

UPDATE: 05 April 2024

Kia ora

In this week’s update, the news continues to be positive for NZ’s exports while on the other side of the world, the UK counts the cost of domestic apple production and the impact of the Government’s new import charges, and the EU Commission proposes revisions in response to farmer protests. You’ll find links to these as well as our regular items of regulatory notifications, consultations, national and international news, and upcoming events below.

Ngā mihi

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| GOVERNMENT AGENCY NEWS |

## ICPR changes & other updates

The following ICPRs have been updated in a number of sections since the last newsletter

* Fiji: [ICPR Fiji](https://www.mpi.govt.nz/dmsdocument/643-Fiji)

If you need any further clarification, contact your Independent Verification Agency in the first instance.

## WTO and TBT Notifications

Please find attached the most recent WTO and TBT 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.



## Food safety recalls

#### Our Fruit Box or OFB raw fruit juice recalled

New Zealand Food Safety is directing a recall of all raw fruit juice from Our Fruit Box or OFB and is advising people not to consume the product. "This raw fruit juice presents a food safety risk because it has not been through the required checks and balances to make sure it is safe to consume," says New Zealand Food Safety’s deputy director-general Vincent Arbuckle. "The company making these juices has not been registered under the Food Act, so consumers cannot be certain that risks have been properly identified and managed. "The product is a raw fruit juice and for that reason food safety controls are crucial. Without proper controls during processing of food, pathogens can enter the product.” For more information and food safety advice, visit the Ministry for Primary Industries [website](https://www.mpi.govt.nz/news/media-releases/our-fruit-box-or-ofb-raw-fruit-juice-recalled-due-to-potential-food-safety-risks/?utm_source=notification-email).

## Consultations

#### Proposals to amend the New Zealand (Maximum Residue Levels for Agricultural Compounds) Food Notice

New Zealand Food Safety is proposing changes to the Food Notice – Maximum Residue Levels for Agricultural Compounds:

* 5 amended entries for maximum residue levels in Schedule 1
* 4 new entries for maximum residue levels in Schedule 1.

More information on the proposal and how to make a submission are on the Ministry for Primary Industries [website](https://www.mpi.govt.nz/consultations/proposals-to-amend-the-new-zealand-maximum-residue-levels-for-agricultural-compounds-food-notice-10/?utm_source=notification-email). Submissions close at 5pm on the 24 May 2024.

#### Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) General Review

The Ministry of Foreign Affairs and Trade is currently seeking views on the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) General Review. The Review will take into account the work of all committees established under CPTPP, identify provisions that would benefit from revision or updating, and ensure the Agreement remains of the highest possible standard. Feedback is sought to ensure that CPTPP remains relevant to the trade and investment issues and challenges New Zealand currently faces

MFAT particularly welcomes feedback from Māori, businesses, exporters, civil society and the public to ensure CPTPP reflects the interest of all New Zealanders. Consultation opens on 7 March 2024. To make a submission, email [cptpp@mfat.govt.nz](mailto:cptpp@mfat.govt.nz) or use the link to [complete a survey](https://www.surveymonkey.com/r/V33BXCX).

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| NEW ZEALAND NEWS |

## Industry news

#### Rockit fired up for record season

New Zealand apple producer, Rockit Global is excited for its biggest season yet, which will see the company export around 200m apples - almost double last year’s volume. The Hawke’s Bay-based company will also be exporting all year round from New Zealand for the first time to its ever-expanding network of international markets.

Chief executive Mark O’Donnell said 2024 is going to be a year of unprecedented growth for Rockit, which is recovering well from the Covid and cyclone difficulties of the past few years. “We have ambitious but achievable growth targets, and our aim is to become the world’s most-loved apple brand through our strong sales and marketing plan to help deliver a strong return for our growers following the challenges in 2023,” he said.

Rockit has plans to expand international sales in-line with this growth including into the likes of India where it has sold product with the intention of securing a foothold in the high-potential market.  “We’re more than doubling sales in key global markets - China, the Middle East, Vietnam – and we’re expanding into newer markets we haven’t traditionally supplied, such as convenience channels targeting 7-Eleven and Circle K in North America,” O’Donnell said. [Full article here](https://www.fruitnet.com/produce-plus/rockit-fired-up-for-record-season/259395.article)

#### Zespri forecasts improved grower returns

Zespri recently released its first guidance to growers for the 2024/25 season, reporting strengthened per hectare returns off the back of strong demand and improved yields.

Chief executive Dan Mathieson said the industry was focused on starting the season strongly, including incentivising growers to harvest their fruit as early as possible to get sales programmes underway. “It’s important that with a big crop we start our season strongly and deliver a good amount of early season fruit to our customers so that we can capitalise on early sales opportunities,” he outlined.

Zespri is expecting strong growth across all kiwifruit varieties this season, he continued, with around 190m trays of kiwifruit to be shipped to markets around the world. This season’s guidance includes a lift in per hectare returns, with the bottom of the per hectare guidance range for all categories other than Sweet Green sitting above the final 2023/24 forecast per hectare returns. [Full article here](https://www.fruitnet.com/asiafruit/zespri-forecasts-improved-grower-returns/259343.article)

#### CBAFF farewells long-standing CEO, Rosemarie Dawson

Rosemarie Dawson who helped in the creation of the Customs Brokers and Freight Forwarders Federation will pass on the role of Executive Director of CBAFF on 31 March 2024.

Rosemarie’s contribution to the development of the logistics sector in New Zealand through her work with CBAFF over the past 28 years has been commendable and her dedication to the industry has helped in establishing a strong and resilient logistics industry in the country. Rosemarie worked assiduously with members, Government Departments, MPs, shipping lines, airlines, port companies, international partners and industry suppliers to achieve a strong, innovative and resilient NZ logistics industry. CBAFF's membership has grown significantly and now represents a good cross-section of the industry.

Incoming CEO, Sherelle Kennelly, expressed gratitude for Rosemarie's legacy and pledged to continue her work with honor and privilege. Rosemarie's departure marks the end of an era, but her impact on the industry will be long-lasting.

## Reports & Insights

#### MFAT Market Intelligence Report The Green Dragon: Sustainability in the China Market

Chinese consumers typically make purchasing decisions based on what is good for them and not what is good for the environment. However, sustainability credentials or messaging can help brands command a higher premium, especially when linked to better health outcomes. There are also signs that younger Chinese consumers are caring more about sustainability, in that they are concerned about their own health and welfare, with an embedded expectation within this that higher environmental standards are being met.

China’s top-down approach to environmental challenges can change companies’ behaviour quickly. China’s national policies are driving rapid expansion of renewable energy and electric vehicles, a clampdown on waste and excess packaging, and improved resource management. Businesses operating in China are also responding to international sustainability benchmarks, particularly European Union regulations, to retain their ability to export globally, and to stay ahead of the curve in the event that Chinese authorities decide to adopt similar standards. [Full report here](https://www.mfat.govt.nz/en/trade/mfat-market-reports/the-green-dragon-sustainability-in-the-china-market-march-2024/?utm_source=MFAT&utm_campaign=0876f4ec4f-EMAIL_CAMPAIGN_2024_03_25_12_24&utm_medium=email&utm_term=0_-0876f4ec4f-%5BLIST_EMAIL_ID%5D)

#### Take the survey: Global Coalition of Fresh Produce 2024 Survey into production/shipping costs and selling prices

United Fresh are encouraging New Zealand’s horticulture sector to complete the Global Coalition of Fresh Produce global survey into production/shipping costs and selling prices for producers and traders of fruit and vegetables. This survey aims to see if and how the health of our industry has changed over the past year, compared to when it was first carried out in early 2023.

The Global Coalition of Fresh Produce brings together fresh produce associations from around the world, based on their joint vision to create resilient global value chains for fruit and vegetables that bring a myriad of economic, environmental and societal benefits. The Coalition’s mission is to voice solutions to address disruptions in global supply chains for fresh produce, including – but not limited to – rising costs, and share and promote best practices. United Fresh is a board member of the organisation.

You can take the survey [here](https://5aday.us20.list-manage.com/track/click?u=6da879b6faf5dc2e07794a680&id=9e7d6669d5&e=0ff94fdc1c)

## Upcoming events and webinars:

* Freight Futures Summit, 11-12 April 2024, Grand Millennium Auckland, Auckland [Full details here](https://event.brightstar.co.nz/FreightFuturesConference2024)
* Hort Connections, 3-5 June 2024, Melbourne Convention Centre, Australia. [Full details here](https://hortconnections.com.au/)
* World Potato Congress, 23-26 June 2024, Adelaide, Australia. [Full details here](https://tcc.eventsair.com/world-potato-congress-2024/)
* International Fresh Produce Safety Symposium, 20-21 August 2024, Australia [Full details here](https://fpsc-anz.com/)
* Horticulture Conference and RSE Conference, 28-30 August 2024, Mercury Baypark, Tauranga. [Full details here](https://www.hortnzevents.co.nz/event/4b86d4f7-e739-4e8c-8efd-12054ec6239c/summary?i=VfAyVeWz4U67X5c_LTkR-Q&locale=en-US)
* CBAFF Annual Conference, 18-20 September, 2024, Christchurch.

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| INTERNATIONAL NEWS |

## 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. For import regulations for a particular market, New Zealand exporters should first check the country's ICPR on MPI’s website.

China: 47 National Food Safety Standards Released

On March 12, 2024, the People’s Republic of China (PRC) National Health Commission (NHC) and State Administration for Market Regulation (SAMR) jointly published an Announcement on releasing 47 new or updated National Food Safety Standards (known as Guo Jia Biao Zhun, or GB Standards) and 6 amendments sheets. The new or updated GB standards cover food additives, nutritional fortification substances, milk powder, food contact materials, microbial testing methods, and testing for arsenic and nickel. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=47%20National%20Food%20Safety%20Standards%20Released_Beijing_China%20-%20People%27s%20Republic%20of_CH2024-0047)

Canada Reviews Its Food Safety Legislation

The Canadian Food Inspection Agency (CFIA) opened public consultations on the scheduled five-year review of the Safe Food for Canadians Act (SFCA). [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Canada%20Reviews%20Its%20Food%20Safety%20Legislation_Ottawa_Canada_CA2024-0012)

EU Commission Proposes Common Agricultural Policy Revisions Following Farmer Protests

Following weeks of farmer protests across the European Union, the European Commission published a legislative proposal to amend certain provisions of the Common Agricultural Policy. [Full report here](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=EU%20Commission%20Proposes%20Common%20Agricultural%20Policy%20Revisions%20Following%20Farmer%20Protests_Brussels%20USEU_European%20Union_E42024-0008)

## In The News:

#### Australian horticulture industry eyes Indian market

Hort Innovation has commissioned KPMG Australia to study the supply chain of horticultural products exported to India. Researchers will identify the main opportunities and challenges in the market and recommend strategies to enhance the position of Australian products. The research is funded through a federal government Agricultural Trade and Market Access Cooperation (ATMAC) grant awarded to Hort Innovation, which aims to get more Australian produce to consumers around the world.

Hort Innovation chief executive Brett Fifield said India has never been more of a focus for produce exports. “Growth in incomes, population, and urbanisation in India are projected to drive a substantial hike in premium agrifood consumption in the future,” Fifield said.  “By 2050, significant increases are expected in import demand from India for fruit, vegetables and nuts, so now is the time for the Australian horticulture sector to better understand the Indian supply chain.” [Full article here](https://www.fruitnet.com/produce-plus/australian-horticulture-industry-eyes-indian-market/259473.article)

#### Australia: ACIAR-funded project is set to explore new research initiatives for Vietnam's citrus sector

An Australian Centre for International Agricultural Research-funded project is set to explore opportunities to enhance Vietnam's citrus production and exports. Citrus represents over 21% of Vietnam's fruit sector, with a notable increase in export value in recent years, particularly for pomelo and lime. The Vietnamese government aims to expand citrus exports further. However, smallholder farmers face challenges such as substandard varieties and seedlings, pest and disease infestations, soil degradation, and market volatility, leading to high tree mortality and negative returns.

Ms Irene Kernot highlighted the impact on farmers, stating, "These ongoing challenges make farmers reasonably cautious about further investments in citrus." The project, led by Vietnamese research partners, will adopt a holistic approach to address these issues and develop a research roadmap for the sustainable growth of the citrus industry, supporting Vietnam's citrus development ambitions at the national level. [Full article here](https://www.freshplaza.com/oceania/article/9612998/aciar-funded-project-is-set-to-explore-new-research-initiatives-for-vietnam-s-citrus-sector/?utm_medium=email)

#### South Korean supermarket chains increase discount events for fruits and vegetables

In South Korea, major supermarket chains are intensifying their discount events for fruits and vegetables through partnerships with the government or leveraging their supply chains, in response to recent price hikes. From January to March 2024, Emart, Homeplus, and Lotte Mart organized 29 discount events, a notable increase from the previous year. The increase in discount events is in line with the Korean government's efforts to stabilize prices amidst poor harvests that have driven up fruit prices, prompting the lowering of tariffs on imported fruits. [Full article here](https://www.freshplaza.com/asia/article/9612724/south-korean-supermarket-chains-increase-discount-events-for-fruits-and-vegetables/?utm_medium=email)

#### China’s Fruit and Vegetable Market Exceeds $1.34 Trillion

A report from consulting firm Astute Analytica indicates that the Chinese fruit and vegetable market reached a value of $1.345 trillion in 2023. This is projected to increase to $2.399 trillion by 2032, with a projected compound annual growth rate of 6.64%. The report highlights that China is the world’s largest producer of fruits and vegetables. Data from the Food and Agriculture Organization of the United Nations indicate that China’s vegetable production has been particularly impressive in recent years, comprising approximately 50% of the global total.

Urbanization and rising income levels have fueled a robust demand for fresh fruits and vegetables, with consumers increasingly favoring high-quality and diverse produce. Retail sales of fruits and vegetables in China in 2023 were estimated as over $200 billion, indicating a steady growth trajectory, while the average per-capita vegetable consumption in urban China reached 105 kilograms per year.

Besides being a major exporter, particularly of apples, garlic and certain vegetables, China is also increasingly becoming an important importer. In 2023, China imported 7.33 million metric tons of fruit worth approximately $15 billion, alongside more than 337,000 metric tons of vegetables. The report states that to reduce its reliance on imports, China is investing in expanding its domestic production of non-native fruit items such as durians and cherries, with domestic cherry production growing by 20% annually. [Full article here](https://www.producereport.com/article/chinas-fruit-vegetable-market-exceeds-134-trillion) [Full report here](https://www.astuteanalytica.com/industry-report/china-vegetables-and-fruits-market)

#### Kenya poised to triple horticultural exports with Dutch MoU on cool-logistics corridor

The CS Roads and Transport, Kipchumba Murkomen, recently signed a Memorandum of Understanding (MOU) with the Kingdom of the Netherlands to develop a cool-logistics corridor.– a sea freight system specifically designed for fresh produce.

The project encompasses various logistical aspects, including port facilities, transportation networks, and regulations. It aims to revolutionize fresh produce transportation which will benefit trade between Kenya and the Netherlands, while propelling Kenya's agricultural sector forward. This cool-logistics collaboration promises to further strengthen ties between these two key gateways – Kenya to East Africa and the Netherlands to Europe.

The Mombasa-to-Malaba corridor prioritises sustainability. Sea freight boasts a significantly lower carbon footprint compared to air freight – a 95% reduction in emissions. Additionally, sea transport offers a more cost-effective solution. Developing this system will enhance Kenya's competitiveness in the global market. [Full article here](https://www.freshplaza.com/asia/article/9612959/kenya-poised-to-triple-horticultural-exports-with-dutch-mou-on-cool-logistics-corridor/?utm_medium=email)

#### New data reveals increasing cost of UK apple production

The cost of producing a kilo of British apples continues to rise for UK growers. New data reveals that UK growers have seen a further 5.5% increase in costs of production in the last year. However, it is the cumulative effect of multiple years of increased costs that is really hurting growers, financially and mentally. "In the last two years, growers' costs of production have increased by 30%, but they have received just an 8% increase in returns from supermarkets." Explained British Apples & Pears Limited (BAPL) executive chair, Ali Capper.

In the last 12 months, the biggest contributor to cost increases for UK apple and pear growers has been labour. Labour makes up around 40% of all grower costs, so the cost has a big impact on potential orchard profitability.

With costs outstripping returns, growers are having to cut back on future investment in new varieties, new machinery, cold storage and packhouse infrastructure. This will be a slow painful death without increased returns. [Full article here](https://www.freshplaza.com/oceania/article/9613011/new-data-reveals-increasing-cost-of-uk-apple-production/?utm_medium=email)

#### "UK government's new import charges set to cripple fresh produce & flower industry"

In a move branded by Nigel Jenney, Chief Executive of the Fresh Produce Consortium (FPC), as a "thinly veiled tax on the industry," the UK government has implemented new Common User Charges (CUCs) that threaten to cripple small and medium-sized enterprises (SMEs) in the fresh produce and plant sectors. The charges, introduced as part of post-Brexit border controls, are set to add millions in extra costs to the industry, while unnecessarily driving up prices for families. Industry experts predict this will add £200 million in costs across the fresh produce supply chain, a crippling blow to a sector already grappling with unprecedented challenges.

The government has attempted to downplay the impact, asserting that consumers will see a negligible increase in prices. However, importers and retailers warn of cascading delays, disruptions, and spiralling costs that will inevitably be passed on to hard-pressed shoppers. [Full article here](https://www.freshplaza.com/oceania/article/9614673/uk-government-s-new-import-charges-set-to-cripple-fresh-produce-flower-industry/?utm_medium=email)

#### EU Commission proposes common agricultural policy revisions following farmer protests

Following weeks of farmer protests across the European Union, the European Commission published a legislative proposal to amend certain provisions of the Common Agricultural Policy.

On March 15, 2024, following weeks of farmer protests across the European Union demanding less administrative burden and better prices, the European Commission published a legislative proposal to amend certain provisions of the Common Agricultural Policy (CAP). The Commission acknowledged that the first year of implementation of the current CAP1 made clear that adjustments are necessary to ensure effective implementation of the National Strategic Plans and reduce red tape.

The proposal introduces changes to good agricultural and environmental condition standards (GAEC standards), amendments to CAP Strategic Plans and their review, and exemptions from controls and penalties by the national competent authorities. [Full article here](https://www.freshplaza.com/asia/article/9612973/eu-commission-proposes-common-agricultural-policy-revisions-following-farmer-protests/?utm_medium=email)

#### European supermarket chains install fruit ripeness scanners

Supermarkets across Europe have started to employ AI-based freshness scanners that could eventually tell shoppers if a number of different fruits are ripe before they buy them. Dozens of the devices have already been installed in branches of Jumbo in the Netherlands and Migros in Switzerland, as well as some in Spain. In the next few weeks, one of Germany’s biggest retail chains is also expected to begin a pilot project to trial the system.  At present, the scanners can only be used to test the ripeness of avocados. But they could soon be programmed to check other products including mangoes, melons, and kiwifruit.

“Consumers love it,” said Marco Snikkers of Dutch company OneThird, which developed the scanners’ shelf-life prediction technology. “It’s something new in the store and it brings excitement. Our customers say they are increasing their sales of avocados. And with that maybe other products, for example, if the shopper wants to do a guacamole with tomatoes and other things.” [Full article here](https://www.fruitnet.com/eurofruit/european-supermarket-chains-install-fruit-ripeness-scanners/259328.article)

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