

UPDATE: 27 September 2023

Kia ora

This update highlights the challenges faced by exporters with increasing requirements to meet emissions and environmental regulations in the EU while closer to home, an Australian supermarket chain signs up to exclusively stock domestically-grown avocados over imports. 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 |

## 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.



## ICPR changes

The following ICPRs have been updated in a number of sections since the last newsletter:

* Great Britain: [ICPR Great Britain](https://www.mpi.govt.nz/dmsdocument/39653)
* Ecuador: [ICPR Ecuador](https://www.mpi.govt.nz/dmsdocument/637-Ecuador)
* Fiji: [ICPR Fiji](https://www.mpi.govt.nz/dmsdocument/643)
* French Polynesia: [ICPR French Polynesia](https://www.mpi.govt.nz/dmsdocument/646-French-Polynesia)
* New Caledonia: [ICPR New Caledonia](https://www.mpi.govt.nz/dmsdocument/670-New-Caledonia)
* Philippines: [ICPR Philippines](https://www.mpi.govt.nz/dmsdocument/678)
* Russia and the Eurasian Economic Union: [ICPR Russia and the Eurasian Economic Union](https://www.mpi.govt.nz/dmsdocument/11518)

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

## Consultations

#### CPTPP Review – public feedback sought

As Chair of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in 2023, New Zealand is developing a Terms of Reference for the General Review of the Agreement, in partnership with the other 11 CPTPP Members. MFAT is seeking public feedback on the issues that New Zealand should raise in relation to the General Review of CPTPP and the areas that should be covered by the Terms of Reference.

Specific comment on what should be included in Terms of Reference will need to be provided by 1 October 2023. Feedback on the review process more generally and New Zealand’s position should be sent before 1 January 2024. For more information, visit the MFAT [website.](https://www.mfat.govt.nz/en/trade/free-trade-agreements/free-trade-agreements-in-force/cptpp/cptpp-information/what-are-aotearoa-new-zealands-objectives-for-cptpp-in-2023/)

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| NEW ZEALAND NEWS |

## Industry news

#### New Zealand apples: A brighter future?

Sixty five percent of NZ's apple crop is grown in Hawke's Bay and 4,000 hectares - or about half the total crop grown in the region - has been affected by Cyclone Gabrielle. NZ Apples and Pears market access manager Danielle Adsett said that while her organisation is not involved in the marketing of apples, it's been assured by exporters that the expected lower crop is being carefully managed.

NZ apples are sold to almost 70 countries around the world - with China being our largest market. However, only 13% of NZ's total crops is sold there. Vietnam has, in a matter of years, risen from 13th to become our 3rd largest market. Adsett says Asia is obviously a focus for NZ as the middle class in those countries grows. Taiwan and Japan are also up-and-coming markets.

 "The fact is that NZ produces the best apples in the world because of our growing systems and climate,” said Adsett "As such, we are able to offer a premium product."

Adsett concedes that while many people are trying to be optimistic about the future, the reality for many is heartbreaking. "Trees remain covered in silt; the ground is wet and people are doing their best to support each other in very difficult times." [Full article here](https://www.ruralnewsgroup.co.nz/hort-news/hort-general-news/a-brighter-future)

#### Posh new apple variety exported for first time

Two containers of a new apple variety landed on Chinese shores early last week. Next Generation Apples developed the Posh apple through a breeding programme run by Plant & Food Research.

Apple grower and chief executive of Next Generation Apples Evan Heywood, said new varieties took about 15 years to develop through the Plant & Food’s Research natural breeding process. “What’s interesting about Posh from a grower perspective is that it has the sought-after delicate texture and taste profile of Honeycrisp, but is far easier to grow.

Heywood said export markets “love a high colour apple with more than 75% red colour which Posh has. The large classic round shape of Posh™ is also preferred across Asia markets.” [Full article here](https://www.thepost.co.nz/a/business/350075109/posh-new-apple-variety-exported-first-time)

#### Zespri’s final shipments of the 2023 season depart

Zespri’s last charter vessel of the 2023 kiwifruit season has departed the Port of Tauranga. Around 782 tonnes of Zespri SunGold Kiwifruit and 3,621 tonnes of Zespri Green Kiwifruit are onboard the Discovery Bay, which is expected to reach Tokyo in early October before sailing on to Kobe, Japan and then to South Korea.

Zespri has used 51 charter vessels to ship this season’s kiwifruit from New Zealand – including four to Northern Europe, eight to the Mediterranean, two to North America’s West Coast and 37 to Asia. The season’s final container shipments carrying the remaining 2,540 tonnes of the crop are also expected to conclude over the coming weeks. [Full article here](https://www.freshplaza.com/asia/article/9561900/zespri-s-final-shipments-of-the-2023-season-depart/?utm_medium=email)

#### T&G selects Kotahi for ocean freight

T&G Global has announced the appointment of Kotahi as its ocean freight services provider, with Kotahi to lead the procurement of all ocean freight for the company from 2023/24 onwards.

T&G’s director of operations, Craig Betty, said Kotahi provides the flexibility, resilience and scale the company needs across its supply chain for the long-term to deliver its growth strategy. “As an exporter, our ability to compete on the world stage is heavily reliant on our ability to get our premium Envy and Jazz apple brands to global markets efficiently, on time and at a cost that gives a competitive platform for our growers,” said Betty.

Kotahi is one of New Zealand’s largest supply chain operations. Established in 2011 by its two shareholders, Fonterra and Silver Fern Farms, Kotahi works with over 60 New Zealand exporters to move almost one third of New Zealand’s containerised exports, making it the largest containerised and refrigerated exporter in the country. [Full article here](https://www.fruitnet.com/produce-plus/tandg-selects-kotahi-for-ocean-freight/256065.article)

#### India FTA unlikely, but business gives politicians blueprint for trade boost

India will soon be the world’s third-largest economy. It’s technological and economic prowess was shown by the country landing a spacecraft on the moon on August 23. New Zealand companies RocketLab and Rakon both had parts on the craft.

However, don’t be fooled by the sudden political interest in trade with India. There’s no reasonable prospect of New Zealand getting a free trade agreement with the emerging economic superpower anytime soon.

Australia secured a trade deal with India last year, but former diplomat Stephen Jacobi warns New Zealand can’t expect to just rock up and get one too. “That took years of effort. The Indians seem to be saying, ‘we want a substantial relationship first. Then they will consider an FTA’. [Full article here](https://www.stuff.co.nz/business/132926245/india-fta-unlikely-but-business-gives-politicians-blueprint-for-trade-boost)

## Reports & Insights

#### MFAT Market Intelligence Report: Implementation of EU Deforestation regulation

The EU Deforestation Regulation, which remains controversial amongst some non-EU countries including at the WTO, has entered into force. The measure aims to reduce the EU’s contribution to global deforestation by banning the sale of specific products associated with deforestation (beef, cocoa, coffee, palm oil, rubber, soya and wood).

From December 2024, EU and non-EU producers must provide geolocation coordinates for the places of production for all products in scope of the regulation to demonstrate that they were not produced on land deforested since 31 December 2020. Although New Zealand will likely be designated low-risk under the EU’s forthcoming benchmarking process, this designation will not reduce the compliance burden for exporters to provide geolocation data to European importers. Under the current product scope, this burden will fall most heavily on New Zealand’s beef sector. However, some exporters of wood products, and smaller enterprises selling products such as, coffee and chocolate to the EU will also be impacted. [Full report here](https://www.mfat.govt.nz/en/trade/mfat-market-reports/implementation-of-the-eu-deforestation-regulation-september-2023/?utm_source=MFAT&utm_campaign=cb23a44f35-EMAIL_CAMPAIGN_2023_09_20_09_24&utm_medium=email&utm_term=0_-cb23a44f35-%5BLIST_EMAIL_ID%5D)

#### MFAT Market Intelligence Report: A greener voyage; EU tackles maritime emissions

Following lengthy negotiations, the EU has passed legislation which will require shipping operators to pay for their carbon emissions.

From 1 January 2024, the EU Emissions Trading Scheme will be extended to cover CO2 emissions from all large ships (of 5000 gross tonnage and above) entering EU ports, regardless of the flag those ships fly. The following emissions fall within the scope of the EU ETS: 50% of emissions from voyages which start or end at EU ports (e.g. Tauranga to Zeebrugge); and 100% of emissions that occur between two EU ports and when ships are within the EU and adjacent areas (e.g. Antwerp to Ireland). [Full report here](https://govt.us6.list-manage.com/track/click?u=ee12ff73e0bbcb23b01a60631&id=671630a357&e=f1812fde89)

#### Upcoming events and webinars:

* Adapting Aotearoa: Towards a Climate Resilient Land and Food System. Deep South Challenge, Resilience to Nature’s Challenges and Our Land and Water. 20 November 23, Christchurch Town Hall, Christchurch. [Full details here](https://deepsouthchallenge.co.nz/adapting-aotearoa/?utm_medium=email&_hsmi=272241730&_hsenc=p2ANqtz--m2Lcd2I5GV_82uymEjsQHyPxO0jYoU9a9HO_cqzjtI6QlTVrb1QlLn_Xh3y39CCz7FdEgzdwpOJXPFmkUsjhm1pRGGg&utm_content=272241730&utm_source=hs_email)
* 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.

**European Food Safety Authority Issues Updated Opinion on BPA**

Bisphenol A (BPA) is a chemical used in the manufacture of polycarbonate plastics and epoxy resins. On April 19, 2023, the European Food Safety Authority (EFSA) issued an updated scientific opinion that deemed BPA a consumer health risk. The European Commission is now evaluating EFSA’s conclusions. A potential EU-wide BPA ban would cause significant trade disruptions for the U.S. food industry. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=European%20Food%20Safety%20Authority%20Issues%20Updated%20Opinion%20on%20BPA_Brussels%20USEU_European%20Union_E42023-0031)

**MAFF Publishes 2021 Status of Japan Green Food System Strategy Targets**

Following the establishment of “Green Food System Strategy” in May 2021, Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF) implemented certification systems to incentivize farmers, foresters, fishermen, and related businesses to undertake activities to reduce their environmental impact. To communicate greenhouse gas (GHG) reduction efforts to consumers, MAFF is conducting a pilot program for GHG reduction labels on agricultural products and intends to officially implement a labeling system by April 2024. MAFF also published a 2021 status update for the targets set under the Green Food System Strategy. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=MAFF%20Publishes%202021%20Status%20of%20Japan%20Green%20Food%20System%20Strategy%20Targets%20_Tokyo_Japan_JA2023-0091)

## Other Reports

#### World Trade Report for 2023

The World Trade Organization has released its annual report for 2023 The report examines how ‘re-globalization’ may address national and economic security, poverty alleviation and environmental sustainability. The findings suggest world trade is gradually becoming reoriented along geopolitical lines. Trade flows between hypothetical blocs has increased 4-6% since the start of the war in Ukraine. [Full report here](https://www.wto.org/english/res_e/publications_e/wtr23_e.htm)

#### FAO and WHO release full report on microbiological hazards in produce

The UN Food and Agriculture Organization (FAO) and World Health Organization (WHO) have published the full report of an analysis looking at reducing the risk of microbiological hazards in produce. The document covers leafy vegetables and herbs, berries and tropical fruits, melons and tree fruits, and seeded and root vegetables.

Scientists evaluated commodity-specific interventions used during fruit and vegetable production from primary production to post-harvest, transportation, point of sale, and consumer use. Such products are primarily eaten raw and have limited shelf-life.

Experts found preventive measures such as good agricultural practices (GAPs) and good hygiene practices (GHPs) during primary production remain the most effective means of reducing the risk of pathogens in fruit and vegetables. Post-harvest activities require GHPs, good manufacturing practices (GMPs), and a hazard analysis and critical control point (HACCP)-based system to prevent microbial contamination, reduce cross-contamination, or avoid pathogen growth. [Full article here](https://www.foodsafetynews.com/2023/09/fao-and-who-release-full-report-on-hazards-in-produce/) [Full report here](https://www.fao.org/3/cc7460en/cc7460en.pdf)

## To watch

* **Economic Sustainability in Global Supply Chains for Fresh Fruits and Vegetables. Global Coalition of Fresh Produce webinar:**  [Link to Webinar](https://producecoalition.net/publications/)

## In The News:

#### Thai trial success for West Australian avocados

West Australian avocado growers have successfully shipped a verification shipment of Hass avocados to Thailand after gaining access in May. Peak industry body Avocados Australia welcomed the news of the next step towards supplying the Asian market, and applauded all those involved in the shipment.

Thailand is a promising market for Western Australian avocado growers. In the 2022 calendar year imports stood at 1,575 tons which were valued at AU$12.28 million. Western Australian avocado growers and exporters see Thailand as a significant opportunity. [Ful article here](https://www.fruitnet.com/produce-plus/thai-trial-success-for-west-australian-avocados/256064.article)

#### Avocados Australia welcomes Aldi's exclusive stocking of their avocados

Avocados Australia has welcomed the news that Aldi has become the first Australian supermarket to exclusively range 100% Australian Avocados in all of their 586 stores ahead of the summer season. “ALDI’s commitment to stock Australian avocados exclusively for this season ahead is a positive step forward for the industry given the strong supply we have forecasted from the region. The Australian avocado industry invests heavily in delivering consistent and high-quality avocados to consumers, so this is a great win for consumers, Aldi and the Australian industry.” said Avocados Australia CEO John Tyas explaining,

Group Director, Produce at Aldi Australia, Matt Atley commented “Our Aussie first supplier policy means that we turn to our local Aussie growers for more than 97 per cent of the produce in our stores. It is only when we can’t get the volume, or the items are out of season, that we have to look outside Aussie shores to meet demand,” [Full article here](https://www.freshplaza.com/asia/article/9559008/avocados-australia-welcomes-aldi-s-exclusive-stocking-of-their-avocados/?utm_medium=email)

#### Asia Fruit Logistica back bigger and better in Hong Kong

Asia Fruit Logistica has made a very impressive return to Hong Kong, as larger-than-ever visitor numbers contributed to excellent business meetings and outcomes for exhibitors at the sell-out show on 6-8 September 2023, according to a media release from organiser Global Produce Events (GPE).

Although the worst rainstorm to hit Hong Kong in 150 years prevented Asia Fruit Logistica from opening on day three, the first two days of Asia’s premier fresh produce trade show were exceptionally busy. The onsite atmosphere was noticeably vibrant, with many exhibitors reporting back-to-back meetings, GPE noted in the release.

More than 13,000 trade visitors from over 70 different countries and regions came to Hong Kong to make the most of the opportunities to meet and do business with over 700 exhibitors from some 43 countries or regions at Asia Fruit Logistica this year. China was the single-largest exhibiting country with around 250 exhibitors, followed by Australia, USA, Egypt and New Zealand. [Full article here](https://www.fruitnet.com/asiafruit/asia-fruit-logistica-back-bigger-and-better-in-hong-kong/256027.article)

#### Egypt bans onion exports until the end of the year

The Egyptian government announced on Wednesday, September 20 a 3-month ban on onion exports, justifying it by skyrocketing prices in the local market.

"The price of onions has soared to EGP 35 per kilogram in some local markets across Egypt, up from EGP 27 last month and EGP 12 a year ago," writes the government-owned newspaper Al Ahram. The same source reports a statement by Alaa Khalil, Director of the Field Crops Research Institute at the Ministry of Agriculture, who affirms that "the increase in onion prices this year is due to the fact that middlemen and some traders have been hoarding onions".  [Full article here](https://www.freshplaza.com/asia/article/9561513/egypt-bans-onion-exports-until-the-end-of-the-year/?utm_medium=email)

#### Indian duty of 50% and 100% continues to be applicable on US apples and walnuts

With the decision to resolve six outstanding World Trade Organisation (WTO) disputes between the US and India through Mutually Agreed Solutions in June 2023, India has withdrawn additional duties on 8 US origin products, including apples, walnuts and almonds. However, there is no reduction on the Most Favoured Nation (MFN) duty on apples, walnuts and almonds, which still applies to all imported products, including US-origin products, at 50%, 100% and Rs 100 per kg, respectively.

The market share of the US apples dwindled as other countries benefited from the imposition of additional retaliatory duties on the US apple and walnut imports. This is evident in the increase of apple imports from countries besides the US, from US$ 160 million in FY 2018-19 to US$ 290 million in FY 2022-23. [Full article here](https://www.freshplaza.com/asia/article/9559181/indian-duty-of-50-and-100-continues-to-be-applicable-on-us-apples-and-walnuts/?utm_medium=email)

#### CMA CGM and Maersk join forces on decarbonisation

AP Moller–Maersk and CMA CGM have announced that they have joined forces on several areas relating to decarbonisation, in full compliance with all laws and regulations. The companies said that they were convinced that joint action would help accelerate the green transition in shipping, learning from each other “to go further and faster”.

CMA CGM and Maersk have set a net-zero target for their shipping business, have identified scalable solutions that can create impact in this decade, and have already individually taken ambitious paths on promoting decarbonisation for shipping.

Maersk has been ordering vessels that can be operated on bio/e-methanol, while CMA CGM has been ordering LNG-propelled vessels that can also be operated on bio/e-methane, the new green equivalent of current LNG, and has also placed orders for vessels that can be operated on bio/e-methanol.

While these two fuel streams appear the most mature among existing solutions, the companies said that the future fuel mix of shipping would include other streams that should be developed in the coming years. [Full article here](https://www.fruitnet.com/main-navigation/cma-cgm-and-maersk-join-forces-on-decarbonisation/256129.article)

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