



PMAC weekly update 27th November and 4th December

- 1. Government agencies:** WTO Notifications
- 2. New Zealand News:** Major biosecurity threat: 15 stink bugs found alive in Christchurch after fumigation failure; Export NZ November Trade Update; ExportNZ DHL Export Barometer; Myrtle rust update; Zespri and changes shipping company Northern Europe and Eastern US shipping routes; Zespri executive Simon Limmer new Silver Fern Farms chief executive; Renewed partnership to boost innovation in kiwifruit; New airline service opens up opportunities for stone fruit exports to Hong Kong; Lucky escape for Christmas cherries; Kiwifruit portside storage gets \$11m boost; Shortage concerns of Jersey Benne potatoes due to wet winter; Video: A day in the life of a New Zealand florist; Lily grower embraces best practices; A visit to NZ chrysanthemum farm Burwood Nurseries; Fruit grower stops peony production; EPA chief scientist says irrigation good for environment
- 3. International news:** GAIN reports; Wide support for extension of growers' rights; Australia attacks UK-EU Brexit plan to share quotas for cheap food imports; EU adopts new Common Agricultural Policy; Economic effects of the U.S. Food Safety Modernization Act"; Price changes for fruit and veg could save thousands of lives per year"; Number of toxic chemicals applied to vegetables has risen 17 fold since the 1960s', Intra-row weeding possible with vision systems; Blockchain for agriculture and food; Nanotechnology might help farmers fight climate change, pests and disease—and boost yields

Editor's comments

This week is an interesting mix of papers. Biosecurity takes centre stage in New Zealand with news that Myrtle rust is now found in Auckland and additional finds have been made in Taranaki. While MPI is continuing to treat this as an incursion it is looking more as though myrtle rusts here to stay and longer term plans will be required. Then there is the sobering news that brown marmorated stink bug has been found in Christchurch as a consequence of a failed fumigation. MPI is confident that there is no chance that a breeding population has been established in this case but it looks like a close call.

On a more positive note there are three articles reported that have been prompted by NZ Flower week which are designed to raise the profile of New Zealand flower growers.

In the international section a couple of good papers that could be used to inform policy the first being evidence that decreasing the price of fruit and vegetables could have significant health benefits. Secondly an article from Wageningen University looking at the use of blockchain technology, endorsing its use, and providing advice on the policy needed to support its successful implementation.

1. Agency news



1.1. 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 so that they can potentially make a submission to the notifying country. Changes notified over the last week includes:

- Canada MRL's
- Ecuador Updated quarantine pest list
- Taiwan Draft of Sanitation Standard for Contaminants and Toxins in Food

The embedded files for the last weeks (which has links through to the original notifications) is available here



Notifications.csv



2. New Zealand News

2.1. Major biosecurity threat: 15 stink bugs found alive in Christchurch after fumigation failure

15 Christchurch brown marmorated stink bugs (BMSB) have been discovered in Christchurch, hidden inside sealed panels on a mobile concrete plant. The plant was sealed and fumigated using methyl bromide.

MPI data showed 26 bugs have been found since the September to April risk period started, but the Christchurch incident was the first detection beyond the border. Gough Industrial Solutions, a Gough Group subsidiary, imported the Italian-made concrete plant, which had fumigation certification and traceback has shown it was taken to the Gough Industrial Solutions premises in Hornby, where a staff member found the bugs. There were 19 brown marmorated stink bugs, 15 of which were alive, including nine females – though they are non-reproductive during the northern hemisphere winter. MPI was notified, a site investigation was carried out and the equipment was sealed in plastic and fumigated.

MPI said it considered the Christchurch discovery a border intercept as the goods were taken to an approved transitional facility. [Full article available here](#)

[Export NZ full newsletter click here](#)

2.2. Export NZ November Trade Update

- **TPP now known as CPTPP** the full article provides more comment on some of the similarity and changes between TPP and CPTPP
- **EU FTA negotiations** with EU were meant to start with Australia and New Zealand in the last month. It now looks likely this will not happen until early 2018. [Full article available here](#)

2.3. ExportNZ DHL Export Barometer

The recently released Export Barometer shows Kiwi exporters are feeling confident and expecting orders to increase in the next twelve months. Optimism is very positive with 71% of New Zealand exporters expecting international orders to increase – this is a jump from 63% in 2016.

The research shows that overall 2017 has been a good year, with just over half (55%) of exporters achieving an increase in international orders. [Full article available here](#)

General

2.4. Myrtle rust update

A second location of myrtle rust infection has been found in Auckland at a private property in St Luke's. Of the 136 locations now known to be infected, 90% involve infection in Ramarama or pōhutukawa plants. Myrtle rust has previously been found in Taranaki, Te Puke, Waikato and Northland, and just last week, in Auckland for the first time. Taranaki has had a number of recent finds [Full articles available here](#)

Industry news

2.5. Zespri and changes shipping company Northern Europe and Eastern US shipping routes

Zespri Shipping Manager Mike Knowles says Seatrade has decided to exit the Meridian shipping routes to Northern Europe and East Coast North America and will be replaced by CMA CGM. CMA CGM will provide a fixed-day weekly service with a best-in-class 32-day transit to Zeebrugge next season which is based around the purpose-built Seatrade colour class ships and water-cooled containers." [Full article available here](#)

2.6. Zespri executive Simon Limmer new Silver Fern Farms chief executive

Simon Limmer has been appointed the new chief executive of Silver Fern Farms. Limmer, 49, has been chief operating officer for Zespri where he has held various roles since 2008. He will take over the chief executive role from Dean Hamilton who steps down in March next year. Limmer is expected to continue in his present role with Zespri until he takes on the SFF job. [Full article available here](#)

2.7. Renewed partnership to boost innovation in kiwifruit

Zespri has welcomed the announcement by the Ministry of Business, Innovation and Employment (MBIE) that it will support a renewed partnership with Zespri to develop new kiwifruit products and breeding technologies. MBIE will invest \$6.7 million together with Zespri's contribution of \$15.7

million over the next seven years into research at Plant and Food Research. The partnership aims to develop at least one novel fresh fruit product type by 2030 and could increase New Zealand export revenue by \$200 million a year by 2045. [Full article available here](#)

2.8. New airline service opens up opportunities for stone fruit exports to Hong Kong

The first Cathay Pacific flight of a new seasonal service linking Auckland, New Zealand and Hong Kong took place last week. The airline will be using the Airbus A350XWB passenger plane which can hold 280 persons and carry 20 tons of cargo per trip. This extra cargo will open up new export opportunities to Hong Kong for New Zealand producers, especially stone fruit and cherry producers. [Full article available here](#)

Crop news

2.9. Lucky escape for Christmas cherries

Roxburgh Cherry Orchard owner, Gary Bennetts said the town was hit by heavy rain and hail on Monday afternoon and evening, with flooding knocking out the town's water supply. Mr Bennetts added that the fruit escaped the worst of the deluge, but if the bad weather was repeated within the next few weeks it could cause major damage. Mr Bennetts noted that it had been a relatively warm season and cherry crops were on track for Christmas. [Full article available here](#)

2.10. Kiwifruit portside storage gets \$11m boost

The Port of Tauranga has opened a new \$11 million cool store, ushering in a new era in the storage and containerisation of kiwifruit to overseas markets. Port of Tauranga Chief Executive, Mark Cairns said the cool store replaced one that was 48 years old and at the end of its life. The new cool store was a result of the kiwifruit industry teaming up with the port to make sure that there was sufficient capacity to keep up with the rising number of exports. Mr Cairns added that kiwifruit had been a remarkable success story following the recovery from Psa [Full article available here](#)

2.11. Shortage concerns of Jersey Benne potatoes due to wet winter

Jersey Benne potatoes have long been a Christmas staple, but the wettest winter on record for Oamaru, New Zealand has raised the possibility of a shortage. [Full article available here](#)

Other

2.12. Video: A day in the life of a New Zealand florist

The floriculture industry in New Zealand is calling for more people to join the \$100 million business. Carolyn Robinson of TVNZ lives a day in the life of a florist – 3is wake-up call included. [Full article available here](#)

2.13. Lily grower embraces best practices

Lilies are one of the few cut flowers that are sent to market in a very 'closed state' meaning their colour and scent remains hidden until consumers get them home and allow them time to open. This not only makes them easier to transport (less chance to damage opened blooms) but allows for a longer vase life for the end consumer as they get to enjoy lilies. Full

2.14. A visit to NZ chrysanthemum farm Burwood Nurseries

Burwood Nurseries production site stretches across two massive properties in Cambridge. They produce a wide range of varieties that are sold as 'spray' or 'standard' to the NZ market. Spray Chrysanthemums have multiple flower heads per stem giving them a 'spray like' appearance. Standard Chrysanthemums have one large flower head per stem only. [Read more at NZ Flowers Week Full article available here](#)

Fruit grower stops peony production

Omeo Peonies, which has been in existence between Clyde and Alexandra for 30 years, will be closing and the flowerbeds will be moved to Roxburgh. Manager of the site's owner Clyde Orchards Kris Robb said it would extend its orchard operations to the peony land. [Full article available here](#)

2.15. EPA chief scientist says irrigation good for environment

Environment Protection Authority Chief Scientist, Jacqueline Rowarth said irrigation, when carefully managed, was greatly beneficial to the environment. Ms Rowarth explained that irrigation led to organic matter growing in the soil, schedules being met, and therefore happy bank managers because farmers could guarantee their income stream [Full article available here](#)



3. International news

Comment

3.1. 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:

- a) **Argentina Apples, Fresh, Pears, Fresh, Grapes, Table, Fresh Apples, Pears, and Table Grapes** For 2017/2018, production of all three types of fresh deciduous fruit is forecast to rise to 550,000 MT for apples, 600,000 MT for pears, and 45,000 MT for table grape due to higher yields because of favourable weather conditions. [Fresh Deciduous Fruit Annual Buenos Aires Argentina 11-9-2017](#)
- b) **India Advertisements and Claims Regulations On** November 24, 2017, India notified to the World Trade Organization a draft regulation on advertisements and claims and invited comments from its member countries. The deadline to provide comments is January 21, 2018. [Advertisements and Claims Regulations Invite WTO Member Comments New Delhi India 11-24-2017](#)
- c) **India Revised Inspection and Sampling Fees for Imported Food Products** The Government of India's Food Safety and Standards Authority of India published an order to revise inspection and sampling fees for imported food products. The order has come into force with immediate effect. [Revised Inspection and Sampling Fees for Imported Food Products New Delhi India 11-24-2017](#)
- d) **D India draft Packaging Regulations Invite Comments** India notified its 2017 draft packaging Regulations to the World Trade Organization (WTO) and invited comments from trading partners. Comments will be accepted from trading partners for up to 60 days beyond the notification date as listed on the WTO website. [Draft Packaging Regulations Invite Comments New Delhi India 11-22-2017](#)
- e) **India Apples, Fresh, Pears, Fresh, Grapes, Table, Fresh 2017** Post forecasts marketing year (MY) 2017/18 Indian apple imports will decrease year on year about five- percent to 0.35 Million Metric Tons (MMT). Imports of pears also are projected lower at 0.03 MMT in MY 2017/18. [Fresh Deciduous Fruit Annual New Delhi India 11-22-2017](#)
- f) **Malaysia Exporter Guide** With per capita income of over \$9,120 and a middle and upper class making up 50 percent of the population, Malaysia shows good potential for growth as a market for high value consumer products. Best U.S. product prospects include fresh fruits and vegetables, ... [Exporter Guide Kuala Lumpur Malaysia 11-20-2017](#)
- g) **Malaysia Food Service - Hotel Restaurant Institutional** Malaysia has a dynamic hotel and restaurant industry. Changing lifestyles and growing middle class underpin demand. Key U.S. prospects for the HRI sector include dairy products, frozen potatoes, fresh and dried fruit, nuts, sauces, and juices. [Food Service - Hotel Restaurant Institutional Kuala Lumpur Malaysia 11-16-2017](#)
- h) **Singapore Exporter Guide** The United States is Singapore's leading supplier for consumer oriented products, total import value of \$616 million after Malaysia, and is also the city-state's fifth largest supplier for agriculture, fish, and forestry products valued at \$893 million. The

Singapore market is dynamic yet competitive, with potential in new, premium and healthy products. Leading U.S. prospects are temperate fruits, dairy products including artisan cheese, [Exporter Guide Singapore Singapore 11-21-2017](#)

- i) **South Africa -Food and Beverage Trade Show Promotions** Trade Shows have buyers, distributors, are cost-effective, provide market research, and product testing. South Africa and the surrounding region boast a dynamic and growing consumer demand for consumer-ready products. [Food and Beverage Trade Show Promotions Pretoria South Africa - Republic of 11-17-2017](#)
- j) **South Korea Exporter Guide**South Korea's imports of American food and agricultural products in 2017 through September totaled \$6.3 billion, up 25 percent from the same period of previous year. [Exporter Guide Seoul ATO Korea - Republic of 11-21-2017](#)
- k) **Eurasian Economic Union Ag Times No. 5 of 2017**This report contains summaries of relevant decisions and documents from the Armenia-Belarus-Kazakhstan-Kyrgyzstan-Russia Eurasian Economic Union (EAEU) meetings, published between August 9 and November 14, 2017 that impact EAEU food and agriculture policy. [Eurasian Economic Union Ag Times No. 5 of 2017 Moscow Russian Federation 11-21-2017](#)

Regulatory

3.2. Wide support for extension of growers' rights

The European Commission is working on the proposal to extend the growers' right for bulbs, asparagus and shrubberies such as raspberry and blueberry from twenty five to thirty years. The term for growers' rights in Europe is 25 years but can be extended to 30 years for specific crops. This has already happened for trees, grapevines for wine and potatoes. Plantum already submitted a request in 2008 to extend the growers' right protection for bulbs for five extra years. The European Commission expects to be able to provide clarity before the summer. [Full article available here](#)

3.3. Australia attacks UK-EU Brexit plan to share quotas for cheap food imports

The UK and European Union's plans to share out quotas for cheap food imports from countries around the world after Brexit have come under fire from Australia. Restrictions on how many products can be imported into the EU on favourable rates are set across the bloc and concerns have been raised internationally that exporters could take a financial hit when the UK quits.

The Government has agreed with Brussels to divide up the numbers of goods that can be brought in on low or zero tariffs based roughly on current rates. It would mean products imported into the UK in higher numbers than other parts of the bloc would continue to be traded in similar numbers.

Australian trade minister Steven Ciobo said the move would impose unacceptable restrictions on nations exporting to the bloc. Other countries with concerns about the quota-splitting plan include the United States, New Zealand, Brazil and Canada. [Full article available here](#)

3.4. EU adopts new Common Agricultural Policy

Simpler rules and a more flexible approach will ensure the Common Agricultural Policy (CAP) delivers real results in supporting farmers and leads the sustainable development of EU agriculture. Recent changes allowing Member States greater responsibilities to choose how and where to invest their CAP funding in order to meet ambitious common goals on environment, climate change and sustainability is the flagship initiative. Support for farmers will continue through the system of direct payments.

While keeping the current two pillar structure, the new approach will set out the detailed actions to reach these objectives agreed at the EU level. Each EU country would then develop their own strategic plan – approved by the Commission – setting out how they intend to meet the objectives.

Areas of emphasis for GAP funding will potentially include:

- Dealing with climate change through resource efficiency, environmental care and climate action.
- Encouraging the use of modern technologies to support farmers on the ground and provide greater market transparency and certainty
- Greater attention to encourage young people to take up farming,
- Address citizens' concerns regarding sustainable agricultural production, including health, nutrition, food waste and animal welfare
- Seek coherent action among its policies in line with its global dimension, notably on trade, migration and sustainable development
- Creating an EU-level platform on risk management on how best to help farmers cope with the uncertainty of climate, market volatility and other risks

The relevant legislative proposals giving effect to the goals outlined in the Communication will be tabled by the Commission before the summer 2018, following the MFF proposal. [Full article available here](#)

3.5. Economic effects of the U.S. Food Safety Modernization Act”

Nearly half of all foodborne illnesses in the United States are tied to fresh produce. In 2010, the Food Safety Modernization Act (FSMA) was passed in the USA with the intent on regulating fresh produce marketed in the United States shifting the focus from responding to contamination to preventing it.”

So is it working? A team of researchers looked at the impact of FSMA from several points of view in the paper “Economic Effects of the U.S. Food Safety Modernization Act,” Using the fresh tomatoes industry as a case study into FSMA.

The paper shows that growers and suppliers within the United States, and their buyers, are likely to gain relative to foreign producers and importers because FSMA imposes specific requirements for importers. Among fully regulated growers, the researchers predict that large growers will benefit more when compared to small growers.

The jury is still out on the cost to the consumer, and the foodborne illness concerns FSMA was created to prevent? The full academic paper can be read at academic.oup.com. [Full article available here](#)

3.6. Price changes for fruit and veg could save thousands of lives per year"

Changing the prices of seven types of foods, including fruits, vegetables and sugar-sweetened beverages, could reduce deaths due to stroke, diabetes and cardiovascular disease and address health disparities in the United States, finds a study led by researchers from Tufts University.

The researchers found that if the prices of all seven dietary items were altered 10 percent each, an estimated 23,000 deaths per year could be prevented; this corresponds to 3.4 percent of all cardiometabolic disease deaths in the United States. A 30 percent price change almost tripled that approximation with an estimation of 63,000 deaths prevented per year, or 9.2 percent of all cardiometabolic disease deaths. The largest changes came from reducing the prices of fruits and vegetables and increasing the price of sugary drinks. ["Full article available here"](#)



Sustainability

3.7. Number of toxic chemicals applied to vegetables has risen 17 fold since the 1960s

The number of chemicals applied to supermarket vegetable crops in the UK has increased by up to 17 fold in 40 years, data shows, as the organic food industry and scientists have warned that consumers are exposed to a "toxic cocktail" of pesticides.

Figures released for the first time by the Soil Association, which certifies organic food, show the number of toxic chemicals applied to onions, leeks, wheat and potatoes has been steadily increasing since the 1960s. This is despite industry data showing that the weight of pesticides applied in the UK has halved since the 1990s.

Consumption of "toxic cocktails" of low levels of pesticide cocktails are thought to be linked with degenerative diseases like strokes, heart attacks and cancers. Speakers claimed chemicals can have a mixture effect. They may have no effect by themselves but when mixed have a pronounced mixture effect. In the UK onions and leeks have seen the biggest rise in toxic chemicals applied to them with the number rising 17 fold from 1.8 in 1966 to 32.6 in 2015, the data showed.

Keith Tyrell, spokesman at the Pesticide Action Network UK, said: "There is a huge lack of transparency there and it undermines the public trust in the regulatory system." "It should be up to the pesticide companies to prove that the pesticide does not cause harm, not up to the researchers to show that there is harm." [Full article available here](#)

3.8. Intra-row weeding possible with vision systems

Researchers of Wageningen University have developed weeding machines which are able to do intra-row weeding. The intra-row weeding machines are based on vision systems which detect the weeds in the crop. In the advanced machines there are several cameras which acquire images of the crop and weeds. To increase the value of the images from the field, data can be gathered on crop growth, weed pressure, harvest moment and nutrient shortage and be represented as heat maps to the grower. [Full article available here](#)



Innovation

3.9. Blockchain for agriculture and food

A new Wageningen University & Research report documents experiences and findings from the project 'Blockchain for Agrifood' that was started in March 2017. The project aims to contribute to a better understanding of the blockchain technology (BCT) and its implications for agrifood, especially how it can impact specific aspects of supply chains and what is needed to apply BCT in agrifood chains. A second aim of this project is to conceptualise and develop a proof of concept in an application based on a use case concerning table grapes from South Africa where BCT could be applied.

The pilot has demonstrated that it is feasible to put basic information on certificates on a blockchain with a permissioned ledger and smart contract. Compared to traditional situations with centralised databases, the PoC demonstrator shows how blockchain can be used to ensure that different parties share the same layer of information on the validity and provenance of certificates that is tamper-proof. The paper also outlines some of the challenges with the technology and makes policy suggestions to enable this technology. [Download the full study here](#) [Full article available here](#)

3.10. Nanotechnology might help farmers fight climate change, pests and disease—and boost yields

Research is underway in the USA into the use of substances in extremely small form which could help plants fight disease in a way that's never been done before. The researchers are looking at how nutrients in nano-form may stimulate the plants' own immune systems. Initial results are promising.

It seems nano-technology will supply the plant with nutrients it already needs in a more usable form and they have found material on a nanoscale level can behave differently to normal supplies. Researchers know there are a number of nutrients plants require, including those needed in only the smallest amounts — otherwise known as micronutrients. In plant roots, some micronutrients activate enzyme systems that fight certain diseases. Copper is thought to be a key micronutrient in this regard, but the trick is getting enough of it into the roots, especially when the plant is young.

It appears the nano-nutrients can be sprayed on to the plant and result in significant yield increases but it will now be important to show the plant is still safe for human consumption. [Full article available here](#)

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