

**PMAC weekly update 4th to 11th November**

1. **Government agencies**: ICPR Changes, FTA Updates; Biosecurity award winners celebrated for protecting New Zealand, Join us at the NZ Food Safety Summit
2. **New Zealand News:**  Announcement of new Ambassador to Russia; New High Commissioner to the United Kingdom announced; Global trade, business promotion focus of Shanghai meetings; China FTA upgrade; Bribery and Corruption Survey; Road to Expo events; Prime Ministers of Vietnam & New Zealand meet in Bangkok; Rabobank survey on horticultures; Rabobank NZ sees significant impact from freshwater proposals; $9 billion shock; Hort export figures challenged; Labour pains ahead for New Zealand asparagus industry; New Zealanders developing a taste for purple asparagus; Turnaround in New Zealand apple industry down to club varieties; Successful RCEP negotiations welcomed by Onions New Zealand; Bostock clears the pipes; Seeka sending more into Asia and developing new markets is important; Cultivar developer will defend seed rights; Research consortium wins biosecurity award for response to myrtle rust
3. **International news:** GAIN reports; US Trade War with China results in fresh produce for food banks; EU agricultural outlook 2018-2030; Indian government relaxes fumigation conditions for imported onions; "Sea freight rates rising 20% won't impact fruit trade in China First 8 Months of 2019: China's Fruit Imports Sustain Growth; Take five and tell us how you feel…; Be Climate officially launched; a climate neutral brand for fruit and vegetables; “The future of horticulture lies in the city”; Can a New Apple Take Over the World?; First in the World: Carbon Neutral Food Company; US: New outbreak of E.coli possibly linked to Romaine lettuce; Decline of Insects is 'Frightening'; Plants may be better than technology at mitigating air pollution; Royal FloraHolland makes environmental certification mandatory by the end of 2021.

***Editors comments***

*The big news for this week must be the completion of the China FTA upgrade and the Regional Comprehensive Economic Partnership (RCEP) agreement between 15 of the 16 countries negotiating RCEP. In a world with where many countries are becoming more protectionist this is fantastic news for New Zealand Exporters and will give us free trade with and access to a huge market.*

*Meanwhile in NZ concern about the Governments proposed freshwater regulations is high. One article quotes 12,000 submission from affected parties with concerns even being expressed by Local Government NZ . It will be interesting to see what changes are made as a consequence and whether MFE will listen to some of those concerns.*

*On the International scene I find it interesting that two businesses have started to market themselves as climate or carbon neutral. Obviously, the latest trend that marketers see value in and something that overtime will become a matter of necessity for all.*

1. **Agency news**



* 1. **ICPR changes**

The following ICPR’s have been changed in the last week for:

* Costa Rica which has been updated with Table 1 List of Quarantine Pests
* Pakistan which has clarified import permit requirements in section 2.2, under section 4.1.1 Frozen Fruits and Vegetables to included\ conditions for Potato (Solanum tuberosum) in section 4.1.

[Importing Countries Phytosanitary Requirements (ICPRs)](https://www.mpi.govt.nz/law-and-policy/requirements/icpr-importing-countries-phytosanitary-requirements/?utm_source=notification-email) can be viewed here

* 1. **FTA Updates**

At PMAC’s quarterly meeting MFAT provides a short summary of the status of each FTA. The latest quarterly update ( as of October 29th ) is available [here.](http://www.pmac.co.nz/uploads/1/4/1/0/14100200/29_oct_2020_fta_update.pdf)

In addition last week saw the conclusion of the China FTA Upgrade negotiations and agreement between 15 of the 16 RCEP countries . Details on these FTA’s is available on the MFAT web site . The outcomes achieved in China are documented  [here](https://www.mfat.govt.nz/en/trade/free-trade-agreements/free-trade-agreements-concluded-but-not-in-force/nz-china-free-trade-agreement-upgrade/key-outcomes-to-the-nz-china-free-trade-agreement-upgrade/) and RCEP [here](https://www.mfat.govt.nz/en/trade/free-trade-agreements/agreements-under-negotiation/regional-comprehensive-economic-partnership-rcep/)

* 1. **Biosecurity award winners celebrated for protecting New Zealand**

Winners of 10 awards were celebrated at the 2019 New Zealand Biosecurity Awards held in Auckland on Monday, 4 November 2019, with the supreme award going to Te Arawa Lakes Trust for Te Arawa Catfish Killas.   "The winners include leaders, researchers, scientists, communities, and innovators who have gone above and beyond in their work to protect our environment, our taonga, our economy, and our way of life. [Full article available here](https://www.biosecurity.govt.nz/news-and-resources/media-releases/biosecurity-award-winners-celebrated-for-protecting-new-zealand/?utm_source=notification-email) For all 10 winners [see here](https://www.thisisus.nz/biosecurity-awards/2019-winners/)

* 1. **Join us at the NZ Food Safety Summit….**

Don’t miss the food safety event of the year as we launch the New Zealand Food Safety Strategy.

This is a rare opportunity to engage with international and domestic speakers and hear from some of the most influential players in the food industry on topics such as bioterrorism, food innovation, international regulatory frameworks, consumer confidence and more.

NZ Food Safety Summit 2019 Tuesday 10 December 2019 at Grand Millennium Hotel, Auckland. 9:00am - 5:30pm $300 + GST for early bird tickets (until 25 November) and $450 + GST for general tickets (from 26 November). [See here](https://www.mpi.govt.nz/about-us/our-work/conferences-and-events/new-zealand-food-safety-summit/)



1. **New Zealand News**



* 1. **Announcement of new Ambassador to Russia**

Foreign Affairs Minister Winston Peters last week announced the appointment of career diplomat Si’alei van Toor as New Zealand’s next Ambassador to Russia. She has previously served as Senior Trade Adviser to the Minister for Trade and Export Growth, and has held various senior positions at the Ministry of Foreign Affairs and Trade.  She has also had diplomatic postings to Beijing and served as Director New Zealand Commerce and Industry Office in Taipei,” Ms van Toor will also be accredited to Armenia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, and will commence her post in early January 2020. [Full article available here](https://www.beehive.govt.nz/release/announcement-new-ambassador-russia)

* 1. **New High Commissioner to the United Kingdom announced**

Foreign Affairs Minister Winston Peters last week announced the appointment of Bede Corry as New Zealand’s next High Commissioner to the United Kingdom. “Mr Corry is currently Deputy Chief Executive at the Ministry of Foreign Affairs and Trade. He has previously served as Deputy Secretary for Australia, Middle East, Africa and Europe, Ambassador to Thailand and at New Zealand missions in Washington and Canberra. He has also held the position of Deputy Secretary at the Ministry of Defence. Mr Corry will take up his role in April 2020 replacing current High Commissioner Sir Jerry Mateparae.  [Full article available here](https://www.beehive.govt.nz/release/new-high-commissioner-united-kingdom-announced)

* 1. **Global trade, business promotion focus of Shanghai meetings**

Minister for Trade and Export Growth David Parker is in Shanghai for the China International Import Expo and meetings focused on reforming the WTO. Over 90 New Zealand companies will be exhibiting at the second China International Import Expo (CIIE), which runs from 5-10 November.

A China-hosted “mini-Ministerial” on 5 November will discuss how to achieve necessary reform at the WTO. It will also take stock of preparations for the 12th WTO Ministerial Conference in Nur Sultan, Kazakhstan, in June 2020. “The WTO is approaching some critical ‘crunch’ points in December 2019, including on the WTO’s highly valued dispute settlement mechanism, which is under threat unless new members are appointed soon. New Zealand is amongst those Members looking to improve the functioning and operation of the WTO more broadly.   [Full article available here](https://www.beehive.govt.nz/release/global-trade-business-promotion-focus-shanghai-meetings)

* 1. **China FTA upgrade**

Prime Minister Jacinda Ardern and Minister for Trade and Export Growth David Parker last week announced the conclusion of negotiations to upgrade New Zealand’s existing FTA with China.

Key outcomes of the upgrade include:

* New rules that will make exporting to China easier and reduce compliance costs for New Zealand exports by millions of dollars each year. This includes, for example, faster border release of fresh food products.
* The introduction of environmental considerations - the most ambitious environment chapter and the highest level of commitment that China has agreed in any FTA.
* The upgrade will also mean that 99% of New Zealand’s $3b wood and paper trade to China will have preferential access, with tariff elimination over 10 years.

The outcome is the result of nearly three years of negotiations. Next steps include legal verification of the draft text, with the signing and release of the text expected in early 2020. China is New Zealand’s largest trading partner, with two-way trade recently exceeding $32 billion dollars.

New Zealand exporters will benefit from new rules that make it easier to export to China. China has agreed that approved exporters can self-declare that their goods are New Zealand goods under the FTA, as a further option to certification by other organisations.

The upgrade includes a new commitment to expedite customs clearance to six hours for perishable goods (such as fresh seafood, including rock lobster and salmon), which will help New Zealand exporters of fresh high value food products that need to get to market quickly. The Upgrade will broaden customs rulings provisions; and make complying with labelling requirements, easier for our exporters. There is also provision to improve current mechanisms for cooperation and dialogue, particularly on non-tariff barriers impacting trade. [Full article available here](https://www.beehive.govt.nz/release/nz-china-fta-upgrade-negotiations-conclude)



* 1. **Bribery and Corruption Survey**

Deloitte’s 2019/20 Bribery & Corruption Survey aims to gather valuable insights into how Australian and New Zealand organisations perceive both domestic and foreign B&C risk, as well as what is being done to prevent, detect and respond to incidents. We’d appreciate your insights on how your organisation fights bribery & corruption. Simply [***click here***](https://businessnz.cmail19.com/t/r-l-jdddhiiy-aekytdhr-o/) to complete the survey. The survey will take 10 - 15 minutes to complete and your responses will be confidential and anonymous.

* 1. **[Road to Expo events](https://businessnz.cmail19.com/t/r-l-jdddhiiy-aekytdhr-n/)**

Understand how Expo 2020 Dubai could benefit your business, with NZTE’s Road to Expo events around New Zealand this November. You’ll get the latest updates on Expo 2020, the New Zealand pavilion and NZTE’s Expo Leveraging Programme for business, plus fresh insights into regional markets. [***Learn more and register in your area here***](https://businessnz.cmail19.com/t/r-l-jdddhiiy-aekytdhr-p/) [***->>***](https://businessnz.cmail19.com/t/r-l-jdddhiiy-aekytdhr-x/)

** Commentary**

* 1. **Prime Ministers of Vietnam & New Zealand meet in Bangkok**

Prime Minister Nguyen Xuan Phuc met with his New Zealand counterpart, Jacinda Ardern, on the side-lines of the 35th ASEAN Summit in Bangkok on November 4. The two leaders shared the view that 2020 will be an occasion for lifting the Vietnam-New Zealand and ASEAN-New Zealand relations to a new height.

They agreed to continue considering the facilitation of their countries’ exports so as to increase bilateral trade. PM Phuc emphasised that Vietnam and New Zealand hold great potential for partnerships in trade, agriculture, finance-banking, customs, education, connectivity, maritime cooperation, and climate change response. He asked New Zealand to share experience in developing clean food chains and give support in terms of techniques and procedures for Vietnamese farm produce like aquatic products, rambutan, dragon fruit, mango, avocado, pomelo, lime and longan to enter its market. [Full article available here](https://www.freshplaza.com/article/9160342/prime-ministers-of-vietnam-new-zealand-meet-in-bangkok/)

* 1. **Rabobank survey on horticultures confidence**

Based on the results of Rabobank’s early September confidence survey of 59 horticulturalists positive sentiment still prevails across horticulture, but Government policies are weighing on the minds of growers.- 30% of horticultural players surveyed expected the wider agricultural economy to worsen in the next 12 months, which was up from 17% in June. Among reasons for expecting this worsening, 68% cited Government policies.

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There is positivity across horticulture, underpinned by increasing demand for products.  Export receipts were up about $600 million in the year to June 2019 with the total export value of fruit, nuts and vegetables at $3.9 billion. Kiwifruit, apples and other key products have had export growth for a long time. But at micro ‘NZ Inc’ level concern is rising about Government intervention, regulation and policies that may impact horticulturalists.

But it is not all bad news from the horticulture sector. Positivity is reflecting through into some of the on farm costs, with the expectation of those lowering. Positive news on labour may have helped, such as improved RSE scheme caps, Higgins says. But horticulture will still complete with some other agri and non agri sectors for labour, he says. The survey results also show continued strong desire by growers to invest in their own businesses -- in capital or productive assets. About 83% of all respondents see their business as viable or highly viable in the current environment and for the next 12 months. . [Full article available here](https://www.ruralnewsgroup.co.nz/rural-news/rural-general-news/hort-strong-but-uneasy-survey)

* 1. **Rabobank NZ sees significant impact from freshwater proposals**

Rabobank New Zealand believes the Government’s proposed freshwater reforms will have significant implications for New Zealand’s food and agribusiness sectors, with a likely impact on production costs, operational complexity and future land-use development opportunities. Rabobank’s submission to the Ministry for the Environment on the proposals, reports that they are unnecessarily harsh and would have a detrimental impact on the rural sector, which is already facing pressures from regulatory change. They have stated that they support the Government’s goal of improving the quality of New Zealand’s freshwater and reducing pollution entering waterways from cities and farm however believe that the current proposed reforms could be damaging to the rural sector. Rabobank describes the proposals as both complex and demanding, with the consultation timeframe being extremely tight during a busy time in the farming calendar. [Full article available here](https://www.rabobank.co.nz/media-releases/2019/191031-rabobank-nz-sees-signficant-impact-from-freshwater-proposals/)

* 1. **$9 billion shock**

Claims the Government’s essential freshwater proposals could cost the livestock industry over $9 billion a year are selective, reports Agriculture Minister Damien O’Connor as they ignore substantial benefits that could be reaped. More than 12,000 submissions were made by last week’s deadline and have been labelled by some farming bodies as unbalanced, unnecessarily harsh and unsustainable.. Local Government NZ regional sector group chairman Doug Leeder reports that the reforms assume water issues are universally severe and urgent, however different waterways face different issues that need to be addressed and this needs to be acknowledged. [Full article available here](https://farmersweekly.co.nz/section/agribusiness/view/9-billion-shock)

* 1. **Hort export figures challenged**

Horticulture's export revenue growth is likely to be about 10% in the current financial year – not the 3.8% forecast by MPI. Horticulture NZ chief executive Mike Chapman says he doesn’t know where MPI got its figure in the Situation and Outlook report for Primary Industries.

Growth for horticulture was 13.7% in the year ended June 2019 in the September updated report. But it is forecast to be down to 3.8% in the current year. HortNZ has asked how MPI arrived at that forecast because the report doesn’t say.  “That’s their estimate. It sounds strange when you go from 13.7% to 3.8%. That is quite a significant drop especially when we have more volume particularly of kiwifruit and berries going into the ground. That will drive more sales and of course we are at the premium end of the market. So more sales will make quite a difference.” In Chapman’s view, growth will remain about 10% dependent on the trade situation: [Full article available here](https://www.freshplaza.com/article/9161698/new-zealand-hort-export-figures-challenged/)



* 1. **Labour pains ahead for New Zealand asparagus industry**

Asparagus picking is hard work and now, so is finding workers to do it. Geoff Lewis and his family company grow about 100ha of asparagus on land just north of Levin. They also have a dairy farm and grow strawberries. But it’s the asparagus that presents the biggest challenge in terms of harvesting the crop. .*This article discusses the labour situation in more detail.* [Click here for the full article.](https://www.ruralnewsgroup.co.nz/rural-news/rural-general-news/labour-pains-ahead-for-industry)

* 1. **New Zealanders developing a taste for purple asparagus**

As New Zealand’s asparagus season reaches its peak, the purple variety is proving to be a real hit, according to the New Zealand Asparagus Council. Business manager Karen Orr says the feedback from consumers has been positive in both in terms of its striking colour, and sweet taste eaten raw.

Overall, the industry is expecting similar volumes in 2019 to the last couple of years due to quite a cold and wet start to the season in September-October.

“Quality has been holding up okay this season, despite the variable temperatures. Demand has been pretty strong driven by lower volumes September-October, although that may change as yields increase now.” Fresh New Zealand asparagus is in high demand domestically with about 95 per cent sold to the local market, and the remainder exported

“It’s not a short term thing,” she says. “Competition from countries with cheap labour supply has been increasing over recent years so until we have more automation in harvesting and packing it’s difficult to compete. Regarding grower expansion, the New Zealand Asparagus Council says the industry has remained pretty steady over recent years. “There’s been very little growth over recent years,” Ms Orr said. “There’s been a contraction in the numbers of growers due to increasing costs that growers face year on year without a subsequent rise in the returns to growers.” [Full article available here](https://www.freshplaza.com/article/9161178/new-zealanders-developing-a-taste-for-purple-asparagus/)

* 1. **Turnaround in New Zealand apple industry down to club varieties**

A New Zealand industry that was on its knees just a few years ago, is now expanding rapidly.

In 2017 Hawke's Bay had 6107ha planted in apples. By this year it was 6521ha and still growing. In Central Hawke's Bay a 450ha development of apple trees and other crops is under way in the Wakarara area. And the development on the Heretaunga Plains is clear to see every day and more are planned.

Pollard puts the turnaround down to a number of factors. One was a focus on a swing away from commodity varieties and focusing on a breeding programme which produced club varieties such as jazz, envy, the Pacific range and dazzle. The integrated pest management programme developed in the early 2000s which produced softer, more targeted, sprays used to thresholds greatly reduced chemical residues and put New Zealand "in front of the rest of the world".

Pollard also said this Government was keen on trade agreements to open markets around the world for our apples. New Zealand grows 580,000 tonnes of apples but exports 360,000 tonnes to 80 countries around the world. In contrast China grows 43-million tonnes, or half the world's apples, yet is still one of New Zealand's best markets. In fact, the Asian markets of China, Thailand, Taiwan and India take 41 per cent of our exports. Germany is the biggest single market, the US is second and the UK third.

However, there are some difficulties ahead for the increased production. Labour is the big one with some crops already going unpicked. More cool store space would also be welcome, he said. Biosecurity risks rose with stink bugs and fruit flies to worry about. [Full article available here](https://www.freshplaza.com/article/9161641/turnaround-in-new-zealand-apple-industry-down-to-club-varieties/)

* 1. **Successful RCEP negotiations welcomed by Onions New Zealand**

A successful conclusion of the Regional Comprehensive Economic Partnership (RCEP) negotiations was welcomed by Onions New Zealand. ‘The RCEP covers trade among New Zealand and 14 other Asia-Pacific countries, except India. That is, half the world’s population,’ says Onions New Zealand Chief Executive, James Kuperus.

‘Although the details of the RCEP are yet to be finalised, there are clear savings and benefits for New Zealand growers and exporters, including the agreement to clear perishable goods within six hours. This will allow more horticultural products such as onions to be exported to these markets with better assurances that they will not sit on wharfs for extended periods of time.’ James says New Zealand onion exports will reach $170 million in 2019. [Full article available here](https://www.freshplaza.com/article/9160483/successful-rcep-negotiations-welcomed-by-onions-new-zealand/)

* 1. **Bostock clears the pipes**

The significant growth of New Zealand’s apple industry has presented an unforeseen challenge; the disposal of plastic irrigation pipes on redeveloped orchards. However, some creative environmental thinking is helping address the issue. Bostock New Zealand has teamed up with Aotearoa New Zealand Made to recycle over 80km of pipes removed from its Hawke’s Bay orchards over winter. The pipes have been turned into black damp proof film for the building industry and black rubbish bags.

[Full article available here](http://www.fruitnet.com/asiafruit/article/180130/bostock-clears-the-pipes)

* 1. **Seeka sending more into Asia and developing new markets is important**

The New Zealand avocado harvest is well under way with good volumes. Fruit quality is good but there is an abundance of smaller sized fruit. The spring weather has been challenging with wind causing quite a bit of fruit drop and interrupting harvests.

Seeka has deliberately advanced picking. Normally it would be half way through at Christmas, but in 2019 the harvest is already 55% through. Michael Franks, Seeka CEO, said that it was a reflection of a focus on new Asian markets, and an increased crop volume. Really Seeka only wanted enough fruit to support its key retail customers in the post Christmas market.

Seeka are exporting to Japan, Korea, China and Thailand as well as Australia. “Typically, we would have sold more than 90% of our export avocados in Australia , however this season we have focused on opening new markets to support our own volume growth rather than over supplying a full market.

The prices in the Asian markets are competitive compared to those in Australia but Franks says quality always sells, “By offering our customers quality fruit which they know is going to hold up through the supply line we will always have good demand. Our new markets have been delighted with the fruit in 2019”[Full article available here](https://www.freshplaza.com/article/9160480/for-a-new-zealand-exporter-sending-more-into-asia-and-developing-new-markets-is-important/)

** Bits and pieces**

* 1. **Cultivar developer will defend seed rights**

PGW Seeds invests a lot of money every year developing new cultivars and associated technologies and is prepared to vigorously protect its intellectual rights according to New Zealand General Manager David Green. This message comes after Ashburton-based company Wholesale Seeds published a notice apologising to PGG Wrightson Seeds for inadvertently breaching the Plant Variety Rights Act in regards to a licensed, protected cultivar. The sale of the Vulcan Kale cultivar by Wholesale Seeds will stop immediately, according to Director James Smith. The Plant Breeders Association hopes the Government will start action this year to toughen legislative protections for the proprietary rights of seed and plant breeders, according to the association’s General Manager Thomas Chin, as the current act has been in force since 1987. The association hopes Commerce and Consumer Affairs Minister Chris Faafoi will make recommendations to Cabinet later this year so legislation can be introduced to Parliament by the start of May. In submissions to the Commerce Ministry, the association also advocated for legislation allowing farmer-growers the right to save seed from a proprietary cultivar for re-sowing, subject to a royalty payment to the owner of the rights. [Full article available here](https://farmersweekly.co.nz/section/arable/view/cultivar-developer-will-defend-seed-rights)

 **Biosecurity**

* 1. **Research consortium wins biosecurity award for response to myrtle rust**

The Myrtle Rust Research Consortium has won a top biosecurity award for its integrated and rapid research response to myrtle rust.

Since the incursion in Australia, New Zealand’s government and science groups had been developing readiness. When the pathogen was detected here in mid-2017, a response was initiated. As a group, government (MPI, Department of Conservation, MBIE), the science community, iwi, industry stakeholders and other key organisations worked together via workshops, interactive research networks and a Myrtle Rust Strategic Science Advisory Group to design and undertake high-quality research, delivering tools and knowledge to safeguard New Zealand’s taonga (treasured) species and at-risk ecosystems.

Research was targeted to resolve fundamental questions about myrtle rust biology and how this disease affects myrtaceous hosts in the New Zealand environment. Outcomes have addressed Te Ao Māori perspectives, building effective community engagement and social license, and identifying methods to survey, treat and control. The research reports commissioned by MPI are now complete and are available on this website. They provide knowledge and practical insights about managing myrtle rust in New Zealand. [Full article available here](https://www.floraldaily.com/article/9161220/research-consortium-wins-biosecurity-award-for-response-to-myrtle-rust/)



1. **International news**

**Comment**

* 1. **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. To see the full report go to the Gain web site (<https://gain.fas.usda.gov/>) and search for the country and any reports released in the last month.

With regard to import regulations for a particular market New Zealand exporters should first check the countries ICPR on MPI’s web site. These are collated specifically for New Zealand product. However the Gain reports often provide additional information that is useful e.g. on grading and labelling, economic profiles. This week see:

1. **Canada Fresh Deciduous Fruit Annual** The United States will remain the largest exporter of fresh apples, pears, and table grapes to the Canadian market in MY 2019/20.

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| 1. **South Korea Fresh Deciduous Fruit Annual** In marketing year 2019/20, Korea’s pear production is projected to increase by 3.4 percent to 210,000 metric tons due to increased yield as a result of better weather conditions compared to the previous year. |
| 1. **Mexico Fresh Deciduous Fruit Annual** Mexican apple production is expected to rebound in marketing year (MY) 2019/20 |
| 1. **South Africa Fresh Deciduous Fruit Annual** South Africa`s production of apples, pears and table grapes is forecast to grow in the 2019/20 MY, based on available irrigation water following improved 2019 winter rainfall, normal weather conditions, and new orchards coming into full production. |

 **Regulatory**

* 1. **US Trade War with China results in fresh produce for food banks**

The trade war between the US and China is helping to keep food banks across the USA filled to capacity. The US government is purchasing the crops China isn't buying and donating it to feed the hungry and food insecure. The buyout is part of the Trump administration's multi-billion dollar bailout plan for growers and producers, as their crops have been slapped with Chinese tariffs. As reported by [http://www.wboc.com](http://www.wboc.com/story/41246329/us-trade-war-with-china-resulting-in-fresh-produce-for-food-banks), US president Trump has said the US is getting closer to a trade deal with China, but no timetable has been set. [Full article available here](https://www.hortidaily.com/article/9159494/us-trade-war-with-china-results-in-fresh-produce-for-food-banks/)

* 1. **EU agricultural outlook 2018-2030**

In a recent report projections for the European agricultural markets for 2018 to 2030 are presented for a wide range of agri-food products, including meat, arable crops, milk and dairy products, and fruit and vegetables. The evolution of agricultural income and the environmental aspects of EU agriculture are also covered.

Many drivers will influence the agricultural markets over the next decade in the EU and beyond. The report takes into account the impact of consumers’ behaviours on those markets. For instance, the consumer and citizen will become more conscious of their food, its sourcing, and its impact on the environment and climate change. For producers this will result in higher production costs but will also be an opportunity to differentiate their products, adding value while reducing negative climatic and environmental impact.

For the fruit and vegetables sector, apple production should stabilise, from 12.7 million t in 2018/2019 to 12.4 million t in 2030, over the outlook period due to a reduction in production area combined with increasing yields in the EU. [Click here for the full report.](https://agfstorage.blob.core.windows.net/misc/FP_com/2019/11/05/AacOutlook.pdf)

* 1. **Indian government relaxes fumigation conditions for imported onions**

The Indian federal government has relaxed the fumigation conditions for imported onions up to the 30th of November, to improve its domestic supply and check prices. In view of the public concern over the high onions prices, Agriculture Ministry decided to allow relaxation from the condition of fumigation and endorsement on Phytosanitary Certificate for onion imports.[Full article available here](https://www.freshplaza.com/article/9161464/indian-government-relaxes-fumigation-conditions-for-imported-onions/)

 **Business/ Industry**

* 1. **"Sea freight rates rising 20% won't impact fruit trade in China"**

A new regulation on sulfur limits, initiated by IMO (the International Maritime Organization) and scheduled to come into effect on January 1, 2020, require the emissions of sulfur oxides from all ships worldwide be reduced from 3.5% to 0.5%. The implementation of this regulation will indirectly lead to a 20% increase in shipping costs.

“Although 20% increases in the freight rate seem large, it's only about 2% when compared with the value of the product. “In addition, as the consumption levels of Chinese people increase, imported fruit has become a category with rigid demand. During the peak season, the first thing the shipper considers is the timing of the shipment, not logistics costs.

When talking about the import trend over recent years, Mr. Huang said, “The annual fruit trade volume in China is around 250,000 containers. The shipping volume of durians, longan, mangosteens (Eastern goods), and cherries, oranges, Grapes (Western goods) has been growing rapidly over recent years. In terms of sea freight, based on the volumes that we have handled over recent years, most Western goods used to arrive at Guangdong Port and Shanghai Port, but with the opening of the Nansha Free Trade Zone, more and more traders are choosing to arrive at Nansha Port."[Full article available here](https://www.freshplaza.com/article/9160245/sea-freight-rates-rising-20-won-t-impact-fruit-trade-in-china/)

* 1. **First 8 Months of 2019: China's Fruit Imports Sustain Growth**

Data from the China Chamber of Commerce of Import & Export of Foodstuffs, Native Produce & Animal By-Products (CFNA) indicates that China imported over 5.11 million tons of fresh fruit valued at $7.32 billion during the first eight months of 2019, representing increases of 35% and 30% year-over-year (YOY), respectively.

The top five fruit categories by import value were fresh durians, fresh cherries ($1.02 billion, down 1% YOY), bananas, mangosteens, and fresh grapes. Kiwifruit also registered robust year-over-year growth in both import volume and value. As of September 1, kiwifruit from New Zealand, Chile, and Italy accounted for 97.7% of total kiwifruit imported to China by volume in 2019, and these countries enjoyed YOY increases in their kiwifruit exports to China of 17%, 43%, and 82%, respectively.

China's own fresh fruit exports totaled 1.6 million tons valued at $2.5 billion during the same period of time, a decline of 16% in volume and 6% in value compared with the same period last year.

[Full article available here](https://www.producereport.com/article/first-8-months-2019-chinas-fruit-imports-sustain-growth)

* 1. **Take five and tell us how you feel…**

How do you feel about the current state of the fresh produce business? How would you rate its overall chances of growing in the near future? And what do you see as the big challenges facing the industry right now? For the first time ever, Fruitnet is undertaking a worldwide survey of the fresh produce business in order to gauge sentiment across the sector. The survey takes just a couple of minutes to complete and is completely anonymous. [Click here now to take part in the survey…](https://www.surveymonkey.co.uk/r/fruitnet2020)

* 1. **Be Climate officially launched; a climate neutral brand for fruit and vegetables**

The 'Be Climate' project was recently launched by Port International at the Fruit Attraction in Madrid. But the truth is that Port has been a climate neutral company since 2017 and has been offering their customers climate neutral products for three years now. With this lead in knowledge and the goal of effectively doing something about climate change, the Be Climate brand was introduced in the market after more than one year of intensive work.

Complete with a new logo to grab the consumer’s attention, Be Climate wants the world to know how much CO₂ has been neutralized before consumers purchased the fruits that are now on offer in climate neutral quality – which are strawberries, bananas, clementines with leaf, blueberries and green asparagus.

Port has calculated the total CO₂ emissions caused by the fruits or vegetables on their way from the country of origin to the point of sale, including cultivation, packing, and logistics. Then they reduced the CO₂ emissions wherever possible, and the inevitable emissions were compensated by supporting certified carbon offset projects. Together with our customers, we are working on our goal of offering an entirely climate neutral fruit and vegetable portfolio. In addition, we will use all our influence to gradually create a supply chain which will be as climate friendly as possible from beginning to end,” Port concludes. [Full article available here](https://www.freshplaza.com/article/9160754/be-climate-officially-launched-a-climate-neutral-brand-for-fruit-and-vegetables/)

* 1. **“The future of horticulture lies in the city”**

On the roof of the crate warehouse of the REO Auction in the Belgium town of Roeselare, a greenhouse rises with the staggering name; Agrotopia. The project that serves as a research space for Inagro and provides the auction with fresh vegetables is said to finish construction in June 2020. Architect bureau Van Bergen Kolpa Architects sees it as an example of the connection between the horticultural industry and the customers. [Full article available here](https://www.hortidaily.com/article/9156110/the-future-of-horticulture-lies-in-the-city/)

* 1. **Can a New Apple Take Over the World?**

**When you hear that a new variety of apple is being launched with a multi-million dollar marketing campaign, you might wonder if you were listening properly, and whether the product is actually an Apple iPhone.** But now starting to hit grocery shelves in the US, and then overseas early in 2020, is a new American-born apple that its backers are convinced will become the new global bestseller - the Cosmic Crisp.

A cross-breed between two existing apples - the Honeycrisp and the Enterprise - advocates of the Crisp describe it as some sort of apple holy grail. It is said to be sweet, crisp and juicy. But as importantly, it is said to have a previously unheralded shelf life, staying fresh for up to a year if kept chilled. [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=31155&cHash=81479e720c2b9d30e5f8ccc3d69f56e9)

* 1. **First in the World: Carbon Neutral Food Company**

**Maple Leaf Foods Inc. ("Maple Leaf" or "the Company") today announced a massive step forward on its sustainability journey, as it becomes the first major food company in the world to be carbon neutral. The Company's announcement acknowledges the impact of the global food system on the environment and the urgent need for transformative change to reduce global greenhouse gas emissions to zero.**

Maple Leaf has made significant progress towards its goal to reduce its environmental footprint by 50% by 2025 - an aggressive environmental target in the industry. Since 2015, the Company has reduced over 86 million kilowatt hours of electricity – equal to 12,912 passenger vehicles driven for one year -- and over 4.3 million m3 of natural gas, which equals annual energy usage for 1,000 homes. Through its water conservation efforts, Maple Leaf has reduced water usage by over 1.2 billion liters. By committing to setting Science Based Targets, Maple Leaf will work even more aggressively to reduce greenhouse gas emissions across its operations and more broadly within its supply chain. As part of becoming carbon neutral, the Company is also investing in credible and independently verified, high-impact environmental projects throughout Canada and the United States to address its remaining carbon footprint, bringing it to zero. These projects support wind energy, recovering methane gas from landfills, composting and biomass programs to reduce methane emissions, and forest protection and re-forestry to conserve species and biodiversity.  [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=31158&cHash=e7e5d70634b9545c72283f2c516532a3)

 **Food safety**

* 1. **US: New outbreak of E.coli possibly linked to Romaine lettuce**

The U.S. Food and Drug Administration shared news of a recent E.coli outbreak, involving 23 illnesses, that was likely associated with romaine lettuce. No deaths were reported. The active investigation has reached its end and the outbreak appears to be over.

Investigators were sent to visit farms located in California’s central coast region which were identified through the traceback investigation. They collected and tested many environmental samples, and the outbreak strain was not identified. While romaine lettuce is the likely cause of the outbreak, the investigation did not identify a common source or point where contamination occurred. Since the outbreak strain was not detected in samples collected from farms during the traceback investigation, and there have been no new cases since Sept. 8, 2019, the outbreak appears to be over. [Full article available here](https://www.hortidaily.com/article/9159863/us-new-outbreak-of-e-coli-possibly-linked-to-romaine-lettuce/)

The delay in sharing the news was due to a few variables and it was claimed there was not anything actionable customers could do at the time. Consumers have been very critical of the delay in news and there have been hints that food safety agencies are not concerned for public welfare.

[Full article available here](https://www.fooddive.com/news/fda-criticized-for-waiting-6-weeks-to-announce-latest-romaine-lettuce-e-co/566592/)



* 1. **Decline of Insects is 'Frightening'**

**The decline of insects in German forests and grassland is "frightening" particularly in the vicinity of intensively farmed land, scientists have warned.** An article published in the Nature journal on Wednesday, show that of many of the nearly 2,700 insect species have declined by over a third in ten years." Insect biomass in the forest the scientists studied decreased by approximately 40% since 2008 and the situation is "even more alarming" in grasslands where it has decreased to only one-third of its former level. [Click here](https://www.euronews.com/2019/10/31/decline-of-insects-in-germany-is-frightening-scientists-warn) for more information.

* 1. **Plants may be better than technology at mitigating air pollution**

Adding plants and trees to the landscapes near factories and other pollution sources could reduce air pollution by an average of 27 percent, new research suggests. The study shows that plants – not technologies – may also be cheaper options for cleaning the air near a number of industrial sites, roadways, power plants, commercial boilers and oil and gas drilling sites.

In fact, researchers found that in 75 percent of the counties analyzed, it was cheaper to use plants to mitigate air pollution than it was to add technological interventions – things like smokestack scrubbers – to the sources of pollution. The study, published recently in the journal Environmental Science & Technology, found that nature-based solutions to air pollution might, in many cases, be better than technology at combating air pollution. [Full article available here](https://www.floraldaily.com/article/9161732/plants-may-be-better-than-technology-at-mitigating-air-pollution/)

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**Floral news**

* 1. **Royal FloraHolland makes environmental certification mandatory by end of 2021**

Royal FloraHolland will require phased environmental registration and certification for all growers (members and non-members) supplying flowers and plants to the marketplace. The mandatory environmental certificate will be introduced gradually. The first step is digital environmental registration for all marketplace suppliers by 31 December 2020 at the latest. Subsequently, after 31 December 2021, having a market-compliant environmental certificate will be made compulsory for all suppliers to Royal FloraHolland. The third step will be to ensure that growers meet all FSI sustainability standards set in the floriculture industry. Thus, not only in the environmental field, but also with regard to Good Agricultural Practices (GAP) and in the social field. No date has currently been set for this step. For this final step, Royal FloraHolland will start a dialogue with FSI about the standards that will apply to growers after 2020. The ambition is to meet all FSI standards in the long term.

In close collaboration between the Sustainability Leading Team - consisting of members of Royal FloraHolland - and the Sustainable Development and Quality team, an approach has been developed leading to environmental registration and certification.  [Full article available here](https://www.floraldaily.com/article/9161197/royal-floraholland-makes-environmental-certification-mandatory-by-the-end-of-2021/)

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