

UPDATE: 11 July 2023

Kia ora

This update highlights the importance of food safety for our economy and reputation, with new rules for recalls and importation of food, and an estimation of the value of food safety for NZ’s economy. You’ll find links to these as well as our regular items of regulatory notifications, consultations, national and international news, and upcoming events below.

Ngā mihi

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| GOVERNMENT AGENCY NEWS |

## ICPR changes

The following ICPRs have been updated in the last two weeks:

* Indonesiahas been updated to add *Tuta absolutato* to Appendix 1, Quarantine Pests List [ICPR Indonesia](https://www.mpi.govt.nz/dmsdocument/652)
* Great Britain has been updated with changes to section 2.4 2.4 Phytosanitary Certificates. Phytosanitary certificates must be 1)Issued within 13 days prior to export or issued within 13 days after export AND 2)Issued before the consignment arrives in Great Britain. [ICPR GB](https://www.mpi.govt.nz/dmsdocument/39653-Great-Britain)
* Türkiye has been updated in a number of sections. [ICPR Türkiye](https://www.mpi.govt.nz/dmsdocument/699)

If you need any further clarification, contact your Independent Verification Agency in the first instance.

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## 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.



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| NEW ZEALAND NEWS |

## Opinion piece:

#### Nadine's update: Time to take stock

In this week’s update Nadine Tunley discusses the recently announced Government support for growers, farmers and businesses affected by this year’s adverse weather events in the North Island. This support sees the Government partnering with the finance sector to provide growers with access to money at interest rates lower and other terms better than they would have been able to get from the finance sector, had the Government not provided backing. [Full article here](https://www.hortnz.co.nz/news-events-and-media/nadines-update/time-to-take-stock/)

## Government News:

#### EU FTA to increase NZ exports to the EU by $1.8 billion a year

New Zealand and the European Union recently signed a ground-breaking Free Trade Agreement that will provide significant new trade access to our fourth-largest trading partner.

“The EU FTA will increase our exports to the EU by up to $1.8 billion per year by 2035,” Chris Hipkins said.  “Tariff savings on New Zealand exports are $100 million from day one of the agreement entering into force, the highest immediate tariff saving delivered by any New Zealand FTA. That’s around three times the immediate savings from the UK FTA.

Minister for Trade and Export Growth Damien O’Connor said the NZ-EU FTA will cut costs and support exporters to grow and diversify their trade. “It will provide significant new opportunities for our world-leading exporters of products such as kiwifruit, seafood, onions, honey, wine, butter, cheese, beef and sheep meat. This new access will help to accelerate our post-Covid recovery, while providing a boost to our regions as they grapple with the longer-term effects of Cyclone Gabrielle,”  Damien O’Connor said.

It is anticipated that the NZ-EU FTA will enter into force in the first half of 2024. [Full article here](https://www.beehive.govt.nz/release/eu-fta-increase-nz-exports-eu-18-billion-year)

#### Government set to host Ministers from CPTPP economies

Next weekend, Auckland will play host to international Trade Ministers as New Zealand hosts the 7th Commission Meeting of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Trade and Export Growth Minister Damien O’Connor said.

“Trade is a key priority for this Government, it drives success for our economy, our businesses, and our communities,” Damien O’Connor said. “CPTPP spans 11 economies - Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Viet Nam – which represent $17.3 trillion of global trade.  “This will be the largest international meeting that the Government has hosted since the pandemic and I look forward to welcoming my Ministerial colleagues to New Zealand as the Chair for 2023.  [Full article here](https://www.beehive.govt.nz/release/government-set-host-ministers-cptpp-economies)

## Industry news

#### Consumers across Asia-Pacific enjoy candy pink apples from NZ

Five years since the launch of Golden Bay Fruit’s exclusive Cherish™ apple variety demand across Asia-Pacific is matching the significant growth of these candy pink apples. The Cherish apple launched in 2018 saw around 100,000 pieces of fruit exported to selected Asian markets. In just five years the volume has reached 70 containers, and demand is just as strong. To support the rapid expansion, Golden Bay Fruit are supporting retailers with marketing promotions and have refined the Cherish key messaging based on sales insights and commentary.

Heath Wilkins, Golden Bay Fruit Managing Director, shares: “We’re delighted to see Cherish succeed in market. This is one of the harder varieties to grow and it has taken hard work at an orchard and pack house level to make sure Cherish™ arrives in prime condition. In the last couple of years this work has paid off and we’re seeing customers come back for more. Our current planted volume will peak at around 100 containers, and we are also continuing with our planting program to ensure that we meet increased future demand.” [Full article here](https://www.freshplaza.com/europe/article/9544268/consumers-across-asia-pacific-enjoy-candy-pink-apples-from-new-zealand/?utm_medium=email)

#### NZ companies donate to support vulnerable children in Vietnam

This month, 10 New Zealand fruit and dairy product exporters have donated over 350 cartons (some 7 tons) of fruit and 1,000 litres of milk to children’s and women’s charities in HCM City and Hà Nội. The donations were made to Operation Smile in HCM City, the NGO VinaCapital Foundation, Hà Nội-based NGO Blue Dragon and Maison Chance.

New Zealand Ambassador to Vietnam Tredene Dobson said "I am delighted to see how an initiative to aid the Vietnamese people during the COVID-19 pandemic has evolved into an annual program that benefits local communities, particularly those who are under-privileged.”

This is the third consecutive year that New Zealand fruit businesses have donated New Zealand fruit to Vietnam. The program has expanded each year since its inception in 2021, when 5 New Zealand companies donated New Zealand apples and kiwi fruit to eight Vietnamese hospitals. [Full article here](https://vietnamnews.vn/society/1550825/nz-companies-donate-fruit-and-milk-to-support-vulnerable-children-in-viet-nam.html)

#### Zespri signs China trade deal to grow fruit exports by 50%

Zespri recently signed a strategic cooperation agreement with leading distributors Joy Wing Mau and Goodfarmer to grow fruit sales by 50 per cent over three years. The deals were announced as part of a trade delegation that saw Zespri chairman Bruce Cameron and several New Zealand primary sector business leaders visit China with the New Zealand Prime Minister at the end of June.

The agreements included a strategic cooperation agreement with Joy Wing Mau and Goodfarmer – Zespri’s two largest distributors in China – to increase fruit sales by 50 per cent over three years (through to 2025/26) and increase the number of cities covered from 60 to 90.

Zespri also signed a sustainable packaging agreement with Joy Wing Mau and Goodfarmer, as well as leading fruit retailers Pagoda and Xianfeng. The agreement will see Zespri work with its Chinese partners on more sustainable packaging, with the aim of converting a third of Zespri consumer packaging (around 10,000 tonnes or 20m packs) to sustainable options by 2023.

By 2025/26 Zespri intends to transition all of its consumer packs to sustainable packaging as part of its commitment to having 100 per cent reusable, recyclable or compostable packaging by 2025. [Full article here](https://www.fruitnet.com/asiafruit/zespri-inks-deal-to-increase-china-sales/254806.article)

#### New rules mean companies must do annual mock recalls

Food businesses in New Zealand must carry out a mock recall every 12 months under new regulations. Beginning in July 2023, all businesses with a plan or program under the Food Act, Wine Act, or Animal Products Act and food importers and exporters will need to undertake a simulated recall at least once yearly.

“A simulated recall tests the ability of a business to trace and recall their products, ensuring they are prepared if a genuine food recall is required to prevent or limit harm to consumers,” said Jenny Bishop, New Zealand Food Safety acting deputy-directory general. “Businesses must be able to act quickly and accurately to identify and remove at-risk products from shelves. Having effective systems in place to do that protects people from contaminated food, which can cause serious harm.”

New Zealand Food Safety has developed guidance and resources, and has been engaging with industry about the new requirement over the past few years. New Zealand Food Safety has also strengthened rules around imported food, with new regulations coming into effect in August 2023. [Full article here](https://www.foodsafetynews.com/2023/07/new-rules-mean-companies-must-do-annual-mock-recalls/) [MPI Guidance document here](https://www.mpi.govt.nz/dmsdocument/50630-Simulated-Recall-Guidance-For-Food-Businesses)

#### The Importance Of Food Safety For New Zealand’s Economy

The New Zealand Food Safety Science and Research Centre has commissioned the Agribusiness and Economics Research Unit (AERU) at Lincoln University to make an independent estimate of the value of the Centre to New Zealand. Their conservative estimate is $164 million a year, a considerable return on the government investment of up to $2.5 million and a matching amount from the food industries that benefit from the research.

Director of the Centre, Dr Libby Harrison, said that the New Zealand economy depends heavily on its reputation for safe, high-quality food. Therefore the economy could not afford any mistakes regarding food safety. “Foodborne disease outbreaks can cost millions, and long-term damage to a company or food sector’s reputation, which can also hurt the New Zealand brand more generally,” said Harrison. [Full article here](https://supermarketnews.co.nz/news/the-importance-of-food-safety-for-new-zealands-economy/) [Full report here](https://mcusercontent.com/ac7d10ed90f765f0df9b564b7/files/2f254d1f-55ed-5760-093f-a5ff1872b431/Economic_Valuation_of_NZFSSRC_AERU_FINAL.pdf)

#### Upcoming events and webinars:

* IFPA Australia-NZ Webinar: Impact of Water Quality on Fresh Produce Safety, 13 July 23  [Register here](https://www.eventbrite.com.au/e/impact-of-water-quality-on-fresh-produce-safety-webinar-tickets-662087069247?aff=odeimcmailchimp&mc_eid=ba99fc8413&mc_cid=5b7dd3e824)
* 2023 Horticulture Conference Week, 31 July-4 August 2023, Te Pae Convention Centre, Christchurch. [Full details here](https://www.hortnz.co.nz/news-events-and-media/events/).
* Fresh Produce Safety Conference, 10 August 2023, University of Sydney. [Full details here](https://fpsc-anz.com/fresh-produce-safety-conference-2023/)
* Asia Fruit Logistica, 6-8 September 2023, AsiaWorld Expo, Hong Kong[. Full details here](https://www.asiafruitlogistica.com/)
* CBAFF Conference 2023, 13-15 September, 2023, Wellington. [Full details here](https://www.cbaff.org.nz/2023conference)
* Asian Seed Congress 2023, 20-24 November 2023, Christchurch. [Full details here.](https://web.apsaseed.org/asc2023)

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| 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.

* Canada: Consults on Pesticides Strategy

On June 20, 2023, the Government of Canada announced next steps in their sustainable approach to pesticides management. As part of the announcement, Canada will restart the process of evaluating pesticide residue limits for increases, following a pause of this activity since August 2021. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Canada%20Consults%20on%20Pesticides%20Strategy_Ottawa_Canada_CA2023-0028)

* Japan: Updated Guide to New Phytosanitary Certificate Requirements

From August 5, 2023, Japan will begin to strictly require phytosanitary certificates (PC) for a broad range of previously exempted agricultural imports. This report aims to provide further details of Japan’s new PC requirements. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Updated%20Guide%20to%20New%20Phytosanitary%20Certificate%20Requirements%20of%20Japan%20_Tokyo_Japan_JA2023-0057)

* Japan 256th Food Safety Group

Japan’s Ministry of Health, Labour and Welfare (MHLW) proposed revisions to Japan’s maximum residue levels for 8 agricultural chemicals for various agricultural commodities. The report also includes other proposed changes. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Japan%20256th%20Food%20Safety%20Group_Tokyo_Japan_JA2023-0053)

* FAIRS Annual Country Report Annual: [Thailand](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=FAIRS%20Annual%20Country%20Report%20Annual_Bangkok_Thailand_TH2023-0042), [Vietnam](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=FAIRS%20Annual%20Country%20Report%20Annual_Hanoi_Vietnam_VM2023-0031)

These reports provide information on the regulations and procedures for the importation of food and agricultural products from the United States to each country.

* FAIRS Export Certificate Report Annual: [Thailand](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=FAIRS%20Export%20Certificate%20Report%20Annual_Bangkok_Thailand_TH2023-0041), [Vietnam](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=FAIRS%20Export%20Certificate%20Report%20Annual_Hanoi_Vietnam_VM2023-0030)

These reports include requirements such as registration, technical information, certificates and other documentation for food and agriculture product exports from the US to each country.

## In The News:

#### AUSVEG and Onions Australia announce strategic merger

AUSVEG and Onions Australia, which represent the interests of Australian vegetable, potato and onion growers, have announced a strategic merger that will see the onion industry joining with AUSVEG. The move will expand AUSVEG’s representative footprint and provide it with a stronger voice to better advocate on behalf of vegetable, potato and onion growers.

The union, a result of thorough industry consultation and a resounding vote from Onions Australia members, signifies a new era for the onion sector, which will benefit from stronger support from increased levels of support in advocacy and industry service delivery. [Full article here](https://www.freshplaza.com/europe/article/9544558/ausveg-and-onions-australia-announce-strategic-merger/?utm_medium=email)

#### Citrus Australia leads first Origin Verification Program

Through an Agriculture Victoria Food to Market programme, Citrus Australia has conducted a first-of-its-kind study to characterise Australian oranges at both a country and regional level, using laboratory testing of trace elements and isotope ratios.

The key goal of the project was to provide an internationally accepted laboratory traceability method that addressed two key questions - whether using trace elements or isotopes could determine if the origin of an orange was from Australia or another country, and if using the same techniques could differentiate place of origin between the five Australian growing regions. The project successfully answered ‘yes’ to both questions.

“We found that there were key trace elements and isotopes that clearly characterised Australian oranges,” said Nathan Hancock, CEO of Citrus Australia. “This is helpful to know that in a crisis when other traceability mechanisms need extra evidence, are not available or have been tampered with, we can show proof to verify the origin of the fruit. [Full article here](https://www.fruitnet.com/produce-plus/citrus-australia-leads-first-origin-verification-program/249410.article#:~:text=The%20project%20was%20conducted%20with,rate%20of%2097.3%20per%20cent.)

#### Australia-UK FTA: what’s in it for horticulture?

The Australia-United Kingdom Free Trade Agreement (A-UKFTA) is said to be a gold standard trade agreement that represents a once-in-a-generation deal for Australia and an historic moment in Australia’s relationship with the UK. The agreement entered into force on 31 May 2023 and will eliminate tariffs on over 99 per cent of Australian goods exports to the UK, according to Australia’s Department of Foreign Affairs and Trade.

Horticulture trade to the UK has fallen since its heyday. In 2022 Australia exported just 934 tonnes of fresh fruit, vegetables, and nuts to the UK, worth AU$2.2 million. Two decades ago, by contrast, Australia exported 14,522 tonnes, worth $20.4 million. By either measure, these volumes are small in relation to the UK’s total imports of fresh fruit, vegetables and nuts, standing at 5.5 million tonnes in 2022. They are also only a tiny fraction of what Australia exports to all destinations: 778,000 tonnes for the same products and period. Nevertheless, the new FTA should generate some benefits if logistics and market conditions allow, particularly in the premium counter-seasonal temperate fresh fruit sectors. [Full article here](https://www.fruitnet.com/fresh-produce-journal/australia-uk-fta-whats-in-it-for-horticulture/249400.article)

#### Positive results for Chilean stonefruit

Chilean stonefruit exports fell 11 per cent in volume but increased 19 per cent in value to in 2022/23. Asoex said 242,000 tonnes of stonefruit worth US$409m was shipped, making it one of the best campaigns in recent memory. China was the fastest growing market, thanks to the easing of logistical disruptions caused by the pandemic while shipments to Europe continued their downward trend, mainly because of strong competition from South Africa. Exports to this market have contracted by 43 per cent in the last six years, totalling just 21,000 tonnes in 2022/23. [Full article here](https://www.fruitnet.com/eurofruit/positive-results-for-chilean-stonefruit/254858.article)

#### China opens its doors to Italian pears after a lengthy procedure

Although this year's pear season will register the lowest yields of the past 10 years - also due to the flood in Emilia-Romagna, where 70% of the domestic production is located - the news has arrived of the signing of the protocol on the export of Italian pears in China. The procedure was initiated in November 2017.

The protocol was signed on June 26th at the Ministry for Agriculture, Food Sovereignty and Forests by the undersecretary of Foreign Affairs and International Cooperation Giorgio Silli and the Minister for the Administration of Chinese Customs YU Jianhua in the presence of deputy Angelo Rossi, advisor to the Minister for Institutional Relations Francesco Lollobrigida. "It was a fruitful meeting, aimed at facilitating the access of Italian products to the Chinese market. Similar forms of collaboration could now be put in place for other high-quality products." [Full article here](https://www.freshplaza.com/europe/article/9542722/china-opens-its-doors-to-italian-pears-after-a-lengthy-procedure/?utm_medium=email)

#### EU seeks to allow CRISPR-Cas in future

The European Commission's new draft law for GMO plants, made public on July 5, proposes to relax regulations, which will have a significant impact on Europe's seed companies, farmers, and vegetable growers. The proposed rules specifically include how the products may enter the market. The debates in Europe start now. Several parties have expressed an ambition to reach a decision on the proposal before the European elections in June 2024.

With the aid of genetic scissors, it is possible to induce targeted genetic changes in plants. New Genomic Techniques (NGTs) are methods for creating targeted mutations (mutagenesis) in the genome of living organisms that have emerged or been developed since 2001, when the existing EU legislation on genetically modified organisms was adopted. The Commission launched a review in 2021 after concluding that GMO legislation from 2001 was "not fit for purpose." The EU's top court ruled in 2018 that genome-editing techniques should be governed by GMO rules. In 2022, the European Food Safety Authority (EFSA) re-evaluated their previous scientific opinions and concluded that there no new risks are identified in cisgenic and intragenic plants obtained with NGTs, as compared with those already considered for plants obtained with conventional breeding.

The newly released NGT proposal suggests categorizing plants resulting from targeted mutagenesis and cisgenesis separately from transgenic GMOs. It introduces a notification process for "conventional-like" category 1 plants to confirm their status. [Full article here](https://www.floraldaily.com/article/9543636/eu-seeks-to-allow-crispr-cas-in-future/?utm_medium=email)

#### Global Coalition of Fresh Produce preliminary report on the cost of production

The recently-released results of a survey by the Coalition on production costs conducted in the spring of 2023 highlights the increasing costs of fruits and vegetable production around the world and their impacts on the whole produce industry and end consumers.

According to the Coalition’s preliminary report, organizations globally within the supply side of the fresh produce industry experienced unprecedented increases in costs during the COVID-19 pandemic regardless of the region of their operation. The increases were led by fertilizer, construction, fuel, shipping, and electricity. While most were able to increase their selling prices, it was not enough to overcome the increases in production and operating costs, leaving approximately 57% of the global industry selling at a loss or breaking even. It also reported that the rise in costs for production and operations has impacted respondents’ investments not only in capital and equipment but also in innovation and expansion. Spiking costs have also affected strategic and operational choices with some operators are choosing to import from countries with lower shipping costs. [Full article here](https://producecoalition.net/wp-content/uploads/2023/06/2023-06-29-Global-Coalition-survey-results-final.pdf)  [Preliminary report here](https://producecoalition.net/wp-content/uploads/2023/06/cpma_preliminary_conclusions_one_pager_june29V2.pdf)

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