CODE OF CONDUCT: SOUTH AFRICAN ANIMAL HEALTH ASSOCIATION (SAAHA)

1. PURPOSE

This, the SAAHA "Code of Conduct", sets out the Industry and Trade standards for research, development, manufacturing, production, marketing, handling, warehousing and distribution including importation and/or exportation of animal health products as defined. The premise on which the Code has been based is:

1.1 In order to feed and clothe the South African nation, primary producers of food and fibre have to rely on animal health products not only to produce enough but also to produce the best quality at the lowest possible cost. Because these products are, and will remain, vital to the production of food and fibre and because they are potentially hazardous when misused, a high standard of conduct and practice in research, development, production manufacture, storage, distribution, handling and marketing of these products is required in order to meet the following objectives:

- ❖ to create ready acceptance of and confidence in these products by the users,
- ❖ to minimize the risk of negative results and misuse, thereby protect the interests of the users, the public at large and the environment,
- ❖ to create acceptance by all that the industry is a responsible body.

1.2 The Code shall be binding on all members of SAAHA (South African Animal Health Association) in terms of its articles of association. Animal health firms not members of SAAHA are encouraged also to observe the Code. A firm may elect to be bound by the Code by making an unequivocal announcement to that effect. The firm will then be bound by the Code upon completion of a written agreement with SAAHA (See annexure A)

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1.3 The Code will be administered and reviewed regularly by the Executive Council, and members are free to make recommendations.

1.4 Member companies will be committed to self-regulation. Where a member becomes aware of a transgression of the Code by a fellow member he shall report it to the Executive Director in writing. Members of the public are also encouraged to report any transgression of the Code to the Executive Director.

1.5 All signatories to the agreement (Annex A), whether members or not, shall comply with the provisions of the Code.

1.6 Members shall make an annual declaration signed by the Chief Executive of the member company, to the effect that this Code of Conduct is being complied with and adhered to. They shall also communicate all relevant parts of the Code to their staff.

2. DEFINITIONS

2.1 Animal Health products shall include all products requiring registration in terms of the legislation. This includes –

2.1.1 any substance or mixture of substances intended for preventing, destroying or controlling any pest, disease and pathogens of animals or which may be administered to animals for the control of insects, arachnids or other pests on or in the environment of the animals;

2.1.2 veterinary medicines;
2.1.3 stock remedies;
2.1.4 animal feeds;
2.1.5 disinfectants.

2.2 These terms shall bear the meanings assigned to them in the legislation.

2.3 The animal health products industry ("the industry") means all persons qualifying for ordinary membership of SAAHA in terms of article 5 of the articles of association.

3. Unless inconsistent with the subject or context, the following words or phrases shall bear the meanings assigned to them hereunder:

3.1 *Accredited course* means the AVCASA Animal Health Course facilitated and administered by AVCASA;

3.2 *Accredited dealership/ distribution outlet* means a dealership/ distribution outlet nominated by and operating under the guardianship of its primary product supplier;

3.3 *Advertising* means the promotion of the sale and use of products by print or electronic media, signs, displays, gifts, demonstrations, word of mouth, etc.;

3.4 *Articles of Association* mean the Articles of Association of SAAHA;

3.5 AVCASA means the Association of Veterinary and Crop Associations of South Africa (Association incorporated under section 21);

3.6 *Distribution* means the process by which these products are supplied through trade channels to local or international markets;

3.7 *Environment* means surroundings, including water, air, soil and their interaction as well as all relationships between them and any living organisms;

3.8 *E*xecutive *Council* means the Executive Council of SAAHA.

3.9 *FAO* means the Food and Agriculture Organisation of the United Nations.

3.10 *Formulation* means the combination of various ingredients designed to render the product useful and effective for the purpose claimed; the form of the crop protection or animal health product as purchased by users;

3.11 *Good Practice* shall include Good Laboratory Practice (GLP), Good Clinical Practice (GCP), Good Agricultural Practice (GAP) and Good Manufacturing Practice (GMP);Good Warehouse Practice (GWP)

3.12 *Hazard* means the likelihood that an animal health product will cause an adverse effect (injury/damage) to human beings, animal or bird life, or the environment under the conditions in which it is used;

3.13 *IFAH* means the International Federation for Animal Health;

3.14 *Label* means the written, printed or graphic matter on, or attached to, the animal health product[s], or the immediate container thereof and the outside container or wrapper of the retail package of the product;

3.15 *Law* means South African law as it is in force from time to time;

3.16 *Legislation* means the legislation applicable to the industry from time to time, and includes statutes and regulations;

3.17 *Member* means member of SAAHA.

3.18 *Packaging means* the container, together with the protective wrapping, used to carry products via wholesale or retail distribution to users.

3.19 *Product* means the crop protection and animal health product in the form in which it is packaged and sold; it usually contains one or more active ingredient plus formulation ingredients or additives and may require dilution prior to use.

3.20 *Registration* means the process whereby the responsible national government authority approves the sale and use of an animal health product. Registration follows the evaluation of comprehensive scientific data demonstrating that the product is effective, for the purposes intended and not unduly hazardous to human or animal health or the environment.

3.21 *Residue* means any specified substance in food, animal tissue or products resulting from the use of an animal health product. The term includes any derivatives of a product such as metabolites, reaction products and impurities considered to be of toxicological significance.

3.22 *SABS* means the South African Bureau of Standards;

3.23 *Toxicity* means the physiological or biological property which determines the capacity of a chemical to do harm to a living organism other than by mechanical means.

3.24 *Use pattern* means the combination of all factors involved in the use of an animal health product, including the concentration of the active ingredient in

the preparation being applied, rate of application, time/timing of treatment, age and mass of the animal , number and interval of treatments, use of adjuvants and methods and sites of application which determine the quantity applied, and interval before slaughter , etc;

3.25 *WHO* means the World Health Organization of the United Nations.

4. CODES OF CONDUCT COMPLIANCE

4.1 Members shall be bound by the WHO/FAO and IFAH International Codes of Conduct for the Distribution and Use of Animal Health Products, but in the event of any conflict between the law and these Codes, the law will take precedence.

4.2 Members shall comply with the provisions of legislation as well as relevant and approved guidelines the purpose of which is, *inter alia* to safeguard human beings, domestic animals, wildlife and the environment against risk from animal health products.

4.3 RESEARCH AND DEVELOPMENT

4.3.1 Members shall ensure that all research and development work meets statutory requirements at all times.

4.3.2 Members shall ensure that each crop protection or animal health product is adequately and effectively tested by well recognized procedures and test methods so as to evaluate fully its safety, efficacy, and residue with regard to the various animal species anticipated conditions in the various regions of its intended use.

4.3.3 Members shall ensure that such tests are conducted in accordance with currently applicable guidelines and regulations in the country of intended registration, as well as relevant methodology prescribed or implied by WHO, FAO and IFAH. The data being produced by such tests, when evaluated by competent experts should be capable of showing whether the product can be handled and used safely without unacceptable hazard to human health, animals, wildlife and the environment.

4.3.4 Members shall comply with the relevant guidelines as prescribed by the National Departments of Agriculture and Health.

4.3.5 Members shall ensure that the research reports submitted to the Registrars of the relevant Acts, or other officials responsible for the administration of such Acts, are of acceptable scientific standard and that the research results are properly summarized and clearly elaborated.

4.3.6 Members shall continuously endeavour to improve formulations and packaging with a view to reducing hazard to users and to minimize contamination of the environment, subject to such economic, legal and scientific restraints as may be relevant.

4.3.7 Members shall ensure that the proposed use pattern, label claims, warnings and directions for use, as well as the technical and promotional literature, truly reflect the research results.

4.3.8 Members shall ensure that where research is carried out with products of unknown toxicity, trial animals or foodstuffs and fiber produced in these experiments are handled according to regulations.

4.3.9 Members shall ensure that all relevant authorities are timeously informed of all emergency procedures related to their products and adhere to the currently applicable AVCASA fire guidelines.

4.3.10 Members shall accept that data submitted to the Registrar in support of a registration application shall remain the sole and confidential property of the originator.

4.3.11 In the event of an inquiry or investigation instituted or conducted by a government authority into the proper use or safety of products members shall cooperate to the best of their ability.

4.4 MANUFACTURING (INCLUDING FORMULATION AND PACKAGING)

4.4.1 Members shall ensure that all manufacturing meets statutory requirements at all times and should strive towards GMP accreditation.

4.4.2 Members shall take care to ensure the safety of their employees at all times.

4.4.3 Members shall take all necessary steps to ensure full compliance with all environmental pollution legislation.

4.4.4 Members shall ensure that the quality of all products manufactured by them or on their behalf is in accordance with current manufacturing legislation.

4.4.5 Members shall comply with all currently applicable FAO Codes and SABS Codes of Practice.

4.5 WAREHOUSING, DISTRIBUTION AND HANDLING

In order to embody and give credibility to the purpose of this code,

4.5.1 Members who are supplying products for distribution shall

4.5.1.1 Strive to ensure that such distribution outlets will comply with laws and codes referred to herein

4.5.2 Members shall ensure that all statutory minimum requirements with regard to the warehousing, distribution and handling of products are adhered to at all times.

4.5.3 Members shall ensure that all depots and warehouses which handle, store or transport their products are in possession of AVCASA's "Pre-Fire Plan", are familiar with all relevant legislation and SABS Standards and Codes pertaining to warehousing and transportation and that all personnel are properly trained in the execution of these procedures.

4.5.4 Members shall ensure that all depots and warehouses which handle, store or transport their products are supplied all information, hazard symbols, etc., required for the safe distribution, handling and storage of products. and that the statutory requirements in terms of transportation legislation are adhered to at all times.

4.5.5 Members shall inform carriers and drivers of the nature of the goods carried, advise them of any precautions necessary to ensure safe transport. They shall ensure that each carrier is provided with the documentation required in terms of transportation legislation and procedures to be carried out in case of an accident, e.g. "Tremcards" and MSDS`s

4.5.6 Members shall ensure that all customers are provided with adequate information and training on the handling and storage of products with specific reference to products which require special storage, and on the disposal of empty containers as prescribed in the AVCASA "RESPONSIBLE USE" guidelines.

4.6 MARKETING

4.6.1 ADVERTISING AND PROMOTION

4.6.1.1 Members shall ensure that any form of advertising and promotion, including verbal presentation, shall comply with the applicable legislation and also with the relevant Articles in the FAO Code of Conduct.

4.6.1.2 Members shall ensure that all advertising and promotional material, including verbal communication, shall accurately reflect the research and development results of the product concerned. Where reference is made to trial results for promotional purposes, such results/conclusions shall be based on recognised scientific principles and be extracted from scientific data which has been approved by the Registrar.

4.7 SALES

4.7.1 Members shall at all times practice and encourage fair trading practices, and ethical marketing to maintain the good image and credibility of the Industry.

4.7.2 Members shall recommend and supply only animal health products registered and labeled in accordance with the requirements of the relevant statutes and regulations promulgated in terms thereof.

4.7.3 Members shall ensure that **all persons, whether in permanent employ, or earning a commission or any other kind of compensation from the member,** for recommending and/or selling the~~ir~~ products of the member, have successfully completed the Association's prescribed course in animal health. Trainee sales persons shall at all times operate under the guidance and control of a suitably qualified accredited person. It is a requirement for all sales persons to complete the accredited courses referred to supra within twenty-four months of appointment. If an existing sales person is found not to have completed the course, the member shall inform him/her that he/she has a period not exceeding twelve months in which to do so. Failure to comply will result in the person being considered unfit for recommending and/or selling products. Members are encouraged to participate in regular Continued Education courses particular to their field of interest.

Members shall ensure that their accredited dealers are provided with new product or product use training annually. Records shall be kept, for reference purposes, of the dates, content, and attendees of all training sessions.

4.7.4 Members shall provide all reasonable assistance in training and advising the end-users in the storage, transportation and end-use of their products.

4.7.5 Members shall assist in the training of their customers' application or sales personnel in the use and safe handling of animal health products and effective application techniques.

4.7.6 Members shall at all times retain an active interest in following their products to the ultimate user. They shall keep track of major uses and the occurrence of any problems arising in the actual use of their products as a basis for determining the need for changes in the warnings, labeling, directions for use, packaging or formulation.

5. MUTUAL COOPERATION

It is recognized that the development of resistance of pests/disease causing organisms to products can be a major problem. Members shall therefore collaborate with each other as well as with government and other advisory institutions in developing strategies, which will prolong the useful life of products and reduce the adverse effects of the development of resistant organisms. Members shall ensure that sales personnel selling their products support these strategies at all times in line with recommendations and policies of local and international resistance action committees.

6. ENFORCEMENT

6.1 The enforcement of the Code shall be the responsibility of the Executive Council.

6.2 Complaints lodged against members shall be in affidavit form only.

When the Executive Director of the Association receives such information which indicates that a member may have acted in contravention of the Code, the member concerned will be obliged to submit his comments on the matter in writing within 14 working days.

6.3.1 The Executive Council shall appoint a disciplinary committee to consider the matter and to advise the Executive Council.

6.3.1 The Executive Council shall provide this committee with the scope and timeframe of the investigation.

6.3.2 This committee shall consist of three members.

6.3.3 No individual member, official, office bearer or employee of any member of the Association may serve on the disciplinary committee.

6.3.4 The committee shall elect one of its members as chairman.

6.3.5 The Chairman shall determine the procedure to be followed at sittings of the committee in line with the rules of the law of evidence as applied in South Africa.

6.3.6 The disciplinary committee shall provide the Executive Council with its findings and recommendations.

6.4 In any case in which it is established under the above procedures that no transgression of the Code has occurred, a notification to this effect will be made by the Association to interested persons or bodies.

6.5 If it is found that the Code has in fact been transgressed, the Executive Council may impose one or more of the following penalties:

6.5.1 A warning.

6.5.2 Require the member concerned to publicize the finding by the Executive Council in a manner directed by the Council.

6.5.3 A fine of not more than R100 000(one hundred thousand Rand) payable to AVCASA.

6.5.4 Expulsion from AVCASA.

6.6 A member found guilty of a transgression of the Code shall have the right of appeal to an ad hoc appeal committee.

6.6.1 This committee shall consist of three members, one of whom shall be trained in law.

6.6.2 No individual member, official, office bearer or employee of any member of the Association may serve on the appeal committee.

6.6.3 The committee shall elect one of its members as chairman.

6.6.4 The Chairman shall determine the procedure to be followed at sittings of the committee in line with the rules of the law of evidence as applied in South Africa.

6.6.5 The appeal shall be an appeal in the narrow sense and shall be determined only to the record of the proceedings before the Committee.

6.6.6 A party will be entitled to legal representation in proceedings before the Appeal Committee.

6.7 In any case in which it is established under the above procedures that no transgression of the Code has occurred, the Association will make a notification to this effect to interested persons or bodies.

AGREEMENT TO BE BOUND BY THE SAAHA CODE OF CONDUCT

Full Name of
firm:……..

Description (sole proprietorship/ partnership/ close corporation/ company):

…….

Registration number (in the case of company or close corporation):

……..

Physical address:……..

……..

Postal address:……...

Tel numbers:……

Fax numbers:……

Email address:……

Full Name of authorised representative(s):……...

……..
Contact details of authorised representative(s) (tel & fax numbers, cell phone number & email address):

……..

This firm hereby agrees to be bound by, and to adhere to, the Code of Conduct of the South African Animal Health Association (SAAHA) (Association incorporated under section 21) just as if it were a member of the Association.

I confirm that the firm is in possession of a copy of the said Code.

I attach a resolution of the firm to this effect [to be attached when the firm is a partnership, company or close corporation.]

The firm also agrees to reimburse SAAHA for any expenses incurred by SAAHA as a result of non adherence to the Code, as prescribed in the Code.

Signed at …….. on the ……. day of ……20……..

……. ……
Signature Name

…….
Capacity

Duly authorised by the aforesaid firm