

**PMAC weekly update 12th to 19th November**

1. **Government agencies**: ICPR changes; Proposals to improve cost recovery in MPI's food system; WTO Notifications; Guides to doing business in Latin America
2. **New Zealand News:**  New High Commissioner to Australia New Zealand opens first embassy in Dublin; New Ambassador to Spain; Peters speech to Institute of International and European Affairs; Upgraded Singapore agreement; Substantial progress made on RCEP; Viet Nam seventh nation to ratify CPTPP; 'New Zealand could be forced to pick a side between US and China'; Improved relationship between MPI and US facility; An international rip-off or an innocent abroad; Yamaha puts $12 million into Robotics Plus; Strategic review readies NZ horticultural innovator to go global; Zespri kiwifruit harvest begins across globe; Happy medium needed in hops growth; Investment fund eyes Central Otago cherry option; BayWa reports higher turnover but lower EBIT; Seeka announces $50m rights offer to fund expansion; Asparagus grower branches into strawberries to shore up staff; Peony growers 'flat out' until Christmas; Seeka takes a win at Tauranga Business Awards 2018; Kiwifruit orchards being sold, Seeka selling $16 million worth of orchards; Further growth planned for Port of Tauranga; Australia: Biosecurity assurance for cut flower and foliage imports; Farm worker put needles in strawberries over workplace grievance; Trans-Tasman alliance to stamp out threats to national biosecurity
3. **International news:** GAIN reports; British cabinet agrees on interim Brexit deal; Increasing cases of bacteria in IQF vegetables is restraining growth of the market; Resistant germs: Can raw food and lettuce be health risks?; Sustainable packaging in the floral industry; Eating green vegetables helps prevent fall injuries; UK firms makes new labels that track produce as it spoils; 9 Robots Invading primary Industry; EU accelerates digital transformation of European agri-food sector

*Due to travel commitments there will be no editors comments this week*

1. **Agency news**



* 1. **ICPR changes**

The ICPR for

* New Caledonia has been updated with the additional declarations and notes for fruit fly and Drosophila suzukii . There are also additional declarations amended for fresh Custard Apple and Cherimoya
* French Polynesia has been updated with changes to requirements for Protea spp. cut flowers and a [Link to Potato Cyst Nematode and Potato Wart Official Assurance Programme.](https://apps.mpi.govt.nz/applications/icpr-view/article/2640/Additional%20Declaration%20for%20Fresh%20Potato%20French%20Polynesia)

For the amended ICPR see [Importing Countries Phytosanitary Requirements](https://www.mpi.govt.nz/law-and-policy/requirements/importing-countries-phytosanitary-requirements/)

* 1. **Proposals to improve cost recovery in MPI's food system**

MPI is consulting on 11 proposals to improve cost recovery arrangements in the food system. I.e this is money recovered from Industry to pay for MPI time. Currently this does not include any changes of significance to phytosanitary arrangements but may result in some changes for services provided under the Food Act.

The documents indicates the cost for MPI staff time will decrease from $155 to $135 per hour or a set fee rather than a variable fee will be imposed. Consultation opens on 15 November and closes at 5pm on 20 December 2018 (or 16 January 2019 with prior agreement).

## For the full consultation document see the [Consultation for 2019 changes to the food system](https://www.mpi.govt.nz/dmsdocument/31677-proposals-to-improve-cost-recovery-in-mpis-food-system-discussion-document)

* 1. **WTO Notifications**

Please find attached the most recent WTO 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](mailto:Plant.exports@mpi.govt.nz) so that they can potentially make a submission to the notifying country. Changes notified over the last week include:

Columbia – kiwifruit from New Zealand see here - [EN](https://docs.wto.org/imrd/directdoc.asp?DDFDocuments/t/G/SPS/NCOL293A1.DOCX)



* 1. **Guides to doing business in Latin America**

Latin America is home to both established and rapidly rising economies, Latin America is a vibrant place to do business for Kiwi exporters. If you're thinking about doing business in Latin America, or are looking for extra insights to shape your strategy, our experts across the region regularly share their insights and publish them here. If you’re new to exporting, or thinking about expanding your business into Latin America, [get in touch with our Advisor Team](https://www.nzte.govt.nz/contact-us) to find out more. NZTE has market insights for four Latin American countries – See below

* Brazil is South America's most influential nation, a growing economic influencer and one of the world's biggest democracies. See the guide and [Read more](https://www.nzte.govt.nz/export-assistance/market-guides/brazil)
* Chile As a business stepping stone into South America, Chile has the highest foreign business presence in the region. See the guide and [Read more](https://www.nzte.govt.nz/export-assistance/market-guides/chile)

###### Colombia Full of natural resources and home to many cultures, Colombia is an exciting and challenging market. See the guide and [Read more](https://www.nzte.govt.nz/export-assistance/market-guides/colombia)

###### Mexico With a particularly open economy that actively encourages commercial internation with other countries, Mexico has a competitive business environment. See the guide and [Read more](https://www.nzte.govt.nz/export-assistance/market-guides/mexico)



1. **New Zealand News**



* 1. **New High Commissioner to Australia**

Dame Annette King has been named as the new High Commissioner to Australia.Dame Annette King previously held a number senior Cabinet portfolios, including Justice, Police and Health. She also was Parliament’s longest serving female MP with 30 years’ service,” She is expeted to start her duties at the end of the year. [Full article available here](https://www.beehive.govt.nz/release/new-high-commissioner-australia-announced)

* 1. **New Zealand opens first embassy in Dublin**

Foreign Affairs Minister Winston Peters officially opened New Zealand’s first resident embassy in Ireland at a ceremony in Dublin last week. While in Dublin Mr Peters met with Prime Minister Leo Varadkar, and also visited the Irish National Stud and The Curragh to discuss racing industry issues. New Zealand’s first resident Ambassador to Ireland is Mr Brad Burgess. [Full article available here](https://www.beehive.govt.nz/release/new-zealand-opens-first-embassy-dublin)

* 1. **New Ambassador to Spain**

Last week Nigel Fyfe has been named as the Ambassador to Spain.  Mr Fyfe was until recently Deputy Secretary – Lead Negotiator, Office of Treaty Settlements at the Ministry of Justice.  Before that, he was employed at the Ministry of Foreign Affairs & Trade as Director of the Trade Negotiations Division, Director Legal Division and Ambassador to Chile, Peru and Colombia. As Ambassador to Spain Mr Fyfe will also be responsible for diplomatic relations with Andorra, the Holy See, Morocco and Malta. [Full article available here](https://www.beehive.govt.nz/release/announcement-appointment-new-ambassador-spain)

* 1. **Peters speech to Institute of International and European Affairs**

**Mr Peters speech at the Institute of International and European Affairs in Dublin.**Of the many things that New Zealand and Ireland have in common one is that neither of us view our size as an excuse to be a mere spectator to world events. We have always seen it as both a responsibility and indeed a necessity to fight for our fundamental values to create the kind of world we want to live in. We are small island nations populated by proud peoples. Despite our size, we have never been afraid to speak up for ourselves and for what we believe in.

The global system underpinning our security and prosperity for the past 75 years is under unprecedented stress. And we are seeing efforts to reshape the world in ways that do not always support our interests or reflect our values. For small states like New Zealand and Ireland, who have much to lose from global instability and the abandonment of rules, this is a real and present danger. It is not surprising, then, that both New Zealand and Ireland have made strategic decisions in the past year to expand our diplomatic engagement.

As we work through the implications of Brexit both for the region and for our own interests; as we deepen our cooperation with European partners on issues ranging from climate change to global security and as we launch negotiations towards a Free Trade Agreement with the EU – our commitment to our European partners is stronger than ever.  ! [Full article available here](https://www.beehive.govt.nz/speech/come-day-and-come-hour)

* 1. **Upgraded Singapore agreement**

Last week an upgraded free trade agreement with Singapore was announced. Singapore is New Zealand’s largest trading partner in the region, with NZ$4.9 billion of two-way trade and $5.1 billion of two-way direct investment in the year ending June 2018. Negotiations have concluded on modernising the Closer Economic Partnership (CEP) with Singapore which smooths the way for New Zealand companies to explore further export opportunities in the city-state. New Zealand visitors to Singapore will gain visa-free entry for three months – up from the current one month – and companies with offices in Singapore will be able to send employees to work there for up to eight years, up from five years.

The Ministry of Foreign Affairs and Trade has released the text of the upgrade, and a National Interest Analysis, which assesses the likely costs and benefits for New Zealand of entering into the Agreement. These documents and information on the New Zealand Singapore Closer Economic Partnership are available at [www.mfat.govt.nz](http://www.mfat.govt.nz). [Full article available here](https://www.beehive.govt.nz/release/upgraded-singapore-agreement-brings-benefits-kiwi-business)

* 1. **Substantial progress made on RCEP**

A Joint Statement was issued by the Leaders of the 16 RCEP countries in Singapore last week , confirming RCEP negotiations have advanced to the final stage.

RCEP negotiations were launched in November 2012 and include 16 countries: New Zealand, Australia, the 10 countries of ASEAN (the Association of South East Asian Nations), China, India, Japan and South Korea. Seven Chapters of the agreement have now been concluded including Government Procurement, Customs Procedures, Sanitary and Phyto-Sanitary Measures, and Standards and Technical Regulations – which will improve the trading conditions for New Zealand businesses into the RCEP economies. There is a strong resolve to build on the current momentum and wrap up RCEP negotiations in 2019,” Damien O’Connor said. [Full article available here](https://www.beehive.govt.nz/release/substantial-progress-made-rcep)

* 1. **Viet Nam seventh nation to ratify CPTPP**

Viet Nam is the seventh economy to ratify the CPTPP joining New Zealand, Australia, Canada, Japan, Mexico and Singapore. This is a positive development and keeps the momentum going among the CPTPP grouping. [Full article available here](https://www.beehive.govt.nz/release/viet-nam-seventh-nation-ratify-cptpp)

**General**

* 1. **'New Zealand could be forced to pick a side between US and China'**

The US-China trade conflict is developing into a ‘cold’ war for global economic supremacy and could result in New Zealand being forced to pick a side between the two global superpowers, according to Rabobank’s Head of Financial Markets research for Asia-Pacific Michael Every. And with this threat on the horizon, Mr Every says New Zealand’s agricultural sector should aim to reduce its reliance on individual trade partners and place an increased focus on diversification of its export markets.

Visiting New Zealand last week Mr Every said he expected US-China relations to deteriorate further. “The clash between the US and China is not going away, it’s not an aberration, it’s going to get worse,” he said. “China is aggressively pursuing trade expansion and there may come a time when a gun is put to New Zealand’s forehead and you’ll be asked are you with us, or are you with the US,” he said. “If you answer the US, the Chinese could slam the door shut.”

“New Zealand’s agricultural sector should be looking to further develop links into new growth markets like Japan, Indonesia and India,” he said. “While this may take a lot more effort in the short-term, it will leave agricultural exporters in a better position should the US or China start making demands down the track." “New Zealand needs to look at it as an opportunity, rather than a threat, and ask ‘what brand can we build for agriculture that allows us to thrive’, because trade protectionism won’t go away.” Mr Every said with increased market volatility likely, New Zealand farmers should also be taking a close look at their balance sheets. [Full article available here](http://www.freshplaza.com/article/9042133/new-zealand-could-be-forced-to-pick-a-side-between-us-and-china/)

* 1. **Improved relationship between MPI and US facility**

The nursery and fruit-growing companies at the heart of the legal action against MPI over seized apple and stonefruit plants and plant material have been working hard to facilitate the rebuilding of the relationship between MPI and the USA-based Clean Plant Centre North West (CPCNW).

Last week, representatives from MPI held their first face-to-face meeting with members of the CPCNW since a discontinued audit in March. Industry member and owner of McGrath Nurseries, Andy McGrath, arranged the meeting on behalf of the New Zealand companies most affected when MPI revoked the accreditation of the CPCNW facility. CPCNW holds new varieties of peaches, nectarines and cherries that hold significant potential for New Zealand nurseries and orchards. Andy McGrath said, “We are heartened that the meeting was collaborative and constructive. The conversation regarding reaccreditation of CPCNW was robust and I am pleased to see both parties moving towards an acceptable position whereby accreditation may be achieved in a timely manner.

“Industry members are seeking a resolution with regard to compensation for the losses and costs incurred as a result of the illegal seizure of plant materials. Nursery owners and orchardists suffered significant disruption to normal business, and the stress these owners were put under impacted on personal lives and relationships. MPI has hardly acknowledged the impact of their actions.“In addition, the industry is seeking a full review and update of the Import Health Standards (IHS) for Prunus (stonefruit), Malus (apple), and Pyrus (pear) as these are well overdue. The standard for Pyrus expired in 2004!, added Andy McGrath. [Full article available here](http://www.freshplaza.com/article/9043520/relationship-between-mpi-and-us-facility-now-heading-in-the-right-direction/)

**Industry news**

* 1. **An international rip-off or an innocent abroad**

After a week of highly contradictory evidence in the High Court at Auckland, Justice Sarah Katz must decide whether a Chinese-born, Opotiki kiwifruit grower conspired to sell one of our super varieties of the fruit off to China - and thus deny Zespri and New Zealand untold millions in export sales*.*

On the face of it, kiwifruit exporter Zespri appeared to have Haoyu Gao bang to rights for contracting to supply its prized gold G3 kiwifruit plants to an orchardist in China who could then spread it across the entire Middle Kingdom, forever.

But one key strand to Zespri's argument - that the fruit now growing in four orchards in Chinese provinces has been proven by DNA tests to be the varieties was notably knocked out in the High Court hearing after objections from Gao's lawyers. The DNA tests of leaf and fruit material cut from Chinese vines by Zespri's private eyes were ruled inadmissible as evidence because those who conducted the testing were not in court to testify directly to that fact. Zespri only had its executives saying what those French experts had said - and that meant the critical evidence was deemed "hearsay". Zespri's lawyer Laura O'Gorman agreed to leave aside all evidence about that DNA testing but argued her client's main point - that Gao signed a document agreeing to supply the gold kiwifruit to a Chinese grower - still stood and that in itself was an infringement of Zespri's rights under the Plant Varieties Rights Act. *A range of other circumstantial has been supplied by Zespri and is described in the full article*

Gao's lawyer Eugene St John, assisted by Samuel Moore, attacked not only Zespri's attempt to use the DNA test results but also its estimates of the size of the four orchards it alleges grow its prized varieties and even whether the New Zealand fruit are there at all. St John told Justice Sarah Katz: "There's simply a lack of evidence related to G3 or G9 in all of the orchards."On the issue of the inadmissible DNA tests, she said Zespri believed it was irrelevant whether Shu had successfully established its G3 and G9 plants. "In all scenarios, Shu believes he is authorised to exploit G3 and G9. That is the conduct that has caused the damage and clearly constitutes infringing conduct. [Full article available here](https://www.newsroom.co.nz/2018/11/13/320352/an-international-rip-off-or-an-innocent-abroad)

* 1. **Yamaha puts $12 million into Robotics Plus**

Ag-tech start-up Robotics Plus, a Tauranga-based maker of automation systems to address labour shortages in horticulture and forestry, has revealed a US$8m ($12m) investment from Yamaha.

The Japanese giant has now put in a total of US$10m, including an earlier investment in May. An October 31 Companies Office update says Yamaha now has a 15 per cent holding in Robotics Plus.

Chairman  Steve Saunders says the new funds will be used for Robotics Plus' UGV (unmanned ground vehicle) and a forestry project still under wraps, as well as pushing its apple-packer, which is already in the market. He's also in the process of setting up a US subsidiary. [Full article available here](http://www.freshplaza.com/article/9043080/new-zealand-yamaha-puts-million-into-robotics-plus/)

* 1. **Strategic review readies NZ horticultural innovator to go global**

New Zealand Frost Fans is the clear leading supplier of frost fans protecting horticulture from cold weather in Australia and New Zealand, and has a growing international business with sales in Europe and South America. It now has its sights on the next phase of international growth – fuelled by market opportunity and climate change creating more extreme weather events – as it seeks to build on its unique and proven frost protection solutions.

In the current financial year revenue has increased to more than NZ$40 million as growers seek reliable and proven ways to protect their crops from weather events. With frost fans still in a relatively early stage of market penetration, the business has also firmly established itself as one of the top three players internationally. Now facing a range of options overseas, it is working through a strategic review assessing all aspects of the business and its markets.

A key part of New Zealand Frost Fans’ success is having a strong culture of research and development. “Our C49 four-blade FrostBossTM fan is our top selling product and is the culmination of years of collaborative design, modelling, building, fine-tuning and testing from a think tank of talented people brought together with one thing in mind – to deliver a machine with market leading quietness, performance and fuel efficiency. Frost fans draw down the warmer air trapped in the thermal ceiling or inversion layer 15-60 metres above an orchard or vineyard at night, to mix with the colder layer of air around the trees and vines. Haslett says frost fans are now widely recognised for their advantages in horticulture and viticulture..[Full article available here](http://www.hortidaily.com/article/9040272/strategic-review-readies-nz-horticultural-innovator-to-go-global/)

* 1. **Zespri kiwifruit harvest begins across globe**

Harvesting of Zespri kiwifruit from northern hemisphere orchards is well under way, with total volumes expected to reach more than 19 million trays this season. The increased volumes demonstrate the progress being made on Zespri's global supply strategy of providing consumers with Zespri kiwifruit for year round. This year's northern hemisphere harvest is expected to exceed 19.1 million trays, which is almost 25 per cent up on the 15.4 million trays recorded in 2017/18.

"Growth in our offshore supply allows us to meet increasing consumer demand and ensure that our brand remains top of mind in the three to four months of the year when our New Zealand-grown kiwifruit is unavailable. Zespri has developed long-term partnerships with non New Zealand-based growers and suppliers to provide Zespri kiwifruit in Italy, South Korea, Japan and France. All non New Zealand-grown kiwifruit must meet Zespri's stringent quality standards. *The full article provides more detail about Zespri’s overseas supplied* . [Full article available here](http://www.freshplaza.com/article/9042486/zespri-extending-its-season-of-sungold-kiwifruit/)

* 1. **Happy medium needed in hops growth**

Chief Executive of NZ Hops, Doug Donelan, says that the co-operative has at least quadrupled the value over the past 10 years as sales have grown from about $8 million to about $35m . Mr Donelan notes that are those around the industry that believe New Zealand could triple the current production volume of hops but adds his view is that attempting that would be reckless. He noted in an industry update earlier this year that mature craft beer markets like the US are showing market signals of starting to slow down. Craft beer has contributed significantly to industry growth as more hops are used in certain beer styles favoured by the craft segment consumer. About 75% of the hops produced by NZ Hops are exported with all commercial hop production in New Zealand being based in the Tasman District, however there are trials underway in Central Otago and Hawkes Bay [Full article available here](https://www.ruralnewsgroup.co.nz/rural-news/rural-general-news/happy-medium-needed-in-hops-growth)

* 1. **Investment fund eyes Central Otago cherry option**

Craigmore Sustainables CEO, Che Charteris, says that the company’s $250 million Permanent Crop Partnership is quickly approaching its target funding level and they are expecting a close for the funds in the next month. The fund has been set up to build a diversified business of the best of New Zealand orchards, including kiwifruit, apples, wine grapes and emerging crops like cherries, citrus and avocados. The fund will acquire land and growing assets but will also invest in the processing and

marketing assets. Mr Charteris said that while some orchards would the acquired the majority will be greenfield conversions from pastoral or arable farming land. He suggested the opportunity for New Zealand to supply fresh healthy, superfoods to the world was huge and New Zealand is competitive in many fruit sectors, noting the fund would be very interested in doing something in the cherry sector in Central Otago but was also considering Cherry production in the North Island. The fund will have offshore investors from a range of countries but the control and decision making is all done in New Zealand in line with Craigmore’s strong sustainability values.  [Full article available here](https://www.odt.co.nz/rural-life/horticulture/investment-fund-eyes-central-cherry-option)

* 1. **BayWa reports higher turnover but lower EBIT**

BayWa closes its books over the first nine months of the year with a turnover of 12.2 billion euro (2017: 12 billion euro). The EBIT shows a slight decrease to 28.3 million euro. Both developments were in line with earlier expectations. The fruit trade is only a small part of the results. For the first nine months of the year, the results of the Agriculture department were heavily influenced by two developments. The dry weather was negative for the production throughout Europe, figures were disappointing for grain in particular (an important product group within this category). Besides, logistic costs increased. The fruit trade shows a positive development, but it was insufficient to balance the consequences of the extremely bad German apple year, 2017. Because of this, the company struggled with shortages in top fruit. [Full article available here](http://www.freshplaza.com/article/9041295/baywa-reports-higher-turnover-but-lower-ebit/)

* 1. **Seeka announces $50m rights offer to fund expansion**

Seeka Limited last week announced a new capital raising strategy to be implemented over the course of the next 3 years, including a Rights Issue, an issuance of shares under a new Grower Share Scheme and an issuance of shares under Seeka’s existing Employee Share Ownership Scheme.

The purpose of this capital raising strategy is to strengthen its balance sheet and provide Seeka with the financial flexibility and freedom to pursue its growth strategy of becoming New Zealand’s leading orchard-to-market business.

**This first Rights Offer:** seeks to raise approximately NZ$50 million of new equity via a pro rata 1 for 1.5 Rights Offer at NZ$4.25 per share (fully underwritten by First NZ Capital Group Limited).It iIncludes a bookbuild to be undertaken at the end of the Rights Offer period for any shortfall. As a consequence, shareholders not taking up all of their rights (including ineligible shareholders) may receive value for their rights not taken up. Seeka also announces its intention to introduce a new Grower Share Scheme and Employee Share Scheme in the first quarter of 2019 to further align the interests of Seeka, its employees and grower suppliers (many of whom are shareholders).

In FY2019, Seeka expects to undertake approximately $32 million of capital expenditure, which includes development of the Kerikeri and Oakside sites to improve capacity efficiency, development of long term lease orchards and maintenance capital expenditure. [Full article available here](http://www.freshplaza.com/article/9041599/seeka-announces-m-rights-offer-to-fund-expansion/)

**Crop news**

* 1. **Asparagus grower branches into strawberries to shore up staff**

Levin's Tendertips, part of Lewis Farms, has been growing asparagus for 37 years, but now has branched out into growing strawberries in an effort to keep their staff employed all year.Tendertips sells 500 tonnes of asparagus to the New Zealand and Japanese export markets. Now they have built a hectare of tunnel houses for 100,000 strawberry plants, grown hydroponically. Managing director Cam Lewis said by adding strawberries they could employ their staff 10 to 12 months of the year, which they couldn't do with just asparagus. [Full article available here](http://www.hortidaily.com/article/9041119/new-zealand-asparagus-grower-branches-into-strawberries-to-shore-up-staff/)

* 1. **Peony growers 'flat out' until Christmas**

What started as a plan to diversify their property is now a full-time business for Rodger and Cindy Whitson, who have 10,000 peony plants on their 4ha block in Mosgiel. They started off with 2000 plants, while also keeping their jobs. After a few years of growing, Mr Whitson said they decided to ''bite the bullet and go full time at home'', and they have not looked back.[Full article available here](http://www.floraldaily.com/article/9040698/new-zealand-peony-growers-flat-out-until-christmas/)

**Other**

* 1. **Seeka takes a win at Tauranga Business Awards 2018**

Seeka has won the Corporate Leadership Award 2018 for outstanding contribution to the local economy it operates in. The gala dinner held earlier this month awarded Seeka for the company’s economic impact, employment scale, investment in the area and community involvement. The company is more than 75% owned by New Zealanders and is listed on the NZX, and operates to all the regulatory standards that you would expect for a company on the stock exchange. Our revenues are around $200m and the company is a corporate, you don’t have to be a grower to be a shareholder, and you don’t have to be a shareholder to supply the company with your fruit. However, many of its growers and staff have chosen to become shareholders. The company has grown significantly over the last five years as it deploys its strategy with acquisitions – now operating in Australia and Northland in addition to the Hawkes Bay, Bay of Plenty and the Coromandel. Across the business Seeka employ more than 300 permanent staff and 3000 seasonal workers. Thhe full article provides a good summary of Seeka Business and assets [Full article available here](http://www.freshplaza.com/article/9043039/seeka-takes-a-win-at-tauranga-business-awards/)

* 1. **Kiwifruit orchards being sold, Seeka selling $16 million worth of orchards**

New Zealand‘s largest kiwifruit producer, Seeka, has agreed to sell five Northland kiwifruit orchards for nearly $16 million. Seeka said the agreements include the purchasers entering into long-term supply contracts for each of the orchards, which Seeka will manage on their behalf.It told the New Zealand Stock Exchange the total sale value of $15.9 million exceeds the purchase price plus holding costs for the orchards.It said it remains in negotiation for the sale of other orchards in its Northland portfolio and these would be announced as and when completed. New Zealand Kiwifruit Growers Inc chief Nikki Johnson said orchard gate return for green kiwifruit had increased to $59,981 from $30,067 per hectare in the last 10 years and to $114,345 from $60,885 for the gold variety. [Full article available here](http://www.freshplaza.com/article/9042023/nz-kiwifruit-orchards-being-sold-seeka-selling-million-worth-of-orchards/)

* 1. **Further growth planned for Port of Tauranga**

Port of Tauranga is budgeting on moving more than 1.2 million containers across its wharves in the current financial year. The company, which reported 8 percent cargo growth in the September quarter, handled the equivalent of 1.18 million 20-foot containers in the June year, almost 9 percent more than a year earlier. Port of Tauranga is the country's largest and also has interests in Northport and PrimePort Timaru. Last month, it forecast full-year net profit of $96 million to $101m, from $93.4m in the June year. [Full article available here](http://www.freshplaza.com/article/9042100/nz-further-growth-planned-for-port-of-tauranga/)

**Biosecurity**

* 1. **Australia: Biosecurity assurance for cut flower and foliage imports**

The Australian Department of Agriculture has released a draft consultation report that confirms the enhanced import conditions for fresh cut flowers and foliage that effectively manage the associated biosecurity risks.The report assessed the three main groups of arthropod pests arriving with these imports—thrips, aphids and mites—and confirms that additional conditions implemented this year better address biosecurity risks before consignments arrive in Australia.

To address these risks, enhanced import conditions were implemented on 1 March 2018. The department has consulted widely with industry, domestic growers and trading partners as part of the draft report and ongoing risk review for imported fresh cut flowers and foliage. The draft report is available for comment and all interested stakeholders are encouraged to provide feedback by 31 January 2019. The department will consider all scientific information before finalising the report and releasing the final report. [Full article available here](http://www.floraldaily.com/article/9043130/australia-biosecurity-assurance-for-cut-flower-and-foliage-imports/)

* 1. **Farm worker put needles in strawberries over workplace grievance**

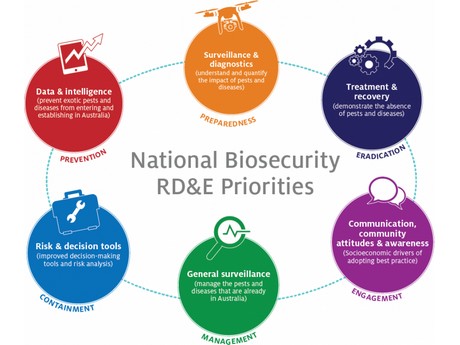
Last week, a former strawberry farm supervisor was accused in court of retaliating over a workplace grievance by putting needles into the fruit. The woman’s actions sparked recalls that devastated the Australian strawberry industry. State Crime Command Superintendent Jon Wacker told reporters before the court hearing that 230 incidents were reported nationwide, impacting 68 strawberry brands. The scare was concentrated in Queensland state, where 77 incidents were reported, with 15 of them believed to be hoaxes or false complaints.

Trinh, 50, was the first person arrested and has been charged with seven counts of contamination of goods with intent to cause economic loss, and would face up to 10 years in jail if convicted.

A Vietnamese refugee who arrived by boat two decades ago and became an Australian citizen, Trinh was working as a supervisor of fruit pickers at the Berrylicious strawberry farm near Caboolture, north of Brisbane, when she allegedly inserted needles into the fruit between Sept. 2 and 5, the court was told. According to [bloomberg.com](https://www.bloomberg.com/news/articles/2018-11-12/police-arrest-strawberry-industry-worker-over-fruit-sabotage)¸ it was a crisis driven by social media and the only real victims were the strawberry growers, and to some extent other Australian fruit growers and exporters. [Full article available here](http://www.freshplaza.com/article/9041664/australia-farm-worker-put-needles-in-strawberries-over-workplace-grievance/)

* 1. **Trans-Tasman alliance to stamp out threats to national biosecurity**

Cemented by a Memorandum of Understanding between Australia and New Zealand, the Trans-Tasman collaborative, led by Australia’s Plant Biosecurity Research Initiative (PBRI) and New Zealand’s Better Border Biosecurity (B3NZ), will focus on biosecurity Research, Development and Extension efforts at pre-border, border and post-border stages. The initiative also aims to build capacity to support the future of plant biosecurity through education and training, and will establish professional development opportunities for postgraduate and post-doctoral students across the two countries.



“This collaboration will be implemented via joint R&D projects and workshops supported by PBRI and B3 investors, and delivered by Australian and New Zealand researchers. The collaborative RD&E proposed in this MOU will support the development of new tools to engage growers and the broader community, support business continuity during incursions, and minimise negative social impacts of common biosecurity threats.” [Full article available here](http://www.hortidaily.com/article/9043533/trans-tasman-alliance-to-stamp-out-threats-to-national-biosecurity/)



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:

**Bulgaria Fresh Deciduous Fruit Annual** In marketing year (MY) 2017/18, Bulgarian pear production increased by 42 percent.  [Fresh Deciduous Fruit Annual\_Sofia\_Bulgaria\_11-5-2018](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Fresh%20Deciduous%20Fruit%20Annual_Sofia_Bulgaria_11-5-2018.pdf)

**India Apples, Fresh, Pears, Fresh, Grapes, Table, Fresh 2018|** New Delhi forecasts marketing year (MY) 2018/19 declines in fresh apple imports of approximately 9 percent year-over-year reaching 0.23 million metric tons (MMT[Fresh Deciduous Fruit Annual\_New Delhi\_India\_11-14-2018](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Fresh%20Deciduous%20Fruit%20Annual_New%20Delhi_India_11-14-2018.pdf)

**Regulatory**

* 1. **British cabinet agrees on interim Brexit deal**

After a meeting that lasted for many hours, the British cabinet has come out in support of the provisional Brexit agreement. It was presented to them by the British Prime Minister, Theresa May. The almost 600-page document can now be found on the internet. The United Kingdom is to remain in a customs union with the EU for the time being. That is, until another solution can be found. What this means is that, for now, no import duties or customs formalities will be introduced. This also solves the issue with Northern Ireland. No customs controls will be needed on the border between Ireland and Northern Ireland", There is also a 21-month transition period after 21 March.

Later this month, the provisional proposal will be on the EU's agenda. Member countries will have to vote on it. In December, the agreement will be presented to the British Parliament. Some British Members of Parliament are extremely skeptical about the deal. The [BBC](https://www.bbc.com/news/uk-politics-46216381) has set up a diagram showing the different steps that need to be taken, as well as points where things can still go wrong. [Full article available here](http://www.floraldaily.com/article/9043187/british-cabinet-agrees-on-interim-brexit-deal/)

 **Food safety**

* 1. **Increasing cases of bacteria in IQF vegetables is restraining growth of the market**

The global demand for individually quick frozen (IQF) vegetables is expected to rise on the account for their longer shelf lives, speedy processing of foods, and robust supply chain. Future Market Insights projects that such factors will instrument a steady growth in global consumption of IQF vegetables. By the end of 2026, more than 25 thousand tonnes of IQF vegetables will be sold across the globe, bringing in revenues worth over US$ 2,000 Mn. In terms of volume and value, the global IQF vegetable market is expected to showcase a moderate growth over the forecast period. Registering a value CAGR of 4.5% and a volume CAGR of just over 4%, the global demand for IQF vegetable is expected to be inhibited by increasing risk of consuming Listeria monocytogene bacteria through IQF vegetable, strict regulations that forbid the use of IQF vegetable due to rising occurrence of bacteria and viruses, and fluctuating prices, plus the availability of raw materials.

The report also reveals that out of prominently-consumed IQF vegetables in the world, IQF potatoes, tomatoes and broccoli & cauliflower will remain in great demand. *The balance of the article provides regional and vendor insights*. [Full article available here](http://www.freshplaza.com/article/9042533/increasing-cases-of-bacteria-in-iqf-vegetables-is-restraining-growth-of-the-market/)

* 1. **Resistant germs: Can raw food and lettuce be health risks?**

Salads are known to sometimes be contaminated with hygiene related germs. A research team led by Prof. Dr. med. Kornelia Smalla from the Julius Kühn Institute (JKI) has now proven that there are also germs on these articles that are resistant to antibiotics. Recent investigations clearly show that a considerable variety of transferable plasmids, that is, non-chromosomal genetic carriers in bacteria, with resistance genes in the E. coli, can be found on fresh produce. These are resistant to several classes of antibiotics. E. coli bacteria with these properties were found on all three food classes that were tested."

If such naturally harmless bacteria occur on vegetable food stuffs, they can enter the human intestine when these foods are consumed raw. Once ingested, the bacteria can pass their plasmids in the gut to potentially pathogenic bacteria.. The frequency of transmission of resistance in the human intestine is unknown due to the low occurrence of E. coli on lettuce. There is also a lot to be learned to what extent and how often these resistant bacteria cause diseases. [Full article available here](http://www.hortidaily.com/article/9042192/resistant-germs-can-raw-food-and-lettuce-be-health-risks/)

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**Floral News**

* 1. **Sustainable packaging in the floral industry**

Today's [consumers](https://www.researchgate.net/publication/228422545_The_Appeal_of_Biodegradable_Packaging_to_Floral_Consumers) are becoming more aware of the negative impact of plastic and non-degradable packaging materials. Companies are developing various parcels and packages using [non-toxic and eco-friendly materials](https://www.smurfitkappa.com/sectors/flowers) including polymeric formulas to not only extend shelf life but also eliminate any risks of cross-contamination.The first layer contains biodegradable film which maintains the flowers hydration levels using their evaporated moisture. The film layer maintains the flowers breathing oxygen and absorbs excess humidity, keeping them dry. Sustainable flower packaging solutions aim to eliminate the need to use excess water during their transportation. [Full article available here](http://www.floraldaily.com/article/9041610/the-impact-of-sustainable-packaging-on-the-floral-industry/)

  **Health**

* 1. **Eating green vegetables helps prevent fall injuries**

. Research has shown higher intake of vegetables (more than three serves a day) were associated with a 26 per cent lower risk of falls, improved grip strength and faster TUG times, with cruciferous vegetables (Brussels sprouts, cauliflower, cabbage and broccoli) giving the best response. There is a less pronounced effect and while response to fruit consumption did not reach significance there was a positive trend to reduced falls with greater daily consumption. [Full article available here](http://www.freshplaza.com/article/9043233/eating-green-vegetables-helps-prevent-fall-injuries/)

 **Innovation**

* 1. **UK firms makes new labels that track produce as it spoils**

A new type of use-by label for milk bottles could appear on UK supermarket shelves later this year that decomposes as the liquid inside goes sour. Labels such as these, capable of telling consumers exactly when fresh produce has gone bad, are being developed by scientists who want to stop food from being prematurely discarded. If successful, these indicators have the potential to reduce the millions of tonnes of valuable food thrown away each year.

A company based in London, UK, that is leading a project to produce more accurate food spoilage indicators. They have produced a tactile indicator that changes with the freshness of the food. The label contains a thin layer of gelatine containing biologically active ingredients that mimic what happens to the food it is attached to. As the food decomposes the gelatine breaks down, revealing a bottom layer that is bumpy to the touch. [Full article available here](http://www.freshplaza.com/article/9042645/uk-firms-makes-new-labels-that-track-produce-as-it-spoils/)

* 1. **9 Robots Invading primary Industry**

Robotics are allowing farmers to be more efficient, and productive when managing crops. *This article contains a description and pictures of 9 useful robots*

* ***Ecorobotix***  Powered by the sun, the robot uses its complex camera system to target and spray weeds. Because of its very precise arms, the robot uses 90% less herbicide, making it  30% cheaper than traditional treatments.
* ***Naio Technologies*** A host of robots that the ability to weed, hoe, and assist during harvesting.
* ***Energid Citrus Picking System*** The systems can pick a fruit every 2 to 3 seconds. Even more so, the robot is cheap to build, making it significantly cheaper than human labor.
* ***Agrobot E-Series*** With its 24 robotic arms working wirelessly and an advanced AI system, the E-series cannot only pick strawberries really fast but it can identify the ripeness .
* ***Blue River LettuceBot2***. With its imaging system, the LettuceBot2 is attaches itself to a tractor to thin out lettuce fields as well as prevent herbicide-resistant weeds
* ***Agribotix*** From taking precise aerial photos to recording video, the company’s collection of drones even has infrared sensors that can measure the health of crops while in the air.
* ***Vision Robotics*** The VR team has used AI-powered robots that can tackle a host of products include a vineyard pruner that images vines and uses a robotic arm to thin plants,.
* ***RoBoPlant***. The artificially intelligent robot is able to take flats of peat seedlings to separate them and plant them in optimal patterns.
* ***PrecisionHawk*** Drones with a host of features that include artificial intelligence paired with multispectral, hyperspectral, and LiDar technology. [Full article available here](https://interestingengineering.com/9-robots-that-are-invading-the-agriculture-industry)
  1. **EU accelerates digital transformation of European agri-food sector**

The SmartAgriHubs project enables a broad digital transformation of the European farming and food sector. With a €20 million budget co-funded by the European Union, the project aims to build an extensive pan-European network of Digital Innovation Hubs (DIHs). SmartAgriHubs has already put together a large network of 140 DIHs by building on its existing projects and ecosystems such as Internet of Food and Farm (IoF2020). All DIHs are aligned with 9 regional clusters, which are led by organizations that are closely related to national or regional digitization initiatives and funds. This multi-layer approach is supported by 28 Innovation experiments in which ideas, concepts and prototypes are further developed and introduced into the market.

More than 2 million farms are expected to be involved through 4000 experiments, bringing the process of digitization closer to the specific needs of the farmers. Demystifying digitization is vital to the project, helping farmers and their businesses to achieve real and attainable results.

SmartAgriHubs aspires to create an interconnected ecosystem where stakeholders work together in the different phases of innovation from early research to application on farms. Therefore, promoting stakeholder dialogue and providing timely information on progresses and achieved results lies at the heart of the project’s communication activities. To involve, train and inform its audience, several tools will be put in place by the consortium throughout the duration of the project. For instance, in the innovation portal information will be easily accessible by farmers and their businesses, creating an effective, efficient and satisfactory user experience. A catalogue for farmers and agribusiness is also foreseen, mapping the existing digital technology field, to exchange best practices among the network. [Full article available here](http://www.hortidaily.com/article/9042065/eu-accelerates-digital-transformation-of-european-agri-food-sector/)

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