

**PMAC weekly update 25th May to 1st June**

1. **Covid 19 specific** Signs of hope for Corona pandemic; Wageningen helps to assess immediate impacts on seed sector; India: Ship handling delays; Denmark: "It looks like, in the end, it will be a 'normal' bad year"; The effect of the decrease in food service sales; 'More Czech food in Czech stores'; Sales of organic products increased by almost 11% during Covid-19 emergency
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4. **International news:** GAIN reports; Chilean fruit exporters may present a copy of the certificate of origin at destination; Covid-19 delays Africa trade deal; EU lays out green targets; Alibaba supports fresh online faces; New process allows remote food safety audits for leafy greens farms; US Produce Incentive Program boosts healthy eating; China’s Fruit Imports in 2020 Q1 Driven by High-Value Products; China’s Fruit Trade Deficit Expected to Grow Over Next Decade; China Customs Releases New List of Permitted Fruit Imports; How Singapore plans to survive world’s impending food crisis; Food system innovations – and how to get there; U.S. mass-market floral industry explores sea transport; UK: Nursery sees positive from lockdown; Electronic apple eliminates bruising

*Editors comments*

*The first time since late February that I have released a single update in any one week . All be it quite a long update of 19 pages. Additionally, there are only 7 articles specifically on the effects of Covid 19 in a market or about the flow on effects from lockdown. The world is moving on.*

*The number of non-Covid articles has also increased . There are three good articles from Hort NZ in the commentary section one about a recent report showing Horticulture is the most positively viewed of all the primary production sectors; the second a call for to government to move education into a post covid mindset and lastly some positive comment on the Governments freshwater strategy which was released last week. All good commentary about the current state of play.*

*In the international section a number of good articles but again a triumvirate of three articles from China giving details about the import and export of fruit and Chinese expectation for demand for imported fruit through until 2029. Pleasingly they predict a positive growth for imports over exports.*

1. **Covid 19 specific reports**  
   1. **Signs of hope for Corona pandemic**

This article looks at several things that have arisen from the Covid 19 pandemic that will affect horticulture internationally

* **The need for healthy food has never been more evident  
  Countries will be looking to produce more food locally** Experts expect many nations will start investing in horticulture, creating valuable opportunities in the horticulture sectors.
* **Automation in greenhouses will be sped up The world has become more comfortable with conducting business virtually** Several big players are looking into speeding up research and tests with robotics in greenhouses, to avoid future issues when there's a sudden lack of human labour during crises.
* **The experts ( who were saying one day there would be a pandemic) were right all along, and everyone knows it**
* **Vegetables and fruits are sexy (again)** Fears for food security have raised interest in working in horticulture? [Full article available here](•%09https:/www.hortidaily.com/article/9218515/signs-of-hope-for-corona-pandemic/)
  1. **Wageningen helps to assess immediate impacts on seed sector**

Stakeholders in seed and other agricultural sectors are facing critical challenges to their normal activities. Without fast and informed action, the COVID-19 crisis risks becoming a global food crisis. Wageningen University & Research and partners are collaborating to identify priority steps for enhancing food systems’ resilience in low and middle income countries.

*They are doing this by undertaking risk assessments and producing alerts for each country by working with strategic partners in each country to undertake the risk assessments. These alerts will enable decision-makers across government and industry in that country to focus on measures that get quality seed where it needs to be and ensure food security in low and middle income countries, where loss of access to food is at stake now that COVID-19 measures are in place”.* The multidisciplinary team are working with strategic partners in Nigeria, Ethiopia, Myanmar and Uganda to generate a first set of targeted alerts, starting last week in Nigeria.

A similar process for develop alerts for potato and dairy sectors are being considered as well. [Full article available here](https://www.hortidaily.com/article/9218499/covid-19-immediate-impacts-on-seed-sector/)

* 1. **India: Ship handling delays**

Peter Deubet, Head of the Hamburg Representative Office Mumbai, report on the current situation in the India. Currently, India is divided into different zones – green, orange and red. While relaxations have been introduced in green and orange zones, no activities and services other than essentials are allowed in the red zone. In this phase of the lockdown, more power is given to the states. In areas where the number of infections continues to rise, the federal states have to enforce strict rules.

All international flights are still on hold, whereas domestic flight operations have been resumed under regulations. Several trains are operating as well as busses and taxis. Intrastate-movement of essential and non-essential goods is possible and people can now avail a license to cross borders.

Logistics costs for the transport of goods are expected to rise. Many truck drivers returned and vehicles are plying in large numbers on the highways. But a lack of service centres and repair shops to replace tires or do petty repairs is creating further delays in the supply chain.

The movement of ships in Indian ports also remains restricted due to the closure and quarantine measures taken by the government to combat the coronavirus pandemic. Loading and unloading of ships becomes an immense challenge which causes delays, since the workforce in the ports and trucks to transport the goods to the hinterland are missing. Several shipping lines are therefore already cancelling their calls. [Full article available here](https://www.freshplaza.com/article/9221384/india-ship-handling-delays/)

# Denmark: "It looks like, in the end, it will be a 'normal' bad year"

The hibiscus season ( for flowering plants) at GRAFF starts in March, and after having had some terrible weeks at the end of that month till Easter, demand got better and they are now running as normal again. "It looks like, in the end, it will be a 'normal' bad year". [Full article available here](https://www.floraldaily.com/article/9219640/denmark-it-looks-like-in-the-end-it-will-be-a-normal-bad-year/)

* 1. **The effect of the decrease in food service sales**

As foodservice industry closures have largely impacted the fresh produce growers and consumer demand, Craig Stauffer, CEO of Vanguard International has penned a statement on the impacts COVID-19 has had on this topic.

"The closures of restaurants, hotels, and schools have left growers with heaps of fresh produce without a destination. With crops often grown exclusively for the foodservice industry, growers who produce crops with a large percentage of production destined for this vital market segment are faced with incredible challenges amidst COVID-19 closures.  There have been expected increases in retail sales since cooking at home has risen dramatically and restaurants are offering dine-out options. But consumers eat differently at home. They eat in smaller portions so this does not replace the sheer quantities of product that would be consumed at foodservice establishments with those doors open and orders in full swing. Furthermore, consumers are limiting their shopping trips and changing the nature in which they shop. Fresh fruits and veggies have always been that bright colourful and inviting section of the store that drives impulse sales. Now, there is an increased demand for packaged produce as consumers’ perception is that produce has been handled less often and is, therefore, safer when packaged.

Changing from food service to retail supply is difficult because

1. The nature of growing is complicated and dramatically changes depending on whether you are growing for processing or growing for fresh commodity sales.  By February and March, most planting and pre-harvest activities in the northern hemisphere had been completed. It was too late to change production techniques to allow the change from processing to fresh sales.
2. Packaging requirements for food service and retail are quite different Completely re-tooling your packing line to accommodate the change is a huge undertaking and a risky investment when no one can be certain as to when, where, or how foodservice activities will return.

For those producers who have a choice may will be asking - Should we even plant, or should we sit this year out? For those faced with surpluses now some governments have connected growers with food banks. The plan being, to buy up surplus fruits and vegetables that do not have a home thereby supporting the farmer while getting food to millions of people in need. [Full article available here](https://www.freshplaza.com/article/9221234/as-an-industry-fresh-produce-has-historically-weathered-economic-storms-well/)

* 1. **'More Czech food in Czech stores'**

According to a proposal that will be discussed by the Czech parliament this week, the nation’s stores should be obliged to sell at least 55% of local foodstuffs in 2021, a number that would have to gradually increase to 85% by 2027. This follows a similar measure that has been introduced in Bulgaria requiring retailers to offer distinct exposure and sale space for domestic food products and to purchase 90% of their milk and dairy products from domestic producers. Full article available here <https://www.freshplaza.com/article/9220467/more-czech-food-in-czech-stores/>

* 1. **Sales of organic products increased by almost 11% during Covid-19 emergency**

In Italy commercialized volumes of organic products increased by 10.7% with a growth in value of 17.2%. The first four months of 2020 have been characterized by a stark increase in organic produce sales, as confirmed by Organic cooperative Almaverde Bio’s president Ilenio Bastoni. This after a slow

first six months of 2019 , After a positive second half year the cooperative ended up -2.35% in 2019 compared to 2018. [Full article available here](https://www.hortidaily.com/article/9220051/sales-of-organic-products-increased-by-almost-11-during-covid-19-emergency/)

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

The ICPR for European Union has been updated with the quite a number of changes: These can be viewed in the PDF version, as the MPI search tools are in the process of being updated. See [ICPR for European Union](https://www.mpi.govt.nz/dmsdocument/640)



* 1. **Customs duties**

Assistance for duty payers affected by COVID-19.Changes which came into force on 29/5/2020 allow duty payers whose ability to pay duty on time has been significantly affected by COVID-19, to receive a remission or refund on interest and penalties on late duty payments.

For eligibility requirements see [full article available here](https://www.customs.govt.nz/covid-19/businesses/customs-duties/) or tor more information, you can read the [Frequently Asked Questions](https://www.customs.govt.nz/covid-19/businesses/customs-duties/frequently-asked-questions/) or Customs' [operational policies for compensatory interest and late payment penalties](https://www.customs.govt.nz/about-us/customs-operational-policy/).

* 1. **Location of Goods required for sea freight from 2 June 2020**

Following feedback from industry, border agencies are simplifying the use of the Location of Goods field in Trade Single Window by making it mandatory for sea freight. It is already mandatory for air freight. . Refer to the [Frequently Asked Questions](https://www.customs.govt.nz/business/trade-single-window/location-of-goods-codes/faqs-on-electronic-notifications/) for common questions on electronic notifications and using the Location of Goods field. [Full article available here](https://www.customs.govt.nz/business/trade-single-window/latest-news/location-of-goods-required-for-sea-freight-from-2-june-2020/)



1. **New Zealand News**



* 1. **Cleaning up our rivers and lakes**

# Last week the Government released its requirements for freshwater by

* Setting higher health standards at swimming spots
* Requiring urban waterways to be cleaned up and new protections for urban streams
* Putting controls on higher-risk farm practices such as winter grazing and feed lots
* Setting stricter controls on nitrogen pollution and new bottom lines on other measures of waterway health
* Ensuring faster council planning
* Requiring mandatory and enforceable farm environment plans
* These actions will be supported by $700m of funding
* There will also be a cap per hectare on the use of synthetic nitrogen fertiliser, excluding vegetable growers. It will be set initially at 190 kgs/hectare/year with a review by 2023. Fertiliser use increased seven fold between 1990 and 2018.
* Dairy farmers will be required to report annually to councils the quantity of nitrogen applied per hectare as synthetic fertiliser. Fertiliser companies will have to report on sales to ensure the overall level of use is heading in the right direction.
* The primary sector, iwi/Māori, local government and their communities will be supported in implementing the package through the investment of more than $700 million from Budget 2020 for predominately freshwater-related activity.
* For the longer term, there will be a new National Policy Statement for Freshwater Management (NPS-FM) to achieve permanent improvements and uphold Te Mana o te Wai. A new freshwater planning process will speed up the process of getting the NPS into force around the country.
* Primary sector and other groups will be financially assisted with the implementation of the new clean water standards through a $700 million fund that will create jobs in riparian and wetland planting, removing sediments and other initiatives to prevent farm run off entering waterways.
* health, but many of the species that depend on clean rivers, lakes, wetlands and estuaries are now threatened with extinction.

***The key legislative and regulatory changes are:***

* Amendment to the Resource Management Act to deliver faster regional water plans
* A National Environmental Standard to hold the line by controlling riskier practices
* A National Policy Statement based on Te Mana o te Wai sets new bottom lines for swimmability and water health measures
* Stock exclusion regulations and water take measurement
* [Mandatory and enforceable farm plans](https://www.beehive.govt.nz/release/cleaning-our-rivers-and-lakes)

[Full article available here](https://www.beehive.govt.nz/release/cleaning-our-rivers-and-lakes)

* 1. **Foreign Minister makes four diplomatic appointments**

Foreign Affairs Minister Winston Peters last week announced four diplomatic appointments: The four appointments are:

* Diana Reaich as Ambassador to Belgium
* Richard Griffith as High Commissioner to Nauru, based in Wellington.
* Helen Tunnah as High Commissioner to Niue.
* Cecile Hillyer as Ambassador for Counter-Terrorism, based in Wellington.

[Full article available here](https://www.beehive.govt.nz/release/foreign-minister-makes-four-diplomatic-appointments)

** Commentary**

* 1. **New Zealand horticulture industry rewarded by outstanding survey result**

A survey showing that New Zealanders rate horticulture more highly than any other part of the primary industry sector is rewarding for fruit and vegetable growers across the country.  Last week UMR research released today shows that horticulture continues to receive the highest positive rating of 65%.

[Click here](https://umr.co.nz/wp-content/uploads/2020/05/Opinion-of-Primary-Industries-May-2020.pdf) to view the report. [Full article available here](https://www.hortnz.co.nz/news-events-and-media/media-releases/hort-welcomes-survey-result/)

* 1. **Educate to innovate**

What worked pre-COVID will simply not work in the new world.  If we try and replicate the current education system, growth and recovery will not be enabled.  Two factors are at play here.  First the nature of work is changing and this change will be accelerated as we work thought the COVID recovery.  We will have more workers than jobs, reducing the overall number of permanent positions.  Workers will be required to have more skills, as technology and robotics progressively replace repetitive and manual occupations.

Post-COVID vocational training will need to teach broad and transferrable skills.  Brief, on-the-job upskilling and training – backed by a minimum of classroom time – that builds on workers’ existing skills will be needed.

The second factor is the impact of the technology coming from innovation.  This is not the technology we have today – it is what we are going to need to invent.  A key part of the COVID recovery is the need to innovate and upskill our workforce to become innovators.  Unlike yesterday, the COVID recovery workforce needs vocational training on how to think, invent, be creative, be flexible, and how to adapt to a new work / life / invention lifestyle.

So, in addition to what is already being proposed by Government we need to see.  Job seeker programmes also used as recruitment drives to identify potential innovators.  Teaser courses can also be upskilling sessions that build on the current skills of the students, and apprenticeships can also be innovation incubators. [Full article available here](https://www.hortnz.co.nz/news-events-and-media/mikes-blog/educate-to-innovate/)

* 1. **Importance of horticulture recognized in government’s freshwater decisions**

Horticulture New Zealand says the Government’s decisions around freshwater recognise the importance of growing fresh fruit and vegetables in this country.‘ We applaud the Government for the pragmatic approach it is taking to meeting the long-term freshwater quality improvements that we all want," says HortNZ Chief Executive, Mike Chapman.

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The Government’s recognition of the importance of horticulture sees the industry allowed to expand and enable the primary sector to diversify, as long as environmental bottom lines are met through audited Farm Environment Plans. They embody the good management practices that HortNZ has been promoting and working on with growers across the country. This approach strengthens internationally recognised industry programmes that have been in place for 20 years. [Full article available here](https://www.freshplaza.com/article/9220958/importance-of-horticulture-recognized-in-government-s-freshwater-decisions/)

* 1. **Never let a good crisis go to waste: How our food sector can save NZ’s economy**

**The world will always need food, and New Zealand is enviably positioned to capitalise on this, writes future foods expert Rosie Bosworth – but we need to take a few big steps first.**

Fortunately, the cards are stacked in our favour. Our small island nation has been dubbed “[a coronavirus safe haven](https://www.dkv.global/covid-19-health-safety)” by international research organisation Deep Knowledge Group, which ranked it one of the three safest countries in the world. New Zealand’s strict lockdown procedures and rapid response to the virus, coupled with our existing strong track record of producing high-quality food and beverages the world trusts, will serve as the additional drawcard we need to lure more consumers globally towards our premium foods and natural products.

BNZ economist Doug Steel further predicts primary industries will move from comprising 54% of our export earnings to more than 70% this coming year. Increasing international demand for our existing primary exports such as red meat, dairy and fresh produce, even by a few percent, will certainly help to soften the economic blow.

A small lift in exports of existing primary commodity goods alone will not be enough to reboot our economy at large. We need value add innovation happening in our food and beverage sector. A small increase in value-added activity across the agricultural, food and beverage and natural products sector would lead to substantial material gains for the sector and economy at large.

The 100% Pure campaign has created billions in value beyond the tourism sector. Why can’t we do something similar for the food industry? To top it all off, we need a compelling and unified NZ Inc brand taking in all our quality agricultural products and F&B offerings. Think 100% Pure brand story scale and scope, but this time for our incredible food and natural products. Humans gravitate towards brands that resonate with our needs and desires – brands that have an honest story. Now is the time to collectively, as a nation, develop a campaign that targets the world’s discerning, sophisticated, health-conscious consumers in a way that not only promotes New Zealand’s products to the world but translates brand preference into brand choice and sales.

This last piece is especially vital for the success of our food industry. More than ever, in the wake of Covid, consumers globally are expressing strong preferences for local food and brands over international ones, across all categories. If we are to have an advantage over the blanket “buy local” push going on in almost every one of our key export markets offshore, we need to be superior. Superior in our product offerings and even more exceptional in our storytelling and branding.

As Winston Churchill wisely put it, never let a good crisis go to waste. For better or worse, Covid is finally pushing our food sector in the deep end to collectively, collaboratively and strategically invest in new, high-value innovations and to diversify the range of great products New Zealand offers the world.

[Full article available here](https://thespinoff.co.nz/food/25-05-2020/never-let-a-good-crisis-go-to-waste-how-our-food-sector-can-save-nzs-economy/)



* 1. **Potatoes NZ request Emergency Measures to ban EU imports**

Potatoes New Zealand is asking the New Zealand government to give urgent consideration to imposing short-term measures limiting the importation into New Zealand of heavily discounted frozen potato chips to avoid a food security threat.  New Zealand potato growers supply approximately 85% of the domestic market and it exports around 75 000 tonnes of frozen product a year worth NZ$100 million, mainly to Australia and Asian Pacific markets. A large proportion of potato chips (fries) are consumed in hospitality business, itself a vast industry which employs large numbers of people across the country. The lockdown has flattened the sales for NZ processed potatoes and fresh potatoes.

Globally, the disruption of supply chains, and particularly sales to hospitality, has led to the complete collapse of potato prices in major production centres, in particular the European Union (EU). This will shortly lead to extraordinary price reductions in frozen potato chips from the EU. It’s expected that a similar collapse will be seen in other parts of the northern hemisphere, in particular in North America. The EU currently have approximately 2.6 million tonnes surplus frozen fries.

If urgent steps are not put in place to prevent it, New Zealand is likely to be swamped by imports of frozen potato chips at those extraordinary prices. As an example of intervention in an individual European country, the Dutch Government is formulating a funding program earmarking €50 million to support potato growers who are confronted with a surplus of potatoes due to the decline in demand. Growers with a surplus will be able to offer these to a scheme which will then absorb the potatoes and pay the growers approx. €50 – €60 per tonne. Without that intervention the open market price would've likely been no more than €10 per tonne, as opposed to the usual price of €150 per tonne.   [Full article available here](https://www.freshplaza.com/article/9219657/potatoes-nz-request-emergency-measures-to-ban-eu-imports/)

The New Zealand potato industry has joined its Australian counterpart in requesting that its government impose short-term measures to prevent the import of discounted frozen potato products into the country. “If urgent steps are not put in place to prevent it, New Zealand is likely to be swamped by imports of frozen potato chips at those extraordinary prices. “This may lead to potato growers planting alternate crops and in turn lead to a shortage of New Zealand grown potatoes, which given New Zealand’s reliance on potatoes as a source of food, will represent a serious risks to food security.”

[Full article available here](https://www.freshplaza.com/article/9221339/calls-for-action-to-stop-low-priced-frozen-fry-imports/)

* 1. **Hawke's Bay's horticultural workers finish up this year's harvest**

Horticultural workers at Hawke's Bay have wrapped up this year's harvest, despite the unprecedented challenges created by the current pandemic. The 2020 harvest saw one of the largest crops ever produced for the apple and pear sector. About 400,000 tonnes of fruit were harvested for the season, of which 273,000 tonnes would be exported representing a value to the Hawke's Bay economy of $582 mln. "A figure that with the right support could be tripled by 2030," [Full article available here](https://www.freshplaza.com/article/9219461/hawke-s-bay-s-horticultural-workers-finish-up-this-year-s-harvest/)

* 1. **Singapore Airlines strengthens commitment to New Zealand**

Singapore Airlines has announced the introduction of cargo-only flights between Auckland and Singapore which will operate five times a week. The airline will operate an Airbus A350-900 on the route, which will provide more than 175 tonnes of cargo capacity a week to and from the New Zealand market. The first departing flight on Monday 25th June, carried almost 20 tonnes of cargo, including fresh fruit, chilled meat, machinery and some of New Zealand's famous wines from both the North and South Island. Goods will be able to trans-ship to Amsterdam, China, India, Malaysia, Switzerland, South Africa, Thailand, the UK and the US. [Full article available here](https://www.freshplaza.com/article/9219567/singapore-airlines-strengthens-commitment-to-new-zealand/)

* 1. **Kiwifruit packhouses in lockdown change ways of working**

Trevelyan's managing director James Trevelyan says the packhouse on No 1 Rd was almost totally reconfigured in a very short time as New Zealand moved between alert levels. ''The team's done a fantastic job of reconfiguring the site so, for instance, the smoke room used to take 200 people, now it only takes 40.'' The temperature of everyone coming on-site is taken, all the washing systems and flow of people have changed and shifts have been staggered. ''It's all very organised, where they wash their hands and dry their hands, there is a one directional flow,'' he says. To read the full article by NZ Herald, [please click here](https://www.nzherald.co.nz/te-puke-times/news/article.cfm?c_id=1504472&objectid=12332197).

* 1. **Envy and Jazz insights from the USA**

Envy and JAZZ sales planning is driven by strong shopper insights, as June approaches:

* Envy – YOY dollars are +30% and pounds +34% – with 19% distribution growth – according to Nielsen scan data (last 52 weeks, ending April 30, 2020).
* JAZZ – recent shopper research indicates 87% of respondents like the flavor of JAZZ, with 49% marking it as “excellent.”  A separate research set indicated JAZZ is ideal for its snacking attributes, according to 75% of respondents.

The import program will emphasize bulk – with sizes peaking 70s-90s – while offering an increased range of pack sizes, 2lb through 5lb, to meet accelerating shopper demand. [Full article available here](https://www.freshplaza.com/article/9221169/new-zealand-envy-jazz-apple-crop-will-hit-stores-in-june/)

* 1. **New Zealand’s newest apple variety is popular among Chinese consumers**

A New Zealand organic apple producer cannot keep up with the Chinese demand for New Zealand’s newest apple, Dazzle™, says Bostock New Zealand Owner, John Bostock .It’s the first year that Bostock New Zealand has had commercial volumes of organic Dazzle™ apples available for Chinese Retailers. Last year’s successful trial shipments proved popular among Chinese consumers which had retailers wanting to order more.

“Dazzle is fast becoming one of our most important apple varieties. It has got a strong future and Bostock New Zealand is excited to have exclusive rights to grow and sell Organic Dazzle™,” says Mr Bostock. The Dazzle™ apple is a large, red, sweet apple which has taken 20 years to develop by Plant and Food Research in New Zealand and is targeted at the Asia market. New Zealand’s largest apple growers see it as one of the biggest apple developments in New Zealand since the launch of Royal Gala decades ago. [Full article available here](https://www.freshplaza.com/article/9220940/new-zealand-s-newest-apple-variety-is-popular-among-chinese-consumers/)

* 1. **NZ agritech to get a Govt push**

The Ministry of Innovation, Business and Employment has identified the New Zealand agri-tech sector as part of one of six sectors that would benefit from Government support to raise local and export earnings. The Draft Agritech Industry Transformation Plan (ITP) Lead David Downs reports that the number of new entrants to the sector is relatively low, despite the top 20 New Zealand technology companies generating $1.4 billion in revenue in 2019. There is potential for the agri-tech sector to become a high export earner and will also provide home-based advantages such as increased productivity and sustainability on farms. The plan will be moving forward with several high impact projects such as the establishment of a Horticultural Robotics Academy. A second project will be participation in the Farm 2050 Global Network Project. The ITP will address core issues in the sector, such as connecting New Zealand agri-tech to global opportunities and will involve upskilling current workers as well as attracting new ones. [Full article available here](https://www.ruralnewsgroup.co.nz/rural-news/rural-general-news/nz-agritech-to-get-a-govt-push)



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 go to the Gain web site (<https://gain.fas.usda.gov/>) and search for the country and any reports released in the last month. This week see:

1. **Macau Food and Agricultural Import Regulations and Standards -** [Food and Agricultural Import Regulations and Standards - Narrative\_Macau\_Hong Kong\_05-18-2020](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20-%20Narrative_Macau_Hong%20Kong_05-18-2020)
2. **India COVID-19 in India - Weekly Food Retail Update** [COVID-19 in India - Weekly Food Retail Update\_Mumbai\_India\_05-17-2020](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=COVID-19%20in%20India%20-%20Weekly%20Food%20Retail%20Update_Mumbai_India_05-17-2020)
3. **COVID-19 in India - Weekly Port Situation Update** [COVID-19 in India - Weekly Port Situation Update\_Mumbai\_India\_05-22-2020](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=COVID-19%20in%20India%20-%20Weekly%20Port%20Situation%20Update_Mumbai_India_05-22-2020)
4. **Japan Temporarily Accepts Electronic Copies of Phytosanitary Certificates for Horticultural Imports** [Japan Temporarily Accepts Electronic Copies of Phytosanitary Certificates for Horticultural Imports\_Tokyo\_Japan\_05-25-2020](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Japan%20Temporarily%20Accepts%20Electronic%20Copies%20of%20Phytosanitary%20Certificates%20for%20Horticultural%20Imports_Tokyo_Japan_05-25-2020)

 **Regulatory**

* 1. **Chilean fruit exporters may present a copy of the certificate of origin at destination**

The general manager of Chile's Certification of Origin Central Unit (UCCO), Gonzalo Salinas, stated in an interview with SimFRUIT that Chilean fruit exporters may present a copy of the certificate of origin at the customs offices of the countries receiving their cargo. This measure will streamline bureaucratic procedures and reduce delays. The copy of the certificate of origin may be presented in Latin America (in Argentina, Brazil, Paraguay, Uruguay, Mexico, Colombia, Peru, Bolivia, Cuba, Ecuador, and Venezuela), Europe (in the European Union, EFTA, the United Kingdom, and Turkey), and in Asia (in China, India, Indonesia, Japan, Thailand, and Malaysia).UCCO's certification process can be carried out in two forms, printed and digital," he added. [Full article available here](https://www.freshplaza.com/article/9220275/chilean-fruit-exporters-may-present-a-copy-of-the-certificate-of-origin-at-destination/)

* 1. **Covid-19 delays Africa trade deal**

**I**t is uncertain when the nations of Africa will be able to launch their new free trade zone, with the path of Covid-19 through the continent forcing the African Union to postpone the 1 July 2020 deadline.

Dubbed AfCFTA, the trade deal will bring together all 55 member states of the African Union covering a market of more than 1.2bn people. This includes a growing middle class, and a combined gross domestic product (GDP) of more than US$3.4tn.

Estimates from the Economic Commission for Africa (UNECA) suggest that the AfCFTA has the potential to boost intra-African trade by 52.3 per cent by eliminating import duties, and to double this trade if non-tariff barriers are also reduced. [Full article available here](http://www.fruitnet.com/eurofruit/article/181885/covid-19-delays-africa-trade-deal)

* 1. **EU lays out green targets**

The European Commission has produced its green action plan for agriculture, but some question how the targets will be implemented and enforced. Last week, the European Commission unveiled its Farm To Fork Strategy and its Biodiversity Strategy to transform the way that food is produced, distributed and consumed in Europe as part of the European Green Deal.

The Farm to Fork strategy will also aim to reduce nutrient losses by at least 50 per cent and boost the development of organic farming to a quarter of the total farmland by 2030. At the heart of the Green Deal, the Biodiversity and Farm to Fork strategies point to a new and better balance of nature, food systems and biodiversity; to protect our people’s health and well-being, and at the same time to increase the EU’s competitiveness and resilience. The EU-wide biodiversity strategy will reportedly establish protected areas in 30 per cent of the EU’s land and seas, restore degraded ecosystems, unlock €20 billion per year for biodiversity and put the EU in a leading global position to address the biodiversity crisis.

Pekka Pesonen, secretary-general of EU farmers association Copa-Cogeca, warned that targets alone were insufficient, since the Commission had failed to provide farmers with the tools to achieve those targets. Others suggested that the strategy would struggle to deliver on its sustainable vision unless it addressed production and overconsumption of meat and dairy, especially the EU's goal to be carbon-neutral by 2050, which is at the heart of the European Green Deal. [Full article available here](http://www.fruitnet.com/eurofruit/article/181930/eu-lays-out-green-targets)

 **Business/ Industry**

* 1. **Alibaba supports fresh online faces**

Alibaba will provide support to fresh food merchants who have moved online during the coronavirus (Covid-19) pandemic as part of its 2020 Spring Thunder Initiative. Over the next three years, the Rocket Growth Plan is expected to support 10,000 newly-established fresh food merchants who have joined the Tmall platform in the past six months due to the pandemic. [Full article available here](http://www.fruitnet.com/asiafruit/article/181922/alibaba-supports-fresh-online-faces)

* 1. **New process allows remote food safety audits for leafy greens farms**

Mandatory government food safety audits of leafy greens farms under the California Leafy Greens Marketing Agreement are continuing during the COVID-19 pandemic. Western Growers and the California Leafy Greens Marketing Agreement announced the availability of a new process developed through a collaboration with iFoodDecisionSciences that streamlines all verification documents and data for online review by government auditors.

This process will allow the execution of remote audits and has been reviewed and accepted by the California Department of Food and Agriculture, which has oversight of the LGMA programs and auditors. The system was developed over the past few weeks, has been tested and is now available to certified members of the LGMA who are audited an average of five times over the year. [Full article available here](https://www.hortidaily.com/article/9220030/new-process-allows-remote-food-safety-audits-for-leafy-greens-farms/)

* 1. **US Produce Incentive Program boosts healthy eating**

A national programme that offers financial incentives to enable low-income consumers to purchase more fruits and vegetables has shown great success in Oregon, according to a recent Oregon State University study. The Double Up Food Bucks programme is one of many produce-incentive programmes that pair with the Supplemental Nutrition Assistance Program (SNAP) in the US, commonly referred to as food stamps. For every dollar SNAP recipients spend on eligible foods at participating farmers markets and grocery stores, they get an additional dollar they can put toward more Oregon-grown fruit or vegetable.

91 percent of programme participants surveyed reported buying more fruits and vegetables and nearly 70 percent reported eating less processed food. 81 percent said they had more food available at home and nearly 88 percent said they felt healthier because they were eating more fresh produce. [Full article available here](https://www.freshplaza.com/article/9220770/us-produce-incentive-programme-useful-tool-to-boost-healthy-eating/)

 **China**

* 1. **China’s Fruit Imports in 2020 Q1 Driven by High-Value Products**

Recently released data from the China Chamber of Commerce for Import and Export of Foodstuffs, Native Produce and Animal By-Products indicate that in the first quarter of 2020 China imported over 1.61 million tons of fruit with a total value of $3.01 billion, corresponding to a 12% decrease in volume and a 7% increase in value compared with the same period of [last year](https://www.producereport.com/article/chinas-fruit-import-export-statistics-2019-released). Meanwhile, China’s fruit exports over the same period totaled approximately 800,000 tons and $1.15 billion, representing year-on-year (YOY) increases of 9% and 15%, respectively.

The strong performance of high-value fruits such as cherries and durians was the main reason for the increased import value in spite of the 12% decrease in import volume. The top nine fruit categories by import value in the first three months of 2020 contained the following categories of relevance to NZ fresh cherries ($1.19 billion, +34% YOY), fresh plums ($100 million, −27% YOY), fresh cranberries and blueberries ($90 million, +17% YOY), and fresh peaches and nectarines ($800 million, +30% YOY). It is also worth noting that China’s kiwifruit imports during the first quarter of 2020 totaled 7,369 tons (+51% YOY), with approximately 79% of the total volume (5,853 tons, +44% YOY) originating from Italy.

Ranked in descending order of value, the top ten exporters of fruit to mainland China between January and March were Chile, Thailand, Vietnam, the Philippines, Peru, Australia, Indonesia, Ecuador, [Taiwan](https://www.producereport.com/article/2019-taiwan-fruit-import-export-statistics-released-exports-mainland-china-43) and Egypt. The following changes were seen for mported fresh apples ($312 million, +21% YOY), fresh pears ($176 million, +71%), and oranges ($26 million, −35% YOY). With the exception of grapes and oranges, all of these exhibited YOY growth in export value in excess of 10%. [Full article available here](https://www.producereport.com/article/chinas-fruit-imports-2020-q1-driven-high-value-products)

* 1. **China’s Fruit Trade Deficit Expected to Grow Over Next Decade**

In April the China Agricultural Outlook Report (2020–2029), a summary and review of the market situation for China’s fruit sector over the next ten years was released. The report points out that China is currently the world’s largest fruit producer and consumer market, with fruit production and trade accounting for 33% and 6%, respectively, of the global totals. According to the report, the current [trade imbalance](https://www.producereport.com/article/china-h1-fruit-trade-data-imports-rise-exports-fall) is expected to continue to grow over the next decade, as the average growth rate of China’s fruit imports continues to exceed that of its exports.

This expected increase in imports is attributable to China’s continued broadening and strengthening of its international trade relations, as well as increased domestic demand for high-quality fruit products. The total fruit import and export volume is expected to grow to 34.3 million metric tons by 2029, with the average annual growth rate of imports reaching 9.4%.

The report also predicts that in the next ten years China’s domestic fruit production will increase owing to more efficient fruit cultivation and a planting area that is expected to grow by 1.6% per year.

In the short term, the COVID-19 pandemic may have a greater impact on China’s fruit imports than on its exports. Durians, cherries, bananas, mangosteens, grapes, citrus and kiwifruit are expected to remain the main fruit imports, while citrus, apples, grapes, pears and peaches are forecast to be the main exports.

The price of fruit is also expected to fall in 2020. Citrus production is currently high, and apple and pear reserves are relatively full, which should effectively protect the market supply for the first half of the year. As the COVID-19 pandemic gradually subsides, there will be high concentrations of stocked and seasonal fruits in the market, and with sales pressure being greater than usual there is little chance of a spike in fruit prices.  [Full article available here](https://www.producereport.com/article/chinas-fruit-trade-deficit-expected-grow-over-next-decade)

* 1. **China Customs Releases New List of Permitted Fruit Imports**

On May 15, China’s General Administration of Customs released an updated list of fresh fruits as well as exporter countries and regions with phytosanitary approval for import into China. In addition to those items on the previous list from Nov. 13, 2020, the new list also includes Californian nectarines, avocados and blueberries, Chilean citrus, Philippine avocados, Kyrgyzstani melons, Bruneian melons, Mexican bananas, Brazilian melons and Colombian avocados.

The article provides more details about the conditions of entry for each new product and lists the imported fruit allowed from 47 countries.  [Full article available here](https://www.producereport.com/article/china-customs-releases-new-list-permitted-fruit-imports)



* 1. **How Singapore plans to survive world’s impending food crisis**

One of the most densely populated countries on the planet, its 5.7 million people rely on other nations for almost everything they eat. Just 0.9 percent of its land area of about 700 square kilometers was classified as agricultural in 2016, only marginally more than icebound Greenland.

Despite producing little of its own, Singaporeans arguably have better access than anyone else to affordable, abundant and high quality produce. The country has ranked first in an index of food security for two years running and is now deepening its focus as the COVID-19 crisis exposes the fragility of global food supply chains. To this end, the country is developing expertise in technologies such as vertical farming, nutrient recovery from food waste, and the use of insects, microalgae and cultivated meat as alternative protein sources and creating the space and regulations for production to start.

[Full article available here](https://www.hortidaily.com/article/9219639/how-singapore-plans-to-survive-world-s-impending-food-crisis/)

* 1. **Food system innovations – and how to get there**

An international group of almost fifty scientists identified 75 emerging innovations and has drawn up 8 action points with the aim of accelerating the transition to a sustainable and healthy food system. They published their action points in Nature Food. "

Under coordination of Mario Herrero from CSIRO 75 emerging technologies were invested that span the entire food value chain, from production and processing to consumption and waste management. Some we know, such as drones, 3D printing and vertical agriculture. Others require a bigger stretch of the imagination: nitrogen-fixing cereals that do not need fertiliser or feed for livestock made from insects or produced from human sewage.

Of the eight action points in the perspective paper for accelerating the system transformation, at least five revolve around building trust, changing mindsets, enabling social licence and safeguarding against undesirable effects. ‘Therefore, besides technological development a constructive societal dialogue is critical to establish clear transition pathways towards future sustainable food systems’

Public investment in technology development should be tied to social licence and technology acceptability. Without engaging all the actors involved potentially powerful technologies may not be adopted, like genome editing for example.

[Full article available here](https://www.hortidaily.com/article/9220535/food-system-innovations-and-how-to-get-there/)

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**Floral news**

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* 1. **U.S. mass-market floral industry explores sea transport**

The popularity of sea shipping is on the rise for several years now and the COVID-19 crisis seem to fuel this trend. During the May 27 virtual Floral Roundtable hosted by Produce Marketing Association (PMA), floral retailers, growers, transportation and processing experts discussed logistics of sea freight and floral consolidation centres and how both can help create efficiencies, reduce carbon footprint, and help get high-quality cut flowers to market for U.S. consumers.

*This article talks in more detail about factors that must be taken into account when considering air freight for flowers* [Full article available here](https://www.floraldaily.com/article/9221253/u-s-mass-market-floral-industry-explores-sea-transport-use-of-consolidation-centers/)

* 1. **UK: Nursery sees positive from lockdown**

*An article about a plug Nursery in the UK which initially saw big cancellation of plants at the beginning of lockdown but with the move to sell directly online the development of strong demand over the last few weeks. Exports to the EU have also recently restarted* [Full article available here](https://www.floraldaily.com/article/9221275/uk-the-market-has-changed-for-good/)

 **Innovation**

* 1. **Electronic apple eliminates bruising**

Brillopak has come up with an innovative way of using an electronic apple to inform and assist development of its UniPAKer robotic crate packer for fresh produce. By measuring the G-forces that an apple is subjected to during the crate packing process, this intelligent logging device has enabled Brillopak’s engineers to make design enhancements that will minimise damage and bruising to delicate fruit.

The electronic apple is a shock and temperature logger encased in a carrier shell that mimics the shape, size and density of a real apple. The ‘dummy’ apple is inserted into a pack in place of a real apple to monitor and locate sources of damage to apples during handling and transportation. Force and temperature measurements are recorded by the device and sent via bluetooth to an app that presents them in easy to read and analyse graphical or Excel formats. [Full article available here](https://www.freshplaza.com/article/9221171/electronic-apple-eliminates-bruising/)

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