

UPDATE: 06 December 2022

Kia ora

As the year draws to an end, it’s time to reflect on the past year with a number of reports published over the past few weeks that provide insights into what has been another challenging year for our sector. There are also some positives – both in the resilience of our sector and with new market opportunities. You’ll find news items and links for these as well as our regular items of opinion pieces, reports and upcoming events below.

Ngā mihi

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# GOVERNMENT AGENCY NEWS

#### *ICPR changes*

The following ICPR have been updated in the last two weeks

* **Great Britain** has been updated under section 2.4 ‘Phytosanitary Certificates’ that Phytosanitary certificates must be issued no more than 14 days prior to export. [ICPR Great Britain](https://www.mpi.govt.nz/dmsdocument/39653)

## Consultations

#### Draft MPI Treatment Standard: Treatment Provider Requirements

The Ministry for Primary Industries (MPI) invites final feedback on the proposed changes to the MPI Treatment Provider Standard: Treatment Provider Requirements. The draft standard is an updated version following the first consultation that closed on 5 August 2022, the subsequent focus group discussions and online information sessions. Submissions will be accepted until Wednesday, 7 December 2022. You can find more information on the proposed changes and how to make a submission on the MPI [website.](https://www.mpi.govt.nz/consultations/further-consultation-on-draft-mpi-treatment-standard-treatment-provider-requirements/?utm_source=notification-email)

#### Proposed changes to the Official Organic Assurance Programme Organic Export Requirements: Organic Production Rules

New Zealand Food Safety invites comments on proposed amendments to the Organic Export Requirements: Organic Production Rules (OER: OPR). The requirements that organic operators must meet if they are to export, or supply for export, organic products under the OOAP are set out in OER: OPR. Consultation is open from 17 November to 15 December 2022. You can find more information about the proposed changes and how to provide a submission on the MPI [website.](https://www.mpi.govt.nz/consultations/proposed-changes-to-the-official-organic-assurance-programme-organic-export-requirements-organic-production-rules/?utm_source=notification-email)

*Note: This consultation is separate to the development of the Organic Products and Production Bill, and the proposed new regulations and national standard for organic food, beverages, and plant and animal products.*

#### WTO and TBT Notifications

Please find attached the most recent WTO and TBT notifications from countries that are considering changes to their plant import requirements for specific products. If you have any concerns about the notifications being presented, please contact Plant.exports@mpi.govt.nz so that they can potentially make a submission to the notifying country.



# NEW ZEALAND NEWS

## Industry news

#### “Europe and Asia are down 15-20% on volume, so we expect good demand for NZ onions"

The 2023 New Zealand onion season is looking very good. As many regions in the world like Europe and Asia are expecting less production. “Europe and Asia are down 15-20% on volume, so we expect good demand for high quality NZ onions,” said Phil Bird from Integrow Marketing. “The volume of onions from New Zealand could also be down 10%, so that will only put more upward pressure on demand from New Zealand. We are already fielding many inquiries for NZ onions in 2023, and we expect to export our usual volume of 20,000MT.” [Full article here](https://www.freshplaza.com/oceania/article/9481980/europe-and-asia-are-down-15-20-on-volume-so-we-expect-good-demand-for-nz-onions/?utm_campaign=highlights)

#### Central Otago cherry growers expect record volumes of fruit this season

Central Otago cherry growers are expecting record volumes of fruit this season. New Zealanders should see plenty of cherries for sale pre-Christmas, with picking starting late November or early December and continuing through into January.

Export picking would start mid-December and while growers were positive, they were also a little nervous dealing with a potentially record crop after so many difficult years. Cherry growers were hopeful the labour shortages were also behind them with strong inquiries for work this season coming from university students and backpackers. Key markets for New Zealand cherries included Taiwan, China, Thailand and Vietnam, with United States and Canada becoming more important for some of the smaller, lower value fruit. [Full article here](https://www.rnz.co.nz/news/country/479188/cherry-on-top-growers-feeling-positive-expecting-record-volumes-of-fruit)

#### ETS warning by vegetable growers

Vegetable growers are warning that an emissions trading scheme (ETS) will only push up prices of produce, lower consumption and make them less competitive in export markets. In a joint submission to the Ministry for Environment (MfE) two weeks ago, Potatoes New Zealand and Vegetables NZ (VNZ) say they object in principle to being brought into the ETS - either directly or via the mechanisms proposed in the consultation document, Pricing agricultural emissions.

They claim the proposal isn't effective, practical or equitable, and point out that fresh vegetable and potato growers collectively account for only 0.032% of all agricultural emissions and should be exempt, as are other minor contributors. "If the emissions levy were to be increased to a point that it would create change, that change would be entirely counter-productive and result in exacerbating the cost-of-living crisis, a loss of national income from vegetable (and corresponding increases in food imports), and a very real threat to New Zealand's food security and health outcomes," the submission says. [Full article here](https://www.ruralnewsgroup.co.nz/hort-news/hort-general-news/ets-warning?ct=t(RNG_6_DECEMBER_2022_COPY_01))

#### New Zealand intent on increasing trade with Vietnam

Earlier this month, Prime Minister Jacinda Ardern went to Vietnam with a sizeable trade delegation, intent on selling New Zealand to one of South East Asia's most rapidly emerging markets. It was the first big trade mission to Vietnam following pandemic shutdowns, and the strategic partnership between the two countries was formed in 2020.

Now, New Zealand is looking to take advantage of the 100 million-strong market, which might become the fastest growing large economy in the world up to the year 2050. RNZ business editor Gyles Beckford said there has been a "complete sea change" in the Vietnamese economy over the last 50 years: "Vietnam, a lot like China, has become a part of the global market economy and while it remains a one-party state, it clearly is driven by commerce and doing business in a way that New Zealanders understand," he said. [Full article here](https://www.rnz.co.nz/programmes/the-detail/story/2018868422/new-zealand-says-xin-chao-to-trade-with-vietnam)

#### NZ horticulture export growth resilient despite trade disruption

Growth in total New Zealand horticulture export earnings continued its upward trend, albeit at a lower rate of increase, with a two-year growth of 6% (or $255m) in export earnings since 2020 to $4.8 billion, according to an updated report released in Wellington this week.

The report *New Zealand Horticulture – Barriers to Our Export Trade* confirms the growth in total earnings and further progress on tariff reductions with horticultural exporters still paying an estimated $168 million in tariffs. An increase of $16 million (10%) on tariffs on 2020’s figure of $152 million, reflects the higher overall export earnings. About 65% of New Zealand’s total horticultural production of fruit and vegetables is exported.

The report, commissioned by the HEA and prepared by Wellington-based company Market Access Solutionz, is used extensively by industry and government agencies as a reference point for negotiators and others seeking to improve market access and helping exporters to develop new market opportunities. [Full article here](https://hea.co.nz/images/HEA_final_media_release_2022_Trade_Barriers_Report_1Dec2022.pdf), [Report summary](https://hea.co.nz/images/HEA_2020_Trade_Barriers_Executive_Summary_-_ORIGINAL_DP_May21_emailable.pdf)

## Reports & Insights

#### MPI Situation and Outlook for Primary Industries (SOPI): December 2022

Food and fibre sector exports have performed better than expected in the year to 30 June 2022. Export revenue reached $53.1 billion, despite challenges arising from global uncertainty and supply chain disruptions. Export revenue for the food and fibre sector is forecast to hit a record $55.0 billion in the year to 30 June 2023, a 4% increase from the previous year. Modest growth is forecast for most sectors. Dairy export revenue is the key driver behind the increase, while and all sectors are benefiting from a depreciation of the New Zealand dollar (NZD) against the United States dollar (USD). [Full report here](https://www.mpi.govt.nz/dmsdocument/54517-Situation-and-Outlook-for-Primary-Industries-SOPI-December-2022)

#### Pacific Economic Cooperation Council (PEEC): State of the Region 2022-2023 report

Sentiments about economic growth among Asia-Pacific opinion-leaders have dropped dramatically over the past year, according to the findings of a survey conducted as part of PECC’s State of the Region Report. In contrast to the 2021 survey in which over half of respondents expected stronger growth post-COVID, 60 percent of respondents expected growth to wane.

The Pacific Economic Cooperation Council (PECC)’s State of the Region 2022-2023 report includes a survey of 544 opinion-leaders from business, government and the research community and tracks regional views on major developments in the region. [Full report here](http://www.pecc.org/research/state-of-the-region)

#### MFAT Market Intelligence Report: Update on NZ trade with Indonesia

In the year ended June 2022, New Zealand exported NZ$1.63 billion of total goods and services to Indonesia and imported NZ$1.42 billion, representing a trade surplus of NZ$204.54 million and a total trade value of NZ$3.05 billion. Despite the increase in agricultural goods exports, the regulatory environment in Indonesia remains complex and the exact details of the new Commodity Balance / import license system has yet to be disseminated. The Regional Comprehensive Economic Partnership (RCEP) Agreement will enter into force for the Republic of Indonesia on 2 January 2023. [Full report here](https://www.mfat.govt.nz/en/trade/mfat-market-reports/market-reports-asia/indonesia-trade-update-november-2022/?utm_source=MFAT&utm_campaign=d45d4c41c7-EMAIL_CAMPAIGN_2022_11_28_12_36&utm_medium=email&utm_term=0_-d45d4c41c7-%5BLIST_EMAIL_ID%5D)

## Upcoming events:

* World Avocado Congress 2023, 2-5 April 2023, Auckland. [Full details here.](https://www.wacnz2023.com/)
* 2023 Horticulture Conference / RSE Conference, 1 – 4 August 2023, Te Pae Convention Centre, Christchurch. [Full details here](https://www.hortnz.co.nz/news-events-and-media/events/).
* Asia Fruit Logistica, 6-8 September 2023, AsiaWorld Expo, Hong Kong, 6-8 September 2023

# INTERNATIONAL NEWS

## GAIN reports:

Gain reports are from the “Global Agricultural Information Network” and are produced by the USDA. They are designed to provide timely information on the economy, products and issues in foreign countries that are likely to have an impact on United States agricultural production and trade. The information in them is written for USA exporters but the majority is equally relevant to New Zealand. For import regulations for a particular market, New Zealand exporters should first check the countries ICPR on MPI’s web site.

* **Food and Agricultural Import Regulations and Standards Country Report: Taiwan TW2022-0059**

In 2021, Taiwan was the sixth largest export market for U.S. food and agricultural products, valued over $3.78 billion. Imported food and agricultural products must comply with a range of laws designed to protect human health and prevent the introduction of animal and plant pests or diseases. This report gives an overview of Taiwan's import requirements for food and agricultural products. While this report strives to be as comprehensive as possible, regulations and requirements can frequently change. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20Country%20Report_Taipei_Taiwan_TW2022-0059)

* **Fresh Deciduous Fruit Annuals**: [Canada CA2022-0036](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Fresh%20Deciduous%20Fruit%20Annual_Ottawa_Canada_CA2022-0036)
* **Exporter Guides:** [Netherlands NL2022-0064](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Exporter%20Guide_The%20Hague_Netherlands_NL2022-0064), [Italy IT2022-0028](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Exporter%20Guide_Rome_Italy_IT2022-0028)

## In The News:

#### Avocados Australia looks at export markets as growers brace for another oversupply situation

By 2026, Australia's avocado supply is expected to be more than double what it was in 2021. That is one of the reasons that Avocados Australia is working to open new export markets to take the fruit. Now, bracing for another year of oversupply, the industry is ramping up its efforts to find new export markets. Increased production and some good weather means consumers can expect good prices in the short term, with nearly half the trees planted in Australia yet to even fruit some growers are worried about their long-term viability. [Full article here](https://www.freshplaza.com/oceania/article/9482360/avocados-australia-looks-at-export-markets-as-growers-brace-for-another-oversupply-situation/?utm_campaign=highlights)

#### Australian produce delegation travels to Japan

A delegation of Australia’s largest fruit and vegetable producers is visiting Japan to strengthen relations between the two nation’s fresh produce industries and learn how Australia can better meet Japan’s growing market needs. In 2021, Australia exported more than A$132m (US$90m) worth of fresh produce to Japan and the Australian Fresh Produce Alliance (AFPA) chief executive Claire McClelland said the visit will continue to build the relationship between the two countries. “Australia’s relationship with Japan is one of our nation’s closest and most mature partnerships in Asia, if not the world,” said McClelland.

The delegation will host the Japan – Australia fresh produce networking event at the Australian embassy in Tokyo and present to in-country government officials, industry representatives and other key stakeholders. [Full article here](https://www.fruitnet.com/asiafruit/australian-produce-delegation-travels-to-japan/247865.article)

#### Australia focuses on India to counter China’s grip on trade

Two-way trade between Australia and India was worth $27.5 billion last year. A large amount, but still miniscule when compared with the $251 billion traded between Australia and China. To correct this situation, this week when the Australian Parliament passed a new trade deal with India. The Australia-India Economic Co-operation and Trade Agreement was more than 10 years in the making, and its significance cannot be overstated. The IndAus ECTA will allow the nations to trade goods and services almost tariff-free.

Home to nearly 1.5 billion consumers, India is expected to become the world’s 2nd largest economy by 2050. Regardless of China, it is high time Australia had a stronger economic relationship with India, the second fastest growing economy in the world (behind Saudi Arabia). [Full article here](https://www.watoday.com.au/business/the-economy/australia-just-signed-its-answer-to-china-s-grip-on-its-trade-with-unstoppable-india-20221123-p5c0rm.html)

#### Australia: DAFF’s David Ironside takes on import role

The Australian Horticultural Exporters and Importers Association (AHEIA) has welcomed the move by the Department of Agriculture, Fisheries and Forestry (DAFF) to appoint David Ironside as assistant secretary of plant import operations. Ironside commenced the role today (1 December) having previously served as DAFF’s assistant secretary of plant export operations.“ [Full article here](https://www.fruitnet.com/produce-plus/daffs-david-ironside-takes-on-import-role/247846.article)

#### 2022 was a successful export year for Vietnam

2022 has been a successful export year, as Vietnam’s produce has accessed many international markets including New Zealand. The Plant Protection Department under the Ministry of Agriculture and Rural Development (MARD) on November 24 held a press conference about the Japanese market opening to Vietnam’s longan, the Chinese market to sweet potatoes and the New Zealand market to lemons and pomelo. Vietnam’s lemon and pomelo now can enter New Zealand after import requirements were signed by the two sides on November 15. [Full article here](https://vietnamnet.vn/en/vietnam-fruit-exported-to-new-markets-2086072.html)

#### New cherry varieties shows promise to make Chilean season even earlier

In Chile the race is not only on to get tons of cherries to China in time for the earlier New Year, but also to breed and evaluate new early maturing cherry varieties that will make their season even earlier. These new earlier maturing cherries will also taste sweeter, have fewer chill requirements with the aim of reaching the Chinese market sooner and help to achieve better profits for Chilean producers. [Full article here](https://www.freshplaza.com/oceania/article/9482905/new-cherry-varieties-shows-promise-to-make-chilean-season-even-earlier/?utm_campaign=highlights)

#### European Green Deal: Putting an end to wasteful packaging, boosting reuse and recycling

The Commission is proposing new EU-wide rules on packaging, to tackle this constantly growing source of waste and of consumer frustration. On average, each European generates almost 180 kg of packaging waste per year. Packaging is one of the main users of virgin materials as 40% of plastics and 50% of paper used in the EU is destined for packaging. Without action, the EU would see a further 19% increase in packaging waste by 2030, and for plastic packaging waste even a 46% increase.

The new rules aim to stop this trend. For consumers, they will ensure reusable packaging options, get rid of unnecessary packaging, limit overpackaging, and provide clear labels to support correct recycling. For the industry, they will create new business opportunities, especially for smaller companies, decrease the need for virgin materials, boosting Europe's recycling capacity as well as making Europe less dependent on primary resources and external suppliers. They will put the packaging sector on track for climate neutrality by 2050. [Full article here](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7155)

#### Spanish exporter federation, Fepex calls for moratorium on new sustainability regulations

A government commission set up by Spanish exporter federation Fepex is calling for a moratorium on new rules for the fruit and vegetable sector stemming from the implementation of the EU’s Farm to Fork Strategy. At a meeting in Madrid on Tuesday, Fepex concluded that pending royal decrees covering packaging and packaging waste, the sustainable use of phytosanitary products, sustainable nutrition in agricultural soils and information systems on agricultural and livestock farms will have a major impact on the sector’s productive and commercial activity and do not contribute to addressing the challenges of the sector.

The commission, made up of representatives of fruit associations from the different autonomous communities of Spain, analysed the extensive legislative package of new applications in the fruit and vegetable sector, due to be published before the end of the year. [Full article here](https://www.fruitnet.com/eurofruit/fepex-calls-for-moratorium-on-new-sustainability-regulations/247678.article)

#### New EU emission rules will cause major shipping lines to pass on additional costs

According to the major shipping lines, they will pass on the extra costs of compliance with the forthcoming European Union Emissions Trading System (ETS). Alliance partners Maersk Line and MSC have said they would pass on the full cost to customers, estimating this at €90 per ton of CO2. An MSC spokesperson said: “We would envisage adding the cost on our Far East to North Europe trade of €69 per TEU for dry containers and €208 ($213.55) per FEU for reefer containers. North Europe to Asia, the cost would be €37 per dry TEU and €110 per reefer FEU.”

The World Shipping Council (WSC) and European associations have urged the EC to ensure its ETS measures lifecycle emissions from alternative fuels, rather than just those from the exhaust, which it claims will distort the market. [Full article here](https://theloadstar.com/unclear-eu-ets-rule-for-ship-emissions-could-distort-the-market-say-liners/)

#### Maersk and IBM throw blockchain system overboard

Shipping giant AP Møller-Mærsk has decided to abandon its blockchain-enabled digital shipping platform TradeLens.

Developed by Maersk and IBM, TradeLens was established in 2018 with the aim to digitise global supply chains across the globe using an open system accessible to all parties. “Unfortunately, while we successfully developed a viable platform, the need for full global industry collaboration has not been achieved,” admitted Rotem Hershko, the group’s head of business platforms. “As a result, TradeLens has not reached the level of commercial viability necessary to continue work and meet the financial expectations as an independent business.” [Full article here](https://www.fruitnet.com/main-navigation/maersk-and-ibm-throw-blockchain-system-overboard/247851.article)

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