



PMAC weekly update 4th to 11th December

- 1. Government agencies:** WTO Notifications; Briefing to the incoming Minister of Customs; Briefing to the Incoming Minister
- 2. New Zealand News:** Anniversary of Diplomatic Relations with China; Trade Minister to attend WTO conference; Myrtle rust found in Wellington region; NZ 'may have lost the battle' against myrtle rust; New food rules opens can of home-grown worms; Brown marmorated stink bug in Western Sydney; NZ academic pushes country of origin brand development at regional level; It's time to protect our supply of horticultural produce; Increased flights from Auckland Airport to Singapore; NZGAP GLOBALG.A.P. Equivalent; Oversupply of blackcurrants troubles NZ growers; Auckland's future: vertical farming?; Carnation grower perfects the picking point.
- 3. International news:** GAIN reports; EU seeks agricultural cooperation with Africa; African free trade area agreement to be signed in March 2018; China phasing out more and more pesticides; UK: Supermarket Tesco doubles vegan and veggie Christmas Food; USA fruit trading firm accepts Bitcoin payments from customers; Nearly half of Italian kiwi shipments to Australia contain quarantine pests; Freshfel Headlines; Dos and don'ts of doing business in Thailand; Italy: Ozone can be used in orchards; Can a reporting app help to reduce food poisoning outbreaks?; Rise of technology in food safety; Food Sustainability Index 2017: France continues to set the pace; Bayer launches crop protection transparency website

Editors note

A bit of a mix of articles this week. Firstly from a government perspective if you want to understand the role that Customs plays in supporting trade a link is provided to the incoming briefing to the Minister An interesting read.

The potential of Africa as a trading partner is emphasised with an article on the EU seeking agricultural cooperation with Africa and another covering the intention of African states to sign a free trade area agreement. Both initiatives will help improve the ability of these countries to trade.

The move to socially responsible and sustainable production is emphasised with news that Tesco's is doubling its vegan offering this Christmas. There is also an article on the efforts that France is making to be ranked highest in its sustainability efforts (using an index that measures waste minimisation, health outcomes and agroecology efforts). Efforts to become socially acceptable are demonstrated in the news that Bayer is working to become more transparent by making publically available studies on the chemicals it has developed. At the other end of the scale is a very altruistic video that reports on a "plant factory" in the States that uses disabled and mentally challenged staff to provide pest free produce for nearby communities.

And then not necessarily an article that falls into the sustainability arena but one that reports on a move towards the future with the first report of Bitcoin being used to pay for produce in international trade.

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 include:

- Australia has released the final pest risk analysis for Cucumber green mottle mosaic virus
- Canada – MRL's
- India - The Draft Food Safety and Standards (Advertisements and Claims) Regulations, 2017 deals with the specification and requirements for advertisements and claims made on food products.

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



2017 - WTO
Notifications 4-12-17

available here



1.2. Briefing to the incoming Minister of Customs

This 70 page document outlines the responsibilities of the Customs portfolio and immediate issues for the new Minister of Customs Hon. Meka Whaitiri. From a trade perspective it covers Secure, efficient and customer focussed facilitation of trade and Maximising the benefit of exports. [Full article available here](#)



1.3. Briefing to the Incoming Minister

Woolworths Australia has 992 stores and a 36 percent share of the Australian grocery market but the Aussie marketplace is much more crowded than New Zealand, so you'll need a strong value proposition that resonates in the Australian grocery market. For your product to stand out the article suggests that work is necessary in one or preferably more of the following areas:

- True product innovation
- Exceptional supply chain management to ensure consistent delivery

- Relevant brand story to talk to the end consumer
- Establishing clear expectations with the buying team

[Full article available here](#)

2. New Zealand News



2.1. Anniversary of Diplomatic Relations with China

Summary of speech given by Winston Peters –

The first diplomatic relations were established between the governments of New Zealand and China on 22 December 1972. On 27 March 1973, a New Zealand Ministerial delegation, led by Associate Minister of Foreign Affairs Hon Joe Walding, set foot on Chinese soil for the first time. And on 16 May 1973, the first Chinese Ambassador to New Zealand, Pei Jianzhang presented his credentials.

The first New Zealand Ambassador to China, Bryce Harland, presented his credentials in Beijing on 20 September 1973. Official relations began from a low base. The population of New Zealand was 2.97 million. China's was 865 million and New Zealand's total trade with China was just \$1.7 million. At that time New Zealand had no air links with China and Hong Kong was the entry point into China.

Today, the relationship between New Zealand and China is described as a comprehensive strategic partnership and there is plenty of evidence to support that. Now New Zealand and China's two-way trade now stands at NZ\$24.4bn (year to June 2017). China is New Zealand's second largest trading partner and number one goods export market.

China is also New Zealand's second-largest source of tourists, and China is New Zealand's fifth largest travel destination. Those travellers are serviced by 36 regular flights between New Zealand and China each week with scope for this to expand to up to 80 direct flights per week during peak periods.

New Zealand's diplomatic footprint in China has also grown beyond a single embassy in Beijing to include consulates in three cities in mainland China – Shanghai, Guangzhou and Chengdu. All together there are 10 New Zealand government agencies represented in China employing 430 staff. The New Zealand government looks forward to opening a new, modern chancery in Beijing in 2018. [Full article available here](#)

2.2. Trade Minister to attend WTO conference

Trade Minister David Parker has departed to attend the 11th WTO Ministerial Conference in Buenos Aires, Argentina. He will be seeking to secure better rules in the WTO in order to limit subsidisation of agriculture and fisheries," [Full article available here](#)

See also a trade work article talking about this meeting, the need for reduced subsidies and the importance of free trade. [Full article available here](#)

General

2.3. Myrtle rust found in Wellington region

The fungal plant disease myrtle rust has been found in Lower Hutt, north of Wellington. MPI says its laboratory confirmed positive infection in 3 ramarama plants in a Hutt Valley garden. [Full article available here](#)

2.4. NZ 'may have lost the battle' against myrtle rust

New Zealand may have "lost the battle" in beating myrtle rust, a top scientist fears, and we could be facing the loss of some vulnerable species. [Read more at the NZ Herald \(Jamie Morton\) Full article available here](#)

2.5. New food rules opens can of home-grown worms

An emotional article describing how the new food act food safety rules are starting to bite at country markets, with compliance and annual fees threatening the small profits stall owners hope to make.

Changes to the 2014 Food Act will kick in for food stall operators in March - and council "informational visits" to markets on the coast north of Wellington have left stallholders stunned.

Even small stalls will be charged \$900 in the first year to Kāpiti Coast District Council for licensing and food safety verification, and \$750 annually after that. Only people who sell fruit and vegetables will be exempt and then only as long as they grow it themselves. But they need to get someone to come to their property and verify where they grow the food.

MPI director Peter Thomson said each council set their own fees but the Ministry was working to increase the number of people and businesses who could act as verifiers. The law aimed at a consistent system for food safety, and that the requirement that food "does not make people sick, and be what it says it is" covered all food for sale. [Full article available here](#)

2.6. Brown marmorated stink bug in Western Sydney

Brown marmorated stink bug (*Halyomorpha halys*), has been detected in Glendenning, Western Sydney. Warehouse staff unpacking a consignment imported from Italy discovered 38 live stinkbugs on timber pallets and boxes, and alerted biosecurity officers. The goods were sprayed and shrink-wrapped before being moved to a container.

The infested container and the warehouse have been fumigated, traps have been set and the premise has been searched for specimens. Biosecurity officers will undertake a weekly fog and inspection of

the premise for a minimum of 3 weeks after the detection and further delimiting activities will include tracing of similar consignments, additional trapping, and surveillance. [Full article available here](#)

2.7. NZ academic pushes country of origin brand development at regional level

New Zealand needs to urgently focus on developing brands and differentiating agricultural exports. That could mean creating a food culture that plays off the country's strong environmental image with an emphasis on regions Lincoln University senior lecturer in agribusiness management Dr Nic Lee says. Mandatory country of origin labelling has the potential to develop brands but he recommended taking it further to a regional level "It is something that is developing, if you look at New Zealand cuisine we stand apart.

Horticulture New Zealand chief executive, Mike Chapman, said mandatory country of origin stickers had been marked as a priority as part of its pre-election manifesto. Further the Consumers' Right to Know Bill, a member's bill sponsored by Gareth Hughes MP, had been reinstated in Parliament for consideration by the Primary Production Select Committee.

"The Bill seeks to introduce a mandatory country of origin labelling regime for 'single component' foods." New Zealand currently has voluntary country of origin labelling for food, but not mandatory country of origin labelling. [Full article available here](#)

2.8. It's time to protect our supply of horticultural produce

OPINION: piece on "Stuff" on Horticulture New Zealand's report on the security of supply. The article expresses concern that prime fruit and vegetable growing land is being squeezed by rapid growth in towns and cities and high demand for new housing. That, coupled with emotional battles over water and more severe unseasonal weather events, has the potential to "put healthy food out of reach for some people". [Full article available here](#)

Industry news

2.9. Increased flights from Auckland Airport to Singapore

Air New Zealand and Singapore Airlines are in a joint venture, operating two daily services between Auckland and Singapore. From October 2018 the airlines will increase to three daily services. This will add another 10% of direct cargo capacity to and from Singapore.

In the first 10 months of 2017, export of fruit and vegetables to Singapore increased by 25%, driven by growing demand for avocados, apples and strawberries. [Full article available here](#)

Crop news

2.10. NZGAP GLOBALG.A.P. Equivalent

NZGAP is in the final stages of benchmarking to GLOBALG.A.P. version 5.1. The latest round of benchmarking includes some minor changes to wording and question categories from version 5.0. The updated standard, (NZGAP GLOBALG.A.P. Equivalent v6.1) will be available to growers in December and will be required for any NZGAP GLOBALG.A.P. Equivalent audits completed after 1st January 2018. [Full article available here](#)

2.11. Oversupply of blackcurrants troubles NZ growers

Due to the low price of blackcurrants on the international markets a number of New Zealand growers are pulling out of the industry. [Full article available here](#)

Other

2.12. Auckland's future: vertical farming?

Sustainability Strategist, Henry Gordon -Smith said vertical farming in high-rise buildings, warehouses or shipping containers could benefit a rapidly expanding Auckland. Mr Gordon-Smith added that vertical farming was becoming more popular overseas as more importance was placed on the idea of buying local and fresh. [Full article available here](#)

2.13. Carnation grower perfects the picking point

Another New Zealand flower week article about the Loef's property which produces some of New Zealand's best carnations. [Read more at NZ Flowers Week](#)



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) **China Lowers Import Tariffs on Select Agricultural Commodities** China announced its annual tariff revisions a month early this year, with tariff reductions on select commodities set to become effective on December 1, 2017, instead of the usual January 1, 2018 timeline. [China Lowers Import Tariffs on Select Agricultural Commodities Beijing China - Peoples Republic of 11-30-2017](#)

- b) **Czech Republic FAIRS Country Report 2017** This report provides information on the laws and regulations for food, import rules for food, and contact information in the Czech Republic. [Food and Agricultural Import Regulations and Standards - Narrative Prague Czech Republic 11-9-2017](#)
- c) **EU Public Consultation on PPPs and MRLs Launched** On November 13, 2017, the European Commission launched its public consultation (open until February 12, 2018) and stakeholder survey (open until December 31, 2017) on the REFIT evaluation of EU legislation on pesticides and pesticides residues. [REFIT – Public Consultation on PPPs and MRLs Launched Brussels USEU EU-28 11-28-2017](#)
- d) **France President Macron calls on France to ban use of glyphosate** Following the EU's decision to extend the authorization of glyphosate for another five years, French President Emmanuel Macron tweeted that he asked the Government of France to take all necessary measures to ban the use of glyphosate as soon as an alternative was found; at the latest within 3 years. In the longer-term this could negatively impact U.S. trade to France if France considers blocking imports from countries that use glyphosate. [President Macron calls on France to ban use of glyphosate Paris France 01-12-2017](#)

Regulatory

3.2. EU seeks agricultural cooperation with Africa

With an extraordinary demographic growth, Africa's population is expected to double by 2050 from 1.2 billion people to 2.4 billion. Today 60% of the population is under 25, and will only continue to expand. Therefore the necessity to create new decent jobs for this young African population is a key issue, with the International Monetary Fund estimating the need to create 18 million new jobs each year up to 2035.

The EU, an already strong partner in the agricultural sector, aims to reinforce this partnership through a mindset focused on trade, investments and business, rather than aid. The fundamental principle behind this renewed partnership is to promote "policy dialogue as a tool for development Full

3.3. Continental free trade area agreement to be signed in March 2018

The African Heads of State are set to sign the Agreement establishing the Continental Free Trade Area (CFTA) in March 2018. When signed, the Continental Free Trade Area is going to be the biggest trade agreement bringing together 55 African countries second to the World Trade Organization (WTO) that was signed in 1994. The CFTA will be a market of about 1.3 billion people currently and is expected to be about 2 billion by 2025.

The liberalisation of trade among the 55 countries is expected to lead to a predictable environment for investment, industrialisation and value addition. As such it will create opportunities for employment and increased household incomes. [Full article available here](#)

3.4. China phasing out more and more pesticides

China plans to ban another 12 highly toxic pesticides within five years .This all comes amid an ongoing campaign to improve the environment and, in particular, tackle severe soil pollution. Beijing has already withdrawn 22 highly toxic pesticides from use, prohibiting the use of these products on fruit, vegetables and tea. [Full article available here](#)

Business

3.5. UK: Supermarket Tesco doubles vegan and veggie Christmas Food

A huge demand for meat-free food has led retail giant Tesco to double its vegetarian and vegan centrepiece festive food offering this year. Vegan options will include the Turmeric Spiced Cauliflower Wellington and Pecan and Peanut Roast with maple-roasted carrot and parsnip .[Full article available here](#)

3.6. USA fruit trading firm accepts Bitcoin payments from customers

Terra Exports accepted their first Bitcoin transaction in early-November this year, when a customer in Singapore casually mentioned they were looking into using cryptocurrency at a business level. Since then, Terra Exports has received Bitcoin payment in 3 other occasions, from customers both in the US and in India.

Terra Exports does a significant amount of their business with China and India. While they are aware Bitcoin is taking off significantly in both countries, they are not making it a point to switch entirely to cryptocurrency. Offering the ability to be paid in Bitcoin goes hand in hand with the company's entrepreneurial vision, but it's not something they are pushing onto customers Terra nova is also being very careful about the changing value of Bitcoin and promptly converts it to American dollars as soon as they receive payment [Full article available here](#)

3.7. Nearly half of Italian kiwi shipments to Australia contain quarantine pests

The Australian Department of Agriculture and Water Resources (DAWR) has reviewed import data for Italian kiwifruit over a five year period from 2011 to 2016. This review identified that 47 percent of consignments were detected with quarantine pests over this period. . DAWR intends to monitor pest non-compliance during the 2017-18 season and if a significant reduction in pest noncompliance is not achieved, DAWR tells that it will consider additional measures. [Full article available here](#)

3.8. Movie to be made of Vertical Harvest drama

"Hearts of Glass" a video about a cutting-edge greenhouse in the heart of Jackson, Wyoming. with a social mission to nourish a community , employ the disabled and become a model for others? [Full article available here](#)

3.9. Freshfel Headlines

Freshfel (forum for the European fresh fruits and vegetables chain which represents the interests of the sector) circulated its headlines for the period October and November 2017 [found here](#).

The Headlines give an overview of the most recent Freshfel activities. In this edition:

- Freshfel attends EU Platform on Food Losses and Food Waste meeting
- Freshfel takes part in the High Level Mission to Saudi Arabia and Iran
- EuroMix Consortium meeting
- EUFRUIT Annual Assembly
- Research and Innovation Week
- #FruitVeg4You campaign promotion outside European Parliament
- Freshfel participates to the Advisory Group on Food Chain, Animal and Plant Health
- Freshfel attends Civil Dialogue Groups
- Freshfel attends EU Platform on Diet, Physical Activity and Health meeting
- "Electronic Official Controls of Food and Plant Products"
- Exchange on Brexit technical challenges together with the UK Department for Environment, Food and Rural Affairs
- Freshfel contributes to the Public Consultation on Unfair Trading Practices
- Freshfel hosts a seminar in Beijing to foster cooperation and understanding on fruit and vegetable trade with China

3.10. Dos and don'ts of doing business in Thailand

Do you want to do business in Thailand? The Netherlands Enterprise Ministry has a few very practical tips. *This article is worth reading if you are working in Thailand.* [Full article available here](#)



Food safety

3.11. Italy: Ozone can be used in orchards

The oxidising effects of ozone (O₃) are well known. Dissolved in water at low concentrations (1-4 mg/litre), it can devitalise all forms of parasites (fungi, bacteria, viruses). A new atomiser presented at a fair in Italy is unlike all others. First of all, it is equipped with an ozone generator. The ozone is then mixed with the water in the tank and there is also a power generator. [Full article available here](#)

3.12. Can a reporting app help to reduce food poisoning outbreaks?

Patrick Quade launched [iwaspoisoned.com](#) after he visited a deli and later became ill. He set up the website where people can report food poisoning to warn others. Today; his site contains more than 75,000 food-borne sickness reports from 90 countries and 46 U.S. states.

This article discusses the advantages and disadvantages of the site noting that it has already proven its usefulness in identifying the source of contaminated food. [Full article available here](#)

3.13. Rise of technology in food safety

Food manufacturing companies rely heavily on process automation and technology but food retail establishments' use of technology has been primarily used to aid in the management of elaborate food preparation processes and procedures rather than serve as a replacement.

The article mentions a range of technologies used in food safety including

- Measuring devices to monitor critical control points,
- Labelling to allow tracking,
- Adenosine triphosphate (ATP) hygiene monitoring to detect for food particular residues ,
- Online training,
- The internet of things, or IOT (the use of sensors to report real-time data back to a cloud based storage system) to allow the tracking of temperature or movement
- Wearable technology to visually guide employees to ensure that food safety steps are followed

[Full article available here](#)



Sustainability

3.14. Food Sustainability Index 2017: France continues to set the pace

France retains its number one position in the 2017 Food Sustainability Index (FSI), developed by The Economist Intelligence Unit. The FSI encompasses 34 countries worldwide. It measures the sustainability of food systems across three pillars: food loss and waste; nutritional challenges; and sustainable agriculture.

France performs most strongly in terms of the component of the index that seeks to capture food loss and waste.. In 2016 France approved legislation making it compulsory for supermarkets and grocery stores that exceed 400 sq. metres to [pass on unsold food to food banks or charities](#). Restaurants above a certain size are also obliged to recycle left-over food and must [issue "doggy bags" to customers if they request them](#). Meanwhile, in March 2017 the European Parliament approved a motion calling on the European Commission to set [binding targets for the reduction of food waste](#) by EU member states by the end of 2020.

France also scores relatively highly in terms of nutritional challenges (concentrating on obesity and diet related diseases), where it is in fourth place in the FSI globally. Against this backdrop, ANSES (the French Agency for Food, Environmental and Occupational Health and Safety) released [updated food consumption guidelines](#) at the start of 2017. Among its key recommendations is the need to limit the consumption of meat (excluding poultry), and especially of delicatessen meats and sugar-sweetened beverages. Instead, the agency advocates a much greater dietary emphasis on pulses, wholegrain cereal products, vegetables and fruits, as well as certain vegetable oils.

With regard to the final pillar of the FSI—sustainable agriculture—France is ranked third globally out of 34 countries. France is pressing ahead with its [agro-ecology project](#), which represents an attempt to ensure a more sustainable approach to farming. A key principle underpinning the agro-ecology concept is that improvements in agricultural performance should not come at the expense of environmental and social conditions. Agro-ecology encompasses a number of common elements—such as promoting soil fertility through crop rotations and developing synergies between livestock farming and crops (thereby cutting reliance on synthetic chemical fertilisers. October and November 2017 [Full article available here](#)

3.15. Bayer launches crop protection transparency website

Bayer launched its new [transparency website](#), designed to enable access to scientific data needed for the evaluation of plant protection products. In addition to summaries of safety-related study reports for a significant number of active substances, Bayer will start to enable non-commercial access to the respective safety-related study reports, commencing with reports on imidacloprid. Background material such as videos and infographics are provided to help put regulatory science into context.

Bayer's new transparency website will be updated on a regular basis. In the next phase, non-commercial users will be able to request access to additional full, in-depth safety-related study reports. See [cropscience-transparency.bayer.com](#) [Full article available here](#)

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