

**PMAC weekly update 1st to the 8th July**

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2. **New Zealand News:**  Foreign Minister to visit Chile and attend Pacific Alliance Summit in Peru; The Future of the WTO and Trade Structures; Rezoning would badly affect Cromwell cherry growers; Plan changes could save millions; New Zealand’s very first organic onions arrive in Europe; Cannabis growers line up to buy chrysanthemum nursery; Dutch tulip company expands in New Zealand; Fresh, healthy and growing; Plant breeder’s world role; Kiwifruit grower body celebrates 25 years; Lessons from Europe in New Zealand's food-farming-tourism future; Proposed upgrade of Golden Bay port of Tarakohe could cost up to $35m.
3. **International news:** GAIN reports; EU and Mercosur sign historic trade deal; USDA restricts PACA violators in four states from operating in produce industry; The future is circular agriculture; First blockchain container shipped to Rotterdam; Hort Innovation unveils new strategy; JBT and SafeTraces’ join forces to take new steps in food safety & traceability; Diversifying plant protein sources for the meat analogues of the future; Sustainability high on the agenda at the ISF World Seed Congress 2019; World vegetable centre report; Dutch floriculture signs International Responsible Business Conduct Agreement; South Australian government shows interest in Israeli root zone temperature tech

***Editors comments***

*Plenty happening in the world this week. The New Zealand section includes articles about two councils that are considering changes that will have a significant impact on horticulture in their regions . Something that we will see more of.*

*Also, in the NZ section is a good speech from David Parker on the threats to international trade and New Zealand initiatives to promote a fair and equal, rules based international trading environment. Well worth a read.*

*In the international section technology and sustainability again dominate. The article that fascinates me is report of a root zone technology developed in Israel that uses a heat pump approach to cool a crops roots to mitigate hot temperatures. It also mentions an off the grid technology to grow crops without a normal water source by accessing water from the air.*

1. **Agency news**



* 1. **WTO Notifications**

Please find attached the most recent WTO notifications from countries that are considering changes to their plant import requirements for specific products. If you have any concerns about the notifications being presented please contact [Plant.exports@mpi.govt.nz](mailto:Plant.exports@mpi.govt.nz) so that they can potentially make a submission to the notifying country. Changes notified over the last week include:

* Chinese Taipei- Regulations for Inspection of Imported Foods and Related Products

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



1. **New Zealand News**



* 1. **Foreign Minister to visit Chile and attend Pacific Alliance Summit in Peru**

Winston Peters travelled to Chile and Peru last week as part of New Zealand’s diplomatic effort to strengthen ties with the Pacific Alliance countries. While in Santiago, Chile, Mr Peters meet with President Sebastián Piñera as well as Minister of Foreign Affairs and Minister of Agriculture.

While attending the Pacific Alliance Summit in Lima, Peru, Mr Peters will meet with President Martín Vizcarra and hold talks with his Pacific Alliance counterparts from Chile, Colombia, Mexico and Peru.

“New Zealand is committed to the conclusion of a high quality, mutually beneficial free trade agreement with the Pacific Alliance. Our participation in the Summit will be an opportunity to reinforce the strategic importance of the Pacific Alliance and promote trade that benefits all our citizens,” Mr Peters said. [Full article available here](https://www.beehive.govt.nz/release/foreign-minister-visit-chile-and-attend-pacific-alliance-summit-peru)

* 1. **The Future of the WTO and Trade Structures**

From an address to the Otago Foreign Policy School. *David Parker provided the following overview of the speech*  I’ll begin by setting out the context – why trade matters, the general trade structure established by the WTO and through our FTA framework, as well as the contemporary global trade operating reality.   I will then turn to New Zealand’s response to these turbulent times, and how we are investing in the future of the WTO.  *This summary will primarily summarise Minister Parkers section on New Zealand’s response*

Trade is also an important driver of productivity, employment and incomes. We know, for instance that productivity per New Zealand worker is 36% greater if they are in a firm that is exporting, compared to one that isn’t. It has also been established that employment grows 7% to 12% faster when New Zealand firms start exporting. International research also suggests that exporting firms pay better wages – up to 6% more than non-exporters.

 Unsurprisingly, New Zealand places great importance on securing fair international trade rules and market access, both at the WTO and in our free trade agreements. New Zealand’s trade policy has long been based on two assumptions:  first, that over time we would see ongoing reduction of trade barriers and increased market openness and second, that the WTO rules for trade would be sustained and grown.   For much of the past 25 years we have been moving in the right direction but we haven’t come as far as we’d hoped and sadly, those assumptions are under serious challenge.

Despite periods of great activity in the 2000s, the Doha round of negotiations at the WTO is now effectively on hold and there have not been any truly multilateral and meaningful liberalisation at the organisation since it was established. And despite the important gains made by New Zealand in our FTAs – including an impressive 65% trade coverage now that CPTPP has entered into force, New Zealand continues to lack preferential trade agreements with some of our most important trading partners.  The Government is taking action to remedy this of course, and has launched negotiations with the EU and initiated talks with the US about the possibility of a bilateral deal.   Both these processes continue.

More generally, rather than the expected liberalisation, protectionism is on the rise and appears to be accelerating.   We have seen the highest increase since 1995 – an increase of 30% - in protectionist measures over the last two years.  NZIER research suggests that amongst Asia Pacific Economic Cooperation (APEC) economies alone, Non-Tariff Measures broadly defined increased in the region by 74% between 2004 to 2015. The cost to New Zealand exporters of these NTMs was US$5.9 billion.

This Government is also interested in the changing nature of the role of trade.   It is no longer enough to consider trade policy solely through a GDP lens.   We want trade that is more inclusive and sustainable, and New Zealand has been at the vanguard of efforts to ensure trade contributes to sustainable development and contemporary issues of cross-boundary concern. The Government has recognised this turbulent and changing trade environment, and has developed a six point strategy in response, as follows:

***Defending the rules-based system:***  As mentioned already, the negotiating environment at the WTO has become more challenging over the years, and new threats have arisen to the WTO’s dispute settlement system - formerly known as the “jewel in the WTO’s crown”.   We now face a situation where the Appellate Body faces the prospect of no longer having sufficient quorum of three members (out of seven total) to enable it to hear any new appeals from 11 December, if a solution is not found to unlock the appointments process.   This is of existential concern as losing parties will be able to avoid compliance by appealing a negative panel outcome to a non-functioning Appellate Body and essentially sending the dispute into limbo.  This loss of an enforcement mechanism is likely to have broader ramifications as it diminishes the incentives for Members to abide by existing rules, or to create new ones.   

If we don’t find a solution, eventually, the rules-based system could crumble, and we will be faced with a return to power-based trade, where small export-oriented economies like New Zealand will struggle to prevail. Unsurprisingly then, New Zealand is active in efforts to safeguard and strengthen the system.   New Zealand is one of 13 Members involved in the Ottawa Group which is actively seeking to find constructive solutions on WTO reform and improvements to the system.  We are active in the WTO negotiations under way, particularly on fisheries subsidies and e-commerce, and are investing time and resource into the issues faced by the organisation.  For example, our Permanent Representative to the WTO, Ambassador David Walker is facilitating the informal process to solve the Appellate Body impasse in Geneva. Having a New Zealander appointed to this role shows the esteem in which New Zealand and David Walker are held. It also reflects our willingness to contribute to the effective functioning of the organisation, especially in the face of current challenges.

***Embedding New Zealand in the emerging regional economic architecture:* In** addition to our existing FTA framework that I’ve already described, we are actively involved in negotiations with the EU and separately with 15 partners in Asia through the Regional Comprehensive Economic Partnership (RCEP) – RCEP. This includes India with its US$2.7 trillion economy and rapidly growing market for middle-class consumer products.  New Zealand is also well advanced in discussions with the Pacific Alliance (Colombia, Mexico, Chile and Peru), and to upgrade our China FTA.   We are also looking to update our existing agreement with ASEAN and Australia, and bring further parties into the CPTPPP. 

***Supporting regional and global public goods:*** New Zealand is working to reinforce global and regional institutions which help safeguard social, economic and political progress – organisations like the OECD, APEC and the Commonwealth, as well as likeminded coalitions such as the Cairns Group of agricultural exporters at the WTO, the Friends of Fossil Fuel Subsidy Reform,  or the Small Advanced Economies Initiative. The establishment of a Commonwealth trade caucus, and our APEC 2021 host year are examples of this strategy.

***Advancing the concept of ‘flexible and open negotiating approaches’:*** While multilateralism remains our preference, we can further bolster the rules-based system by pursuing international agreements with clauses that allow others to join if they can match the standard of commitments set by the original partners. This new approach acknowledges that the dream of the “single undertaking” is almost certainly over, and recognises that in order to move ahead at the WTO, we may need to be more creative in our approaches in order to make progress (while still respecting fundamental principles of openness, transparency and WTO plus disciplines).

***Developing a Trade for All agenda in consultation with New Zealanders:*** The Trade for All consultations and our efforts to ensure that New Zealand’s trade policy delivers for all New Zealanders, including women, Māori, rural communities and SMEs is a crucial element in our push back against anti-globalisation sentiments and associated scepticism around the benefits of trade. This distrust is not just a New Zealand problem however, as evidenced by growing protectionism abroad.  New Zealand is also co-operating with Chile and Canada to promote inclusive and sustainable trade on the international stage through the Inclusive Trade Action Group and to share strategies for how we can best engage with citizens and respond to their concerns and interests on trade.

***Intensifying our Economic Diplomacy:***  The Ministry of Foreign Affairs and Trade, working through our embassy network and with other agencies such as New Zealand Trade and Enterprise, collects a wealth of market information and analysis.   We’ve put in place a number of initiatives to better share this information with Kiwi businesses big and small to help them succeed in international markets.   We are also improving our existing tools, such as the very popular tariff finder, to make them more comprehensive and easier to use so that more New Zealanders can actually use the advantages negotiated.       
   
So in this context, let’s return to the central question - what is the future of the WTO, and other trade structures? I take pains to emphasise that New Zealand has not, and will not, give up on the WTO.  Even the US has acknowledged that if we did not have the WTO we would need to create it – although of course they are also looking to make a number of significant changes to its functioning.  New Zealand agrees that there are improvements to be made. The key will be to ensure that in engaging in WTO reform we are building an institution that works more effectively and efficiently for all Members. 

We are investing in efforts to solve the Appellate Body impasse and ensure the smooth functioning of the dispute settlement system, while maintaining the elements of key importance – such as binding dispute settlement.

Our efforts to unlock the negotiating function by getting some runs on the board in the fisheries subsidies and e-commerce negotiations will show that the WTO can deliver negotiated outcomes on issues of key importance to modern trade and sustainable development; and demonstrate the value of different negotiating approaches.  Hopefully this will build momentum and lead to re-invigorated negotiations that deliver the enhanced rules and deepened market access we have been waiting for.

New Zealand is also working with other like-minded members to ensure that we are also strengthening the WTO’s core functions – transparency, notifications and monitoring of how the existing rules are being implemented.   There is certainly room for improvement, including through enhanced uptake of best practice gained through 25 years of WTO experience.  New Zealand has recently updated its own long overdue services notifications, and has cosponsored a proposal by the US/EU/Japan/Australia and others to enhance compliance with existing notifications.

Turbulent times are indeed challenging, but also an opportunity, and working with others through this multi-pronged effort, there is hope for an enduring and well-functioning WTO to emerge.  [Full article available here](https://www.beehive.govt.nz/speech/future-wto-and-trade-structures)



* 1. **Rezoning would badly affect Cromwell cherry growers**

At a hearing last week into plan change 13, which would allow a 900-lot residential development on the outskirts of Cromwell, commissioners were told the production of cherries and other summer fruits in Cromwell orchards would be ''irreversibly impacted'' if the planned change was granted.

Horticulture New Zealand environmental policy adviser for the South Island Rachel McClung said growers and their operations currently have a good reputation in and around Cromwell, but the proposed River Terrace subdivision would erode their ''social licence'' or the community's acceptability

of their right to farm.

''Social licence can be eroded by incompatible land uses and reverse sensitivity. 'The growers are well aware of what their potential social loss leaders could be: bird scarers, frost fans, artificial shelter and chemical sprays. All the methods they used to ensure a high-quality yield ... and without them a zero yield is likely,'' she said. The proposed River Terrace development is 3km from the Cromwell town centre. [Full article available here](https://www.freshplaza.com/article/9123121/new-zealand-rezoning-would-badly-affect-cromwell-cherry-growers/)

* 1. **Plan changes could save millions**

Changes to the One Plan could save the Manawatu-Wanganui regional economy millions of dollars. Manawatu-Wanganui regional councillors have recommended changes to fix problems with the plan’s nutrient management policy and rule framework after staff reported nitrogen leaching limits need to be recalibrated with the most up-to -date version of Overseer so they align with the latest science. The plan’s nutrient management policy and rule framework also need change so farmers and growers who breach the limits can have resource consent applications assessed. The proposed changes, called Plan Change 2, do not mean water quality targets or the approach used to manage nutrients will change. An Institute of Economic Research report commissioned by the council estimates GDP in the region will drop by $65.4 million under the original limits and $20.7m under the revised limits. Notification of the change will begin on July 22 and be followed by an extended consultation 60 working days. [Full article available here](https://farmersweekly.co.nz/section/agribusiness/view/plan-changes-could-save-millions)

* 1. **New Zealand’s very first organic onions arrive in Europe**

New Zealand’s very first export of organic onions have arrived in Europe – and the kiwi exporter who grew them was there to open the container for the historical moment. Bostock New Zealand Owner John Bostock says there is a lot more labour and work required to grow organic onions as you can’t reach for the chemicals to spray the weeds.

“Organic onions are very challenging to grow. It’s a different mind and skill set altogether. We can’t use chemicals to spray the weeds. We have to hand weed all our onions and we rely on expensive GPS technology to help with this weeding process.” “We will have over 200 staff weeding one onion paddock at the necessary time during the season. The team will each have a little knife and be hand weeding every individual onion plant. It’s an intensive process having a whole field weeded by hand.

[Full article available here](https://www.freshplaza.com/article/9123136/new-zealand-s-very-first-organic-onions-arrive-in-europe/)

* 1. **Cannabis growers line up to buy chrysanthemum nursery**

Medicinal cannabis producers are high on the list of potential buyers for one of New Zealand’s most productive chrysanthemum hothouse nurseries which is for sale. [Full article available here](https://www.floraldaily.com/article/9123099/new-zealand-cannabis-growers-line-up-to-buy-chrysanthemum-nursery/)

* 1. **Dutch tulip company expands in New Zealand**

In 2012 and 2013, a tulip-growing Dutchman Ton Karsten from the north of Holland and his son in-law Peter Steltenpool travelled through New Zealand to look at the possibilities of growing and setting up a southern hemisphere operation. They grow tulips from January until April and were looking for a market to expand the cut flower season back home.

The New Zealand branch of the business that now farms more than 70 hectares in Southland near Invercargill, and delivers 25 million tulip bulbs, had begun. It has just expanded, having got ministerial approval in April to purchase a 162 ha dairy farm at Mabel Bush, which allowed it to plant out 20 ha in May. This could add at least another million bulbs to exports.

"The main reason they started a company in New Zealand is that we wanted to set up a market with good quality tulips in the months September til December (during the northern hemisphere winter). The New Zealand bulbs go back to the parent company to grow cut flowers for Horizon Holland as well as to the United States, Scandinavian and European markets. [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=29102&cHash=27867981e2bb6b4544e9af052fea5a6d)

* 1. **Fresh, healthy and growing**

New Zealand’s fresh product industry and supply chain is valued at $14.7 billion, making it the eleventh-largest industry in NZ, says a new report by the industry. Fresh produce is bigger than education and training, accommodation and food services and is comparable to health services, says the Produce Marketing Association (PMA) ANZ chief executive Darren Keating.

The industry value-add was $2.3b in 2018, up 3.8% from the previous year. Industry exports were $3.2b, up 3.2% on the previous year, and the industry last year had 36,000 employees. In 2018, NZ exported $11.86 of fresh produce for every $1 of imports.

Three megatrends are globalisation, demographics and technology and are disrupting industry and will continue to do so in the future. [Full article available here](https://ruralnewsgroup.co.nz/rural-news/rural-general-news/fresh-healthy-and-growing)

* 1. **Plant breeder’s world role**

The appointment of a New Zealand representative to the International Seed Federation board is key to local plant breeders staking a peg on the global radar, Plant Breeders Association general manager Thomas Chin says. Industry stalwart Brent Stirling was elected to the international role at the federation’s 95th World Seed Congress in France earlier this month. Stirling, who has been involved in the seed industry for the past 33 years, is general manager of sales at Cropmark Seeds, a private NZ plant breeding, research and marketing company operating in both the domestic and international markets. Stirling has also spent time on the NZ Grain and Seed Trade Association executive and was chairman of the forage and turf section for 20 years. This is the first time in five years NZ has had a representative on the federation’s board. [Full article available here](https://farmersweekly.co.nz/section/arable/view/plant-breeders-world-role)

** Bits and pieces**

* 1. **Kiwifruit grower body celebrates 25 years**

New Zealand Kiwifruit Growers Inc. (NZKGI) celebrated their 25th anniversary as an incorporated society at a special gathering in Tauranga last week. The evening recognised NZKGI’s central role as an advocate for growers of New Zealand’s kiwifruit industry. The event was attended by Minister of Agriculture Hon Damien O’Connor as well as a wide range of industry leaders including present and past NZKGI Forum members.

The event also launched NZKGI’s book Seeds of Success: The Stories of New Zealand’s Kiwifruit Pioneers, which is a collection of the stories of the innovation and personalities behind some of the industry’s founding members. NZKGI contracted award-winning journalist Elaine Fisher who spent almost a year creating this unique work. [Full article available here](https://www.freshplaza.com/article/9123700/kiwifruit-grower-body-celebrates-25-years/)

* 1. **Lessons from Europe in New Zealand's food-farming-tourism future**

At the latest Trenz tourism conference in Rotorua, the industry revealed plans to make it a $50 billion industry in the next six years. This ambitious target is up from today's $40 billion a year sector. The report highlighted opportunities lying relatively untapped for the farming sector to link up with a tourism market keen to not only sample local cuisine, but understand the story behind its creation. In turn the 3.9 million visitors expected this year have been identified as potential brand ambassadors, capable of broadcasting New Zealand farmers' and food producers' stories to their friends and relatives back home. New Zealand ranked low in the report as a food and beverage destination, with only 30 per cent regarding it positively, and 60 per cent with a "neutral" view of this country's food offering. [Full article available here](https://www.nzherald.co.nz/the-country/news/article.cfm?c_id=16&objectid=12245618)

* 1. **Proposed upgrade of Golden Bay port of Tarakohe could cost up to $35m**

A proposed upgrade and reconfiguration of Golden Bay's Port Tarakohe comes with an estimated price tag of between $28 and $35 million. The figures are contained in a draft business case for the proposed development that Tasman district councillors on Thursday approved for public consultation.

[Full article available here](https://www.freshplaza.com/article/9124098/nz-proposed-upgrade-of-golden-bay-port-of-tarakohe-could-cost-up-to-35m/)



1. **International news**

**Comment**

* 1. **GAIN reports**

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

Full article available here

1. **China Notifies Standard for Maximum Levels of Mycotoxins in Foods** On June 3, 2019, China notified the World Trade Organization of the Draft National Food Safety Standard for Maximum Levels of Mycotoxins in Foods as SPS/N/CHN/1146.  [China Notifies Standard for Maximum Levels of Mycotoxins in Foods \_Beijing\_China - Peoples Republic of\_6-26-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/China%20Notifies%20Standard%20for%20Maximum%20Levels%20of%20Mycotoxins%20in%20Foods%20_Beijing_China%20-%20Peoples%20Republic%20of_6-26-2019.pdf)
2. **EU restrictions on microplastics may affect agricultural products** At the request of the European Commission, the European Chemicals Agency (ECHA) assessed the environmental and health risks posed by the use of intentionally added microplastics. The proposed restriction includes the use of microplastics for agricultural and horticultural purposes, including polymers utilized for controlled-release fertilizers, capsule suspension plant protection products (PPPs), seed coatings, and biocides. [EU restrictions on microplastics may affect agricultural products\_Brussels USEU\_Belgium EU-28\_6-28-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/EU%20restrictions%20on%20microplastics%20may%20affect%20agricultural%20products_Brussels%20USEU_Belgium%20EU-28_6-28-2019.pdf)
3. **India GOI Publishes New Draft Labeling and Display Regulations**  
   On July 2, 2019, the Government of India’s, Food Safety and Standards Authority of India (FSSAI) published the new draft Labeling and Display Regulations.  [GOI Publishes New Draft Labeling and Display Regulations\_New Delhi\_India\_7-3-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/GOI%20Publishes%20New%20Draft%20Labeling%20and%20Display%20Regulations_New%20Delhi_India_7-3-2019.pdf)
4. **Russia Extended Food Import Ban through End 2020** On June 24, 2019, President Putin signed decree No. 293 extending Russia’s ban on the import of agricultural products from the countries that applied economic sanctions against Russia, including the United States, until the end of 2020.   [Russia Extended Food Import Ban through End 2020\_Moscow\_Russian Federation\_7-1-2019](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Russia%20Extended%20Food%20Import%20Ban%20through%20End%202020_Moscow_Russian%20Federation_7-1-2019.pdf)

 **Regulatory**

* 1. **EU and Mercosur sign historic trade deal**

The European Union and South American bloc Mercosur agreed a free trade treaty on Friday, concluding two decades of talks and committing to more open markets in the face of a rising tide of protectionism. For the Mercosur countries (Argentina, Brazil, Uruguay and Paraguay), the deal eliminates tariffs on 93 per cent of exports to the EU and grants “preferential treatment” for the remaining 7 per cent.

The agreement proposes immediate tariff reductions for 81 per cent of agricultural products from the South American bloc, including apples, pears, stonefruit, table grapes and some dried fruit, while other products, including citrus, berries and some vegetables, will see tariffs reduced gradually to zero over a four to ten-year period. Europe, meanwhile, will see improved access for cars and car parts, chemicals, machinery, textiles, wine and cheese, among other products.

European producer groups reacted with dismay to the deal, claiming that they were being sacrificed in order to secure markets for Europe’s powerful industrial exports

The EU and Mercosur intensified efforts to reach an agreement after Donald Trump’s presidential victory led the EU to freeze talks with the US and seek other global trading allies. “This deal delivers a real message in support of open, fair, sustainable and rule-based trade because trade creates jobs for all concerned,” European Commission president Jean-Claude Juncker told a news conference at the G20 Summit in Osaka, where the deal was announced. “This deal promotes our values and supports a multilateral, rules-based system,” Juncker said, adding that the commitment spoke a “lot, louder than 1,000 communiqués”. [Full article available here](http://www.fruitnet.com/eurofruit/article/179118/eu-and-mercosur-sign-historic-trade-deal)

* 1. **USDA restricts PACA violators in four states from operating in produce industry**

As part of its efforts to enforce the Perishable Agricultural Commodities Act (PACA) and ensure fair trading practices within the U.S. produce industry, the U.S. Department of Agriculture (USDA) has imposed sanctions on five produce businesses for failing to meet their contractual obligations to the sellers of produce that they purchased and failing to pay reparation awards issued under the PACA. These sanctions include suspending the businesses’ PACA licenses and barring the principal operators of the businesses from engaging in PACA-licensed business or other activities without approval from USDA. By issuing these penalties, USDA continues to enforce the prompt and full payment for produce while protecting the rights of sellers and buyers in the marketplace.

The PACA Division, which is in the Fair Trade Practices Program in the Agricultural Marketing Service, regulates fair trading practices of produce businesses that are operating subject to PACA, including buyers, sellers, commission merchants, dealers and brokers within the fruit and vegetable industry.  
[Full article available here](https://www.hortidaily.com/article/9121810/usda-restricts-paca-violators-in-four-states-from-operating-in-produce-industry/)

 **Business/ Industry**

* 1. **The future is circular agriculture**

Two leading figures from the Dutch fresh produce industry said circular agriculture ( utilising rotations that include both animals and crops) could be one of the keys to ensuring its growers’ future success.

It’s easy to think of circular farming as a throwback to the 1900s, with livestock and vegetables all packed into the same land. Yet what it essentially means is that farmers keep residuals of agricultural biomass and food processing within the food system as renewable resources. By being more efficient with scarce resources and wasting less biomass, fewer imports, such as fertilizers, are subsequently needed. The idea is to farm in such a way that losses in the production chain are reduced to a minimum.

Circular agriculture not only focuses on good yields and the sparing use of resources and energy, but also stresses the importance of putting as little pressure on the environment, the climate and nature as possible. [*Click here*](https://www.producebusinessuk.com/insight/insight-stories/2019/06/28/dutch-produce-industry-officials-tout-prioritizing-fairer-pricing-and-circular-agriculture) to read the complete article at Produce Business UK. [Full article available here](https://www.hortibiz.com/news/?tx_news_pi1%5Bnews%5D=29132&cHash=32f1fcb1ffab2bf668b4c81cec6800b4)

* 1. **First blockchain container shipped to Rotterdam**

The first paperless, instantly financed, door to door traceable container from Korea was delivered to the Samsung SDS warehouse in Tilburg via the port of Rotterdam, using Deliver, a platform that works on blockchain. It has proven that blockchain technology make interoperability possible and have shown that the integration of traceability systems for containers, processing the necessary freight papers and the financing can all be done paperless within a trusted and safe environment.

The 'proof of concept' showed that Deliver can offer support to visibility above the supply chain form beginning to end, for multi modal freight transport with ocean going vessels, trucks and inland shipping, as well as improvement in access to financing. The interoperability between physical and block chain platforms enables an ecosystem for international trade with which participants in the supply chain can safely share commercial, sensitive and trusted information, and transfer ownerships.

Now that we have completed the 'proof of concept' phase, the partners ABN AMRO, the port of Rotterdam and Samsung SDS have signed an extensive cooperation agreement for the next phase of the Deliver project. The purpose of this new phase is to carry out pilot projects with different shippers from different sectors, operating on different trade routes. The ultimate goal is to set up an open, independent and global platform for freight shipping. [Full article available here](https://www.freshplaza.com/article/9122371/first-blockchain-container-shipped-to-rotterdam/)

* 1. **Hort Innovation unveils new strategy**

Horticulture Innovation Australia (Hort Innovation) has released a new corporate strategy, focussed on driving knowledge and innovation growth within its sector. It sets the overarching aim of increasing the sector’s overall value to A$20bn by 2030.The strategy is defined by three pillars: driving knowledge and innovation into (Australian) horticulture industries; delivering the highest value R&D, marketing and trade investments across industries; and enabling activities that drive all strategic imperatives.

Under each pillar, the strategy lays out key initiatives and activities. One of these is the development of a new Hort Innovation Extension & Adoption function and framework, which will promote more direct engagement between the organisation and the growers who fund it.

Hort Innovation will also develop sustainability framework for Australian horticulture, to help the sector manage emerging issues around water, energy and labour. This will include setting benchmarks to show progress over time.

Other pledges made under the new strategy include a sharper focus on consumer insights and the understanding of markets, both domestically and internationally, along with the promotion of multi-industry collaboration in the fields of R&D, marketing and trade. [Full article available here](http://www.fruitnet.com/asiafruit/article/179126/hort-innovation-unveils-new-strategy)

* 1. **JBT and SafeTraces’ join forces to take new steps in food safety & traceability**

JBT Corporation and SafeTraces have announced a global alliance to integrate SafeTraces’ breakthrough, patented DNA-based technologies into JBT’s solutions portfolio for worldwide distribution.

The strategic alliance will focus on incorporating SafeTraces’ food safety and traceability technology into JBT FoodTech businesses, including fresh produce technologies, fresh-cut technologies, and coating equipment solutions, enabling rapid verification of sanitation processes and item-level tracking and tracing of food materials. Instead of waiting for days or weeks to verify food safety, sustainability or purity, the integrated solutions will provide the food industry with actionable results in minutes, fundamentally changing the way safe, sustainable food is produced and delivered.

[Full article available here](https://www.freshplaza.com/article/9122733/jbt-and-safetraces-join-forces-to-take-new-steps-in-food-safety-traceability/)

* 1. **Diversifying plant protein sources for the meat analogues of the future**

The meat substitute market is expected to reach a global value of $7.5bn by 2025, with a compound annual growth rate forecast at 7.7%, according to Allied Market Research. Benjamin Voiry, Roquette global market manager for savoury ingredients, believes increased consumer acceptance reflects both evolving attitudes to the category and improved product performance. Voiry reported that products are evolving, consumer behaviour is evolving and the brand is evolving with new companies on the market. Roquette believes further development will be supported by the introduction of new plant-based protein sources in the coming years. Pea proteins, Voiry explained, have a number of advantages, such as being non-GMO and non-allergenic. The company continues to invest in its pea portfolio, they have also decided they will launch a new protein source - texturized fava bean protein – in 2020. This is a new source of plant-based protein for the market and should hopefully allow finished brands to diversify their product mix. [Full article available here](https://www.foodnavigator.com/Article/2019/06/27/Diversifying-plant-protein-sources-for-the-meat-analogues-of-the-future-Roquette-plans-2020-fava-launch)



* 1. **Sustainability high on the agenda at the ISF World Seed Congress 2019**

During the recent ISF World Seed Congress 2019 sustainability was the main thread running through the meetings and discussions among business leaders and stakeholders – in particular how the seed sector must sustain innovation in a socially accepted manner in order to respond to current global food challenges.

The seed sector contributes to a majority of the 17 SDGs adopted by the United Nations, such as: no poverty; zero hunger; good health and well-being; decent work and economic growth; industry, innovation and infrastructure; responsible consumption and production; climate action; life on land; and partnerships for the goals. During an open panel on the Paris Agreement on climate change, speakers from the UN Environment Programme, World Farmer’s Organization, and GNIS agreed on the importance of science and innovation to develop more resilient varieties, reduce the impact of agriculture on the environment, and achieve the required level of crop production to meet global demand.

All industry representatives emphasized the need to access the latest breeding methods to answer the challenge of feeding the world. This requires consistency and alignment on a global level regarding policies governing new breeding techniques.One of the conclusions made during the various discussions at Congress is that achieving the right environment for innovation requires constant engagement between industry and government to ensure alignment of global policies.

[Full article available here](https://www.hortidaily.com/article/9119757/sustainability-high-on-the-agenda-at-the-isf-world-seed-congress-2019/)

* 1. **World vegetable centre report**

According to the World Vegetable Center report, the world’s current food systems are not resulting in increasingly healthy, high-quality diets. "This report reflects the current thinking within the World Vegetable Center on how their breeding research can contribute to realizing the potential of vegetables for healthier lives and more resilient livelihoods. [Read the full report here.](https://tind-customer-wvc.s3.amazonaws.com/e40493c8-0068-4fbb-b3b1-cd28043aa1d1?response-content-disposition=inline%3B%20filename%2A%3DUTF-8%27%27eb0349.pdf&response-content-type=application%2Fpdf&AWSAccessKeyId=AKIAIYBMA2Z5A5KICN6A&Expires=1562147146&Signature=9lEI3CxG0ruTUdcbtYcTH0GcCY0%3D) [Full article available here](https://www.hortidaily.com/article/9123101/new-report-outlines-strategy-for-creating-development-impact-in-fruits-and-vegetables/)

* 1. **Dutch floriculture signs International Responsible Business Conduct Agreement**

This agreement has been described as a blueprint for a joint approach to tackle the issues at stake in the international ornamental industry.

The agreement ([here](https://www.imvoconvenanten.nl/sierteeltsector/nieuws/2019/7/sierteelt-bundelt-krachten?sc_lang=en) available in Dutch) states that companies will individually map the risks involved in their own commercial activities, while subsequently sharing them with all the others as transparently as possible. Then, thematic agreements can be made in order to implement policies on recognized risks. At present, the biggest risks are considered the pay of a living wage and limiting the health risks related to the use of chemical crop protection.

Whether the agreement will succeed, is down to the participating parties and to the impact the steering group, to be formed as part of the agreement, can make. That group, the General Assembly of Parties, and ultimately the society at large, will exert a soft power of sorts to encourage improvements. However, no hard agreements or consequences have been put in place.

The agreement is the tenth of its kind in the Netherlands. Perhaps the most well-known is the agreement on sustainable clothing and textile, but there are also similar agreements for the banking sector, the food industry, the metal industry, the insurance sector, and more. Two others are currently being developed: one for agriculture and horticulture, and one for sustainable energy.

[Full article available here](https://www.floraldaily.com/article/9123149/dutch-floriculture-industry-signs-international-responsible-business-conduct-agreement/)

 **Innovation**

* 1. **South Australian government shows interest in Israeli root zone temperature tech**

The Australian agricultural sector at the farm-gate is valued at US$45 billion annually with nearly 80% of produce exported to global markets. However, water scarcity for agriculture use is becoming an acute challenge, especially in South Australia.

Roots’ RZTO technology from Israel utilises ground source heat exchange to heat or cool crop roots, stabilising the root temperature and reducing the impact of external weather conditions to shorten growth cycles, increase yields and profits for farmers. It’s being successfully used on crops as diverse as tomatoes, strawberries, lettuce, basil, chives, cannabis and various flowers.

The research and development hub also highlights the capability of Roots’ world-first off-grid Irrigation by Condensation technology to grow staple crops. The IBC off-grid system utilises humidity in the air and energy sourced from the sun or wind to irrigate crops and operates without access to electricity or a normal water supply. IBC technology (solar and/or electric versions) have already achieved Agronomical Proof of concept, completing the full growth cycle of nine different crops including tomatoes, peas, spinach and sorghum. [Full article available here](https://www.floraldaily.com/article/9120415/south-australian-government-shows-interest-in-israeli-root-zone-temperature-tech/)

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