

**PMAC weekly update 18th to 25th October**

1. **Government agencies**: ICPR Changes MFAT’s Global Trade and Economic Update for NZ Businesses – 22 October 2021
2. **New Zealand News:**  New Zealand secures historic free trade deal with the United Kingdom, New Zealand Ambassador to France announced, Business boost to transition to new COVID framework, NZ land use ranked number 1 for tackling Climate Change issues, NZ apple profits to drop as pandemic disrupts both harvest and exports, Seeka upgrades market guidance, Avocado prices tumble: 'Everyone's going to run at a loss this year', Hastings supermarket selling avocados for nine cents, “Seeka to increase volume to Asia and the Pacific Islands", Bumper asparagus crop in South Island, Zespri’s Northern Hemisphere harvest will be the biggest yet, Scientists develop accurate and inexpensive method of measuring kiwifruit color., Demand for kiwifruit orchards sets new benchmarks in Bay of Plenty, Envy apple finds success in U.S. market, Rockit sales grow in the Middle East, Stressful summer ahead as growers grapple with worsening labour shortage, RSE workers to join 83 already in Central Otago, "The toughest competition we face now is not for customers, it's for staff”, New research for long-term sustainability of NZ plant sectors, Ongoing high demand for New Zealand healthy foods in China despite COVID-19 disruptions, Horticulture industry is looking forward, Video on what Plant and Food scientists are doing to help producers counter climate change
3. **International news:** GAIN reports; EU: Longer CPVR protection for technically challenging crops, NZ/UK trade deal threatens UK farming, says NFU, Freshfel activity, Tomato cultivation declines across Europe due to high costs and ToBRV, China’s future food demand and its implications for trade and environment, China-Africa trade is bouncing back from Covid-19, Innovation fuels China's seed industry, Soft Robotics might tackle farm labor issues, RoboCrop’ could take over repetitive tasks on small-scale farms, Unmanned vertical farm in China: is this what the future looks like?, Naïo Technologies unveils plans for international expansion in agricultural robotics market, Perhaps 500,000 shipping containers are waiting off Ports of LA & Long Beach, Maersk participates in food waste project with Wageningen University and customers, Double the number of ships detained outside ports compared with 1st Jan, Kuehne+Nagel Group Excellent business performance continues in Q3 2021, Residues Do Not Pose A Concern For Public Health, Climate change is threatening Australia’s favorite fruits, Survey: Global sustainability overtakes personal health as consumers’ biggest issue,

Comment

No comment this week due to lack of constraints - commentary will be back again next week.

1. **Agency news** 
   1. **ICPR changes**

The following ICPR have been updated

* The ICPR for Japan has been updated with several changes which are specified on the first page of the document [ICPR Japan](https://www.mpi.govt.nz/dmsdocument/657)
* Thailand has had a note removed note to contact an IVA for more information on fresh tomato and nursery stock [ICPR Thailand](https://www.mpi.govt.nz/dmsdocument/695)
* Taiwan has had a note removed note to contact an IVA for more information for Solanum lycopersicum (tomato) [ICPR Taiwan](https://www.mpi.govt.nz/dmsdocument/694)

** MFAT**

* 1. **MFAT’s Global Trade and Economic Update for NZ Businesses – 22 October 2021**

MFAT update is available at <https://www.mfat.govt.nz/en/trade/mfat-market-reports/market-reports-global/global-economic-and-trade-update-for-new-zealand-businesses-22-october-2021/> . Amongst other entries included in this weeks edition are new of :

## Global & Multilateral Updates

* On 20 October 2021, UK? NZ FTA **New Zealand** and the **United Kingdom reached Agreement in Principle** on a high quality, comprehensive and inclusive **free trade agreement (FTA)**. Read the announcement [here.(external link)](https://www.beehive.govt.nz/release/new-zealand-secures-historic-free-trade-deal-united-kingdom) The Agreement in Principle sets out the key elements of the NZ-UK FTA, with the text to be finalised over the coming months. The FTA will substantially cut costs for exporters and businesses, provides improved access to the UK market, and delivers on the Government’s Trade for All agenda**. At full implementation** of the FTA the UK will **eliminate all tariffs on New Zealand exports** - with over 97% of tariff lines being removed the day the FTA comes into force, including on honey, wine, kiwifruit, onions, a range of dairy and meat products, and most industrial products. Read more about the Agreement in Principle at [Agreement in Principle | New Zealand Ministry of Foreign Affairs and Trade](https://www.mfat.govt.nz/en/trade/free-trade-agreements/free-trade-agreements-under-negotiation/new-zealand-united-kingdom-free-trade-agreement/resources/agreement-in-principle)

### Australia and the Pacific

* The **Australian Federal Government** has announced quarantine-free travel (QFT) can **resume from the South Island of New Zealand to Australia** from Tuesday 19 October. These flights will be open to all nationalities, provided they can comply with the pre-departure measures and declare they have not been in the North Island in the 14 days prior to travelling. But so far only New South Wales and Victoria have agreed to accept arrivals. There are currently no green flights available between the South Island and Australia.
* **Fiji Airways** has announced it is **resuming flights to New Zealand** (amongst other low-risk destinations) from 1 December. Travellers will be required to be fully vaccinated and provide a negative PCR test within 72 hours prior to departure.

Europe

* On 2 October, **New Zealand was added to the list of countries exempt from the blanket ban** imposed in March 2020 **on foreigners entering Russia**.  This decision means that New Zealand citizens and residents can once again apply for Russian visas in the normal, pre-covid way, alongside people from 68 other countries, including the US, UK, and several EU member states.  New Zealand citizens and residents travelling to Russia must present evidence of a negative result from a PCR test taken no more than 72 hours before their arrival in country.  There is no requirement for testing or self-isolation on arrival.  There are now direct flights between Russia and NZ, with a twice-weekly service between Moscow and Wellington.

### Americas

* **President Biden** had announced **steps to make the Ports of Los Angeles and Long Beach operate 24/7** to **reduce the current bottlenecks** affecting the whole **US** supply chain. A full report on this issue was prepared by the New Zealand Consulate-General in Los Angeles [here](https://www.mfat.govt.nz/en/trade/mfat-market-reports/market-reports-americas/report-on-california-supply-chain-congestion-october-2021/).
* The **US** will **lift restrictions for international travellers who are fully vaccinated** on 8 November. Foreign travellers entering the US by air will have to provide a recent negative test and proof of



1. **New Zealand News**



* 1. **New Zealand secures historic free trade deal with the United Kingdom**

New Zealand is the second country to secure a new free trade agreement with the United Kingdom post Brexit. This deal will cut costs for exporters immediately, creates opportunities for New Zealand businesses to grow and diversify their trade, while boosting the economy as we recover from COVID-19. Including the immediate elimination of all duties on 97% of New Zealand’s existing exports to the UK, including wine, honey, onions, a range of dairy products, and most industrial products – which once fully implemented is expected to save exporters $37.8million per year based on current export volumes.

The agreement in principle released last week sets out the key elements of the free trade deal with the UK, with the text to be finalised over the coming months. [Full article available here](https://www.beehive.govt.nz/release/new-zealand-secures-historic-free-trade-deal-united-kingdom)

* 1. **New Zealand Ambassador to France announced**

Foreign Affairs Minister Nanaia Mahuta today announced the appointment of Caroline Bilkey as New Zealand’s next Ambassador to France and the OECD. Caroline Bilkey is a career diplomat who has held the position of Assistant Secretary and Director of the MFAT Auckland office since 2018. As Permanent Representative to the Organisation for Economic Cooperation and Development (OECD), Ms Bilkey will support New Zealand’s focus on economic recovery post-COVID, as well as key policy challenges such as the intergration of well-being and inclusivity considerations into the work of the OECD, and efforts to tax the digital economy. Ms Bilkey will also be accredited to Monaco, Portugal, and Senegal. [Full article available here](https://www.beehive.govt.nz/release/new-zealand-ambassador-france-announced)

* 1. **Business boost to transition to new COVID framework**

The Government will boost payments to businesses affected by higher alert levels as the country transitions to the new COVID-19 Protection Framework. After the next scheduled payment on 29 October we will move to fortnightly payments at double the current rate. The enhanced support will first be paid on 12 November and fortnightly thereafter until Auckland is able to move into the new framework. Currently the RSP is paid at a base rate of $1500 per eligible business and $400 for each full-time employee up to a total of $21,500.For the payments starting on 12 November this will be $3000 per business and $800 per FTE, up to 50 FTEs. This will make the maximum fortnightly payment $43,000.Businesses can also to apply for up to $3000 worth of advice and planning support, and then receive up to $4,000 to implement that advice through the established Regional Business Partners programme.  [Full article available here](https://www.beehive.govt.nz/release/business-boost-transition-new-covid-framework)

** Commentary**

* 1. **NZ land use ranked number 1 for tackling Climate Change issues**

New Zealand's agriculture, land use and forestry sector has been ranked No 1 for tackling climate change issues in a recently released global report. In its Net Zero Readiness Index (NZRI), global consultancy KPMG examined 103 indicators of commitment and performance on decarbonising in 32 countries, which together are responsible for around three-quarters of global emissions.

While New Zealand's overall national performance was ranked ninth, with Norway, the UK and Sweden taking out the top three places, its agriculture, land use and forestry league table came in at first place.

The report's authors took note of New Zealand's high levels of forest biomass, low levels of food loss, a comparatively high number of agricultural clean-tech companies and the He Waka Eke Noa government and food and fibre sector climate action partnership. The Net Zero Readiness Index report says gene editing could allow significant progress for food producers in the drive to limit global warming, 'but many governments are opposed' with their views 'often based on older and less sophisticated genetic modification technologies'."

New Zealand ranked 6th of 32 for electricity and heat; 30th for transport, 19th for buildings and 15th for industry. [Full article available here](https://www.nzherald.co.nz/the-country/news/nz-primary-sector-no-1-in-kpmgs-net-zero-readiness-index/5OBKLUYBRNW2QSJ3O5WSUTOYEM/)



* 1. **NZ apple profits to drop as pandemic disrupts both harvest and exports**

New Zealand apple grower T&G Global Ltd. expects its full-year earnings to sink by as much as 75% due to the pandemic disrupting its harvest and exports. Global shipping delays that stem from the Covid-19 pandemic have hurt business in regions such as Asia, the US and Australia, the company said Monday. According to [marketwatch.com](https://www.marketwatch.com/story/new-zealand-apple-grower-s-profit-to-plunge-as-pandemic-disrupts-exports-harvest-271634501312), the company stated that business in New Zealand was hurt by labor shortages that mean part of its crop was unpicked and other challenges, also brought on by the pandemic. [Full article available here](https://www.freshplaza.com/article/9364904/nz-apple-profits-to-drop-as-pandemic-disrupts-both-harvest-and-exports/)

* 1. **Seeka upgrades market guidance**

Seeka Limited advises that it has upgraded its financial guidance for the 2021 financial year.

* Existing operational full year net profit before tax range $13.5m to $16.0m.
* Upgraded operational full year net profit before tax range $15.0m to $17.0m.

. The business continues to experience challenging business conditions but has performed ahead of expectation. The base business has performed well along with growth in its SeekaFresh and Australian business. [Full article available here](https://www.freshplaza.com/article/9366239/seeka-upgrades-market-guidance/" \t "_blank)

* 1. **Avocado prices tumble: 'Everyone's going to run at a loss this year'**

According to the industry group New Zealand Avocado, large volumes of fruit paired with weaker than usual demand have been pushing down avocados' returns. The group says less product is being exported to Australia due to an oversupply of locally grown avocados, while Covid-19 lockdown restrictions in New Zealand dented sales to restaurants and cafes. Bay of Plenty grower Hugh Moore says that another challenge for exporters is Covid-19 related freight delays and higher shipping costs, making reaching markets in Asia harder than usual. [Full article available here](https://www.nzherald.co.nz/the-country/news/avocado-prices-tumble-everyones-going-to-run-at-a-loss-this-year/2GKVZHW6XI7AR7IBRFTN5EZRHQ/)

* 1. **Hastings supermarket selling avocados for nine cents**

Avocados are being sold at near-record low prices in Hastings as there is a significant oversupply in the North Island. Hastings Pak 'n Save was today selling the green-fleshed fruit for 9 cents each for one day only. To keep them from selling out too quickly, the supermarket imposed a limit of six per person.

[Full article available here](https://www.freshplaza.com/article/9366170/hastings-supermarket-selling-avocados-for-nine-cents/)

* 1. **“Seeka to increase volume to Asia and the Pacific Islands"**

The soft Australian avocado market is putting pressure on the export returns for fruit sent from New Zealand as well as delivering low returns to the Australian growers. The New Zealand avocado harvest started back in July and it has been a season of very good quality fruit and big volumes, unfortunately this has coincided with an on year in Australia after last year's poor crops and low domestic volumes.

Australia has traditionally been the main export market for New Zealand avocados, however the lower pricing in Australia has seen New Zealand exporters switch their focus and sell more fruit in Asia as well as selling more fruit domestically in New Zealand.

The soft market conditions in Australia will result in a dramatic reduction in returns to the orchard gate. Returns last year of around $28 per tray are expected to reduce to less than $10. There is still a way to go with the selling season but the outlook is for the soft market to continue.  New plantings in New Zealand have slowed primarily with the reduction in water availability after a huge surge in plantings in New Zealand’s far north. [Full article available here](https://www.freshplaza.com/article/9364484/due-to-the-market-conditions-in-australia-we-will-send-a-great-volume-to-our-customers-in-asia-and-the-pacific-islands/)

* 1. **Bumper asparagus crop in South Island**

Although asparagus are abundant and cheap in the South Island, Auckland’s lockdown is negatively affecting demand. A Countdown spokesperson said there was plenty of asparagus and stores there were selling bunches for $3: “The only watch out is that the South Island is now currently experiencing a bout of wetter and colder weather, which could slow growth for the next few days. ”The lack of demand from cafes, restaurants and hotels in the Auckland region meant the South Island’s crop didn’t have a big market. Asparagus exporters were also facing issues with supply chain difficulties but had more visibility than domestic suppliers, who were at the mercy of Government decisions.  [Full article available here](https://www.freshplaza.com/article/9364878/bumper-asparagus-crop-in-south-island/)

* 1. **Zespri’s Northern Hemisphere harvest will be the biggest yet**

Zespri’s kiwifruit harvest from the Northern Hemisphere is set to exceed previous sales volumes and deliver strong returns for growers. Nick Kirton, Zespri’s Executive Officer – Northern Hemisphere Supply, says that the Northern Hemisphere sales program has just commenced and Zespri is expecting to sell around 26 million trays or almost 93,000 tonnes of kiwifruit from orchards throughout France, Italy, Greece, Korea, and Japan. Across the Northern Hemisphere supply regions, Zespri has formed partnerships over more than 20 years with around 1,300 Zespri growers and suppliers who play a key role in Zespri’s global supply strategy which is working to supply premium Zespri Kiwifruit for all 12 months of the year.

This season’s Green sales volumes are expected to remain steady compared with last year, while Zespri SunGold Kiwifruit sales are projected to increase by 13 percent, reflecting increased yields, new production and progress with managing pest and disease issues.Mr Kirton notes that this season’s strong harvest was even more pleasing given the challenges faced by growers in both Europe and Asia this year. “It’s been a tough season for some European growers this year, with spring frosts and late season hail impacting fruit production in some areas, and it’s been very wet in Asia where there remains the risk of typhoons before harvest is completed.

Mr Kirton says the relationships Zespri has formed with growers and suppliers in Europe and Asia also allows Zespri to bring a global approach to help overcome threats posed by pests and disease. “The Kiwifruit Vine Decline Syndrome (KVDS) Taskforce based in Italy is an excellent example of collaboration across the industry to address a key risk to growers not just in Italy, but globally. We’re pleased to see that good progress is being made on better understanding that issue and finding strategies to mitigate the impacts. ”As well as its work on KVDS, Zespri is also undertaking additional research in the Northern Hemisphere on Brown Marmorated Stink Bug and Psa, reflecting the need for the industry to remain vigilant to biosecurity threats. Research on areas such as water efficiency, nutrient use and soil health also contribute to Zespri’s global sustainability goals.[Full article available here](https://www.freshplaza.com/article/9365696/zespri-s-northern-hemisphere-harvest-will-be-the-biggest-yet/)

* 1. **Scientists develop accurate and inexpensive method of measuring kiwifruit color.**

Plant & Food Research scientists develop accurate and inexpensive method of measuring kiwifruit color which will provide Zespri staff in export markets with quick accurate assessments of kiwifruit flesh color. Until recently, the only option was a US$10,000 chromameter. The Cube retails for about US$139.

Export fruit must comply with stringent Zespri grade standards, with color checked both in New Zealand and at the destination. The Cube, about the size of matchbox, measures the amount of green, blue and red light in the flesh and is said to be accurate to color differences not usually perceptible to the human eye. Zespri is now trialling 10 Cubes in overseas markets. [Full article available here](https://www.freshplaza.com/article/9365678/scientists-develop-accurate-and-inexpensive-method-of-measuring-kiwifruit-color/)

* 1. **Demand for kiwifruit orchards sets new benchmarks in Bay of Plenty**

Fully developed gold kiwifruit orchards in the most sought after Bay of Plenty districts have sold recently at $1.7 million per canopy hectare. Demand for available orchards is overshadowing the supply, meaning development of production blocks is the only way investors can enter the sector, or existing orchardists expand. [Full article available here](https://www.freshplaza.com/article/9364884/demand-for-kiwifruit-orchards-sets-new-benchmarks-in-bay-of-plenty/)

* 1. **Envy apple finds success in U.S. market**

New Zealand Trade Commissioner, Los Angeles, Haylon Smith and supermodel/actress Rachel Hunter recently joined T&G Global in Los Angeles to celebrate the Envy™ apple brand’s success in the North American market. Over the past year, more than 2.1 million cartons of Envy apples were sold in the U.S. The brand sits at the top of the sales charts for a branded apple, earning 18.3 percent dollar sales growth and 18.0 percent volume growth  [Full article available here](https://www.freshplaza.com/article/9365615/premium-apple-brand-finds-success-in-u-s-market/)

* 1. **Rockit sales grow in the Middle East**

A cross-channel marketing campaign has boosted Rockit apple sales in the Middle East. Launched in late August, the campaign was themed around the back-to-school period. “During our busiest month, from 6-30 September, sales in the region rocketed by 69 per cent when compared to the same period last year,” said Mark Pay, GM global sales at Rockit Global, the company behind the snack sized apple offering. “We couldn’t be happier with the result, and with the knowledge that thousands of new Rockit customers were able to experience our delicious, nutritious fruit for the first time.”

The MENA (Middle East North Africa) region has developed into a key market for Rockit Global, with its fruit sold across the UAE, Saudi Arabia, Kuwait, Bahrain and Qatar. Pay said the company plans to continue expanding the presence for Rockit apples in the region through relationships with retailers and importers. [Full article available here](http://www.fruitnet.com/asiafruit/article/186603/rockit-sales-grow-in-the-middle-east)

* 1. **Stressful summer ahead as growers grapple with worsening labour shortage**

A stressful summer is ahead for growers as they grapple with a worsening labour shortage. While the first group of RSE workers who can skip MIQ has arrived in New Zealand, the industry says it’s not enough to plug all the gaps. *In horticulture timing is crucial*

A new scheme allowing RSE workers from Tonga, Vanuatu and Samoa to travel to Aotearoa without going through MIQ is expected to bring in around 1400 extra staff before Christmas. Strict health measures are in place, with all workers requiring at least one vaccination before travelling. They must also isolate at their place of work for at least one week and are tested multiple times for Covid-19.

New Zealand Ethical Employers’ Tanya Pouwhare says it’s “a thankful relief, however it's not a fix-all”. “We've got a deficit of around 18,000 coming into growing and harvest season,” she said. While growers struggled last year, the situation is expected to worsen this year as borders remain closed and fewer backpackers on working holiday visas are able to lend a helping hand. [Full article available here](https://www.1news.co.nz/2021/10/15/stressful-summer-ahead-as-growers-grapple-with-worsening-labour-shortage/)

* 1. **RSE workers to join 83 already in Central Otago**

More than 80 of the first seasonal workers to come to New Zealand as part of the country’s one-way travel bubble with three Pacific countries are at work in Central Otago. The workers bypassed the mandatory two-week stay in managed isolation and quarantine (MIQ) and had dispersed across the district to complete five days’ isolation at their places of work. They were also required to undergo testing for Covid-19 on day zero and day five. Both of those milestones had since passed.

Ms Axby said the workers’ arrival would make a “big difference” to Central Otago’s horticulture and viticulture sectors and their arrival was timely. Allowing the RSE workers into New Zealand marks the first economic-based border exemption announced by the government requiring mandatory vaccination and self-isolation, following the emergence of the Delta variant of Covid-19 in the country. [Full article available here](https://www.thenews.co.nz/news/rse-workers-to-join-83-already-in-central-otago/)

* 1. **"The toughest competition we face now is not for customers, it's for staff”**

NZ Horticulture is facing unprecedented labor shortages. Growers' ability to attract staff, train, and retain them is the new competitive advantage. That means growers need managers with the right soft skills to keep people engaged and productive . Dr. Mike Ashby, an expert in management training and a former EastPack director, and Heather Burton, a former GM HR at EastPack and now working with The Breakthrough Co at Apata and Scion. *They have produced a guide for employers to help in this area* The full guide is [here](https://tbco.at/hort-guide)  [Full article available here](https://www.hortidaily.com/article/9366148/the-toughest-competition-we-face-now-is-not-for-customers-it-s-for-staff/)

* 1. **New research for long-term sustainability of NZ plant sectors**

Plant & Food Research has received $20 million of funding from the MBIE Endeavour Fund, including a new $14.5 million research programme to develop options to support Aotearoa New Zealand’s horticultural sector in preparing for climate change.

As the climate warms, the temperature drop over winter may not be enough to trigger flowering in plants that need winter chilling. The new 5-year research programme will identify the genes that control flowering, investigate ways in which these may be triggered at the molecular level, and incorporate the knowledge into breeding of new varieties.

Public engagement will also be a key part of the project, sharing knowledge and generating discussion on how climate change is likely to affect New Zealand crops and the options available for creating ‘climate-ready’ plant varieties [Full article available here](https://www.plantandfood.com/en-nz/article/new-research-for-long-term-sustainability-of-plant-sectors?utm_source=Plant+%26+Food+Research+E-Newsletter&utm_campaign=0b1a11564b-EMAIL_CAMPAIGN_2018_02_11_COPY_01&utm_medium=email&utm_term=0_5919b8ee23-0b1a11564b-21882009)

* 1. **Ongoing high demand for New Zealand healthy foods in China despite COVID-19 disruptions**

Daigou, a Chinese term meaning ‘buying on behalf’, refers to a special trading practice of Chinese expats purchasing products from overseas and shipping them back to consumers in China. These Chinese expats, usually consisting of international students, new immigrants, and stay-at-home mums who have friends or connections in China are called Daigous. Scientists from Plant & Food Research conducted 16 in-depth interviews and an online survey with 205 Daigous in New Zealand to give a post-COVID-19 overview of the Daigou channel.   
  
The study revealed that buying patterns changed post COVID-19, and that while generally there was a decline in demand for some products, there was an increased demand for health-related products, particularly immunity-related products. While Daigous did not see customers’ trust in New Zealand brands changing much in the pandemic, they suspected that some of their customers had turned to domestic channels for New Zealand brands, or had switched to Chinese local brands, partly due to concerns of international parcels being contaminated by the virus.   
  
“Many Daigous stated that their business was gradually recovering from the pandemic, yet two thirds of them were still performing worse, and only 9% performing better than before COVID-19. Encouragingly, most seemed confident that the demand for healthy food products will increase again, due to the rising health consciousness and growing incomes in China. New Zealand brands are still appealing to Chinese consumers not only because of the ‘clean green’ image but also the ‘kind and trustworthy nature of kiwis’.

The study concludes that Chinese consumers’ demand for Brand New Zealand is promising, and businesses using the Daigou channel can still benefit from its strong trust-based relationship with customers in the near future. Given the strong relationship with their customers, Daigous themselves can become market influencers, who can make or break brands in China. [Full article available here](https://www.plantandfood.com/en-nz/article/ongoing-high-demand-for-new-zealand-healthy-foods-in-china-despite-covid-19?utm_source=Plant+%26+Food+Research+E-Newsletter&utm_campaign=0b1a11564b-EMAIL_CAMPAIGN_2018_02_11_COPY_01&utm_medium=email&utm_term=0_5919b8ee23-0b1a11564b-21882009)

** Audio reports**

* 1. [Horticulture industry is looking forward](https://hortnz.us14.list-manage.com/track/click?u=aecda7aaa04d433b3c1267c8e&id=7e5a37123e&e=2b699d0a67)

Radio NZ interview with HortNZ chief executive, Nadine Tunley, who says the industry can't afford to return to how it operated before the pandemic and needs to look forward. Nadine says increasing wages here is not always the answer as the workforce is already well paid.

* 1. [Video on what Plant and Food scientists are doing to help producers counter climate change](https://www.youtube.com/watch?v=oa4hztdIRCk)

Climate change is going affect land use in Aotearoa and globally. Scientists at Plant & Food Research are looking at what we can do to protect our horticulture, vegetable and arable industries. This includes helping farmers and growers measure and mitigate greenhouse gas emissions and adopting tactical and strategic changes to protect food security.



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. To see the full report, click on the link in each notification This week see:

1. **Chile Food Service - Hotel Restaurant Institutional** [Food Service - Hotel Restaurant Institutional\_Santiago\_Chile\_09-30-2021](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Food%20Service%20-%20Hotel%20Restaurant%20Institutional_Santiago_Chile_09-30-2021)
2. **Egypt's National Food Safety Authority Issues Pesticides Technical Regulation** [Egypt's National Food Safety Authority Issues Pesticides Technical Regulation\_Cairo\_Egypt\_10-10-2021](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Egypt's%20National%20Food%20Safety%20Authority%20Issues%20Pesticides%20Technical%20Regulation_Cairo_Egypt_10-10-2021)
3. **EU Regulations and Standards Country Report** [Food and Agricultural Import Regulations and Standards Country Report\_Brussels USEU\_European Union\_09-30-2021](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20Country%20Report_Brussels%20USEU_European%20Union_09-30-2021)
4. **Korea Exporter Guide** [Exporter Guide\_Seoul ATO\_Korea - Republic of\_12-31-2021](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Exporter%20Guide_Seoul%20ATO_Korea%20-%20Republic%20of_12-31-2021)

 **Regulatory**

* 1. **EU**: **Longer CPVR protection for technically challenging crops**

Breeders of asparagus, flower bulbs, woody small fruits, and woody ornamentals will soon enjoy a 30-year protection term under the Community Plant Variety Rights (CPVR). The extension from 25 to 30-year CPVR term has been passed by the overwhelming majority in the EU Parliament (641 out of 704 MP) and adopted by the European Council. The extension will apply to the CPVR in species concerned, both currently in force and issued in the future. [Full article available here](https://www.hortidaily.com/article/9365767/eu-longer-cpvr-protection-for-technically-challenging-crops/)

* 1. **NZ/UK trade deal threatens UK farming, says NFU**

According to the UK’s national farmers unions their key concerns include “The fact is that UK farm businesses face significantly higher costs of production than farmers in New Zealand and Australia, and it’s worth remembering that margins are already tight here due to ongoing labour shortages and rising costs on farm. The government is now asking British farmers to go toe-to-toe with some of the most export orientated farmers in the world, without the serious, long-term and properly funded investment in UK agriculture that can enable us to do so. This is the sort of strategic investment in farming and exports that Australian and New Zealand governments have made in recent decades. There needs to be a coherent approach across government to bolster UK farming’s productivity.  
  
Commenting on the trade deal with New Zealand - a huge apple exporter - trade body British Apples and Pears chair Ali Capper said it could offer the UK sector opportunities in areas of research and export partnership: "The liberalisation of trade between our two countries is a one way deal - the UK has almost 70 million consumers and New Zealand less than 5 million so this deal benefits New Zealand apple and pear growers but is of less interest for British growers.

"In a world where food miles matter it does not make sense to import our national fruit from the other side of the world with a much higher carbon footprint when today we can grow, store and sell British apples and pears to British consumers for 12 months of the year.

"British apple and pear growers are outward looking and many are successful exporters all over the world today. We have good friends in the industry in New Zealand and welcome much closer ties. We would like to see the trade deal opening up opportunities for scientific collaboration between our two counties, for example the UK is a world leader in rootstock breeding and New Zealand in varietal breeding. We would also like to see new opportunities for a joint export initiative, one that joins our two seasons together to create 365 day supply to the rest of the world - together we could be a powerful partnership. "We would welcome the opportunity this deal offers to discuss a much more powerful partnership with our friends at New Zealand Apples and Pears Inc." [Full article available here](http://www.fruitnet.com/fpj/article/186608/nzuk-trade-deal-threatens-uk-farming-says-nfu)

 **Business/ Industry**

* 1. **Freshfel activity**

Freshfel – the European Fresh Produce Association provides a 2 monthly update on activity .The Freshfel Europe Headlines publication gives an overview of the most recent Freshfel Europe activities. The latest summary for activities in August and September 2021 is available to read [here](https://freshfel.org/freshfel-headlines-5-2021/).

Included on one of the articles is [a link](C://Users/thege/AppData/Local/Temp/joint-freshfel-europe-oecd-study-on-internet-sales-in-europe.pdf) to the OECD study on internet sales in the EU

* 1. **Tomato cultivation declines across Europe due to high costs and ToBRV**

The situation for tomatoes has become so complicated that their production seems to be declining steadily. Rising energy and raw material costs, combined with the spread of ToBRV in several production areas, are leading to a sharp decline in tomato yields in Europe.

Some of the economic problems that are emerging all over Europe? With regard to raw materials, the prices of gas and electricity are constantly rising, which is particularly detrimental in the winter, because lighting and heating are needed. At the same time, the costs of logistics and packaging are also rising. Finally, there are also the CO2 ETS taxes for technological greenhouses with cogeneration and gas use for heating.

Also an expert pointed out that, in Italy, the presence of TOBRV in various areas has significantly reduced the transplanting of coppery tomatoes in the winter cycle. Its estimated there is a reduction of 50% of the seedlings ordered (but some estimates exceed 75%). In Spain, tomato cultivation is increasingly shifting to smaller premium tomatoes, while estimating a decrease in the production area of more than 30%. In the Netherlands, the situation has gained further urgency due to the dramatic increase in energy costs for heating and lighting greenhouses, which has led several growers to decide not to cultivate during the winter cycle, to lay off employees, and to dispose of the seedlings already ordered." [Full article available here](https://www.hortidaily.com/article/9364275/tomato-cultivation-declines-across-europe-due-to-high-costs-and-tobrv/)

* 1. **China’s future food demand and its implications for trade and environment**

*This article is full of fact and references and discusses the forecast Chinese demand for food and its effects on trade and the environment.* The environmental impacts are assessed domestically, and in terms of virtual environmental trade flows with China’s economic partners, looking at four environmental impacts: the use of agricultural land (crop harvested area and pasture); GHG emissions from agriculture, forestry and other land uses (AFOLU); the use of synthetic nitrogen fertilizer; and irrigation water use The article identifies that reducing red meat consumption would be beneficial , Sustainable livestock production is imperative and it will be important to source agricultural imports sustainably [Full article available here](https://www.nature.com/articles/s41893-021-00784-6)

* 1. **China-Africa trade is bouncing back from Covid-19**

China’s trade with Africa could be set to return to pre-pandemic levels, if recent momentum can be maintained. In the first eight months of the year, total two-way trade between China and African countries grew by 40 per cent year on year to US$162.7 billion, according to Chinese customs data.

In 2020, the figure for 12 months dropped 11 per cent year on year to US$187 billion, after growing 2 per cent to US$208.7 billion in 2019, before Covid-19 emerged. Tanzania last year began to export soybeans to China, as Beijing sought to cut its reliance on the US and Brazil for supplies of the oilseed. Similar deals have been struck for Kenyan avocados, tea, coffee and roses, Ethiopian coffee and soybeans, beef products from Namibia and Botswana, fruit from South Africa, and Rwandan coffee.

In the eight-month period, the biggest trading partner was South Africa, whose trade with China picked up this year as the country started easing the tough restrictions it had imposed to fight the coronavirus. Trade between China and South Africa grew by 66 per cent to US$34.7 billion compared with last year.

[Full article available here](https://www.freshplaza.com/article/9366652/china-africa-trade-is-bouncing-back-from-covid-19/)

* 1. **Innovation fuels China's seed industry**

The seed industry a major task of the country's agricultural and rural modernization. Many companies in the seed industry seek ways to develop new kinds of seeds to meet customers' increasing demands.

China's seed market is growing. As the world's second-largest seed market, China had more than 6,900 licensed seed companies, with a seed market size of about 120 billion yuan in 2020, said Zhang Yanqiu, president of the China National Seed Association. [Full article available here](https://www.hortidaily.com/article/9365326/innovation-fuels-china-s-seed-industry/)

 **Technology**

* 1. **Soft Robotics might tackle farm labor issues**

A generation of new robots, developed in Europe, that use photonics to detect a fruit is coming into play. These type of robots are made of malleable materials such as silicone and other polymers instead of the usual metal. These materials give robots organic characteristics, replicating the way muscles work and allowing robots to move and perform human-like tasks that are impossible for old-school metallic machines. Given the flexibility of the materials, robots can now pick soft fruits without damaging them. Another potential feature of the robots of the future is the ability to self-repair, emulating the human body’s ability to heal. [Full article available here](https://www.freshplaza.com/article/9366703/soft-robotics-might-tackle-farm-labor-issues/)

* 1. ‘**RoboCrop’ could take over repetitive tasks on small-scale farms**

A pilot scheme using a robot to take the hard graft out of market gardening could be a solution to labor shortages in the sector. The machine in question, which runs on rails in a greenhouse tunnel and is driven by software, can be adapted to do many of the repetitive tasks needed to grow fruit and vegetables commercially. The robot can’t yet replant tiny seedlings into pots, but it can prepare the soil and plant seeds with perfect spacing in straight lines, and then do mulching and weeding. We even have tools for the robot to harvest vegetables like carrots, onions, and turnips.” [Full article available here](https://www.hortidaily.com/article/9364586/robocrop-could-take-over-repetitive-tasks-on-small-scale-farms/)

* 1. **Unmanned vertical farm in China: is this what the future looks like?**

'Unmanned horticulture' with intelligent machines growing the crops may become the main solution to the lack of horticultural laborers. On September 3, 2021, in the plant factory of the Smart Agriculture Demonstration Garden in Yangling Agricultural High-tech Zone in Shaanxi, San’an Bio’s unmanned vertical agricultural production system called Uplift was officially put into use after just 45 days of building. This factory covers an area of ​​2,400 m2, and the planting racks have up to 10 layers each.

In the entire factory, robots, transportation trolleys, lifting trolleys, and other machines are given orders by a computer system which ensures everything operates stably. Instead of workers, the transportation trolley picks the crops safely and efficiently. All kinds of fully automated machines are connected through conveyor lines to realize unmanned sowing, planting, management, and other processes.

[Full article available here](https://www.verticalfarmdaily.com/article/9360475/unmanned-vertical-farm-in-china-is-this-what-the-future-looks-like/)

* 1. **Naïo Technologies unveils plans for international expansion in agricultural robotics market**

Naïo Technologies, a company in agricultural robotics for nearly 10 years, is accelerating its international development strategy, moving beyond the context of technological innovation in order to consolidate its worldwide growth and launch a new RAAS business model. Its robot is called **Oz.** It can make furrows, sow seed, hoe, weed in the row and between rows, help with harvesting and even transport loads thanks to a variety of adaptable and interchangeable tools. Oz has become a very versatile robot covering a wide range of crops: garlic, onions, carrots, salad crops, spinach, celery, sweet peppers, cabbage, squash, wicker, vine nurseries, ornamental nurseries, cut flowers, seed production, herbs and many more.150 robots have been sold to more than 10 countries [Full article available here](https://www.freshplaza.com/article/9364986/naio-technologies-unveils-plans-for-international-expansion-in-agricultural-robotics-market/)

[](http://upload.evocdn.co.uk/fruitnet/uploads/asset_image/2_1216358_e.jpg) **Freight**

* 1. **Perhaps 500,000 shipping containers are waiting off Ports of LA & Long Beach**

Cargo ships continue to arrive off the coast of Southern California, creating a huge shipping bottleneck that results in product prices going up, even though shelves remain empty. Industry experts claim there could be as many as half a million shipping containers on cargo ships off the ports of LA and Long Beach, waiting to be offloaded. The ports recently broke several records for the number of ships they had at shore, as well as for the number of ships waiting to dock. [Read the complete article at losangeles.cbslocal.com](https://www.hortidaily.com/article/9361418/perhaps-500-000-shipping-containers-are-waiting-off-ports-of-la-long-beach/" \t "_blank)

* 1. **Maersk participates in food waste project with Wageningen University and customers**

Every year, 13% of the global fresh produce is lost in the cold supply chain, between harvest and retailer. With an accurate, real-time prediction of remaining shelf-life of a fresh produce shipment, it would enable all parties involved in the supply chain to take earlier and better-informed decisions, reducing food waste and avoiding lost revenue.This is exactly the scope of a new project; Maersk participates in the project together with Wageningen University. The end goal is to create a prediction model for food freshness and remaining shelf-life determined by multiple quality parameters.

AgroFair and Westfalia, two current customers of Maersk, are also part of the project consortium and the partners have started sharing data sets with each other, ranging from details about weather and soil at the harvest farm to qualitative evaluations of product samples and specific temperature readings.

[Full article available here](https://www.freshplaza.com/article/9364992/maersk-participates-in-food-waste-project-with-wageningen-university-and-customers/)

* 1. **Double the number of ships detained outside ports compared with 1st Jan**

According to data from Kuehne + Nagel, one of the largest freight forwards operators in the world, on October 15 there were 584 ships detained outside ports worldwide, i.e. almost twice as many ships as at the beginning of the year. The most severe situation is in southern China. The nearly 100 ships that are waiting to dock in the ports of Hong Kong and Shenzhen are just the latest sign of the problems that have hit global supply chains, The maritime congestion there's been since the pandemic began was made worse by the passage of typhoon Kompasu, which forced operators to close the region's ports for two days.

When ships arrive late at their destinations, cargo operations and delivery times are out of sequence, this disruption causes a ripple effect that affects cargo, truck, and warehouse services.

Wait times at ports have also increased due to the increased demand for consumer products, COVID-19-induced disruption in container ship schedules, and the shortages of dockworkers and truck drivers.

In Europe, the ships outside of Hamburg and Antwerp have long waiting times. There can even be major disruptions when the ships don't have to wait days at sea. A shortage of truck drivers or an obstruction of inland waterways interiors, for example, slowed down the movement of cargo in the port of Felixstowe in the UK and in the port of Rotterdam in the Netherlands.

The number of ships waiting at sea on the west coast of the United States has fallen from a record 76 in September to 57 now. However, the ships can take up to twelve days to anchor and unload their containers due to the shortage of dockworkers and truckers, which delays the delivery of all kinds of goods, from slippers to tropical fruits. [Full article available here](https://www.freshplaza.com/article/9365557/there-are-almost-twice-as-many-ships-detained-outside-ports-worldwide-as-there-were-at-the-beginning-of-the-year/)

* 1. **Kuehne+Nagel Group Excellent business performance continues in Q3** 2021

The Kuehne+Nagel Group once again reported an excellent business performance in the third quarter of 2021. All business units were able to exceed their prior-year results, in some cases significantly. At CHF 21.8 billion, the Group's net turnover in the first nine months of 2021 was almost 50% higher than in the same period last year and EBIT more than doubled to over CHF 1.8 billion. [Full article available here](https://www.freshplaza.com/article/9365760/excellent-business-performance-continues-in-q3-2021/)

 **Food safety**

* 1. **Residues Do Not Pose A Concern For Public Health**

Last week the Federal Food and Drug Administration (FDA) released its [Pesticide Residue Monitoring Program Report.](https://safefruitsandveggies.us14.list-manage.com/track/click?u=4178ef539c5e10aedac20e325&id=062e07201d&e=741ddeee2c) According to FDA, their monitoring results show that residues “do not pose a concern for public health.”

The FDA found almost 99% of the domestic foods sampled had residues levels well below Environmental Protection Agency (EPA) safety standards with 42% of foods having no detectable residue levels at all. This report shows that consumers can choose organic and conventionally grown fruits and vegetables with confidence. It also underscores that no one and no group should discourage consumers from eating healthy produce by promoting unwarranted safety fears about residues.

Click here for the full article



* 1. **Climate change is threatening Australia’s favorite fruits**

This summer, Australian mango growers are expecting the smallest harvest in at least two decades. Cherry farmers are losing trees. Grape growers are having to deal with shortening harvest windows.

In Queensland and the Northern Territory, where the majority of mangoes are grown, warming winters have meant that trees aren’t getting the minimum cold snap they need to develop fruit.[Full article available here](https://www.freshplaza.com/article/9364902/climate-change-is-threatening-australia-s-favorite-fruits/)

* 1. **Survey: Global sustainability overtakes personal health as consumers’ biggest issue**

In its Top Ten Trends for 2022, Innova Market Insights – the world’s most comprehensive global insight platform for the food and beverage industry – has identified the universal demand for trust in a sustainable future as the biggest driver of consumer behavior in the year ahead.

A sense of joint responsibility for our shared planet is guiding the choices consumers make and the lifestyles they wish to lead. Innova’s Global Lifestyle & Attitude Survey reveals that, when it comes to food choices, the top two environmental actions people are taking are reducing waste (43% of respondents) and eating in moderation (32%).

Consumers tell us they want to be ethically and environmentally conscious, so brands need to work alongside the public to breed confidence in the claims attached to products. Trust and transparency are must-haves for any brand wishing to find common ground with an increasingly educated, forward-thinking and interconnected consumer base.   “One of the biggest shifts we are seeing is that the health of the planet is now the top concern of consumers,”

Other trends for 2022 include

* continued increases in demand for plant-based foods**,**
* **more acceptance of t**echnological advances consumers say they are more willing to embrace changes such as new food technologies or sharing data if they can be shown to be beneficial to personal and global health.
* greater awareness of the comforts and possibilities of home, so now seek more from going out. Industry leaders will be pushed to better serve evolving consumption occasions, creating products geared to the new expectations of a public whose social habits have been challenged.
* Consumers are calling the shots and expecting more engagement from brands through digital and real-world channels. [Full article available here](https://www.thepacker.com/news/sustainability/survey-global-sustainability-overtakes-personal-health-consumers-biggest-issue)

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