

UPDATE: 21 March 2023

Kia ora

In this update, as harvesting and exports get underway, the horticulture sector continues to take stock of the impact of the recent weather event and we also face a food challenge from another source. You’ll find new items on these well as our regular items of regulatory notifications, consultations 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

* Brazil has been updated in section 4.4.1 Seeds, Grains and Nuts for Sowing, to include the phytosanitary requirements for Capsicum seeds (*Capsicum annuum*). [ICPR Brazil](https://www.mpi.govt.nz/dmsdocument/625)

## 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.



## Consultations

#### Improving Economic Resilience to Supply Chain Disruptions

The outlook for supply chains is not a simple return to pre-pandemic operations. Global trends indicate that disruptions are likely to be more frequent. In response, governments of most advanced economies, including New Zealand, have started to explore policy options for enhancing economic resilience – the capacity of industries and communities to anticipate, prepare, absorb, recover and learn from supply chain disruptions.

The Government has asked the Productivity Commission to undertake an inquiry into the resilience of the New Zealand economy to supply chain disruptions. An “Improving Economic Resilience’ Issues Paper was launched on the 28 February 2023 and submissions are invited on the issues paper until 17 April 2023. More information on the inquiry, issues paper and how to make a submission are on the New Zealand Productivity Commission [website](https://www.productivity.govt.nz/inquiries/resilience/).

# NEW ZEALAND NEWS

## Opinion piece:

#### Nadine's update: It’s going to take time

In this week’s update, Nadine Tunley take stock a month on from the Cyclone Gabrielle and contemplates the complexities of what lies ahead for growers and government [Full article here](https://www.hortnz.co.nz/news-events-and-media/nadines-update/its-going-to-take-time/)

## Government News:

#### CPTPP Trade Ministers coming to Auckland

The Government’s sharp focus on trade continues with Aotearoa New Zealand set to host Trade Ministers and delegations from 10 Asia Pacific economies at a meeting of Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Commission members in July, Minister for Trade and Export Growth Damien O’Connor announced last week..

“New Zealand is the chair of CPTPP this year and the Ministerial Meeting, held in Auckland, will be the centrepiece of our host year,” Damien O’Connor said.  “Trade is a major priority for this Government as we know that trade grows businesses, creates jobs, and boosts our economy. One in four New Zealanders’ jobs depend on exports.

The seventh CPTPP Commission in Auckland will be biggest international meeting we’ve hosted since the pandemic. We look forward to warmly welcoming Trade Ministers to Aotearoa New Zealand and showcasing our country internationally,” Damien O’Connor said. [Full article here](https://www.beehive.govt.nz/release/cptpp-trade-ministers-coming-auckland)

## Industry news

#### Challenging weather conditions will affect kiwifruit exports

Kiwifruit giant Zespri is forecasting exports this season will be down by 18 percent - or roughly 30 million trays - on last year, due to challenging weather conditions.

Chief global supply officer Jason Te Brake said it would deliver around 145 million trays of green, gold and red kiwifruit to more than 50 countries this year. About 177 million trays were sold last year, but there were issues with fruit quality, denting returns to growers. Te Brake said the drop in the 2023 crop was largely being driven by lower volumes of green fruit, with bad weather during the critical pollination period expected to reduce yields by 15 million trays. Te Brake said 2022 had been challenging. It had also been a tough start to 2023, given the adverse weather events including Cyclone Gabrielle's impact on Hawke's Bay and Gisborne. Despite these difficulties, lower fruit volumes and a better availability of labour this season would allow the industry to focus on improving fruit quality and generating better returns for orchardists, he said.

The first shipment of fruit from the 2023 harvest has just departed the Port of Tauranga, bound for Japan. [Full report here](https://www.rnz.co.nz/news/country/486400/challenging-weather-conditions-will-affect-kiwifruit-exports)

#### New Zealand Apples and Pears reduces crop estimate by more than 20 per cent.

The forecast for the New Zealand apple and pear crop has been revised downward following the impacts of Cyclone Gabrielle, which hit parts of the East Coast of the North Island in mid-February.

While re-estimates are yet to be completed for the Tairāwhiti Gisborne region, the overall New Zealand crop is now estimated to come in at 16.1m cartons (18kg tray carton equivalents), down 21 per cent on the original January crop estimate of 20.4m cartons, according to the latest forecast from New Zealand Apples and Pears (NZAPI) issued on 15 March.

Key South Island growing regions, Central Otago and Nelson/Tasman, continue to experience good growing and harvest conditions, according to NZAPI, and are on course to meet forecast crop expectations. [Full article here](https://www.fruitnet.com/asiafruit/nz-pipfruit-forecast-revised-after-cyclone-gabrielle/248556.article)

#### Market trends crucial - O'Connor

Look for market trends, rather than market signals - that was the key message from Agriculture Minister Damien O'Connor speaking at the recent Agricultural Climate Change conference in the capital. O'Connor says the reality is that market trends give a longer term view and give producers and marketers more advanced warning of what consumers are looking for, and NZ has to be on the ball, ready to change.

In his opening remarks to the conference, O'Connor made reference to the changes and disruption which are now a part of daily life in the primary sector. He noted the impacts of climate change, proof of which he says is evident in particular by the disastrous trail of damage caused by Cyclone Gabrielle. Agriculture Minister Damien O’Connor claims concerns around climate change are driving international consumer preferences. [Full article here](https://www.ruralnewsgroup.co.nz/rural-news/rural-general-news/market-trends-crucial-o-connor)

#### Transitioning to low carbon future a high priority at T&G

The impacts of climate change are becoming increasingly tangible globally, as T&G and its grower partners in New Zealand harvest and export new season apples following February’s cyclone

Some apple orchards in New Zealand’s Hawke’s Bay and Gisborne did not escape the impact of February’s devastating cyclone, but many others were completely untouched, according to Craig Betty, director of operations at T&G Global. “The fruit we’ve already harvested and shipped to our customers in Asia looks great,” he confirms, “and we’ll continue harvesting throughout March and April for our domestic and export markets. Orchards in the South Island were completely unaffected by the cyclone and following a hot summer the South Island crop is developing some nice ripening and colour, and good sizing on our premium Jazz and Envy brands.”

Such weather extremes highlight the importance for the world to continue to mitigate emissions and adapt to a changing climate, and this is a high priority at T&G, according to head of corporate affairs Adrienne Sharp, with climate action a “key pillar” of the group’s broader sustainability strategy. [Full article here](https://www.fruitnet.com/eurofruit/transitioning-to-low-carbon-future-a-high-priority-at-tandg/248574.article)

#### Global shipping giant Maersk pulls New Zealand coastal service

There are concerns for New Zealand's supply chain security after global shipping giant Maersk announced it would pull its national shipping service.

Maersk said it would withdraw its dedicated New Zealand coastal service, known as Coastal Connect, from next month - after less than a year in operation. As part of the service, two vessels linked between various ports including Auckland, Tauranga, Timaru, and Lyttelton, and Nelson. Instead, the company will now upgrade its trans-Tasman Polaris service to a weekly service.

But the Maritime Union said the move was a step backwards for New Zealand's supply chain security, with between 36 and 38 staff being made redundant. Union national secretary Craig Harrison said the sudden withdrawal of the Coastal Connect service showed the volatility and insecurity of New Zealand's supply chain. "This continual market volatility is bad for New Zealand and will have a flow-on effect to importers and exporters, and thus the whole economy," Harrison said. [Full article here](https://www.rnz.co.nz/news/business/486406/global-shipping-giant-maersk-pulls-new-zealand-coastal-service)

#### Contaminated imported tahini prompts mass recalls in New Zealand

Authorities in New Zealand are monitoring a large recall of foods containing imported tahini because of Salmonella. Officials said consumers should be aware that some products are incorrectly labeled as “Product of Mexico or Israel” when they were actually made in Türkiye.

“Testing has identified the possible presence of Salmonella in the Turkish manufacturers’ line of organic tahini imported by Ceres Enterprises,” said Vincent Arbuckle, New Zealand Food Safety (NZFS) deputy director-general. Tahini from the Turkish manufacturer was used as an ingredient in a range of hummus and tahini items that have been pulled from shelves in New Zealand because of the possible presence of Salmonella.

There have been no official reports of related illnesses but local media reported people thinking they had become sick after eating the implicated products. [Full article here](https://www.foodsafetynews.com/2023/03/contaminated-imported-tahini-prompts-mass-recalls-in-new-zealand/) [Link to Product Recall](https://www.mpi.govt.nz/food-safety-home/food-recalls-and-complaints/recalled-food-products/)

## Reports & Insights

#### MFAT Market Intelligence Report: NZ economic performance in 2022, and future prospects

New Zealand’s two-way trade grew solidly in 2022 as global and domestic demand showed surprising resilience in the face of slowing global growth, rising inflation, and tightening credit conditions. New Zealand’s two-way trade value now sits at $197.0 billion, growing by 20.8% year on year. Total exports (goods and services) grew by 16.2% to $89.9 billion, while total imports grew by 25.0% to $107.1 billion. Read the full report to see how different export products from New Zealand have fared over the past year, and what the prospects for 2023 are.  [Full report here](https://www.mfat.govt.nz/en/trade/mfat-market-reports/market-reports-global/nz-economic-performance-in-2022-and-future-prospects/?utm_source=MFAT&utm_campaign=89ab27d38f-EMAIL_CAMPAIGN_2023_03_15_10_51&utm_medium=email&utm_term=0_-89ab27d38f-%5BLIST_EMAIL_ID%5D)

## Upcoming events and webinars:

* ICC Future Trade Forum 2023, 28-31 March 2023, Singapore. [Full details here](https://futuretradeforum.org/)
* World Avocado Congress 2023, 2-5 April 2023, Auckland. [Full details here.](https://www.wacnz2023.com/)
* Value Project and NZTE Webinar series “Winning the Green Premium”, Horticulture sector: 18 April 2023, 9–10am. Free [Full details here](https://ourlandandwater.hubspotpagebuilder.com/greenpremium?utm_medium=email&_hsmi=244240286&_hsenc=p2ANqtz-_UD9sg9lvRLk7_GFZTikzw9H3VGi2-13tbGr9zl_iuhNwQuZqkKnZrNfLlAjiDhAtovLXXa6bvpcmY_R72Cp9eweGArg&utm_content=244240286&utm_source=hs_email)
* Hort Connections 2023, 5-7 June 2023, Adelaide Convention Centre, Australia. [Full details here](https://hortconnections.com.au/program/)
* 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[. Full details here](https://www.asiafruitlogistica.com/)
* CBAFF Conference 2023, 13-15 September, 2023, Wellington
* Asian Seed Congress 2023, 20-24 November 2023, Christchurch. [Full details here.](https://web.apsaseed.org/asian-seed-congress)

# 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.

**China Releases the Standard for Maximum Levels of Contaminants in Foods**

On June 30, 2022, the National Health Commission (NHC) and the State Administration of Market Regulation (SAMR) released the National Food Safety Standard for Maximum Levels of Contaminants in Foods (GB 2762-2022), which will enter into force on June 30, 2023. This standard updates the 2017 regulation of the same name, published as GB 2762-2017. This report contains an unofficial translation of the final standard. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=China%20Releases%20the%20Standard%20for%20Maximum%20Levels%20of%20Contaminants%20in%20Foods_Beijing_China%20-%20People%27s%20Republic%20of_CH2023-0040)

**China: 421 Maximum Residue Limits for 85 Pesticides in Foods Notified to WTO**

On March 13, 2023, China notified 421 Maximum Residue Limits (MRLs) to the World Trade Organization (WTO) under G/SPS/N/CHN/1277. The proposed date of entry into force is to be determined. This report provides an unofficial translation of the draft standard. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=421%20Maximum%20Residue%20Limits%20for%2085%20Pesticides%20in%20Foods%20Notified%20to%20WTO_Beijing_China%20-%20People%27s%20Republic%20of_CH2023-0039)

**China Decree 248 Product List Update - February 2023**

The General Administration of Customs of the People's Republic of China (GACC) updated the list of products subject to Decree 248. In addition to minor changes made earlier, GACC removed 239 products between February 10 – 27. The removed products include many fresh and dried vegetables, spices/seasonings, select grains and oilseeds, dried beans and lentils, coffee and cacao. Low lactose infant formula was added to the list. The updated list is attached to this report. These, like earlier changes, have not been notified to the World Trade Organization. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Decree%20248%20Product%20List%20Update%20-%20February%202023_Beijing_China%20-%20People%27s%20Republic%20of_CH2023-0031)

**Japan Announces Measures to Strengthen Food Security**

On December 27, 2022, the Government of Japan (GOJ) released the “Food Security Reinforcement Policy Framework,” which aims to lower Japan's dependence on imports and to push increased domestic production of wheat, soybeans, feed grains, hay, and fertilizer inputs. The GOJ will fund new food security reinforcement measures through the Japanese Fiscal Year (JFY) 2022 second supplementary budget and JFY2023 annual budget. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Japan%20Announces%20Measures%20to%20Strengthen%20Food%20Security%20_Tokyo_Japan_JA2023-0013)

## In The News:

#### Australian avocados gain entry into Indian market

Australian avocados gained entry into the Indian market this weekend, though final approval is subject to the success of ten trial shipments. Exporters and industry bodies have commended the Australian and Indian governments on reaching this agreement.

The Australian Government’s Hass avocado market access agreement with India is underpinned by a $3M investment into research to support the export of the fruit.  “With the industry now capable of producing a strong supply of Hass avocados, having access to an overseas market such as India will be a ‘game changer’ for our industry,” said John Tyas Chief Executive Officer of Avocados Australia. [Full article here](https://www.freshplaza.com/europe/article/9511077/australian-avocados-gain-entry-into-indian-market/?utm_campaign=highlights)

#### Peru Hoping To Enter Cherry Business

At the most recent edition of Fruit Logistica in Berlin, Peru officially announced its plans to enter the cherry business. Trial production of the fruit is expected to begin in 2024.

Together with cherry cultivation, Peru’s current agricultural strategy involves a “cleanup” of certain fruits that have recently become less favored by consumers. For example, oranges and mangos are expected to become less of a focus in the near future because they require peeling and are therefore considered more difficult to consume compared with ready-to-eat blueberries and cherries. With respect to mangos, the Peruvian Association of Mango Producers and Exporters recently announced that the country does not need to expand its mango-growing areas. [Full article here](https://www.producereport.com/article/peru-hoping-enter-cherry-business)

#### French horticultural sector to receive €200m government aid

The French government has announced a €200 million fund to increase the production and consumption of domestic fruit and vegetables.

Agriculture Minister Marc Fesneau outlined the 'sovereignty plan' at France's largest agricultural event, the Salon de l'Agriculture, on 2 March. Approximately half of fruit and vegetables consumed in France are grown there, a figure that the French government seeks to boost. Mr. Fesneau said at the event: "When it comes to fruit and vegetables, we have had a loss of sovereignty across all parts of this market." The French government said it would provide €200 million toward the scheme, with €300m open to private investors looking to boost the agri-food sector.

In response, more than 35,000 people have signed up for the NFU's food security campaign as supermarket shelves in the UK lie empty of fresh fruit and vegetables. [Full article here](https://www.hortidaily.com/article/9509475/french-horticultural-sector-to-receive-eur200m-government-aid/)

#### Belgian review finds private assurance schemes benefits vary by sector

Private sector standards can help improve inspection results in some sectors but not all, according to an analysis published by the Federal Agency for the Safety of the Food Chain (FASFC). The Scientific Committee of FASFC was asked to examine whether the presence of a Private Assurance Scheme (PAS) can have an effect on the food safety guarantee of operators in Belgium.

Inspection results between PAS-certified companies and non-PAS-certified firms were compared. Because of a lack of data, only two types of PAS (IFS Food and FSSC 22000) in the processing sector and at slaughterhouses were covered. Experts also took into account whether or not a company had a validated Self-Control System (SCS).

It is not the first time using food safety findings from industry and third parties have been discussed to help resource-stretched regulators. The Heads of the European Food Safety Agencies group have produced a guidance document on private assurance schemes and a study comparing establishments with and without a certified food safety management system in Finland found only a small difference in scores. In late 2021, the Codex Alimentarius Commission also adopted guidelines on the assessment and use of vTPA programs. [Full article here](https://www.foodsafetynews.com/2023/03/belgian-review-finds-private-standard-benefits-vary-by-sector/) [Guidance document here](https://www.headsofagencies.eu/workinggroups/valueofprivateassuranceschemes/_documents/HoA_Guidance_document_Private_Assurance_Schemes_Working_Group.pdf)

#### Avocado will become the most traded fruit by 2030

According to the Agricultural Outlook 2021-2030 report of the Organization for Economic Cooperation and Development-OECD and the United Nations Food and Agriculture Organization (FAO), avocados will become the most marketed fruit by 2030.

Forecasts are that by 2030 avocado production will amount to 12 million tons; an amount that will triple the production achieved in 2010. Of this volume, up to 3.9 million tons will be exported, surpassing pineapple and mango exports. “This growth will continue to be driven by global demand, lucrative unit export prices, and investments in surface expansion in both large and emerging production areas,” the report states. [Full article here](https://www.freshplaza.com/europe/article/9510889/avocado-will-become-the-most-traded-fruit-by-2030/)

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