



A mill worker wears a PPE mask while working in a flour mill during New Zealand's level 4 COVID-19 lockdown

Over 200 countries and territories around the world are affected by COVID-19. While all are fighting the virus, each country is faced with its own unique challenges. New Zealand, an island nation of just five million people with thousands of kilometres of ocean isolating us from the nearest neighbouring countries has the fortunate opportunity to not only 'flatten the curve' but to potentially 'squash out' COVID-19 entirely. With the assistance from Paul Fahy, Technical and Project Manager of Champion Flour Milling Ltd and Chairman of New Zealand Flour Millers Association (NZFMA), this article explores the steps taken as a nation to relieve lockdown conditions safely (on April 27th, 2020) so the country can begin to relax restrictions, as well as outlining an inspiring story of how a domestic flour industry has managed to keep consumers supplied with that essential ingredient, flour.

Prime Minister Jacinda Ardern and her New Zealand government have received global praise in the past year for: a fast law reform to ban semi-automatic weapons in response to the Christchurch mosque terrorist attack; the volcanic eruption of White Island and now a relatively successful response to COVID-19.

Prime Minister Ardern's strategy for COVID-19 from the outset has been to respond hard and early with an emphasis on testing, restricting physical interaction and minimising the movement of people and transparency of information.

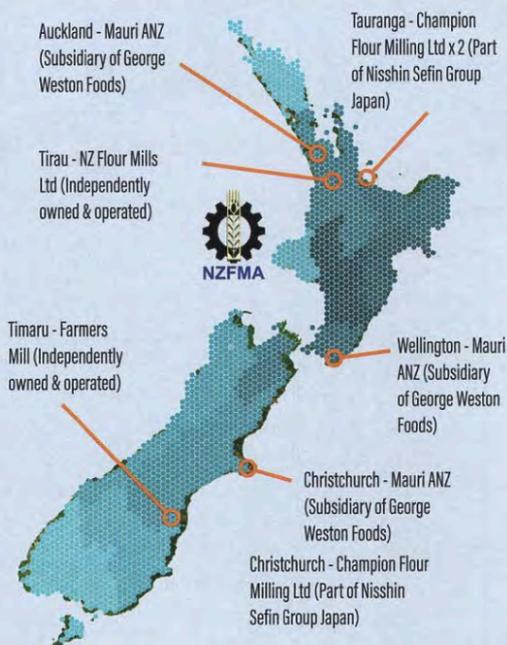
On February 3rd, 2020 restrictions were put in place banning foreign nationals who had travelled through or from mainland China, and all people entering the country had to self-isolate for two weeks.

On February 28th, 2020 New Zealand reported its first case of COVID-19 from overseas travel. A few days after two suspected cases of community transmission the country moved into alert Level 4 and the entire nation went into self-isolation.

"We have a window of opportunity to stay home, break the chain of transmission and save lives," said Prime Minister Ardern. "It's that simple."

COVID-19: NEW ZEALAND FLOUR INDUSTRY ENDURES COVID-19 LOCKDOWN

by Peter Parker, General Manager, Milling and Grain Oceania, New Zealand



While most of the country are staying at home, united under the lockdown order, essential workers continue to work hard for us, this includes those that provide the necessities of life, meaning food, medicine, healthcare, energy, fuel, waste-removal, internet and financial support would continue to be available."

Getting flour to the people during unusual times

The New Zealand Flour Millers Association (NZFMA) comprises of four flour milling organisations with mills located on both the North and South Islands; Champion Flour Milling Ltd (three mills), Mauri ANZ (three mills), NZ Flour Mills Ltd and Farmers Mill.

The New Zealand Flour Milling industry was de-regulated in 1987 with New Zealand continuing to operate in a free market trade relationship with countries.

"New Zealand Flour Mills typically supply approximately 260,000 tonnes of flour per year to the needs of various New Zealand Food Manufacturers such as plant bakeries, hot bread shops, in-store supermarket bakeries, retail domestic use, quick service food industry, wholesale distributors and other food manufacturers for use in confectionary and pasta products," said Mr Fahy, Manufacturing Manager of Champion Flour Milling Ltd and Chairman of New Zealand Flour Milling Association

As the number of COVID-19 cases increased many Kiwis took

to panic buying regardless of the government stating normal shopping would maintain sufficient supplies.

Naturally, flour became a hugely sought-after item in supermarkets, it seemed as though, often when visiting the supermarket, with shoppers swooping in and pick up flour while staff were restocking shelves.

“The flour industry has been working overtime to supply what we, the NZFMA, have estimated to be a 90 percent increase in retail flour demand,” said Mr Fahy.

“New Zealand flour mills are still experiencing strong demand across most market segments, for example plant bakeries, in-store supermarket bakeries, home-bake small packs. This has meant running flour mills and packing 24/7.

“Staff at mills have done a great job in meeting the challenges around running and maintaining plant in to ensure production meets demand.”

Some supermarkets have taken to purchasing the more readily available 20kg sacks of flour and re-packaging them into smaller clear plastic bags (with required labels present). A great example of how ingenuity is taking place in all parts of the supply chain to meet the demands of the people during this unique period.

In its fourth week of lockdown New Zealand flour mills “are still working hard to supply all market segment requirements. Supermarket small pack flour demand for home use stock is slowly recovering and may take more time to satisfy demand,” said Mr Fahy.

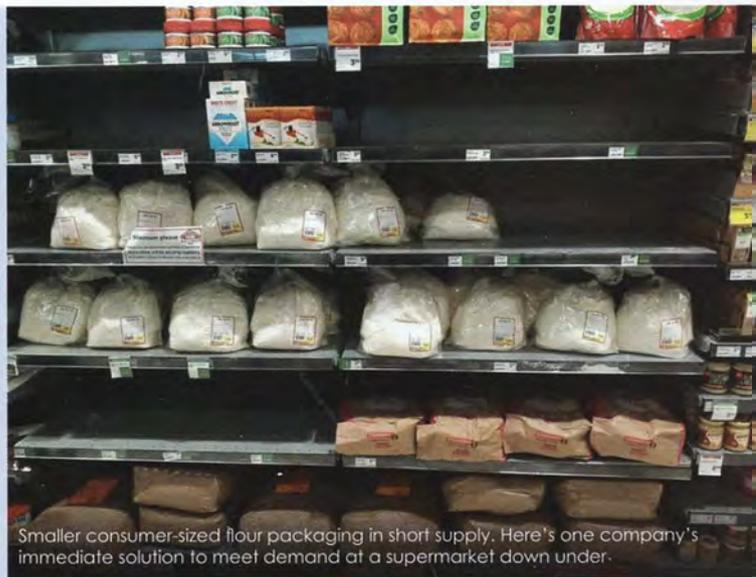
“As other market segments for example, quick restaurant service, start to re-open when Level 3 starts on April 27th, 2020 - limited to take-away capacity only - we will see demand for flour rise in these market segments. As there is still a significant portion of the population staying at home during Level 3 demand for bread and flour will remain strong.”

Mr Fahy explained that the NZFMA compiled letters for employees of flour mills detailing that the employee is an ‘essential worker’ so to allow them a safe travel passage to-and-from work when engaging with police stops. The wider transport industry has done a great job in supporting and fulfilling logistic requirements for delivery of packed flour to customers.

Wheat supply, not an issue

New Zealand has two main islands. Mills located in the South Islands predominantly mill locally grown wheat and recent harvesting provided favourable results which has ensured good stocks of wheat.

North Island mills however mostly import their wheat from Australia, which is sourced mostly in bulk shipment or in 20-foot containers. Australia’s last wheat harvest tonnage was lower than forecast due to drought conditions, however the relatively small



Smaller consumer-sized flour packaging in short supply. Here's one company's immediate solution to meet demand at a supermarket down under.

volume required by New Zealand mills has generally not been an issue.

Working safely during COVID-19

Accountainers. Australia’s last wheat harvest tonnage was lower than forecast due to drought conditions, however the relatively small volume required by New Zealand mills has generally not been an issue. According to Mr Fahy throughout the lockdown mills introduced measures in the form of daily health checks, such as ensuring employee’s temperature is within acceptable limits before commencing shifts.

The number of staff allowed on site during the day (including admin staff) has been reduced and working from home has assisted in reducing close contact between staff.

Other measures introduced include extensive hand sanitation procedure, frequent-thorough hygiene and deep cleansing programmes, increase in hand sanitising stations and wearing of PPE such as masks and gloves.

Mr Fahy expressed that of all market segments which have proved challenging for flour mills to maintain stock levels, home-bake (retail) flour for domestic use has been the most difficult.

“We are at day 23 into our lockdown period and still supermarket shelves are depleted of home-bake flour and bakery mix’s disappear as soon as they are placed on shelves.

“We anticipate that it will take some time after the lockdown period has been completed before stocks are back to normal levels.

“As a nation we remain strong in ‘staying the course’ as directed by our Government to beat this invisible enemy – as an industry we are united in our efforts to ensure we are doing our bit as an essential food industry in keeping New Zealanders fed. Kia kaha, stay strong,” Mr Fahy concluded.

A state of the art maize mill established by Imas & Zaccaria

The new maize plant, produced by the two innovative companies, has a capacity of 300 tonnes per day for our their customer, which is one of the biggest player in Iran and the Middle Eastern region, processing both soft and hard dent yellow maize for many different grits, granulations and flours for international domestic consumption.

Cooperation between Zaccaria and Imas as global partners adds great value into the milling industry and reflects both companies' unique technologies. It allows them to utilize their unique perspectives into each and every project. The mill has been installed in a completely new six-floor pre-fabricated construction made by Imas, which also is designed and constructed in conformity with high sanitation standards.

The mill is equipped with the latest Imas technology, consisting of Multimilla Roller Mills (MML), Quadro Plansifters with Special design MQP adapted to the maize mill systems, with a very special grinding diagram design. Also integrated into the factory include the latest Zaccaria technology, consisting of DHZ 3 Degerminators, the SRCZ-1 Rotary Continuous Dryer system to dry germ and bran to store in silos. These solutions ensure the easy and precise processing of any type of maize with the perfect efficiency and ensure highest product specifications as standard



and optimised food safety levels to be achieved.

The plant operates with an advanced automation system that allows the centralised monitoring and management of the complete pre-cleaning, cleaning, degerminating, milling, drying and packaging processes. The system enables the generating of detailed production reports, also boasting real-time error diagnosis and long-distance connection functions. With the help of the laboratory system, it is quick and easy to evaluate each and every sample taken randomly from the system. Millers can easily ensure that oil makes up less than one percent of the endosperm and final product microns classifications are matched up with the relevant requirements.

Wudeli return to work with prospering sales figures

Chinese milling experts Wudeli also provided some insight in regard to how they were dealing with the ongoing spread of COVID-19. Wudeli are China's largest milling company, with an astounding 42,000 tonnes of daily flour production, over 5000 employees and 15 milling subsidiaries throughout northern China.

Once quarantine was established, Wudeli soon discovered themselves with minimal workers able to enter their factories and conduct their work, although the advantage to this was that Wudeli could ensure the safety of their workers. Not one member of Wudeli fell victim to the virus, and remain in good health, to the relief of the company.

Another challenge the company had to deal with was restrictions on truck transport, which resulted in a further delay in February shipments for the company. Due to the closure of restaurants and various other non-essential companies, Wudeli also noted that they experienced a sharp drop in demand for 25kg bags of flour.

Despite this, Wudeli now report that conditions are beginning to return to normal and sales are also increasing. A company spokesperson noted that shipments had mostly recovered to pre-virus levels in the latter half of March and overall capacity utilisation had reached 75 percent.

Wudeli were also pleased to discover that their 5kg and 10kg bags of flour rose in sales three times over. It soon became clear



that families, confined to their homes, found baking and making flour-based dishes such as noodles, dumplings and steamed rolls to be a great pastime during time indoors.

The company were pleased to announce that they could resume shipments on January 28th from all plants, and also began operation at one of their newer plants, based in Handan, on February 4th.

Wudeli have also donated over 5.21 million yuan (US \$737,000) in both cash and material donations to the COVID-19 response campaign.

USW welcomes commitment to continue export grain inspections

US Wheat Associates (USW) President Vince Peterson issued the following statement regarding the statement from USDA's Agricultural Marketing Service confirming the agency is prepared to "take all steps necessary" to ensure grain inspections will continue despite the challenges of the COVID-19 pandemic.

"Wheat importers around the world trust the United States as

a reliable supplier. One of the foundations of that earned trust comes from the assurance provided by the official inspection process and certification performed by the Federal Grain Inspection Service that accompanies every cargo exported. We are pleased to see reassurance from USDA that it will do all it can to ensure that the US wheat store will remain open during this time of global uncertainty. US Wheat Associates will continue to monitor supply chains, inspection services and do our part to ensure customers can receive the wheat they need."

Bogasari ensure the continued production of safe wheat flour

The COVID-19 pandemic has created a truly unprecedented situation that affects us all. PT Indofood Sukses Makmur Tbk, Bogasari Division, as a food producer, keep on producing and making sure that wheat flour is available in every stock point in the markets. We strive to supply this food with the utmost attention to every supply chain point ranging from raw materials, ingredient, processing, warehouse, retail and transport and logistics so that the food can be received by society. We run the process in accordance with the policy issued by the Indonesian government, providing the necessary basic materials for humanity.

We also take steps to maintain the health and safety of our employees in the works. Some of our employees have worked remotely. Some of the others who are still working undertake additional precautionary measures such as conducting body temperature measurements, Bogasari providing health clinics facilities that work for 24 hours a day. Each entry area is equipped with a sterilisation passage, hand sanitiser and hand washing facilities and all employees are obliged to wear masks, in addition to the terms of FSCC and ISO requirements that have been carried out during this time. We have a special



transportation bus for our employees who do not use private vehicles. This bus works three shifts over a 24-hour period. Strict procedures to sanitise the bus with proper disinfectant and a special seating arrangement inside the bus are both being applied.

Physical and social distancing are carried out in all areas of the plant. We provide food supplements and vitamins for our employees and regularly conduct health monitoring of our employees, supported by the health clinics in our plant area.

This pandemic has also impacted our small-medium enterprise customers. Some of the noodle makers, home bakeries and pastry producers are reducing their production and some even have to stop the business temporarily. It is a call for us, in the milling industry, to support and help them recover, post-COVID-19.

PT Indofood Sukses Makmur Tbk., Bogasari Division continues to support the Indonesian government and society by ensuring the availability of wheat flour during this difficult situation.

We work for you, please stay at home for us.