

**PMAC weekly update 15th to 22nd July**

1. **Government agencies**: Another fruit fly discovered in Auckland; Millions spent this year in fight against Queensland Fruit Fly; Growing our future leaders in the primary industries; SFF Futures is operational; CusWeb website closing.
2. **New Zealand News:**  Big changes for biosecurity system; Foreign Minister visits United States of America; Enhanced Pacific Partnerships’; Reassessment of methyl bromide; Primary sector’s commitment to reducing Climate change; NZ strawberry growers vote on levy for industrial protection; Avocado prices plunge as new season starts; Concentrating on blackcurrants; New Zealand grower group still going strong after 100 years Stinginess upsets plant breeders; New water share offer opens for Waimea dam investment.
3. **International news:** GAIN reports; How Trump could kick off a currency war; OECD-FAO Report: Big Potential Latin American and Caribbean Fruit and Vegetable Exports; How to get people to buy more produce; US organic food market sales have cooled, report finds; Respecting IP rights, still an issue in China; Number of foodborne illnesses associated with outbreaks in tomatoes decreased since 2001; Reducing listeria contamination from salad vegetables; China: Peony leads national flower poll; Spain: Edible flowers are a booming market; The latest traceability technology used to successfully enforce IP rights over illegal usage.

***Editors comments***

*Disturbing news this week that another fruit fly has been found in Northcote. Hopefully with Industry and MPI sitting down to guide the next steps of this response every effort will be made to find the source of the flies and clear out the population before spring arrives.*

*The New Zealand section contains a summary of a speech delivered by Winston Peters in Washington encouraging the Americans to develop a bilateral agreement with NZ. The speech contains some interesting facts about the effect a lack of FTA’s has had on the Americans share of world trade. . Later in the International section the question is asked whether Trump will try t manipulate the value of the American dollar and initiate a currency war !*

*Gain reports contains eleven reports about the retail environment in various countries. Worth a read if you are interested in how to work n these countries and how the Americans perceive demand in the medium term.*

1. **Agency news**



* 1. **Another fruit fly discovered in Auckland**

Another fruit fly has been discovered on Auckland's North Shore, bringing the number discovered since February to ten. Continued trapping led to the discovery of another single male fruit fly on 15 July in a trap in the current controlled area, 350 metres from where the last was found on 31 May." Biosecurity New Zealand spokesperson Dr Catherine Duthie says “we cannot afford to take our foot off the pedal. We have found 10 of these flies in the Northcote area since February, and while we still haven’t found any evidence of larvae, pupae, eggs or female flies, the continued finds indicate that Queensland fruit flies remain in the area, albeit at very low levels.". [Full article available here](https://www.biosecurity.govt.nz/news-and-resources/media-releases/fruit-fly-in-auckland-situation-update-19-july-2019/?utm_source=notification-email)

* 1. **Millions spent this year in fight against Queensland Fruit Fly**

Biosecurity New Zealand has released figures showing they have had to invest 4.1-million-dollars between February and June. [Full article available here](https://www.freshplaza.com/article/9127428/nz-millions-spent-this-year-in-fight-against-queensland-fruit-fly/)

* 1. **Growing our future leaders in the primary industries**

The Ministry for Primary Industries (MPI) and the Agricultural and Marketing Research and Development Trust (AGMARDT) last week announced that Hiraina Tangiora and Nick Hammond, were recipients of the Emerging Primary Industries Leaders Scholarship for 2019. Hiraina is external relations coordinator for Zespri and Nick is chief operating officer for Spring Sheep Milk Co.

The scholarship will cover the tuition, airfare, and accommodation costs to attend the Te Hono Stanford Bootcamp, a week-long, intensive programme held at Stanford University in California. The Bootcamp brings together primary sector chief executives and leaders committed to innovation and transformation in New Zealand’s primary sector.Following the Te Hono Stanford Bootcamp, both Hiraina and Nick will continue to be mentored and supported by their nominators to find opportunities to apply the knowledge they learn at the bootcamp. [Full article available here](https://www.mpi.govt.nz/news-and-resources/media-releases/growing-our-future-leaders-in-the-primary-industries/?utm_source=notification-email)

* 1. **SFF Futures is operational**

MPI’s amalgamation of the Sustainable Farming Fund and the Primary Growth Partnership into Sustainable Food and Fibre Futures (SFF Futures) has been completed and is operational.

Since SFF Futures was launched late last year, new Sustainable Farming Fund projects and Primary Growth Partnership programmes have been launched. Under SFF Futures, a good pipeline of new projects is emerging and there appears to be good interest. At its meeting in June, the Investment Advisory Panel (IAP) considered some of the first SFF Futures project applications.

Details of projects and how to apply for funding is available at sff-futures.mpi [Full article available here](https://www.mpi.govt.nz/assets/newsletters/Agri-Gate-newsletter-July-2019.pdf?utm_medium=email&utm_campaign=Agri-gate%20newsletter%20-%20July%202019&utm_content=Agri-gate%20newsletter%20-%20July%202019+CID_3ec5ba2fdd2d9c4a7ed1e5a58fcd8b35&utm_source=Email%20marketing%20software&utm_term=Read%20more#page=2)



* 1. **CusWeb website closing**

The CusWeb website provided by B2BE NZ Ltd for submitting Customs import and export transactions will be shut down on 31 July 2019.  This is because the transactions are in the old format that was replaced by Trade Single Window (TSW) formats. All the transaction types are now available for submission via [TSW Online](https://govt.us11.list-manage.com/track/click?u=5bcebe8ff41247a98e67420c5&id=1e0644c23e&e=e76458644d), and improvements have been made to TSW Online in response to user feedback. The TSW formats are mandatory for all submitters. For further information about TSW, visit the [Customs website](https://govt.us11.list-manage.com/track/click?u=5bcebe8ff41247a98e67420c5&id=ae039086ba&e=e76458644d) or email [tswusersupport@customs.govt.nz](mailto:tswusersupport@customs.govt.nz).



1. **New Zealand News**



* 1. **Big changes for biosecurity system**

Minister Damien O’Connor last week unveiled big changes to New Zealand’s biosecurity system, including details of a Biosecurity Act overhaul. “The Biosecurity Act is now 26 years old. We’re operating in a different world than we were in 1993. Tourism, imports and the rise of online shopping have meant a corresponding increase in biosecurity risk.

Last week he released the terms of reference that defines the objectives and structure of the Biosecurity Act’s overhaul. The work will be led by Biosecurity New Zealand. They have started working with Māori, industry, and others to upgrade the Act. We will look at every aspect of the Act including compensation and funding.

All New Zealanders will have an opportunity to have their say. Dates for formal consultation on the Biosecurity Act will be announced later in the year . More information about the [overhaul of the Biosecurity Act](http://www.biosecurity.govt.nz/biosecurity-act-overhaul) is available on the MPI website. [Full article available here](https://www.beehive.govt.nz/release/big-changes-biosecurity-system)

* 1. **Foreign** **Minister visits United States of America**

Winston Peters travelled to Washington D.C. last week for talks with senior members of the US Administration, and to attend the Ministerial to Advance Religious Freedom. [Full article available here](https://www.beehive.govt.nz/release/foreign-minister-visit-united-states-america-0)

* 1. **‘Enhanced Pacific Partnerships’**

**The following are exert’s from the Ministers address to the Centre for Strategic and International Studies Washington**

One of the pillars that connects our two democracies is the promotion of free and fair trade. At last year’s 6th US-ASEAN summit Vice President Pence conveyed President Trump’s offer ‘to make bilateral trade agreements with any Indo-Pacific nation that wants to be our partner and that will abide by the principles of fair and reciprocal trade.’

We stand here to say New Zealand is uniquely ready in our fulsome record and attitude to ‘free and fair’ trade to take up the President’s offer. In a December 2018 speech here in Georgetown we laid out our perspective on the geo-strategic rationale for greater US engagement in the Pacific. A key point made in the Georgetown Address was that partners need to support each other economically – through free trade and by understanding each other’s economic imperatives .

While the geo-strategic rationale remains as strong as ever we’d like to focus today on the economic grounds for advancing a bilateral free trade discussion between our two countries. We want to begin by saying to our friends in Washington that the United States’ limited engagement in trade agreements in the Indo-Pacific is of real concern to New Zealand.

For example the creation of ASEAN has allowed countries to focus on improving the living standards of their people, largely through domestic economic reforms, and also through negotiating agreements to reduce and remove barriers to trade and investment. Those that form agreements that allow the free- flow of good and services across their border thrive . Those that don’t become less competitive

While we seriously admire the boundless creativity and innovation that comes out of the United States–particularly your truly amazing ICT companies–the reality is that the United States also remains a huge producer of more traditional goods and services, much of which is destined for export markets.   And this is where we have the real concerns for the United States’ future prosperity. While most countries in Asia have been actively negotiating trade agreements between them, with the staggering economic growth of China one obvious symbol of the greater trade engagement seen across Asia, the US has in the last 20 years only negotiated three FTAs in Asia: with Australia, the Republic of Korea, and Singapore.

In 1990, 17.4% of all goods imported to Asia came from the US. By 2018, that 17.4% had fallen to just 7.4%. That means that the US has lost half of its market share over a 28 year period, and gives you a sense of the significant scale of lost opportunities for US exporters and workers.

Most economic commentators consider the deteriorating share of US exports has been the result of the growing network of bilateral and regional trade and economic agreements of which the US has not been a part.

New Zealand is ready to work with the United States to achieve a breakthrough in our bilateral trade and economic relationship. Such an agreement would be beneficial to the United States and New Zealand in its own right. More so, it would have strategic and symbolic importance far greater than the undoubted mutual economic benefits.

Importantly it would send a signal into the Indo‑Pacific that the US is in the region to stay and provide substance to the President’s offer for free and fair bilateral trade engagement. It would signal that US involvement in the region will be broad and comprehensive, with an ambitious economic programme to mirror the US’s strategic and security objectives.   And it would signal to other countries in the region that the US is open for business, and looking to conclude ambitious, high quality and comprehensive free trade agreements with other countries in the region. [Full article available here](https://www.beehive.govt.nz/speech/%E2%80%98enhanced-pacific-partnerships%E2%80%99)

** Commentary**

* 1. **Reassessment of methyl bromide**

The EPA has announced that submissions are open on a reassessment of the fumigant methyl bromide. STIMBR (the initiator if the reassessment) has asked the EPA to consider:

* proposed new controls regarding the definition of recapture
* the time that such recapture would have to be used when fumigating ship holds with methyl bromide
* the buffer zones associated with all methyl bromide fumigations.

See : <https://www.epa.govt.nz/public-consultations/open-consultations/reassessment-of-methyl-bromide/>.

* 1. **Primary sector’s commitment to reducing Climate change**

Primary sector leaders have come together to create the Primary Sector Climate Change Commitment. to reduce and mitigate agricultural emissions. The commitment from across the agricultural, horticultural and arable sectors was announced last week as the Government released a consultation document seeking feedback on policy proposals to reduce agricultural greenhouse gas emissions.   

The joint statement says addressing biological emissions starts with actions and decisions on the farm. The leaders welcome the inclusion in the Government’s discussion document of a partnership approach to developing a practical, farm-based framework to reducing emissions, and we put this proposal forward in that spirit to assist the consultation process.”

Through a joint action plan - with the primary sector, government and Maori and Iwi - farmers and growers will be able to calculate their emissions and offsets at the farm gate, assess options to reduce or mitigate their emissions, and have confidence that there is ongoing investment in a pipeline of research and tools.  The framework will address climate change within a whole farm systems framework, recognizing that farmers efforts to reduce emissions sits alongside water quality, biosecurity, biodiversity, animal welfare, and financial sustainability.

A central tenet of the Government’s discussion document is pricing of agricultural emissions. The primary sector is seeking to work with government to design a pricing mechanism where any price is part of a broader framework to support on-farm change, contributes to lower global emissions and supports farmers and growers to make practical changes on the ground. This will be critically important to enable a smooth transition for the agricultural sector.  Primary sector leaders believe the fastest progress can be made towards managing New Zealand’s biological emissions by focusing on the establishment of a farm-based framework focused on practice change, rather than the Interim Climate Change Committee proposal to impose an interim processor level cost on emissions, priced through the Emissions Trading Scheme.

The full Primary Sector Climate Change Commitment can be found [here](http://www.beeflambnz.com/climatechangecommitment.) [Full article available here](https://ruralnewsgroup.co.nz/rural-news/rural-general-news/primary-sector-s-commitment-to-reducing-emissions?utm_source=Rural+News+Group+Weekly+E-Newsletter&utm_campaign=9e5c98e43f-Rural_News_Group_Bulletin_16_July_2019&utm_medium=email&utm_term=0_fb79f8bfe8-9e5c98e43f-59798541&ct=t(Rural_News_Group_Bulletin_16_July_2019))



* 1. **NZ strawberry growers vote on levy for industrial protection**

There are about 150 growers in New Zealand, and they collectively handle about 15 million strawberry plants. Last month, the board of Strawberry Growers New Zealand (SGNZ) asked commercial growers to vote on a proposal to apply for a levy on strawberries at a rate of $26 per 1000 strawberry plants sold.

At the time, it said the proposal was not directly related to the food safety issue that arose last year when needles were found in strawberries in New Zealand and Australia. Voting closed last week and results released last night showed 84 percent of growers who voted supported the proposal.

The levy is expected to raise about $375,000 annually, which Mr Rakich said would be spent on areas considered important to growers: "This includes crop protection, export market access, biosecurity, food safety and labour. " Agriculture Minister Damien O'Connor still needs to approve the levy and if the application is granted, it would be drafted by the Parliamentary Counsel Office. It is hoped to have the levy in place by the end of February 2020.  [Full article available here](https://www.freshplaza.com/article/9128182/nz-strawberry-growers-vote-on-levy-for-industrial-protection/)

* 1. **Avocado prices plunge as new season starts**

Supplies of avocados have increased as the new season has begun and are now selling at Countdown for $2.70 each or two for $5 around the country, much lower that prices reported in May. NZ data released this week showed the average price of a 200 gram avocado fell to $2.99 last month, 31 per cent cheaper than in June last year and down from a high of $5.73 in May [Full article available here](https://www.stuff.co.nz/business/farming/114162795/avocado-prices-plunge-as-new-season-starts)

* 1. **Concentrating on blackcurrants**

Pleasant Point growers Tony and Afsaneh Howey have had to sell and give up leases to 600ha of land to focus on their blackcurrant business. The Howey’s have been growing blackcurrants organically since 2011 under the brand ViBeri which they sell locally and export to America, Japan, Korea, Australia and Germany. Blackcurrants were recently in the news from a report issued by Plant & Food Research stating that blackcurrants may offer benefits for exercise recovery. [Full article available here](https://www.odt.co.nz/rural-life/horticulture/concentrating-blackcurrants)

* 1. **New Zealand grower group still going strong after 100 years**

The Pukekohe Vegetable Growers Association (PVGA) celebrated its 100th anniversary last year and vice president Kylie Faulkner says its advocacy role of the group is crucial. “There are a lot of changes happening now with the Resource Management Act, the National Water Policy Statement and how the different councils are approaching those rules. Plan Change 1 in the Waikato will have a huge impact on growers and also Auckland is looking at its water strategy. The impact of those decisions can have a big impact on whether we will be able to continue to grow or not. We need to ensure as a group we have got a strong voice and we are keeping on top of any change.”

PVGA started out a century ago as a small group of growers in the Pukekohe area that would meet to discuss farming and related matters. It has now grown to a large association, stretching from Warkworth in the north to the southern Waikato.  They have about 230 members and most are intergenerational farmers – three to four generations of a family, says Faulkner, who is compliance manager with Sutherland Produce Ltd. The members’ firms grow a huge range of produce. “[Full article available here](https://www.freshplaza.com/article/9126879/new-zealand-grower-group-still-going-strong-after-100-years/)

** Bits and pieces**

* 1. **Stinginess upsets plant breeders**

Bay of Plenty plant importer Andy Warren maintains the Ministry of Business, Innovation and Employment is seeking expertise but is not prepared to pay for it. Policy makers are in the process of seeking breeder input on the revised Plant Variety Act to better protect breeders and their seed and germplasm.

Also included in the act’s review is a need for the Government to ratify UPOV91, an international plant variety standard to ensure New Zealand falls into line with its trading partners in the Comprehensive and Progressive Trans Pacific Partnership.  The standard ensures far tougher penalties and protection for plant breeders’ rights than offered under NZ law. It also requires NZ to ratify Treaty of Waitangi obligations relating to flora and fauna, known as the Wai 262 claim.

Tauranga germplasm import consultant and facilitator Andy Warren said the Government has been leaning hard on the expertise of industry players like himself to advise iwi and Ministry of Business, Innovation and Employment policy makers. “And in doing so the Government is expecting us to travel to Wellington without any charge for our travel or time on an issue that is vitally important not only to us but to iwi as well,” he said.

Warren says MBIE staff told him iwi were paid to attend a critical meeting but he and his peers would not be paid on grounds they were already rich enough. A written response from MBIE said the agency paid for flights of all attending an earlier hui in April, held to discuss options for the act.

The industry’s final options paper is launched this week on the act’s reforms.

A hui in August to discuss Treaty and UPOV91 options will have funding available to assist only Maori organisations and individuals for travel. Grain and Seed Trade Association general manager Thomas Chin said the relevant chapter in the CPTPP has to be ratified by December 2021.

“While this may seem some time away, we will have an election come along before then that will delay the entire process and the act will have to pass through consultation and select committee before being passed by Parliament. “The Government really needs to move now on this.”

The Treaty issue is a gnarly one for the Government to face, given the implications it has for other natural resource claims, the most predominant being water. “And it’s because of this that governments have dragged their feet for almost 20 years.  “However, with the CPTPP there, they cannot wriggle their way out of this unless they want to incur the wrath of their trade partners.”

NZ’s plant variety laws are already archaic compared to all its trading partners, with this country one of few that has not subscribed to the latest iteration of the standard. [Full article available here](https://farmersweekly.co.nz/)

* 1. **New water share offer opens for Waimea dam investment**

2,375 water shares are for sale at $6,325 each in the Waimea dam joint-venture partner Waimea Irrigators Ltd (WIL). The scheme will see shareholders have different rationings of water from the dam as opposed to those who are not with shareholders receiving a ration of water from the dam every eight days with non-shareholders every 57. The offer is available to irrigators on the Waimea Plain until it closes on September 30. [Full article available here](https://www.stuff.co.nz/business/114150001/new-water-share-offer-opens-for-waimea-dam-investment)



1. **International news**

**Comment**

* 1. **GAIN reports**

Gain reports are from the “Global Agricultural Information Network” and are produced by the USDA. They are designed to provide timely information on the economy, products and issues in foreign countries that are likely to have an impact on United States agricultural production and trade. The information in them is written for USA exporters but the majority is equally relevant to New Zealand. With regard to import regulations for a particular market New Zealand exporters should first check the countries ICPR on MPI’s web site. These are collated specifically for New Zealand product. However the Gain reports often provide additional information that is useful e.g. on grading and labelling, economic profiles. This week see:

1. **Australia Retail Food Sector Report 2019** Health, wellness, and the environment continue to be key purchasing factors for Australian consumers.  [Retail Foods\_Canberra\_Australia\_6-27-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Canberra_Australia_6-27-2019.pdf)
2. **Brazil Retail Foods** After the longest recession in history, Brazil was predicted to kick-start economic growth in 2018.[Retail Foods\_Sao Paulo ATO\_Brazil\_7-3-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Sao%20Paulo%20ATO_Brazil_7-3-2019.pdf)
3. **China High Fruit Prices Ease as Strong Production Boosts Supply** China’s peach, nectarine, and cherry production are all forecast to increase in MY 2019/20 under normal growing conditions. Demand for high quality stone fruit is on the rise. [Stone Fruit Annual\_Beijing\_China - Peoples Republic of\_7-11-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Stone%20Fruit%20Annual_Beijing_China%20-%20Peoples%20Republic%20of_7-11-2019.pdf)
4. **China Notifies Draft Standard for Maximum Residue Limits in Foods** On June 19, 2019, China notified the World Trade Organization of draft standards on maximum residue limits (MRLs) for 120 pesticides as SPS/N/CHN/1148. The deadline for comment submissions is August 18, 2019. [China Notifies Draft Standard for Maximum Residue Limits in Foods \_Beijing\_China - Peoples Republic of\_7-8-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/China%20Notifies%20Draft%20Standard%20for%20Maximum%20Residue%20Limits%20in%20Foods%20_Beijing_China%20-%20Peoples%20Republic%20of_7-8-2019.pdf)
5. **Colombia Retail Foods Guide 2019** Retail sector in Colombia continue to thrive because of a robust economy and a growing middle class.  [Retail Foods\_Bogota\_Colombia\_6-21-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Bogota_Colombia_6-21-2019.pdf)
6. **Egypt Retail Sector Report** Demand for food and beverage products is expected to rise in the coming years. [Retail Foods\_Cairo\_Egypt\_6-27-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Cairo_Egypt_6-27-2019.pdf)
7. **Macau Exporter Guide** Macau is a budding culinary destination in Asia receiving nearly 36 million tourists in 2018.  - offers strong prospects for U.S. products, such as fresh fruit, poultry, food preparations, condiment and sauces, beef, fish, chocolate, tree nuts, processed fruit, [Exporter Guide\_Macau\_Hong Kong\_6-14-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Exporter%20Guide_Macau_Hong%20Kong_6-14-2019.pdf)
8. **Israel Retail Foods 2019** Israel is a net importer of all major categories of food products. [Retail Foods\_Tel Aviv\_Israel\_6-27-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Tel%20Aviv_Israel_6-27-2019.pdf)
9. **Italian Food Retail and Distribution Sector Report 2019** This report gives an overview of the Italian food retail and distribution sectors and outlines current market trends, including best product prospects.  [Retail Foods\_Rome\_Italy\_6-27-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Rome_Italy_6-27-2019.pdf)
10. **South Korea Organic Foods Market Report** Elevated food safety concerns coupled with evolved taste of the South Korean consumers generate increased demand for imported organic foods.  [Organic Foods Market Report\_Seoul ATO\_Korea - Republic of\_7-16-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Organic%20Foods%20Market%20Report_Seoul%20ATO_Korea%20-%20Republic%20of_7-16-2019.pdf)
11. **Netherlands The Dutch Food Retail Report 2019**The Dutch retail sector is fairly consolidated, with the two largest food retailers controlling 55 percent of the market.  Consumers are increasingly looking for sustainable products, [Retail Foods\_The Hague\_Netherlands\_6-26-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_The%20Hague_Netherlands_6-26-2019.pdf)
12. **Philippines 2019 Food Retail Sectoral Report** The Philippine food retail sector continues to grow, providing opportunities for increased exports [Retail Foods\_Manila\_Philippines\_7-8-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Manila_Philippines_7-8-2019.pdf)
13. **The South African Retail Foods Industry** South Africa has a well-developed retail sector expanding to other African countries. [Retail Foods\_Pretoria\_South Africa - Republic of\_7-9-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Pretoria_South%20Africa%20-%20Republic%20of_7-9-2019.pdf)
14. **Spain Retail Foods** Spain remains one of the fastest growing economies in the Eurozone, the retail sector continues to consolidate [Retail Foods\_Madrid\_Spain\_6-13-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Madrid_Spain_6-13-2019.pdf)
15. **Thailand Retail Sector** Thailand’s retail food sector continues to expand, driven by strong economic growth, private investment, and government spending.  [Retail Foods\_Bangkok\_Thailand\_7-2-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Bangkok_Thailand_7-2-2019.pdf)

 **Regulatory**

* 1. **How Trump could kick off a currency war**

Trump has repeatedly suggested the greenback is [too strong against rival currencies](https://www.cnn.com/2019/07/12/investing/dollar-big-mac-index/index.html) -- and some analysts say he's probably right. The US dollar may in fact be overvalued, depressing overseas trade and manufacturing activity in the Rust Belt important to Trump's re-election chances. There's [growing speculation](https://www.bloomberg.com/news/articles/2019-07-10/trump-concern-over-dollar-s-strength-spills-into-fed-selection?utm_source=twitter&cmpid=socialflow-twitter-business&utm_content=business&utm_medium=social&utm_campaign=socialflow-organic) that Trump officials will take concrete steps aimed at knocking down the dollar, making a sharp and potentially-dangerous break from recent US policy. However, it's not clear how effective such a strategy would be -- and there's a risk it could badly backfire by sparking retaliation from other countries, driving up import prices and weakening the purchasing power of American households. "It could trigger a currency war," Bank of America warned in a recent note to clients.

There is evidence that Trump is right about the dollar. [The Economist's Big Mac Index](https://www.economist.com/news/2019/07/10/the-big-mac-index), released last week, showed that nearly all currencies are undervalued against the dollar. The US dollar, as measured against a basket of currencies, took off in mid-2016 and has remained relatively high. Those gains reflect economic weakness elsewhere around the world. The dollar has also been boosted by Trump's own policies, including stimulating the US economy with tax cuts and deregulation and efforts to cut the US trade deficit. *This article goes on to discuss the ways in which the currency could be weakened*. [Full article available here](https://edition.cnn.com/2019/07/15/business/strong-dollar-trump-currency-war/index.html)

* 1. **OECD-FAO Report: Big Potential Latin American and Caribbean Fruit and Vegetable Exports**

Earlier this month the OECD and FAO released the OECD-FAO Agricultural Outlook 2019-2028. The 326-page report features a special focus section on Latin American and the Caribbean (LAC), noting that the over the next decade there will be, "strong growth opportunities in high value fruit and vegetable crops provide opportunities for smallholders" in the region, amidst rising demand from export markets and shifting consumption within the region away from staples and toward meat, fruits and vegetables.

Chile is singled out as a success story in boosting its high-value agricultural exports. "Research conducted by Chile’s INIA has contributed to boosting Chilean agricultural exports; by introducing new nut varieties, farmers estimate that nut exports increased 1000% in the decade from 2001 to 2011. INIA also introduced blueberries in various regions of Chile and, from being practically an unknown fruit to farmers only two decades ago, today Chile is an important blueberry producer and exporter in the Southern hemisphere." Trade statistics show that Chile's berry exports to the US (excluding strawberries) rose from $19 million in 2000 to $465 million in 2018.

Due to favorable climate conditions and a strong labor supply, the outlook for production of fruits and vegetables in LAC countries is bright. Rising global population and income levels are expected to contribute to increasing exports by LAC countries of fruits and vegetables. [Full article available here](https://www.producereport.com/article/oecd-fao-report-big-potential-latin-american-caribbean-fruit-vegetable-exports)

 **Business/ Industry**

* 1. **How to get people to buy more produce**

Researchers from BYU and the Netherlands’ Delft University of Technology may have figured out a secret to get people to buy more fresh produce: dress veggies up in black. The study participants gave attractiveness and perceived expensiveness ratings for each veggie — mushroom, bell pepper, carrot, tomato, eggplant — against each background. Researchers said consumers generally finding vegetables more attractive on very dark backgrounds may be of direct relevance to current food retailers. [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=29478&cHash=0fa1264781e86cca49935fed0ad16a1d)

* 1. **US organic food market sales have cooled, report finds**

A new Rabobank research report found that organic foods sales in the U.S. reached $47.9 billion last year and this year that figure is expected to increase further. The report highlighted several factors contributed to this figure such as low prices for items and availability. Some of the price decline is due to volume increases but prices have also felt the pressure by consumers who will occasionally buy organic but will switch to conventionally grown produce if the price difference is substantial. Fresh produce last year was the top organic category with it being 36% of total organic product purchased. Organic fruit and vegetables sales growth was slightly lower than the industry average at 5.6%. Growth in the organic industry has slowed in comparison with previous years but is still strong at 6% the report says which also estimates that sales could reach $60 billion by 2022. [Full article available here](https://myhealthylifeplanet.com/us-organic-food-market-sales-have-cooled-report-finds/)

 **China**

* 1. **Respecting IP rights, still an issue in China**

Illegal propagation is still a major issue for breeders and distributors in China. Even though, China officially ratified the International Convention for the Protection of New Varieties of Plants (“UPOV Convention”) in April 1999, growers who share or exchange propagation materials in violation of the laws are seldom sued. Therefore, many foreign breeders are hesitant to introduce a new variety and particularly one that is 'easy' to propagate. According to many, this issue of not respecting the IP rights is holding back the ornamental industry growth.

At the Hortiflorexpo IPM Shanghai, that was held in April, this issue was discussed with several breeders. Discussion identified

* "The good growers are hit as the current situation is limiting the access to new and improved varieties.
* The quality of the products in general is decreasing. "In China, 60% is being illegally propagated and due to this illegal propagation, growers have to deal with more viruses”,
* About 55% of the students at the Wageningen University are from China. In 10 years, they will breed themselves.
* The fact growers are becoming more professional, might also contribute to more legal propagation,
* High ranking government representatives from China are extremely enthusiastic about promoting IP rights in China.
* Evidence that the importance for IP is becoming more and more understood is the initiative of the Kunming International Flower Auction Trading Center Co., Ltd. ([KIFA](http://www.kifa.net.cn/)). This auction collects the royalties for rose breeders for over 10 years now. Depending on the variety, the breeder receives 5% - 10%  of the yield, which is then handed over by KIFA. "A new service mechanism for the whole chain from introduction, trial planting, planting, technical guidance and marketing has been formed", the auction says. Since 2013, this model has achieved remarkable results and by the end of 2018, 156 new foreign patent varieties and 27 domestic patent varieties were introduced to the Chinese market. [Full article available here](https://www.floraldaily.com/article/9107362/respecting-ip-rights-still-an-issue-in-china/)

 **Food safety**

* 1. **Number of foodborne illnesses associated with outbreaks in tomatoes decreased since 2001**

About 48 million episodes of foodborne illness and 3,000 deaths occur per year in the United States. The most common foodborne pathogens cause an estimated annual burden of $14 billion to $36 billion. Produce has been implicated in 46 percent of foodborne illness outbreaks. Tomatoes have been the source of a number of foodborne illness outbreaks since 1998, but the annual number of foodborne illnesses associated with outbreaks in tomatoes has generally decreased since their high of nearly 900 in 2001. [Full article available here](https://www.freshplaza.com/article/9128270/number-of-foodborne-illnesses-associated-with-outbreaks-in-tomatoes-decreased-since-2001/)

* 1. **Reducing listeria contamination from salad vegetables**

Research conducted in 2010 found that *Listeria monocytogenes* was not predominantly spread by water and chicken manure, two common farm inputs in Australian vegetable farming. It is however more prevalent in summer and in particular in Victoria. A project recommendation from that work is that intensive livestock operations (feedlots) and grazing cattle, sheep and goats should be kept as far from vegetable production as possible and particularly in the direction of prevailing summer winds.

To view the summary please [click here](https://fpsc-anz.com/wp-content/uploads/2019/07/Reducing-Listeria-contamination-from-salad-vegetables_project-review_July-2019.pdf). [Full article available here](https://www.hortidaily.com/article/9127455/reducing-listeria-contamination-from-salad-vegetables/)

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**Floral news**

* 1. **China: Peony leads national flower poll**

The peony has gained overwhelming support in an online vote to be chosen as China's national flower. The final result of the poll, initiated by the China Flower Association, will be unveiled on Friday. The peony collected more than 90 percent of the votes to date among 10 options.

According to the association, China is among the few countries without an official national flower, and the selection of one contributes to the celebration of New China's 70th birthday.

The peony was also recommended by the association as the national flower. It has a 4,000-year history and is widely planted around the country. With bright colours and an elegant image, the peony carries the meaning of auspiciousness and is called 'king of the flowers'. [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=29466&cHash=9bc53ae3ccff8a47a4ddb00e18f8925b)

* 1. **Spain: Edible flowers are a booming market**

Edible flowers, until now a niche specialized market, are booming in Spain. As a consequence growers are creating an association of edible flower producers to advance the profession and the market.

"The world of edible flowers is much wider than a simple flower added to a salad. The date of preferential consumption goes from 3 to 12 days (depending on species), under controlled temperature between 4 and 6 ºC and without breaking the cold chain. Hence the difficulty of combining flowers with other plants, such as salads in bags.

The processed flowers for the gastronomy sector are presented in different formats:

- ***The dehydrated flower*** from which the moisture has been extracted and which has a shelf life of more than 2 years. Its uses, from infusions to use in cocktails.

- ***The freeze-dried edible flower*.** It is a highly technological process, where the flower maintains all its properties and eye-catching. After a freezing or ultrafreezing process the humidity is eliminated by high pressures (sublimation), obtaining a product with a useful life of more than 2 years. The main use is in bakery.

- ***The crystallized flower*.** It is pure beauty, nature preserved and edible, keeping its natural form almost intact. It is glazed with egg, pasteurized by hand, petal by petal with a brush, coated with sugar and then dehydrated at low temperature for 4 days.

- ***The flour of edible flowers*,** either dried or freeze-dried, used for the food industry. Increasingly successful in different sectors are the powdered flowers to make from dough to ice cream, to more original uses such as the use of an ingredient

More than 50 varieties are sold in Spain. Farms in different climates allow flowers to be offered throughout the 12 months of the year. "For now our volume is more than enough to supply the Spanish market and the one from France and Italy. [Full article available here](https://www.freshplaza.com/article/9125806/spain-edible-flowers-are-a-booming-market/)

 **Innovation**

* 1. **The latest traceability technology used to successfully enforce IP rights over illegal usage**

Australian Nurserymen's Fruit Improvement Company (ANFIC) has become the first Australian Intellectual Property and Commercialisation company to partner with scientific traceability company Oritain, to successfully enforce its IP rights on various nurseries and growers.

In a recent investigation, ANFIC discovered instances of unauthorised propagation, sale and supply of Krymsk® 5 (VSL-2 cv.) Plant Breeders Rights (PBR) protected cherry rootstocks in Victoria and Tasmania. ANFIC CEO, Dr Gavin Porter says some of these protected rootstocks had also been field grafted to PBR protected and ANFIC managed cherry varieties.

ANFIC has heavily invested in the use of Oritain’s origin fingerprinting technology as part of this investigation into the unauthorised propagation, supply and planting of these PBR protected rootstocks. Oritain’s scientific verification proved invaluable in tracing plant material back to its source and enforcing any wrongdoing.

“If you want to be certain where a product has come from, you need to test the ‘product’ itself," Oritain Australia Managing Director, Sandon Adams said. "Luckily, mother nature embeds all things with a unique code based on where in the world they were produced. This natural code is created from the exact geochemistry of the product’s environment. Some environments are nutrient rich, some are poor, some are high in elements, some are low. These differences are what we measure, using the results to create an origin fingerprint for a product. Origin fingerprints for various production areas have been mapped, which we then use to scientifically verify where a product has originated."

As a result, settlement was completed before legal proceedings were undertaken and the rightful owners were compensated for the wrongdoing. Dr Porter says it is in everyone’s interest to protect proprietary fruit varieties and rootstocks to ensure that the ‘new variety and rootstock pipeline’ is open to all Australian growers, which authorised growers rely on for maintaining any competitive advantage within the Australian fruit industry. To this end the organisation has made it mandatory for parties who deal with these protected varieties to enter into non-propagation agreements. The purpose of these agreements is to ensure accountability.

It is unfair that a small number of individuals ‘free ride’ on legitimate growers by illegally propagating and planting trees. ANFIC says it is committed to enforcing these agreements to provide fairness across the industry and will continue to work with growers, packers and marketers to ensure they follow the right protocol and process to protect IP rights associated with proprietary varieties and rootstocks. As part of this process further orchard audits will take place to ensure compliance across the board. [Full article available here](https://www.freshplaza.com/article/9128229/the-latest-traceability-technology-used-to-successfully-enforce-ip-rights-over-illegal-usage/)

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