

## PMAC weekly update 8<sup>th</sup> to 15<sup>th</sup> January 2018

- 1. New Zealand News:** Horticulture NZ Food Act update; Myrtle rust found in New Plymouth, New Zealand MyFarm turns to fruit investments; Avocado and kiwi crops escape major storm damage; Market Gardeners Limited acquires shareholding in First Fresh NZ; Christchurch Airport - December was busiest month ever; Biosecurity fears due to Australian Department of Agriculture and Water staff cuts
- 2. International news:** GAIN reports; US: Intellectual property rights for new plant varieties have expanded; Unilever teams with big banks on blockchain for supply chain; Food safety paramount for Chinese online shoppers of imported food; Aussie fruit growers use social media in struggle; Vertical farmer responds to E.coli outbreak; 13 Western Habits You Should Give Up To Be Successful in China; Turning point in use of laser technology almost reached;

### **Editors comments**

*A short but interesting newsletter. Under New Zealand news the under resourcing within the Australian Government department servicing imports and exports is identified and comment made about its impacts on the OPI scheme .*

*Under Gain reports are two reports which list the main food and beverage shows in both India and Hong Kong with links to the show websites. .*

*An interesting perspective is presented on the potential uses of Blockchain is discussed in the article on Unilever. This notes that blockchain can be used to allow customers to view more detailed and reliable information about the social and environmental impacts of the food they purchase . The article also suggests that banks will be interested in these credentials and this will allow the banks to propose financial incentives for more sustainable approaches/ businesses. Does this mean less environmentally businesses will effectively be taxed by the banks? .*

*There is also are an interesting couple of articles on China . One concerns the buying habits of online buyers. Food safety is not surprisingly their number one concern but a number of other factors are also ranked. The other article looks at how to do business in China. Light hearted and not written specifically for produce but I would suggest worth a read.*

### **1. New Zealand News**



## General

### 1.1. Horticulture NZ Food Act update

Horticulture New Zealand and MPI are making steady progress on the recognition of the GAP schemes for Food Act verification, which will mean that meeting Food Act requirements will be seamless for GAP approved growers. MPI has recently acknowledged that the NZGAP Scheme, checklist and auditors meet the Food Act requirements under National Programme level 1 and are currently looking at the acceptance of other GAP schemes and checklists used by growers (e.g. GLOBALG.A.P.). This will mean that your next GAP audit will also count as a Food Act audit, reducing compliance costs for growers.

Horticulture New Zealand is also working with MPI on coordinating Food Act registration for your horticulture business. No action required from growers at this stage.

[Read the full update in the Horticulture New Zealand e-newsletter](#)

### 1.2. Myrtle rust found in New Plymouth, New Zealand

Last week myrtle rust was found in New Plymouth's Pukekura Park. So far, 210 sites across the country are confirmed to contain affected trees. Almost half -101 cases- are in Taranaki, while 4 are in Northland, 32 in Auckland, 47 in Bay of Plenty, 22 in Waikato, and four in Wellington.

[Stuff.co.nz](#) reported that the investigation in December found that the cost of myrtle rust to New Zealand's economy could stretch into the thousands of millions. IT could also cause some regions' economic activity to fall by up to 10 percent. [Full article available here](#)

## Industry news

### 1.3. MyFarm turns to fruit investments

New Zealand's largest rural investment syndicator MyFarm Investments is moving away from its dairy farming origins. According to Chief executive Andrew Watters, horticulture is expected to produce cash returns of up to 7 - 15 percent, which is generally more than pastoral farm investments. [Full article available here](#)

### 1.4. Avocado and kiwi crops escape major storm damage

Last week saw New Zealand hit by strong winds and prolonged heavy rain, but according to Seeka this will have little effect on the avocado volumes, just a delay in harvesting. The bigger issue is that the weather has disrupted harvest and shipping. Supply lines are thin and processors are now accelerating the packout and airfreighting to key customers to keep the supply lines open.

The bad weather may have a slight impact on kiwifruit volumes for the coming season with both fruit drop and proximity marking [damage where fruit rubs together]. It's a little too early to tell. All in all, the general sentiment is that growers feel they are lucky to have gotten away so lightly. [Full article available here](#)

### 1.5. Market Gardeners Limited acquires shareholding in First Fresh NZ

Leading New Zealand supplier of fresh fruit and vegetables, Market Gardeners Limited, trading as MG Marketing (MG), and leading New Zealand Citrus Marketing company First Fresh NZ Limited (First Fresh), are pleased to announce that in late December 2017, MG acquired a 30% shareholding in First Fresh.

First Fresh will continue to trade in its own right and from that perspective it is business as usual. [Full article available here](#)

#### **1.6. Christchurch Airport - December was busiest month ever**

Christchurch Airport statistics reveal the number of passengers through the terminal was the highest number for any month on record. Some 638,043 passengers used the terminal during December, up 4.8% compared to December 2016. But it's not just passengers coming and going in record numbers international carriers are also handling strong demand for South Island fruit, seafood and flowers exported directly to Asia. [Full article available here](#)

### **Crop news**

#### **1.7. Biosecurity fears due to Australian Department of Agriculture and Water staff cuts**

Australian Horticultural Exporters and Importers Association chief executive Dominic Jenkin claims a staff increase at the Department of Agriculture and Water Resources is an "absolute priority" for horticulture to maintain import and export biosecurity. The value of horticulture exports had risen 107% in the past five years, but the number of staff at the Department dropped by 7% in the same period.

This means the Department could not keep pace with anticipated growth in agricultural trade and the related import and export task. This led to the winding down of services including Offshore Pre-shipment Inspections. "Previously, we would have sent government inspectors off shore to inspect the fruit before it arrives," said Jenkin. "But recently, due to staffing caps, they have been reducing staff to cost-recovered projects."

Mr Jenkins cited produce from New Zealand and the US, which would once have been inspected before it left, and if a pest was found the shipment could be sent to another market or used domestically. "Now these pre-shipment inspections are being wound down; inspections are done in Australia, where it would be costly to re-route and it might have to be fumigated, destroyed or reconditioned. "A Department spokesman said offshore pre-shipment inspection was only one means of verifying produce met Australia's import conditions and was only offered to certain commodities from two countries. "The majority of horticultural fresh pathways are not inspected under OPI."

[Full article available here](#)



## 2. International news

### Comment

#### 2.1. 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 Food and Agricultural Import Regulations and Standards – Narrative** This report provides overall information on regulations and standards for importing U.S. food and beverages into Argentina. However, Post recommends U.S. suppliers interested in the Argentine market to contact local importers to find out about specific rules and regulations that may apply to particular products. A new government took office in Argentina in December 2015, and since then it has implemented new measures towards a more open economy. [Food and Agricultural Import Regulations and Standards - Narrative Buenos Aires Argentina 1-4-2018](#)
- b) **Australia Food and Agricultural Import Regulations and Standards – Certification** This report lists the major export certificates and other documentation required by the Government of Australia for U.S. exporters of food and agricultural products. [Food and Agricultural Import Regulations and Standards - Certification Canberra Australia 12-22-2017](#)
- c) **Australia | Food and Agricultural Import Regulations and Standards - Narrative** All foods sold in Australia must comply with a range of laws designed to protect consumer, plant, and animal health. These laws apply equally to imported and locally produced foods. All imported food must comply with quarantine and imported food requirements and then with food safety requirements. [Food and Agricultural Import Regulations and Standards - Narrative Canberra Australia 12-18-2017](#)
- d) **Brazil | Food and Agricultural Import Regulations and Standards - Certification** This report identifies Brazil’s import requirements for foreign export certificates. An export certificate matrix and outline are included. There were no significant changes in 2017 to general certificates that impact imports of agricultural goods. [Food and Agricultural Import Regulations and Standards - Certification Sao Paulo ATO Brazil 12-29-2017](#)
- e) **Brazil Exporter Guide** Brazil is finally emerging from the worst economic crisis in its history and now is starting to recover. In 2016, imports of food and beverage products were impacted by the recession but in 2017 trade is picking up again, as major economic indicators that directly affect consumption are starting to shift. [Exporter Guide Sao Paulo ATO Brazil 1-8-2018](#)

- f) **Brazil Food Service - Hotel Restaurant Institutional** Brazil is one of the major world players in the hotel, restaurant, and institutional (HRI) sector, with the HRI industry valued at US\$116 billion. Despite the current economic scenario, Brazil presents genuine opportunities for U.S. exporters of food and agricultural products and ingredients. [Food Service - Hotel Restaurant Institutional Sao Paulo ATO Brazil 1-8-2018](#)
- g) **Brussels USEU Food and Agricultural Import Regulations and Standards - Narrative** This report should be read in conjunction with the EU-28 Food and Agricultural Import Regulations and Standards (FAIRS) report written by the U.S. Mission to the EU (GAIN report E17080) [Food and Agricultural Import Regulations and Standards Brussels USEU Belgium-Luxembourg 1-3-2018](#)
- h) **Cambodia Update on the draft Food Safety Law** This report provides an update of the draft Food Safety Law in Cambodia. [Update on the draft Food Safety Law Ho Chi Minh City Cambodia 1-4-2018](#)
- i) **Chilean Cherries to Reach Unprecedented Export Record** Post export forecast for marketing year (MY) 2017/18 is revised up to 150,000 MT. This represents a 56 percent increase in exports over MY2016/17. [Chilean Cherries to Reach Unprecedented Export Record Santiago Chile 1-8-2018](#)
- j) **Ecuador Food and Agricultural Import Regulations and Standards – Narrative** This report outlines Ecuador’s requirements for food and agricultural product imports. The major changes from the 2016 report are related to the Sanitary Notification by line of production. Hyperlinks to ministries, agencies, and legal documents are provided throughout this updated report. [Food and Agricultural Import Regulations and Standards - Narrative Quito Ecuador 11-17-2017](#)
- k) **Ecuador Food and Agricultural Import Regulations and Standards – Certification** This report identifies Ecuador’s import requirements for foreign export certificates, highlighting current procedures and identifying the relevant local agencies with oversight over these issues. An export certificate matrix and outline is included. [Food and Agricultural Import Regulations and Standards - Certification Quito Ecuador 12-19-2017](#)
- l) **Egypt Food and Agricultural Import Regulations and Standards - Narrative** The new food safety agency in Egypt is now a reality after the Egyptian parliament approved law number 1/2017 establishing the National Food Safety Authority (NFSA) on January 2nd, 2017. The purpose of the NFSA is to unify the Egyptian food safety system through both structural and legislative reforms. [Food and Agricultural Import Regulations and Standards - Narrative Cairo Egypt 12-12-2017](#)
- m) **Egypt Retail Foods** | The Egyptian population is young and growing. As such, demand for food products is high and expected to rise in the coming years. The economic policy reforms of late 2016 are having a positive impact [Retail Foods Cairo Egypt 12-21-2017](#)
- n) **Germany Food and Agricultural Import Regulations and Standards – Certification**  
Germany as part of the European Community has implemented EU regulations for the import of

- products of animal and plant origin. [Food and Agricultural Import Regulations and Standards - Certification Berlin Germany 12-7-2017](#)
- o) **Results of the German Fruit Tree Census** This report summarizes the results of the 2017 German fruit tree census and developments in the planted varieties of apples and pears. [Results of the German Fruit Tree Census Berlin Germany 12-22-2017](#)
- p) **Hong Kong Major Food and Beverage Trade Shows in Hong Kong 2018** | Hong Kong, a major export destination for high value U.S. food and beverage products to Asia, continues to show strong growth potential. [Major Food and Beverage Trade Shows in Hong Kong 2018 Hong Kong Hong Kong 12-29-2017](#)
- q) **India Food and Agricultural Trade Show Calendar 2018** This report provides a list of food, beverage and agricultural shows held in India. The Indian trade show industry holds a large number of shows dedicated to the various aspects of the food and agricultural industry. Indian agricultural and related imports in 2016 were \$27 billion of which imports from the United States were \$1.5 billion [Food and Agricultural Trade Show Calendar 2018 New Delhi India 1-3-2018](#)
- r) **Indonesia Food and Agricultural Import Regulations and Standards – Certification** This report updates the 2016 Indonesian FAIRS Export Certificate Report, which lists the major export certificates and other requirements expected by the Government of Indonesia (GOI) from U.S. exporters of food and agricultural products. [Food and Agricultural Import Regulations and Standards - Certification Jakarta Indonesia 12-22-2017](#)
- s) **Israel Exporter Guide** | [Exporter Guide Tel Aviv Israel 12-21-2017](#)
- t) **Netherlands Food and Agricultural Import Regulations and Standards – Certification** | The Netherlands, as a member of the European Union (EU), conforms to all EU regulations and directives. However, rules for the certification of imports are complicated and in practice not always harmonized across EU Member States. [Food and Agricultural Import Regulations and Standards - Certification The Hague Netherlands 12-19-2017](#)
- u) **Nicaragua Food and Agricultural Import Regulations and Standards - Certification** This report lists Nicaragua import requirements for export certification and import permits for agrochemicals, veterinary products, feedstuffs, and food products for human consumption. [Food and Agricultural Import Regulations and Standards - Certification Managua Nicaragua 12-7-2017](#)
- v) **Nicaragua Food and Agricultural Import Regulations and Standards – Narrative** This report lists the main Nicaraguan food laws, technical regulations and import requirements. [Food and Agricultural Import Regulations and Standards - Narrative Managua Nicaragua 12-6-2017](#)
- w) **Plant Products Banned from Import into Tunisia** Tunisia bans the import of several plants and plant products from some or all countries, including but not limited to citrus, dates, apples,

pears, alfalfa, clover, potatoes, peaches, and olives. [Plant Products Banned from Import into Tunisia Tunis Tunisia 1-8-2018](#)

- x) **Tunisia Food and Agricultural Import Regulations and Standards - Narrative**The Food and Agricultural Import Regulations and Standards (FAIRS) report provides an overview of the food laws and regulatory environment in Tunisia [Food and Agricultural Import Regulations and Standards - Narrative Tunis Tunisia 12-26-2017](#)

## Regulatory

### 2.2. US: Intellectual property rights for new plant varieties have expanded

This article provides an overview of the use of Plant variety Intellectual protection tools in the USA Despite being available for the least amount of time, annual utility patent grants for plant cultivars and lines have rapidly overtaken Plant Variety Protection Certificates and reached similar levels as plant patents. [Full article available here](#)

## Business

### 2.3. Unilever teams with big banks on blockchain for supply chain

Unilever is moving forward with a year-long pilot project that will use blockchain to manage transactions within its tea supply chain. A new taskforce will see Unilever, the big British supermarket chain Sainsbury and packaging company Sappi team up with three global financial services companies: BNP Paribas; Barclays; and Standard Chartered. Together with several technology startups, the group will develop a system that will track and verify contracts for farmers in Malawi that supply tea to Unilever and Sainsbury.

Many large financial services firms are committing millions of dollars in research and development to explore and test potential applications, but the technology is also capturing attention in sustainability circles. This technology has the real potential to help banks access more detailed and more reliable information about social and environmental impacts in a secure way, throughout the entire supply chain," said Marguerite Burghardt, head of the Trade Finance Competence Center for BNP Paribas, in a statement. "This will benefit the entire supply chain ecosystem, enabling financial institutions to broaden the scope of their financing offers and to propose financial incentives to their customer clients, based on their environmental and social standards."

The system relies on technology from four startups: FOCAFET Foundation, which provides open source product identifier data; Halotrade, working on ways to use blockchain to offer incentives for ethical sourcing; Landmapp, developing a mobile app for land rights documentation; and Provenance, piloting ways of using blockchain for verifying the origin of materials and products across supply chains.

Two interesting companies , mentioned in the article , whose development may further strengthen Blockchain in the produce area are:

**Arc-Net:** Based in Belfast, Ireland, the company was founded in 2014. One of its missions is to incorporate DNA data as part of the chain of custody. One of its latest customers is a craft beer company in Ireland, which will use the system to share ingredients information with beer drinkers.

**Ripe.io:** San Francisco-based Ripe Technology is developing a system that combines sensors, the internet of things and blockchain to collect data about food quality, safety and origin. Project and Analog Devices. [Full article available here](#)

#### **2.4. Food safety paramount for Chinese online shoppers of imported food**

*A fact filled article on the views of China's online shoppers which identifies that Food safety is the leading concern for these consumers . Nowadays, companies selling products online frequently add to product pages certificates of health and inspection, Good Manufacturing Processes (GMP), and Chinese customs documents, and other official documents to validate the authenticity and quality of their products. Australia, the USA and Japan are the most favoured origins of imported food products, ( New Zealand does not appear in the top 11 ) [full article available here](#)*

#### **2.5. Aussie fruit growers use social media in struggle**

Tasmania's Reid Fruits -and other top Australian growers- have been affected by counterfeit products being sold with their branding in Asia. Now Reid has taken to social media to combat the poor quality fakes; the company has taken to printing intricate stickers that are put on the genuine boxes and incorporating QR codes onto the cartons bound for Asia.

According to a [xinhuanet.com](#) article, the company has encouraged consumers to get in touch on social media to query suspected knock-off fruits. "Each carton comes with a unique QR code which they can scan and that actually tells them that it's an authentic product," says Fruits Business Development Manager Lucy Gregg. [Full article available here](#)

#### **2.6. Vertical farmer responds to E.coli outbreak**

An article about and E. coli outbreak linked to the leafy greens in Canada and the importance of personal relationships . It reports that one restaurant grower is not concerned The owner is quoted as saying "Since we're getting it locally grown, it's not really a big deal for us," "I've been to the plant where it comes from ... I was never worried about it."[Full article available here](#)

#### **2.7. 13 Western Habits You Should Give Up To Be Successful in China**

*An interesting article that talks about how to work in China. It is very general ( not produce specific) and worth a read if only to be reminded that working in China is different. [Full article available here](#)*

## 2.8. Turning point in use of laser technology almost reached

The use of laser technology to print labels on individual pieces of fruit and vegetables has more and more product applications. The developers of this technology now claim the cost price of lasering fresh produce is now equal to the use of stickers or plastic packaging. [Full article available here](#)



Food safety

## 2.9. US: CPS adds new video platform to website – CPS Minute

The Center for Produce Safety (CPS) in the USA recently announced it has added a new video section to the home page, creating a multimedia experience for site visitors. Visitors will get a glimpse into some of the best practices currently being utilized by the industry. *Take a look at the new CPS Minute page at [centerforproducesafety.org](http://centerforproducesafety.org)*

## 2.10. Several stories of food poisoning epidemics

[Romaine lettuce in the USA and Canada](#) . After 6 weeks new cases are still being reported and the source of the epidemic is still unknown

[Frozen raspberry problems](#) continued in 2017 for Canada, U.S. Chines frozen reapsberries have caused 630 cases between August 2016 and July 2017

[Listeria in Michigan apples](#) prompts recall after being detected when a retailer identified the bacteria during routine testing of a suppliers consignment. With an article on what



Health

## 2.11. Researchers Turn to Blueberries in Fight Against Cervical Cancer

Researchers in the USA and China have shown that radiation therapy alone reduced the number of cancer cells by 20 percent and the blueberry extract alone by 25 percent. But when combined, the blueberry extract and radiation therapy led to a 70 percent reduction in the number of human cervical cancer cells. It appears that blueberry might be used as a potential radiosensitizer, which means a patient can reduce the radiation and its side effects, to treat cervical cancers, Blueberries not only have an anticancer effect, but also antioxidant and anti-inflammatory effect. [Full article available here](#)

Subscribe/ Unsubscribe If you no longer wish to receive this email please send a note to [info@pmac.co.nz](mailto:info@pmac.co.nz) asking to be added/ removed and providing the nominated email address

Disclaimer Please note this information has been accessed from emails that have been forwarded to info@PMAC.co.nz and are distributed as a weekly update. If you intend using this information please sight the original document to ensure you are aware of the context within which any changes have been made and to guard against any transcription changes