

**PMAC weekly update 9th to 16th September**

1. **Government agencies**: ICPR Changes; NZTE support for trade in the Middle East; NZTE is offering a seminary series on opportunities in Mexico and Peru; Japan Strategy builder.
2. **New Zealand News:**  O’Connor to Thailand for trade talks; New High Commissioner to Kiribati;

Trans-Tasman senior leaders gather to meet to drive growth in Australia and NZ; Northland kiwifruit uneconomic without controversial spray; Philippines Dept of Agriculture strives for balanced onion trade with New Zealand; Central Otago growers crank up frost fighting efforts; Avocado volumes up on last year; Free ETS allocations phase-out announced; NZ labour scheme vital part of fruit industry; T&G sells its 5.8 ha Mt Wellington site in preparation for company growth; Mr Apple builds its brand; NZ farmers get behind farm environment plans; Investors streaming into horticulture; More than 8000 kiwifruits consumed in one day at Anchor AIMS Games; Applications for AGMARDT Leadership Scholarships now open; Satellite boosts internet cover; Chance to correctly dispose of agri-waste; Potato disease here to stay

1. **International news:** GAIN reports; Increasing Import Duty of Horticultural Products, Is It Right Or Not?; USDA ‘s Food Purchase and Distribution Program; Chile issues drought warning; Irishman Phil Hogan named to run EU trade; Blockchain beware; World vegetable market generated $1,249.8 bln in 2018; Trade war impacting air freight demand; 5 ways climate change may affect global farming; Robots are taking over farms faster than anyone saw coming; Celery Juice: The biggest trend in health and wellness; Add avocados to your diet plan.

***Editors Comments***

*A very mixed bag of news from New Zealand this week ranging from Industry activity through to enhanced broadband for rural areas.*

*From a trade perspective the are a number of articles in the international section that are interesting . In the regulatory section there is an article from Indonesia that demonstrates thinking about the WTO case outcomes and creative thinking about how WTO rules can be used to impose tariffs to protect domestic consumers. It will be unfortunate if this thinking spreads wider. In a related area the following article reports on the value of produce purchased last year by the USDA to offset the effects of tariffs and trade barriers on American producers.*

*A third article this time dealing with blockchain questions whether blockchain lives up to a number of claims about it and whether the technology can realistically become the basis for trade. The article makes a number of suggestions for businesses that are being asked by their customers to participate in blockchain.*

1. **Agency news**



* 1. **ICPR changes**

The following ICPR have been updated

* Indonesia has had the spelling of Anstrepha fraterculus ammended to Anastrepha fraterculus in the additional declaration for Malus spp. under section 4.1.1.
* Korea has had an additional declaration for persimmon and cherry added to section 4.1.1



* 1. **NZTE support for trade in the Middle East**

Discover the Middle East programme is for food and beverage exporters and is being offered by NZTE. Beginning with an introductory workshop in New Zealand in November. It is followed by a 3-day visit to Dubai in February 2020 to coincide with the Gulfood trade show, Discover the Middle East will help food and beverage businesses prepare for exporting to the Middle East and understand what it takes to be successful. Sign up to participate [here.](https://mail.nzte.co.nz/events/qxnbsgsb0t8416sx13cl00xg2x01x9ww3n_9sc22n6k0kngxd6_25lwzxtgl53tw8gyvg26r3b1ms3k214v1v) [Full article available here](https://www.nzte.govt.nz/about/news/news-and-features/gulfood-manufacturing-and-discover-the-middle-east-programmes-are-open-for-business)

* 1. **NZTE is offering a seminary series on opportunities in Mexico and Peru.**

Mexico and Peru are emerging markets, full of opportunities for New Zealand businesses. But just like any market, they’re not without their challenges. NZTE is running a series of seminars throughout New Zealand where market experts and seasoned exporters will share their tips, insights and knowledge to ensure you make the most of what these exciting markets can offer. These seminars are open to all New Zealand businesses already exporting to Mexico and Peru or considering these markets. Companies who attend the seminar series may be eligible for NZTE's Business Immersion Programme. [Full article available here](https://www.nzte.govt.nz/events/mexico-and-peru-business-immersion-programme)

* 1. **Japan Strategy builder**

This workshop programme is devised by the Japan New Zealand Business Council, and the North Asia Centre for Asia Pacific Excellence, and offered in conjunction with ExportNZ Auckland on 16th October in Auckland. The day includes the results of consumer research, case studies and insights from market experts to look at ways you can strengthen your understanding and approach to the Japan market. The workshop is an immersive, interactive learning experience for executives and middle management who want to make inroads or further their foothold in the Japan market. [Full article available here](https://www.exportnz.org.nz/home/auckland/auckland/japan-strategy-builder-workshop-day-1)



1. **New Zealand News**



* 1. **O’Connor to Thailand for trade talks**

Minister O’Connor, attended the [Regional Comprehensive Economic Partnership (RCEP)](https://www.mfat.govt.nz/en/trade/free-trade-agreements/agreements-under-negotiation/regional-comprehensive-economic-partnership-rcep) Ministerial meeting in Thailand last week. He also attended, the ASEAN Economic Ministers meetings, and conducted meetings with key Thai government counterparts to advance bilateral trade and economic interests.   [Full article available here](https://www.beehive.govt.nz/release/o%E2%80%99connor-thailand-trade-talks)

* 1. **New High Commissioner to Kiribati**

Minister of Foreign Affairs last week announced the appointment of diplomat Paul Wallis as High Commissioner to Kiribati. Prior to his appointment Mr Wallis was Lead Adviser, Fisheries, of the Pacific Regional Division at the Ministry of Foreign Affairs and Trade. This follows almost two decades of working on fisheries and agricultural policy in the New Zealand public sector. Mr Wallis has also served as an Economist at the Organisation for Economic Co-operation and Development in Paris.

[Full article available here](https://www.beehive.govt.nz/release/announcement-new-high-commissioner-kiribati)

** Commentary**

* 1. **Trans-Tasman senior leaders gather to meet to drive growth in Australia and NZ**

On 13th September, Australia’s top business leaders will meet with their New Zealand counterparts in Auckland for the 13th Australia New Zealand Leadership Forum. The 2019 Forum will be attended by 270 invited leaders who will reflect on 15 years of the Single Economic Market agenda, and what is needed next to continue to strengthen the bilateral relationship and drive economic growth in both countries.

The forum is the centrepiece for the ANZLF, a trans-Tasman business-led initiative, steered by the Australian and New Zealand Co-Chairs, Ann Sherry AO (Chair of Carnival Australia) and Adrian Littlewood (CEO of Auckland International Airport), that brings together business and government leaders to help Australia and New Zealand prosper.

The Forum will start with the ANZLF’s five sector groups providing recommendations across the areas of tourism, infrastructure, innovation, health technology and indigenous business, followed by a series of panel discussions to identify opportunities and barriers presented by the bilateral relationship.

The New Zealand Prime Minister, six key Ministers from both sides of the Tasman as well as the respective Leaders of the Opposition will be attending the event. [Full article available here](http://www.tradeworks.org.nz/trans-tasman-senior-leaders-gather-to-identify-opportunities-to-drive-growth-in-australia-and-new-zealand/)



* 1. **Northland kiwifruit uneconomic without controversial spray**

Earlier this week Kerikeri man John Levers succeeded in persuading the Environmental Protection Authority (EPA) to reconsider whether the horticultural spray Hi-Cane should be allowed in New Zealand. The spray was last re-assessed by the EPA in 2006 but since then a European study has raised concerns about its effect on bystanders, spray operators, groundwater and birdlife. It was banned by the European Food Safety Authority in 2008. The EPA is expected to take about six months to complete its re-assessment.

New Zealand Kiwifruit Growers chief executive Nikki Johnson said, however, that Hi-Cane was an essential tool ensuring economically-viable levels of production on kiwifruit orchards. ''Without the use of Hi-Cane, the amount of flowers and fruit produced in many of the country's growing districts would become uneconomic, especially in warm winters.'' The product's risks could be managed through existing controls and industry best practice, Johnson said.

The industry has previously said no effective replacement for Hi-Cane is currently available, though research is continuing into some promising alternatives. That is disputed by Levers, who maintains alternatives are already on the market.

News of a possible clampdown on Hi-Cane comes amid a boom in kiwifruit planting around Kerikeri. Craigmore Sustainables is planting a 137ha former dairy farm along Wiroa Rd, near Bay of Islands Airport, in mostly gold kiwifruit. [Full article available here](https://www.nzherald.co.nz/the-country/news/article.cfm?c_id=16&objectid=12265365)

* 1. **Philippines Dept of Agriculture strives for balanced onion trade with New Zealand**

The Philippines Department of Agriculture said it would strive for a balanced onion trade with New Zealand, which expressed a strong interest in exporting its onions to the Philippines. This emerged when Agriculture Secretary William Dar recently met with New Zealand Ambassador to Manila David Strachan and discussed market access of New Zealand onions to the country. [Full article available here](https://www.freshplaza.com/article/9141674/philippines-dept-of-agriculture-strives-for-balanced-onion-trade-with-new-zealand/)

* 1. **Central Otago growers crank up frost fighting efforts**

In New Zealand’s Central Otago, wind machines and helicopters are being used to protect precious crop from frosts. Tim Jones, chief executive of 45 South Orchard and Packhouse in Cromwell, says the cold is expected to stick around for another month. A vortex of "stormy and freezing weather" from around Antarctica eventually lets cold air from the south rush north. The last time this happened -in 2002- New Zealand suffered temperatures that were, on average, between 2C and 3C colder than normal.

Jones also said he remembers that challenging spring well. "The last one in 2002 I do recall had an awful lot of frosts right throughout the spring," he said. "Particularly leading on into October and November. [Full article available here](https://www.freshplaza.com/article/9142203/new-zealand-central-otago-growers-crank-up-frost-fighting-efforts/)

* 1. **Avocado volumes up on last year**

NZ Avocado Chief Executive Jen Scoular reports that with the new avocado season starting, exporters are continuing to build relationships in China, however states that this will take time and will take a while to grow. China is the first large avocado market New Zealand has entered, as there are already larger exporters established there including Mexico, Peru and Chile.. Avoco Director Alistair Young stated fruit volumes this year are up about 20 percent on last year but are well off the highs of three years ago. Despite the lack of rain which has been tackled with irrigation, meaning that early fruit size is looking good. Mr Young feels prices have been relatively good so far early in the season on the domestic market and it is still early days for export prices. [Full article available here](https://farmersweekly.co.nz/section/horticulture/view/avocado-volumes-up-on-last-year)

* 1. **Free ETS allocations phase-out announced**

On the 31st July, the government of New Zealand announced the outcome of its latest ETS review and decision on phasing out of NZ Unit free industrial allocations (for Carbon) – beginning at 1% per year from 2021-2030 then increasing to 2% for 10 years, then 3%.

This means that from 2021 fresh tomato growers will receive 1% fewer “free units”, designed to offset the cost on growers of the emissions trading scheme. All industries that receive the free units face this phase-down. The government has also indicated that some industries may face an even faster phase down if it is considered they are “at low risk of emissions leakage”. Emissions leakage means substitution by cheaper imports of higher carbon-emissions alternatives.

The full description of the recent decisions can be found on the [Ministry for the Environment website](https://www.mfe.govt.nz/climate-change/proposed-improvements-nz-ets).

TomatoesNZ in their [submission on this review](https://www.tomatoesnz.co.nz/hot-topics/ets/) strongly advocated for retaining free unit allocations until there are viable alternative heating technologies available for growers throughout New Zealand. They, with HortNZ, will continue to press for appropriate support for growers until growers have viable alternatives to heating that are not charged under the ETS. [Full article available here](https://www.hortidaily.com/article/9140238/new-zealand-free-ets-allocations-phase-out-announced/)

* 1. **NZ labour scheme vital part of fruit industry**

At the end of a frustrating season in the mid-1990s, grower Basil Goodman, the fruit grower manager of a large syndicated stone fruit and cherry orchard outside Cromwell, was truly tired of seeing his fruit drop to the ground and rot because there was no-one to pick it. And he knew he was not the only grower in Central Otago with that problem. Therefore, to combat labour issues, he helped initiate a survey of apple, stone fruit and grape growers, to work out their seasonal worker requirements. After discussion with local authorities, Ministry of Social Development southern regional commissioner John Allen hit on the idea of establishing a co-operatively based labour pool service. ‘Seasonal Solutions Central Otago’  was born.

Mr Goodman became the first chairman of Seasonal Solutions and said initially the plan was to get more backpackers in, under a working holiday scheme. ''This was tremendously successful and is still an important part of the industry's seasonal worker base,'' he said. A pilot scheme initiated in 2006 and backed by $100,000 in seed capital by the World Bank, proved to be the real kick-start to the programme, enabling 45 workers from Vanuatu to be employed for seven months by Seasonal Solutions' grower members and Mr Apple orchards in Hawke's Bay. Today the Alexandra-based co-operative, which represents 64 horticulture and viticulture businesses, has grown to 22 staff, including three in Vanuatu. Last season the organisation brought 1500 workers from Vanuatu, Samoa, Tonga and Fiji to Central Otago, Canterbury and Marlborough. [Full article available here](https://www.freshplaza.com/article/9142715/nz-labour-scheme-vital-part-of-fruit-industry/)

* 1. **T&G sells its 5.8 ha Mt Wellington site in preparation for company growth**

T&G Global Limited one of the largest fresh produce companies in New Zealand and one of the largest exporters of apples to the world, is selling its Mt Wellington site as the company mobilizes for growth. The 5.8 ha Mt Wellington site is being sold to Goodman Property Trust for $65 million as part of the company’s strategy to re-direct capital to support future growth of the kiwi-based business, which has offices in 13 countries.

T&G will lease back the site for a period of up to four years while it looks at options for the future including developing a purpose-built facility where it can better service the needs of customers, growers and its people in the future. “It’s important we continue to get closer to our customers. The time is right to sell and reinvest in our assets for future growth of our business,” says T&G Global CEO, Gareth Edgecombe.

“Our vision is to be the world’s leading premium fresh produce company and our facilities need to reflect the future needs of the business,” he says. “Food safety, automation of warehouse distribution operations, supply chain efficiencies and the health and safety for our people, growers and customers, will be drivers of our future success. Working together in a centralized, fit for purpose facility will be a significant improvement to how our people engage together.” [Full article available here](https://www.freshplaza.com/article/9143204/t-g-sells-its-5-8-ha-mt-wellington-site-in-preparation-for-company-growth/)

* 1. **Mr Apple builds its brand**

Leading New Zealand apple exporter Mr Apple has drawn a “strong” 2019 shipping campaign to a close. They estimate Mr Apple shipped almost half of all New Zealand apples sent to China this season. Mr Apple complimented its Chinese sales programmes with a high level of marketing support for its retail customers. “In line with our retail customer support strategy, Mr Apple focussed on two core marketing activities in 2019 – in-store activations and brand building via external activations,” Lisa Cork special projects manager said. Mr Apple used in-store demonstrations and ‘mini-shows’ to drive retail sales and raise customer awareness about its brand. In addition, Mr Apple launched its new ‘Mr Apple’ mascot, which further reinforced its brand messaging.

“Our ‘Mr Apple’ mascot is one of Mr Apple’s USP’s (unique selling proposition),” explained Cork. “There are very few fresh produce brands which also have the potential to be memorable brand personalities. With China’s love of mascots and with mascots bridging language barriers, it made sense for us to create and use a Mr Apple character in China.”

Meanwhile, activations with Lefit Gyms showcased Mr Apple to a whole new niche of consumers.

“With apples being a healthy fruit and an important part of the Chinese diet, we wanted to bring the Mr Apple message to those most focussed on their health and wellness,” said Cork. [Full article available here](http://www.fruitnet.com/asiafruit/article/179689/mr-apple-builds-it-brand)

* 1. **NZ farmers get behind farm environment plans**

At a recent meeting more than 30 Horowhenua vegetable growers have backed farm environment plans as part of a freshwater initiative and are signing up to audited farm environment plans to prove that they care for the environment and freshwater.

The meeting was hosted by Horticulture New Zealand and Vegetables New Zealand. Vegetables New Zealand General Manager, Antony Heywood, said that vegetable growers across the country are concerned about the impact the freshwater proposals and nutrient limits could have on their businesses. “Vegetable growers are proud of the fresh, healthy food that they grow for New Zealanders. Many of their businesses are inter-generational and their focus is on growing sustainably for the years to come.

“Audited farm management plans offer growers throughout the country a way to show central and local government that they are always looking for ways to reduce further their environmental impact.”

Horticulture New Zealand and Vegetables New Zealand will be holding three more workshops in Levin. These workshops will be the basis for workshops that Horticulture New Zealand and Vegetables New Zealand plan to run throughout the country, to support vegetables growers to show how they follow best practice. At the same time, Horticulture New Zealand will be making a submission to the Government on its freshwater proposals, pointing out the importance of New Zealand being able to continue to grow its own fresh vegetables and fruit. [Full article available here](https://www.freshplaza.com/article/9143451/nz-farmers-get-behind-farm-environment-plans/)

* 1. **Investors streaming into horticulture**

Low interest rates are driving more and more enquiries for lucrative real assets, according to rural syndicate property investor MyFarm Investments. Within three days of the Reserve Bank of NZ cutting the OCR by 0.5% to a record 1%, the company had 60 investors take up its offering of two SunGold kiwifruit orchards ($8.2 million), it says.

MyFarm chief executive Andrew Watters says in contrast to many other cash yielding investments, the Bay of Plenty kiwifruit offer was expected to generate average returns of 9% over the next five years: “

MyFarm is now seeking to raise $22.5m for its second large scale hop garden development in Nelson. Wairua Hop Garden Ltd partnership is a 175ha dairy farm on the Motueka River due for conversion in the next two years. The company expects to distribute cash after 2.5 years, building to 14% p.a. It also expects tax benefits. [Full article available here](https://www.freshplaza.com/article/9143559/new-zealand-investors-streaming-into-horticulture/)

** Bits and pieces**

* 1. **More than 8000 kiwifruits consumed in one day at Anchor AIMS Games**

Athletes at the Anchor AIMS Games enjoyed Zespri SunGold Kiwifruit; with reports that in one day alone, 8800 pieces of kiwifruit have been consumed. [Full article available here](https://www.freshplaza.com/article/9142082/more-than-8000-kiwifruits-consumed-in-one-day-at-anchor-aims-games/)

* 1. **Applications for AGMARDT Leadership Scholarships now open**

The Agricultural and Marketing Research and Development Trust (AGMARDT) have now opened applications for five leadership scholarships of up to $15,000 each. The scholarships are aimed at individuals committed to a personal development plan leading to future leadership roles within the primary sector. The scholarship money can go towards governance training, business or management programmes, both in New Zealand and globally. The applications close on 30 September. [Full article available here](https://agmardt.org.nz/?c=resources&page=newsevents&article=2019091001)

* 1. **Satellite boosts internet cover**

Farmers and growers in areas where rural broadband does not reach might find some options open up with the launch of a satellite by Gravity Internet providing a boost in coverage and capacity to New Zealand’s most remote areas. Gravity Internet co-founder Tim Johnson, working in partnership with Kacific Broadband Satellites Group, said his company is running two satellites already providing broadband coverage but the third marks a milestone in technology giving extra capacity and capability. The company has proved something of a disruptor in NZ’s rural broadband satellite market, by offering affordable uncapped data. Their main market are rural users who are not going to be served by the Rural Broadband Initiative (RBI). [Full article available here](https://farmersweekly.co.nz/section/other-sectors/view/satellite-boosts-internet-cover)

* 1. **Chance to correctly dispose of agri-waste**

The Ministry for the Environment is funding an Agrecovery programme to deliver six pilot rural waste management one-stop-shop events next month enabling farmers and growers to drop off chemical waste and plastics at one of the depots for safe disposal. The success of similar events last year prompted the expansion of the pilot into four new areas with the assistance of ministry funding. Waste must be prepared properly before drop-off and farmers and growers interested can register for the events online. [Full article available here](https://www.odt.co.nz/rural-life/rural-life-supplied-content/chance-correctly-dispose-agri-waste)

 **Biosecurity**

* 1. **Potato disease here to stay**

According to an article on [ruralnewsgroup.co.nz](https://www.ruralnewsgroup.co.nz/rural-news/rural-general-news/fight-lost-to-keep-potato-disease-out), the fight to wipe out a potato disease from New Zealand has been lost. Biosecurity NZ and Potatoes NZ have announced that they have ceased their joint eradication response to Potato mop-top virus (PMTV). The industry says it will now be taking the lead on long-term management of the disease.

PMTV was confirmed in NZ in September 2018, initially concentrated in grower paddocks in Canterbury. But a national survey has shown the virus is now NZ-wide, indicating that it has been in NZ for a long time.

Potatoes NZ chief executive Chris Claridge says it was a successful end to the first joint response with MPI. The industry is developing a plan which will incorporate research from world experts, in line with best practice: “A positive outcome to date is there are no significant losses to growers attributed to the disease. This response is an example of how a good partnership between Government and industry works to eventually help industry to be in a position to mitigate impacts posed by biological incursions and to support decision-making for the future.” [Full article available here](https://www.freshplaza.com/article/9143040/fight-to-keep-potato-disease-out-of-nz-is-lost/)



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. 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. **Hong Kong Fresh Fruit Market** Fresh fruit is one of the top U.S. food exports to Hong Kong, valued at USD347 million in 2018, and one of the best prospects for U.S. exports to Hong Kong. Hong Kong imported a total of USD3.16 billion worth of fruits from all over the world, buying a mix of expensive and price-competitive fruits.  U.S. fruit has huge potential in the market, presently accounting for 11 percent of Hong Kong’s fresh fruit market.  [Hong Kong Fresh Fruit Market\_Hong Kong\_Hong Kong\_9-3-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Hong%20Kong%20Fresh%20Fruit%20Market_Hong%20Kong_Hong%20Kong_9-3-2019.pdf)
2. **Japanese Processed Vegetable Market 2019**The United States, as the second largest exporter of processed vegetables to Japan, accounts for 20 % of the market, valued at US$560 million in 2018.  Japan has just registered record import volumes of frozen vegetables in the first half of 2019, increasing 3% year-on-year to 526,000 tons.  The United States is the top supplier of processed or frozen potatoes, corn, and mixed vegetables.  [Japanese Processed Vegetable Market 2019\_Osaka ATO\_Japan\_9-5-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Japanese%20Processed%20Vegetable%20Market%202019_Osaka%20ATO_Japan_9-5-2019.pdf)

 **Regulatory**

* 1. **Increasing Import Duty of Horticultural Products, Is It Right Or Not?**

The Ministry of Trade's Director General of Foreign Trade, Wisnu Wardhana**,** said on Tuesday (03/09) that the Indonesian government would implement a tariff rate quota (TRQ) policy for animal and horticultural products. He said that the measure was taken after Indonesia made adjustments to all US and New Zealand requests, after losing in a WTO dispute settlement body (DSB) session in November 2017. He also said that the Indonesian Government wants  to implement a strategy to control imports of horticultural and animal products do not increase suddenly which will detriment to the farmers.

He said the TRQ policy was allowed by the WTO to be enforced by a nation. According to him, based on WTO regulations, a country can increase import duties on a number of products in certain periods, such as during the harvest season and excess of domestic stock. Currently, the Ministry of Trade is examining the upper limit of the imposition of import duties on each horticultural and animal product allowed in the WTO.

Chairperson of the National Horticulture Association, Anton Muslim Arbi**,** said the government must calculate the exact rate of import duty during the domestic harvest of horticultural products occurs. He worries that the amount of import duty adjusted during the harvest season will still be affordable for producers in the US and New Zealand and the products of these countries are still cheaper than domestic products.

Arbi also demanded that the government strengthen supervision when importing the product. The reason is that he believes that importers have the opportunity to hoard horticultural products outside the harvest season or when normal import tariffs are imposed. According to him, this would have a negative impact on Indonesian horticultural product farmers. For this reason, he asked the government to do a careful calculation of the production data and harvest periodization for national horticultural products.

Because, he continued, so far the government does not have standard and accurate data regarding the production of horticultural products. He viewed that this condition can be used by the naughty businessmen, exploiting the defeat of Indonesia from New Zealand and the US in the World Trade Organization (WTO) in the horticulture sector. For full article please contact [info@PMAC.co.nz](mailto:info@PMAC.co.nz)

* 1. **USDA ‘s Food Purchase and Distribution Program**

The U.S. Department of Agriculture is seeking comments from growers and others after the agency purchased more than a billion pounds of agricultural commodities through a program designed to offset the effects of tariffs and trade barriers. The purchases go to food banks and hunger relief agencies, according to the agency. While no detailed final tally of purchases was available from the agency, an earlier release said a partial list of intended purchases (both fresh and processed) includes More than $90 million worth of apples;$44 million in potatoes;$55 million in oranges;$48 million in grapes;$32 million in cranberries;$3.4 million in lemons;$1.7 million in blueberries;$1.5 million in strawberries;$1.4 million in pears;$700,000 in grapefruit; and $200,000 in apricots. [Full article available here](https://www.freshplaza.com/article/9143176/usda-seeks-comments-from-growers-on-food-purchase-and-distribution-program/)

* 1. **Chile issues drought warning**

The severe drought affecting several regions of Chile will affect fruit production in the coming season, according to Jorge Valenzuela, president of producer association Fedefruta. He said that the impact would vary according to the fruit and locality, he believed late season fruit , such as kiwifruit apples and grapes , would be particularly hit.

Last month, Agriculture Minister Antonio Walker that unless the water issue was resolved, the sector would not see the increases in production that it had experienced in previous seasons. Walker said that in spite of strong international demand, it would not be possible for Chile go on increasing its planted area as the water requirements are too high. He also said companies need to improve their management of underground and surface water resources, adding that the country must urgently address the need to modernise its irrigation infrastructure. The government is already working on a national water programme that includes the construction of 26 new reservoirs, as well as the promotion of desalination plants. [Full article available here](http://www.fruitnet.com/eurofruit/article/179695/chile-warns-of-drought-impact)

* 1. **Irishman Phil Hogan named to run EU trade**

Last Tuesday, Phil Hogan was appointed to lead the European Union’s international trade affairs from November. In announcing the appointment, the next head of the EU’s executive, Ursula von der Leyen, said Hogan was “an excellent and fair negotiator” and has done a “brilliant” job heading agriculture affairs in the outgoing Commission. [Full article available here](https://www.freshplaza.com/article/9142677/irishman-phil-hogan-named-to-run-eu-trade-in-build-up-to-brexit/)

 **Business/ Industry**

* 1. **Blockchain beware**

A paper about the use of Blockchain applications within the Logistics Agri-chain has recently been released. The paper states the author has been doing research, publishing, and presenting for three years now. After all this time, we have not found a single case supporting blockchain. The papers casts doubt of the **four central arguments about blockchain in agri-chains**1. “Blockchain is the technology behind Bitcoin. Everyone is working with it. Chain logistics, in

2. “Information stored on a blockchain cannot be changed. It must, therefore, be correct.”

3. “Is it true that data on a blockchain cannot be changed afterward?”

4. “Blockchains promote cooperation between chain partners that do not trust each other."

The paper concludes the claimed usefulness of blockchain in logistics chains is questionable, to say the least. Agri-companies that are considering switching to blockchain chains are advised to be careful not to be used as marketing puppets by large retailers. Anyone participating in a private blockchain-based chain solution would be wise to demand the computing power be evenly distributed among the partners. They should also insist that all software and blockchain data be made available for inspection by all participants. [Full article available here](https://www.freshplaza.com/article/9142280/fruit-and-vegetable-companies-entering-the-block-chain-beware-of-retailers-using-you-as-marketing-puppets/)

* 1. **World vegetable market generated $1,249.8 bln in 2018**

According to the new "World - Vegetable - Market Analysis, Forecast, Size, Trends and Insights" report, the global vegetable market revenue amounted to $1,249.8B in 2018, picking up by 2.4% against the previous year. The market value increased at an average annual rate of +4.1% over the period from 2007 to 2018; the trend pattern indicated some noticeable fluctuations being recorded in certain years. The pace of growth appeared the most rapid in 2010, with an increase of 8.1% against the previous year. Global vegetable consumption peaked in 2018, and is likely to continue its growth in the immediate term. [Full article available here](https://www.freshplaza.com/article/9142530/world-vegetable-market-generated-1-249-8-bln-in-2018/)

* 1. **Trade war impacting air freight demand**

The International Air Transport Association (IATA) released data for global air freight markets showing that demand, measured in freight tons kilometers (FTKs), contracted by 3.2% in July 2019, compared to the same period in 2018. This marks the ninth consecutive month of year-on-year decline in freight volumes. Air cargo continues to suffer from weak global trade and the intensifying trade dispute between the US and China. Global trade volumes are 1.4% lower than a year ago and trade volumes between the US and China have fallen by 14% year-to-date compared to the same period in 2018.  [Full article available here](https://www.hortidaily.com/article/9141704/trade-war-impacting-air-freight-demand/)



* 1. **5 ways climate change may affect global farming**

The IFA2030 fertilizer industry strategic review exercise has been completed and is looking at how the world may change by 2030 and how fertilisers may assist in reducing the impact. Key findings include:

***Water shortages*** By 2030, nearly half of the world’s population (3.9 billion) is expected to experience severe water scarcity, according to the OECD. With less access to water, agricultural productivity will be severely limited in some areas. Water will be much more carefully managed through storage and irrigation.

***Changing Yields*** Warmer temperatures and changing rainfall patterns could reduce global food production by around 10% by 2030, according to some estimates.

***Higher Prices*** Unstable production patterns caused by climate change combined with increased demand from the growing global population could see food prices double between 2010 and 2030, with the challenges to production presented by increasing climate change accounting for up to half of those increases, according to Oxfam. Rising prices will particularly impact the world’s poorest who spend more than 50% of their income of food.

***Increased Strain*** Climate change will have a disproportionally high impact on farmers and consumers in the developing world. By 2030 its impacts on small-scale farmers' incomes could cause an extra 122 million people to be living in extreme poverty worldwide, according to the UN. The negative effects of climate change, which are already reducing Africa’s GDP by 1.4% a year, will increase food insecurity in many developing countries.

***Changing Crops*** Many farmers will be forced to adapt the crops they grow due to extreme weather events and the changing climate. Depending on their location, farmers will need to change to new varieties or types of crops that are more tolerant to heat, drought or salinity. With energy demand predicted to increase by 30% by 2035, according to BP, more crops may also be grown for biofuels.

[Click here](https://www.fertilizer.org/Public/About_IFA/IFA_2030/2018_11_30_5_Climate_CHange.aspx) to read more at IFA [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=30011&cHash=1569caceaadf2507ae624896a3cddef9)

* 1. **Robots are taking over farms faster than anyone saw coming**

Robots are taking over farms faster than anyone saw coming, as the first fully autonomous farm equipment is becoming commercially available, meaning machines will be able to completely take over a multitude of tasks. For example in Australia, SwarmFarm Robotics is leasing weed-killing robots that can also do tasks like mow and spread. The companies has said their machines are smaller and smarter than the gigantic machinery they aim to replace. Early adopters say they are saving 80 per cent of their chemical costs because of targeted application. [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=30005&cHash=3341ecabc310ffe2f9030243a7db858c)

  **Health**

* 1. **Celery Juice: The biggest trend in health and wellness**

Celery juice. According to some sources, it can be a true game changer for your health. With only seven calories and less than one gram of sugar per rib, celery juice is packed with nutrients including vitamin k, vitamin c, vitamin b6, folate and potassium. Celery juice contains flavonoids, which are very powerful phytonutrients with antioxidant (cancer fighting) properties.

If you have chronic joint paint or rheumatoid arthritis, drinking celery juice can help reduce symptoms because it is a natural anti-inflammatory. Celery juice also improves liver function by increasing the production of enzymes. Additionally, it helps fight infections because celery has antimicrobial properties, which boost the immune system.

If you are prone to UTIs or bladder infections, celery juice can be a lifesaver because it reduces uric acid and stimulates urine production. A study showed that celery leaf extract can lower blood pressure as well as reduce triglycerides and cholesterol in animals that have been diagnosed with hypertension. [Click here to read the full article.](https://www.forbes.com/sites/jennifercohen/2019/09/06/everything-you-need-to-know-about-celery-juice/#6730ba046069)  [Full article available here](https://www.freshplaza.com/article/9141555/celery-juice-the-biggest-trend-in-health-and-wellness/)

* 1. **Add avocados to your diet plan**

Researchers have found that avocados are the wonder food which can help obese people in bringing about a change in their eating habits. It is of great help in increasing meal satisfaction in obese adults, amongst other benefits. As part of the study published in the Journal of Nutrients, the team of researchers assessed the underlying physiological effects of including whole and half fresh Hass avocados on hunger, fullness, and how satisfied subjects felt over a six-hour period. The research found that meals including avocado not only resulted in a significant reduction in hunger and an increase in how satisfied participants felt, but also found that an intestinal hormone called PYY was an important messenger of the physiological response. [Full article available here](https://www.freshplaza.com/article/9142472/add-avocados-to-your-diet-plan/)

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