are no inspections for export only products, and certificates are not issued until products are registered for use in the USA.

The APVMA plans to initiate discussions with the FDA over the next twelve months to discuss these shortfalls in an attempt to develop suitable solutions.

## Proposal four

The APVMA will hold talks with the FAMI-QS association so that FAMI-QS can state the case for equivalency. It is not anticipated that FAMI-QS accreditation would be recognised as equivalent in the near future.

## CONCLUSION

The APVMA's Veterinary Post-Registration Overseas Good Manufacturing Practice (GMP) Compliance Scheme ('Overseas GMP Scheme') was introduced in October 2005.

The APVMA has completed the review of the scheme to determine whether the Overseas GMP Scheme is effective in assuring that imported veterinary chemical products are manufactured in GMP-compliant facilities. A public consultation process considered whether the scheme has affected GMP compliance generally and whether it is useful and fair.

The review indicated that the Overseas GMP Scheme has had a positive impact on the assurance of GMP compliance for overseas manufacturers and that there are few changes required to the scheme's administrative processes. The issues of concern related primarily to difficulties with obtaining evidence from overseas and clarification of APVMA guidelines for providing evidence. The APVMA proposes to address most of these concerns by clarifying guidelines and discussing some issues with relevant overseas authorities.

## ATTACHMENT ONE

Conditions of product registration to assure the enduring GMP compliance of overseas manufacturers of veterinary chemical products

- a) The Registrant must not supply the chemical product, or cause it to be supplied, unless the chemical product has been manufactured according to the APVMA Manufacturing Principles and associated Codes of GMP, or those of a Recognised Authority deemed to be equivalent by the APVMA.
- b) The Registrant must, at or prior to the supply of a batch of the chemical product by the Registrant or by another person on behalf of the Registrant, make or have in its possession, a record that the chemical product has been manufactured according to the APVMA Manufacturing Principles and associated Codes of GMP, or those of a Recognised Authority deemed to be equivalent by the APVMA.
- c) The Registrant must produce, or cause to be produced, to the APVMA any record within 10 working days of the request having been made by the APVMA, or other such period as determined by the APVMA.
- d) The Registrant must keep, or cause to be kept, any record for one year after the expiry date of any batch that is made.
- e) For the purposes of these conditions, records are in the possession of the Registrant if records are:
  - i) in the possession of the Registrant; or
  - ii) in the possession of another person pursuant to an arrangement with the Registrant.

### Definitions and interpretation

In these conditions the following words have the following meanings:

“Batch” means a defined quantity of material produced in a single series of operations;

“Record” means a document in written form that contains the particulars required by the APVMA;

“Recognised Authority” means an authority described in Guidelines for Providing Evidence of GMP Status of Overseas Manufacturers;

“Supply” has the same meaning as given to it in Section 3 of the Agvet Codes and includes the doing of those things through, or pursuant to an arrangement with, another person.

## ATTACHMENT TWO

Excerpt from *Agricultural and Veterinary Chemicals Code Act 1994* (Agvet Code)

59 Manufacture of chemical products — exempt products

- (1) For the purposes of paragraph 121 (4) (a) of the Code (which deals with exempt products and persons in relation to manufacture), the following are exempt products:
- (a) any agricultural chemical product;
  - (b) an ingredient used in the manufacture of a chemical product if the ingredient:
    - (i) does not have a therapeutic or biological effect on a plant or animal; or
    - (ii) is a herb, or an oil extracted from a herb, the sole use of which is as a starting material for use in the manufacture of a chemical product;
  - (c) any product prepared in a research facility or pilot plant solely for experimental use;
  - (d) any veterinary homeopathic preparation that:
    - (i) is more dilute than a one thousandfold dilution of a mother tincture; and
    - (ii) is not required to be sterile;
  - (e) any skin cleanser or shampoo;
  - (f) any coat conditioner intended for external use only;
  - (g) any equine hoof protectant;
  - (h) any sheep branding substance;
  - (i) a substance of any of the following kinds that is intended to be added to stockfood:
    - (i) organic acids;
    - (ii) antioxidants;
    - (iii) pellet-binding products;
    - (iv) mould inhibitors;
    - (v) preservatives;
    - (vi) feed handling improvers;
    - (vii) colouring agents;
    - (viii) anticaking agents;
    - (ix) deodorising agents;
    - (x) flavours;
    - (xi) flavour enhancers;
    - (xii) sweeteners;
    - (xiii) aromatic substances;
    - (xiv) appetising substances.
- (2) In paragraph (1) (d):
- mother tincture means a liquid prepared by the process of solution, extraction or trituration.
- veterinary homeopathic preparation means a preparation:
- (a) formulated for use on the principle that it is capable of producing in a healthy animal symptoms similar to those which it is administered to alleviate; and
  - (b) prepared according to the practices of homeopathic pharmacy using the method of:
    - (i) serial dilution and succussion of a mother tincture in water, ethanol, aqueous ethanol or glycerol; or
    - (ii) serial trituration in lactose.

## ATTACHMENT THREE

The submissions

### Submission from Novartis Animal Health Australasia Pty Ltd

I am responding to the invitation on APVMA's website for comments on the questions below. Novartis Animal Health's answers are in italics.

#### Specific questions for manufacturers, registrants and other interested parties

The APVMA invites responses from registrants and other interested parties on the following specific questions:

1. Has the Overseas GMP Scheme provided an effective mechanism for assuring the enduring GMP compliance of overseas veterinary chemical manufacturers?

*Yes*

2. Has the introduction of the scheme given your company greater awareness of the GMP compliance of the manufacturing sites being used to manufacture your products?

*Somewhat, although we already had good awareness.*

3. What part of the scheme has been the greatest influence on your compliance with the relevant conditions of product registration?

*No comment.*

4. Have you found the scheme to be unnecessarily burdensome on your company, when compared with those companies that use Australian manufacturers?

*Yes. GMP evidence for AUS manufacturers is very simply provided by referring to their APVMA GMP Licence Number. In contrast, the requirement to obtain "Mutual Recognition Agreement (MRA)" GMP certificates for EU manufacturing sites is burdensome. These certificates are specific to AUS and not produced for any other reason or any other country. Given the high GMP standard enforced by EMEA, Novartis is not convinced of the necessity or value of having to supply such specific MRA GMP certificates for Australia regulatory purposes. Due to their unique nature, they mostly they take a significant amount of time to obtain, often many months. APVMA should consider accepting the standard GMP certificates accepted in the EU.*

*On a related matter, it is our understanding that APVMA do not issue up-to-date GMP certificates for locally approved manufacturers. The unavailability of such certificates can hinder support for overseas registrations, and it is unreasonable for APVMA to on one hand expect a specific certificate type (e.g. MRA GMP certificates) to satisfy their own requirements, while on the other hand not being prepared to issue standard certificates for manufacturers within their own jurisdiction.*

5. Have you experienced difficulties with the APVMA's administrative procedures for checking evidence of GMP compliance?

*No*

6. Do you believe that the scheme increases compliance with the Agvet Code?

*Yes but compliance would also be sufficient without the specific MRA GMP certificates.*

*I trust these open and frank comments will be considered and be of some assistance, and I would welcome any feedback you may have.*

## Submission from Intervet/Schering-Plough Animal Health

Following is Intervet/SP response to the "Review of the Overseas GMP Scheme Consultation paper – 6 June 2007" which is due by 29 August 2008.

The Scheme relating to Overseas Product Manufacturers is largely satisfactory. However, we feel the APVMA should seek to further enhance the EU mutual recognition agreement to make the process of obtaining MRAs easier; and

- Set up mutual recognition agreements with other countries with similar regulatory requirements such as Canada, Japan and the USA.
- Also of some concern is that it is sometimes extremely difficult to obtain satisfactory evidence to fulfil the 3-year timeframe for renewals of GMP documentation. Overseas product manufacturers (and subsequently Australian registrants) have no control over the relevant countries governments who organise the inspections/audits of premises. These inspections can sometimes be carried out months after the 3-year period has expired, and it is not unusual for the actual inspection notice not to be issued for another few months. Would it be appropriate for the APVMA to include some wording in their terms of reference advising that if evidence of GMP is not currently available because of an overseas government delay, an extension to submit evidence to APVMA would be approved?

Thank you for the opportunity to comment.

## Submission from Fort Dodge Animal Health

I am writing in response to the request for comments on review of the overseas GMP scheme. I have first answered the specific questions posed in the Consultation Paper, followed by some general comments.

### Specific questions

1. Effective mechanism - Yes
2. Greater awareness - Yes
3. Influence on compliance - The registration conditions imposed on registered products
4. Unnecessarily burdensome - Yes, due to difficulties in obtaining documentary evidence (see General Comments below)
5. Administrative procedures - No difficulties
6. Increased compliance - Potentially yes, although in reality I expect that the quality of overseas manufactured products has not been influenced to any great extent.

## General comments

There is sufficient justification for the existence of the scheme, to ensure that imported products are manufactured to the same GMP standard as would be expected for products manufactured in Australia. I have found the scheme to be well administered by the APVMA, and APVMA personnel have been very helpful in assisting registrants to meet the requirements of the scheme.

However, I have encountered difficulties in obtaining the documentary evidence of GMP status required by the APVMA, and a number of situations have required significant time and effort to resolve.

In one example, in 2005 my colleague in Italy was told repeatedly by the Italian Ministry of Health that the request for a GMP certificate under the Australia/EU Mutual Recognition agreement had to come directly from the APVMA. Eventually the APVMA had to contact the Italian MOH directly to convince them that they were required to accept a certificate request from the company. I found the APVMA Compliance section very helpful in resolving this issue, but it highlights a lack of understanding of overseas authorities of their obligations under the MR agreement.

I have also more recently had difficulties in obtaining a GMP certificate from European authorities (e.g. Spain, Netherlands) in the exact format specified by the APVMA.

For US manufacturers it has also proved difficult. It is not possible to get a GMP certificate or audit report for a manufacturing site from either the USDA or the FDA, and certificates for individual products are not available for products manufactured but not sold in the US. The USDA does not issue certificates specifying the date of the last inspection, although APVMA has accepted the Certificate of Licensing and Inspection (CLI) without the inspection date. It is not clear from the APVMA guidelines how long these certificates are valid, as the guidelines only refer to time since the last inspection.

Another problem is the timing of audits. Sometimes GMP audits by recognised overseas authorities are delayed due to resourcing issues, holiday periods, etc. Once the audit is complete, there is often a period of several months while deficiencies are resolved and the certificate request is processed. This can result in a period of months when no current GMP evidence is available. Registrants could be considered to be in breach of their registration conditions during this time, even though the GMP status of the manufacturing site has not changed. Provision should be made for this situation in the registration conditions.

Thank you for the opportunity to comment on this review.

## Submission from Veterinary Manufacturers and Distributors Association (VMDA)

I refer to your call for submissions concerning the Review of the Overseas GMP Scheme. The following is submitted on behalf of VMDA.

The overseas GMP scheme provides a mechanism for importers to access overseas manufactured product produced under conditions of quality oversight not inferior to what would be required of equivalent local manufacture thus providing a more level playing field.

The scheme requires the registrant of a finished product being imported into Australia to obtain a current GMP Certificate for the manufacturing site where the product is produced and submit the original certificate to the APVMA. In most cases this has provided a viable option to the alternate arrangement of an Australian APVMA auditor visiting and auditing the overseas manufacturing site.

In response to the specific questions provided by APMA:

Q1: Has the overseas GMP Scheme provided an effective mechanism for assuring the enduring GMP compliance of overseas veterinary chemical manufacturers?

A: Yes. The overseas GMP Scheme is working well with most countries. The currency of the GMP Certification should provide the assurance of enduring GMP compliance with overseas manufactured products and their manufacturers.

Q2 Has the introduction of the scheme given your company greater awareness of the compliance of the manufacturing sites being used to manufacture your products?

A. Most Australian registrants of Veterinary products imported into Australia have essentially become aware of the GMP Certification and compliance of the manufacturers of those products. Through the recognition especially of EU GMP Codes, we have shifted our own local GMP Code toward better alignment with that of Europe. This gives Australian manufacturers a better appreciation of our own GMP Code.

Q3: What part of the scheme has been the greatest influence on your compliance with the relevant conditions of product registration?

A: The overseas GMP scheme has not imposed significant incremental registration requirements when compared to the requirements for locally manufactured products. European manufactures are deleting small run production products due to increasing regulations and costs related to GMP compliance. A significant number of small volume products produced against EU GMP Certification will be deleted.

Q4: Have you found the scheme to be unnecessarily burdensome on your company when compared with those companies that use Australian manufacturers?

A: The process is not well defined and registrants changing product supply to an overseas manufacturer may not understand or appreciate the requirements for obtaining an acceptable overseas GMP Certificate. Some overseas agencies charge and require payment of fees before they will issue a GMP Certificate. Some countries require a request for a GMP Certificate to be initiated by the APVMA. Other countries require a product to be registered and registration details provided before a GMP Certificate is provided. This requirement imposes difficulties in obtaining a GMP Certificate prior to a products registration by the APVMA.

Q 5: Have you experienced difficulties with the APVMA's administrative procedures for checking evidence of GMP compliance?

A: Yes, The officers of the APVMA do not/did not understand that the APVMA are not the arbiters of the suitability of EU issued GMP Certificates. If the APVMA asserts an EU issued GMP Certificate is not compliant the matter is arbitrated under the conditions of the Mutual Recognition Agreement [MRA] between the EU and Australia. An example of the problem was an APVMA officer initially rejected a GMP Certificate from Austria on the basis that the certificate was issued in English and German. Reference to the MRA indicated that certificates issued in dual languages are acceptable. It is our understanding that under the MRA, the APVMA do not have the right to reject the GMP Certificate but only to refer it to arbitration of compliance under the MRA. EU GMP Certificates have a currency of three [3] years where as the APVMA only accept a currency of two [2] years. This could be tested under theprovisions of the MRA or the APVMA should amend the GMP Certification to a three [3] year period.

Q 6: Do you believe that the scheme increases compliance with the Agvet Code?

A: Yes.

I trust that the above comments will be helpful in the APVMA's review.

## Submission from FAMI-QS Association

It is with interest that we read the Consultation Paper reviewing the Overseas GMP Scheme that was recently launched at the APVMA website.

We would like to express our support to this initiative launched by APVMA aimed to reinforce food and feed safety at global level. For this reason, we believe it is opportune now to present the FAMI-QS association and the quality/safety system for feed additives and premixtures that we have developed and put in place at international level.

FAMI-QS is the European Feed Additives and Premixtures Quality System, a non-profit organization based in Brussels. As you might know, our sector is well regulated in the EU (Regulation EC 1831/2003 on Additives for use in Animal Nutrition and Regulation 1831/2005 on Feed Hygiene). In parallel to the publication of these Regulations, FAMI-QS developed a Code to Good Practice for our sector. This is a certifiable Code and therefore interested companies can be audited and certified against it. The requirements of the Code meet all legislative requirements in the EU. For your information, FAMI-QS was recognized by the European Authorities as the official Guide to Good Practice, and this official recognition was published in the EU Official Journal in January 2007 (please click here for more information at the European Commission's website: [http://ec.europa.eu/food/food/animalnutrition/feedhygiene/guide\\_goodpractice\\_en.htm](http://ec.europa.eu/food/food/animalnutrition/feedhygiene/guide_goodpractice_en.htm) ).

We believe that the requirements described in the FAMI-QS Code of Practice meet the relevant Overseas GMP Scheme requirements. Therefore, we would appreciate your consideration for the establishment of equivalency with the Overseas GMP Scheme so that FAMI-QS certified operators can export to Australia according to the existing conditions of registration.

We remain at your disposal for any further clarification or information you may need, and invite you to consult our website ([www.fami-qs.org](http://www.fami-qs.org)) where you will find the Code of Practice and other documents related.