



To: Hon Andrew Hoggard, Associate Minister of Agriculture
Hon Mark Patterson, Minister for Rural Communities
From: Susie Wilson, Manager Science, Innovation, Workforce Policy

Training programmes in the primary industries

Date	19 September 2024	Reference	AM24-0861
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Purpose

- This aide-memoire provides you with information and talking points on in-work training to support your meeting with Hon Louise Upston, Minister for Social Development and Employment on 26 September 2024, 9:00 am to 10:00 am, in your office.

Background on in-work training in the primary industries

- In-work training is a way of training new staff or upskilling existing employees. It includes informal employer provided training and formal training towards qualifications. Formal training involves oversight by an accredited private training enterprise (PTE) or Te Pūkenga through its work-based training subsidiary. Formal training qualifies for government funding through the Tertiary Education Commission (TEC).
- In-work training is critical to the primary sector, especially in regions where provider-based, or in-person training is unavailable. Some PTEs meet criteria for TEC funding while others deliver courses paid for by employers, as is common in the wool industry, for example.
- The Ministry for Social Development (MSD) funds some programmes that equip young people, or people on benefits to enter the food and fibre sector as work-ready employees. These programmes involve pastoral care and equip students with life skills.
- Programmes include:
 - Flexi-wage: a wage subsidy for either 24 or 36 weeks to support employers to take on and train people who do not meet the entry level requirements of the job.
 - Mana in Mahi: Mana in Mahi provides an industry training pathway with wage subsidies, pastoral support, and client payments. It reduces the number of people receiving benefits as they move into work over a wide range of industries with the largest numbers in construction, agriculture, forestry, and fishing.

- c) Apprenticeship Boost (MSD/Ministry of Education together): a payment made directly to employers to help them retain and bring on new apprentices.

s 9(2)(f)(iv)

- 5. The Government has recently announced a ‘beneficiaries first’ approach to MSD’s employment programmes, which will require:
 - a) 70 percent to 75 percent of those supported through Flexi-wage being people receiving the Jobseeker Support by June 2025 (up from 49 percent); and
 - b) 50 percent to 55 percent of those supported through Mana in Mahi being people receiving Jobseeker support by June 2025 (up from 31 percent).

Issues faced by primary sector businesses providing in-work training

- 6. s9(2)(ba)(i), s9(2)(g)(i)

Vocational Education and Training Reform will impact on in-work training

- 7. Hon Penny Simmonds, Minister for Tertiary Education and Skills, has proposed changes that will return Vocational Education and Training (VET) to a de-centralised system. Final proposals are due to Cabinet in November 2024. The intention is to implement the final structure of the VET system by 1 January 2026.

- 8. s 9(2)(f)(iv)

¹ s 9(2)(f)(iv)

9. s 9(2)(f)(iv)



10. The VET reform process will provide an opportunity to improve the delivery of work-based training however. Currently, some training providers have difficulty meeting criteria set by the New Zealand Qualifications Authority and the qualification structure is complex. We support the use of more micro-credentials and 'stackable' training that can deliver work-ready trainees in a shorter timeframe.

Work MPI and MSD do together in this space

11. MSD is working on a project with the Ministry of Business, Innovation and Employment (MBIE) on the potential of market-based instruments to boost employer investment in training, which is being considered through the Labour Market Ministers Group. MSD officials have engaged with MPI on this project.
12. In 2023, MSD provided input into the Ministry for Primary Industries' (MPI) advice in supporting businesses following Cyclone Gabrielle in 2023, along with MBIE and other agencies.
13. MSD and MPI collaborated to bolster the food and fibre workforce during the COVID-19 response period with specific actions in education, employment, and training and funding through active labour market policies. These activities have expired.

Talking Points / Suggested questions

14. The food and fibre workforce would benefit from a more flexible training model to provide trainees with work ready skills and a clear career pathway.
15. There are existing food and fibre skills training programmes targeted at secondary school students, and school leavers who are struggling in the education system and at risk of becoming classified as a NEET.
16. How can we unlock or redirect existing and/or new funding to support a more flexible approach to food and fibre workforce skills development, particularly in rural areas?
17. How can feedback from industry stakeholders around the complexity of the qualification structure be considered in the vocational education and training reforms?

18. How can reforms provide for work based training and micro-credentials that can deliver work-ready trainees in a shorter timeframe?

Minister / Minister's Office

Seen / Referred

/ / 2024



To: Hon Andrew Hoggard, Minister for Biosecurity
From: Fiona Duncan, Director Regulatory Systems Policy

Amendments to the Biosecurity Act 1993 to implement the Gene Technology Act

Date	11 September 2024	Reference	B24-0525
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Decision required	Date decision required by
YES <input checked="" type="checkbox"/> / NO <input type="checkbox"/>	18 September 2024

Purpose

- This briefing seeks your agreement to amendments to the Biosecurity Act 1993 to implement the new regulatory system which will govern genetically modified organisms (GMOs) (Gene Technology Regime). It also notifies you that officials are progressing further work to ensure the interface between the Gene Technology Regime and the wider biosecurity system is efficient and streamlined.

Background

Cabinet has agreed that amendments to other Acts can be made to implement the Gene Technology Act without a full Cabinet process

- The Government has committed to a reform of the regulatory settings for Gene Technology. You have received advice from the Ministry for Primary Industries (MPI)¹, and through your position in the ministerial group meetings.
- The Government has made it clear that the Gene Technology Regime is to be less restrictive than the status quo, and it should be easier to use organisms that are regulated by the new Gene Technology Act.

¹ You have received AM24-0562 *New Zealand Primary Industries Summit 2024*, AM24-0662 *New Zealand export market approaches to genetic technologies*, AM24-0498 *Gene technology reform: Considerations in key markets*, AM24-0475 *Gene Technology Regulation Reform: Legislative Purpose and the Regulator*, AM24-0409 *Interfaces of the Hazardous Substances and New Organisms Act 1996, Biosecurity, Agriculture, and Food portfolios*, AM24-0449 *Gene Technology Ministerial Group Meeting – 8:00 pm 8 May 2024*, AM24-0410 *Genetic Technology Regulation Reform: Background & Scope*, AM24-0148 *Meeting with the New Zealand Food Safety Science and Research Centre (the Centre)*, AM24-0019 *An Overview of Genetically Modified Foods* and AM24-0265 *Gene technology Ministerial Group Meeting*.

3. On 12 August 2024, the Cabinet Expenditure and Regulatory Review Committee agreed to the proposals of the Gene Technology Policy Decisions paper [CAB-24-MIN-0296 refers]. This included a proposal to empower Hon Judith Collins KC, Minister of Science, Innovation and Technology, in consultation with relevant ministers, to decide on changes to other acts (without separate Cabinet approvals) to accommodate the Gene Technology Act.
4. Officials have provided the Ministry of Business, Innovation and Employment with potential amendments to the Biosecurity Act 1993. We are now seeking your confirmation and approval for these proposed changes.

Implementing the Gene Technology enforcement requires amendments to the Biosecurity Act 1993

We are using existing systems as much as possible

5. Cabinet has agreed to base the enforcement of the Gene Technology Act on what is in the Hazardous Substances and New Organisms (HSNO) Act 1996 (the HSNO Act) for new organisms. The intention was to ensure there is a functional enforcement regime ready when the new Gene Technology Act is passed.
6. There are several provisions in the Biosecurity Act 1993 that empower MPI to manage new organisms at the border and within New Zealand. These will require amendment if they are to apply to GMOs under the new legislation. Proposed initial amendments are listed in **Appendix One**.
7. Depending on how the Gene Technology Act is drafted and the exact terminology used, there may be further consequential amendments required. We will seek further approvals from you as necessary.

There are some pain points in the current system which could be exacerbated by the Gene Technology Regime

We understand that Ministers expect interacting systems to be streamlined and efficient

8. s9(2)(g)(ii)



9. s9(2)(g)(ii)



10. s9(2)(g)(ii)

This project presents an opportunity to resolve ongoing issues

MPI will work with the Ministry for the Environment to attempt to resolve these pain points

11. Addressing problems within the current system will help to meet the Government's objective of create an enabling and streamlined environment for using GMOs.

s 9(2)(f)(iv)

14. MPI will work with the Ministry for the Environment and the Environmental Protection Authority to scope work that could be done to resolve ongoing interface issues between the acts. We will report back to you when there are significant developments.

Next steps

15. You might wish to discuss the opportunity to improve the wider system for managing new organisms with Hon Penny Simmonds, Minister for the Environment. Officials can provide talking points, should you choose to do this.

Recommendations

16. It is recommended that you:

- a) **Note** that Hon Judith Collins KC, Minister of Science, Innovation, and Technology may approach you to discuss amendments to the Biosecurity Act 1993 as part of the Gene Technology Bill;

NOTED

- b) **Note** that the amendments being proposed to the Biosecurity Act 1993 as part of the Gene Technology Bill mirror the current settings for managing new organisms, including the interface between the Biosecurity Act 1993 and the Hazardous Substances and New Organisms (HSNO) Act 1996;

NOTED

- c) **Agree** to progress the list of indicative amendments to the Biosecurity Act 1993 set out in **Appendix One** as part of the Gene Technology Cabinet package;

YES / NO

- d) **Note** that there are pain points within the current system caused by interactions between the Biosecurity Act 1993 and the Hazardous Substances and New Organisms (HSNO) Act 1996;

NOTED

- e) **Note** that officials will work with the Ministry for the Environment and the Environment Protection Authority to scope amendments that could be made to the HSNO Act to address operational pain points;

NOTED

- f) **Note** that officials will provide you with further advice on how the wider system could be improved when there are significant developments.

NOTED



Fiona Duncan
Director, Regulatory Systems Policy
Policy and Trade

Hon Andrew Hoggard
Minister for Biosecurity

/ / 2024

Appendix One: Consequential amendments to the Biosecurity Act 1993

These consequential amendments are based on our understanding of how the Gene Technology Act will be drafted. The final wording of the amendments will depend on the interface between the two Acts.

Section in the Biosecurity Act 1993	Existing provision	Indicative amendment
2	No definition currently in the Act.	Include a definition for “regulated organism”, or whatever term is used to describe genetically modified organisms (GMOs) that are regulated by the Gene Technology Act.
2	No definition currently in the Act.	Include a definition for “Gene Technology Regulator”.
28	A biosecurity inspector must not give a biosecurity clearance for goods that are or contain an organism specified in Schedule 2 of the Hazardous Substances and New Organisms Act 1996 (the HSNO Act) or for a new organism. However, an inspector can give clearance for goods that may involve an incidentally imported new organism. Any new organism which is approved for importation into containment may be allowed to go to that containment facility.	Amend to include regulated organisms under the Gene Technology Act and enable regulated organisms permitted for use in containment to be authorised to go to that containment facility (both approved and non-approved).
28A	Any inspector may seize any organism which they have reason to believe may be a new organism.	Amend to include suspected regulated organisms.
28B	Section 28 does not apply to organisms approved under specific sections of the HSNO Act.	Amend to include regulated organisms approved under the relevant sections of the Gene Technology Act.
39	The Director-General may approve a place as a containment facility if they meet the requirements of the Biosecurity Act 1993 and the relevant standards under the HSNO Act.	Amend to include containment facility standards approved by the Regulator in accordance with the Gene Technology Act.
40	In approving a facility or operator, the Director-General may take certain matters into account. These matters include: (a) a serious or repeated failure to comply in the past with a duty imposed by the Biosecurity Act on a facility operator; (b) a conviction for an offence against the Biosecurity Act 1993, or the HSNO Act, among others.	Amend to include the convictions under the Gene Technology Act.
41A	The definition of “ministry-related border management function” includes any function, duty, or power imposed on MPI by or under any of a series of Acts in relation to the management of risks associated with the movement of goods, person, or craft into or out of New Zealand.	Amend to include the Gene Technology Act.

44(2)	The duty to inform does not apply in relation to an organism that is seen or otherwise detected in a place where it may lawfully be present in accordance with an approval given under the Hazardous Substances and New Organisms Act 1996.	Amend to include organisms which are in a place where they may be present in accordance with the Gene Technology Act.
45	The responsible Minister must not recommend the making of a notifiable organism order under section 45(2) in respect of any new organism approved for release in accordance with the HSNO Act unless that Minister has first consulted the Environmental Protection Authority.	Amend to include that MPI must not recommend a regulated organism to be a notifiable if it has been released in accordance with the Gene Technology Act without first consulting with the Regulator.
126	<p>An authorised inspector may inspect a transitional facility or containment facility to confirm that the facility complies with the relevant standards.</p> <p>If a facility does not meet the necessary requirements, an inspector is empowered to give directions to remedy the situation.</p>	Amend to include the standards set by the relevant section/s of the Gene Technology Act.



To: Hon Todd McClay, Minister of Agriculture
Cc: Hon Andrew Hoggard, Minister for Biosecurity
From: Stuart Anderson, Deputy Director-General Biosecurity New Zealand

Update on the *Corbicula fluminea* Waikato 2023 Response

Date	Reference
12 September 2024	AM24-0877

Purpose

- This aide-memoire provides an update on the biosecurity response to the detection of *Corbicula fluminea* in the Waikato in early May 2023, and specific actions being taken to protect Lake Ōkātina.

General update on the *Corbicula fluminea* incursion in the Waikato River

- In May 2023, Biosecurity New Zealand (BNZ) and its partners established a biosecurity response to the detection of *Corbicula fluminea* (*Corbicula*) in the Waikato River. Since the initial discovery at Bob's Landing on Lake Karāpiro, *Corbicula* has been confirmed in a 227 kilometre stretch of the river, from Lake Maraetai down to Tūākau Bridge. Advice from technical experts indicates that it will not be possible to eradicate *Corbicula* from New Zealand.
- A nationwide surveillance programme using environmental DNA (eDNA) techniques and visual surveillance has not found evidence of *Corbicula* in any other water body in New Zealand. A new surveillance strategy is currently under development to increase certainty in this finding.
- Research to investigate the limiting depths and population densities of *Corbicula* has shown us that this species is well established in the Waikato River. It is present up to depths of 30 metres on all types of sediments, it can exist below the substrate up to 15 centimetres and has a multigenerational population structure.
- In addition to being present in the river, it is increasingly found in the infrastructure and intake ponds of water users who hold consents to take water directly from the Waikato River. BNZ is working with these consent holders to understand the impacts and opportunities for reducing these.
- Transition to a long-term management programme is the best way to ensure appropriate management of the impacts of *Corbicula*. A transition plan is being developed with regional councils, iwi, major users and others to transition to long-term management with the aims of:
 - containing *Corbicula* to its known range and areas of likely natural spread in the Waikato River catchment area;

- b) reducing the impact of *Corbicula* where feasible; and
 - c) developing the tools to better achieve this.
6. A different species (*Corbicula australis*) was detected in the Taupō Aqua Park – an enclosed body of water, and not part of the river. BNZ is currently working to eliminate this species from the park.

Controlled Area Notice settings for the Rotorua Lakes

7. A Controlled Area Notice (CAN) was implemented on 10 November 2023 to help prevent *Corbicula* from spreading to the Te Arawa lakes from the infested portion of the Waikato River. This recognised that, due to their proximity to the Waikato River and the known boat and recreational user movement between the river and lakes, they are at high risk of *Corbicula* infestation.
8. The CAN currently has several conditions to protect the Te Arawa Lakes from the accidental introduction of *Corbicula* including:
- a) a condition requiring watercraft that have been in the Waikato River in the last 30 days to undertake cleaning at the Wash Place, Rotorua within 24 hours of entering any of the Te Arawa Lakes (other than Lake Ōkātaina) and to be able to provide prescribed proof of that cleaning;
 - b) a condition requiring fishing equipment to be cleaned and dry before being moved into any of the Te Arawa Lakes; and
 - c) a condition requiring any craft to be used on Lake Ōkātaina to be cleaned at the Wash Place, regardless of previous use and origin. This is an addition to the condition requiring cleaning of watercraft under a) above.

Review of the CAN settings

9. BNZ has undertaken a review of the CAN settings in advance of the upcoming fishing season and there is no change proposed for the general CAN conditions.
10. The review involved BNZ officials meeting with representatives from Bay of Plenty Regional Council, Lakes District Council, Fish and Game, Te Arawa Lakes Trust, Ngāti Tarāwhai (Ōkātaina mana whenua) and other iwi representatives to discuss the CAN conditions specifically relating to Lake Ōkātaina.
11. Discussions focussed on whether the Te Arawa Lakes CAN conditions were sufficient to manage the risk and provide the level of protection expected by iwi or whether the specific conditions relating to Ōkātaina would need to remain.
12. Iwi strongly supported continuance of the current CAN conditions for Lake Ōkātaina. The councils also leaned towards that position. Fish and Game was the strongest voice for alignment of the conditions at Lake Ōkātaina with the wider Te Arawa lakes CAN, but also made it clear their major concern was ensuring access to Lake Ōkātaina for members and the wider public.
13. s 9(2)(g)(i)

BNZ assessment of the biosecurity risk to Lake Ōkātaina

14. There is good argument that the CAN conditions for Ōkātaina and the other Te Arawa Lakes should be aligned as, on the face of it, they manage the same risk. However, there is some justification for different conditions at Lake Ōkātaina because of the unique considerations outlined below:
 - a) unlike any of the other Te Arawa lakes, Lake Ōkātaina is the only lake with one road in and one boat ramp which gives an ability to provide a higher level of protection by controlling access for regular lake users; and
 - b) there are unique cultural considerations for Lake Ōkātaina, from a Te Arawa perspective this lake held in higher regard than other lakes in the region.
15. While BNZ surveillance indicates *Corbicula* is only found in the Waikato River, we are not certain that it is not anywhere else. Given that it is relatively easy to provide a higher level of protection at Lake Ōkātaina than other lakes, in combination with the unique situation at Lake Ōkātaina, we consider these additional protections are justified.
16. At last week's meeting with stakeholders a proposal to provide full access to Lake Ōkātaina, while maintaining the current CAN conditions, was broadly supported by all parties.

Maintaining on-going, full access to Lake Ōkātaina

17. A permanent managed access solution for Lake Ōkātaina will be put in place by way of a barrier arm controlled by swipe card, QR code, or PIN number. Access will only be obtained after washing at an official wash station.
18. Bay of Plenty Regional Council have agreed to take the lead on this project with BNZ support. Ngāti Tarāwhai, Fish & Game, Bay of Plenty Regional Council, and Te Arawa Lakes Trust have formed a working group to develop options for this access which will become a permanent solution for Lake Ōkātaina. Options will be confirmed in two weeks' time.
19. The technology is readily available and used in a variety of settings (such as controlling remote access to forest blocks) and is likely to be able to be put in place quickly.
20. The cost of implementing access will be via a cost share arrangement between all parties, including BNZ.

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/ / 2024



To: Hon Andrew Hoggard, Minister for Biosecurity

From: Stuart Anderson, Deputy Director-General Biosecurity New Zealand

Improving the plant nursery stock import system

Date	12 September 2024	Reference	AM24-0816
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Purpose

- This aide-memoire provides information about Biosecurity New Zealand (BNZ) work to improve the plant nursery stock import system. We intend to start consulting on this work this month.

Background

1. The existing system for importing food and fibre plant nursery stock (whole plants, tissue culture, budwood) manages risks well, but needs improving to help sectors import new varieties and genetics faster and with less cost.
2. Two key initiatives BNZ is taking to improve import efficiency are:
 - a) cleaning up the plant nursery stock standard by suspending import pathways that have not been used; and
 - b) speeding up imports of food and fibre plant nursery stock.
3. Suspending unused import pathways will let us focus resources on managing actively traded pathways and opening new priority pathways. BNZ recently finished consulting on this and is working through matters raised by stakeholders before it is finalised (refer AM24-0862 *Proposed changes to nursery stock import pathways*).
4. BNZ now plans to consult on how to speed up imports of food and fibre plant nursery stock, and reduce costs, while having a more efficient and less complex regulatory system. BNZ will work closely with stakeholders to ensure that the final solutions give the broadest possible benefits.
5. The third, longer-term piece of work (yet to start) is a redesign of the plant nursery stock Import Health Standard (IHS) framework to significantly reduce complexity.

Current state

6. The current system is complex and nearly 30 years old. It gives two main options for importing food and fibre plant nursery stock: manage all risk in New Zealand, or manage some risk offshore.

Manage all risk in New Zealand

7. Most food and fibre plant nursery stock, including most horticultural species of economic importance to New Zealand, needs Level 3B quarantine in New Zealand. This is because these plant species may host pests that present a very high risk to New Zealand's economy and/or environment:
 - a) importing into Level 3B quarantine is the main method used to import many food and fibre plants. Plants in Level 3B quarantine are grown and inspected for disease symptoms and tested for key high-risk pests;
 - b) imports can take a long time (12 to 24 months for many plants) and the process can be expensive. This can stop New Zealand industries accessing new varieties as quickly as key offshore competitors and can stifle innovation; and
 - c) the system is highly detailed, complex, and often hard for importers to use. This is because there is considerable variation in requirements between different plant species, and standards can be out-of-date and hard to interpret.

Manage some risk offshore

8. There are three ways to manage some risk offshore. All three options remove the need for Level 3B quarantine in New Zealand, as described in paragraphs 9 to 11:
 - a) source plants that are grown and tested in high-health offshore facilities approved by the Ministry for Primary Industries (MPI);
 - b) obtain assurances from overseas competent authorities for freedom from some key high-risk pests; and
 - c) import plants as tissue cultures.
9. Source plants from high-health offshore facilities that are approved by MPI:
 - a) this is a main method used to import some key food and fibre plants. It utilises commercial systems which distribute high-health plants around the world. MPI audits these facilities and identifies how much risk is managed offshore;
 - b) five offshore facilities currently meet MPI's requirements and are approved by MPI. We expect to approve a sixth facility soon;
 - c) while it costs less than managing all risk in New Zealand, most facilities do not manage risk from all pests that New Zealand is concerned about. This means that most plants still need Level 2 or 3A quarantine in New Zealand. It can take up to three years to complete the combined offshore-onshore import process; and
 - d) offshore facilities voluntarily meet the import requirements; BNZ has no means of enforcement. Imports have been disrupted if facilities become unwilling, or unable, to meet the requirements.

10. Obtain assurances of pest freedom from overseas competent authorities:
 - a) some food and fibre plants can be imported into Level 2 quarantine if overseas competent authorities can certify they are free from key pests (for example, as confirmed by testing or official pest status);
 - b) it is often not possible to get sufficient assurance of pest freedom from overseas authorities. This can make it hard, or impossible to import from some countries; and
 - c) this option is seldom used for food and fibre plants as it usually applies to those for which there is little demand to import. It is a main way to import plants for New Zealand's 'green-life' sector. 'Green-life' is plants for people, homes, urban spaces, and the natural environment.

11. Import plants as tissue cultures:
 - a) many plants imported as tissue cultures can be cleared when they arrive in New Zealand, with no quarantine. This is because many pests may be eliminated from plants by the process of putting them into tissue culture; and
 - b) this option is also seldom used for food and fibre plants but is a main way to import plants for New Zealand's green-life sector.

Options BNZ will consult on:

12. BNZ will consult on two change options for food and fibre plant nursery stock. Options were developed as part of the Plant Germplasm Import Council work programme, with assistance from industry members.

Change Option 1:

13. Faster quarantine for plants from non-approved sources. A target maximum quarantine length of nine months in Level 3B for nearly all plants. This will be supported by more testing for key pests. It would reduce cost and speed up access to new genetics:
 - a) for many plants this would reduce quarantine length by between 7 and 15 months. It would allow plants to be released from quarantine within one calendar year of import and would speed their entry into commercial production.
 - b) note that in all cases, quarantine lengths in this briefing relate to the period after plants start growing. In some cases, there is a lag of several weeks between when plants enter quarantine and when the official quarantine period starts.

14. Less reliance on managing risk offshore. BNZ would only approve offshore facilities that manage all risk on its behalf – only 1 of 5 approved facilities currently does this. Other facilities would not be approved, so plants would need Level 3B quarantine (for the reduced period) as above. BNZ would recognise results of tests from non-approved facilities, subject to official assurances from overseas competent authorities.

Change Option 2:

15. Graduated quarantine for plants from non-approved sources. Plants would spend less time in Level 3B quarantine (a target maximum of six months), with remaining testing and inspection done in Level 2 quarantine. Target maximum quarantine length (Level 3B and Level 2) is 18 months.
 - a) this approach would usually cost more than Change Option 1 (that is, a target maximum of nine months in Level 3B quarantine). Imports would cost less than under the status quo.
16. More ways to recognise offshore procedures. As well as allowing imports from MPI-approved offshore facilities, BNZ would allow imports from officially regulated offshore production schemes. Quarantine requirements in New Zealand would be tailored to individual facilities and schemes, based on how much risk is managed offshore. Plants from these sources would not need Level 3B quarantine.

Key benefits

Cost to import

17. Both change options would reduce costs to import from non-approved sources. As an example, baseline costs to import kiwifruit into Level 3B quarantine are shown below in Table One.
18. Change Option 1 is expected to increase import costs for plants from four out of five existing offshore facilities (these facilities would not be approved under this option, so plants would need Level 3B quarantine). Change Option 2 will reduce costs for plants from some approved facilities, depending on how much risk is managed at each facility.
19. A key focus of the consultation will be to further explore the advantages of faster imports versus higher costs, and to gather more information on offshore costs. This will be central to BNZ's decision-making process.

Table One: Baseline costs to import kiwifruit into Level 3B quarantine

Source	Indicative baseline cost to import kiwifruit (ex. GST)		
	Status quo	Change Option 1	Change Option 2
Non-approved source	\$6,054 per plant (Level 3B)	\$3,019 per plant (Level 3B)	\$3,850 per plant (Level 3B and Level 2)
Approved offshore facility or production scheme	\$2,794 per plant (Level 3A)	No costs in New Zealand (as all risk managed offshore).	\$1,704 per plant (Level 2)

20. It is hard to estimate cost benefits when importing from approved offshore sources, as the costs incurred offshore are unknown. BNZ has only shown costs for quarantine in New Zealand. Baseline costs include Level 3B greenhouse rental (for a general booking at the MPI facility), mandatory testing, and BNZ inspection costs. Costs increase if pests are found, or if plants are slow to grow. Baseline costs were calculated based on an assumption that an entire Level 3B greenhouse unit was rented, and that it was running at full capacity. For kiwifruit, this means 24 plants per unit.

Time taken to import

21. Indicative examples of import time for some frequently imported plants from non-approved sources are as follows:

Plant species	Status quo	Change Option 1	Change Option 2 (Level 3B + Level 2)
Apple	24 months	9 months	18 months (6 months L3B, 12 months L2)
Grape	16 months	9 months	16 months (6 L3B, 10 months L2)
Kiwifruit	20 months	9 months	18 months (6 L3B, 12 months L2)
Potato	3 months	3 months	3 months (3 L3B, 0 months L2)
Summerfruit ¹	21 months	14 months*	18 months (6 L3B, 12 months L2)

22. For Level 3B, reducing quarantine length lowers import costs by between \$6,500 and \$12,500 per greenhouse unit for each month that quarantine is not needed. Cost reductions depend on the type of booking at MPI's Level 3B greenhouse (that is, general, rolling, or preferential bookings).
23. Change Option 2 will not significantly reduce quarantine length when importing from non-approved sources. However, it will increase Level 3B throughput and reduce costs relative to the status quo.

Efficiency of standard development

24. A key benefit of Change Option 1 is that it would simplify the BNZ risk analysis process and improve the efficiency of import health standard development. This would benefit industry by enabling us to deliver more standards faster, and would include developing new, and updating current or suspended standards for plant nursery stock.

Managing biosecurity risk

25. BNZ is confident that both change options would manage risk as well as the current process. This is based on our knowledge of existing testing procedures, and an analysis of regulated pests found in quarantine. This analysis showed that nearly all regulated pests found in quarantine either caused visible symptoms within nine months or could be detected by testing asymptomatic plant samples.
26. **Appendix One** gives more information on key features, and pros and cons of each option.

Next steps

27. Consultation will run for eight weeks as BNZ:
- wants to give stakeholders enough time to thoroughly consider its proposal, and to consider alternative options, or a mix of the options we have proposed. We will stress that we want to hear alternative ways of doing things; and
 - will work closely with stakeholders to ensure that the final solutions give the broadest possible benefits.

¹ Summerfruit plants are the one example where it may not be possible to manage all risk within nine months under Change Option 1. This is because it takes up to 14 months to test for one key high impact pest.

28. The next steps in the nursery stock improvement work include:
- a) doing a similar piece of work to improve imports of green-life plants; and
 - b) redesigning the framework of the entire plant germplasm import system to improve efficiency across the board (this is a much more complex piece of work, which will take longer to deliver).
29. BNZ will provide another update after consultation on change options described here.

Minister / Minister's Office

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/ / 2024

Appendix One: Summary of key features of each option

Summary of key features of each option

Status quo

Managing risk in New Zealand

- Level 3B quarantine for most plants from non-approved sources.
- Target quarantine length of 3-24 months.
- Some, but not all plants grown in controlled environments to support disease development.

Managing some risk outside New Zealand

- MPI audits and approves offshore facilities to manage some, or all, risk on our behalf.
- Plants from approved facilities need less quarantine and testing in New Zealand. They do not need quarantine if all measures are applied offshore.

What this means

- ✓ We would keep the system that's been used for over 20 years. This has supported imports of hundreds of new cultivars and has helped stop pests entering New Zealand.
- ✓ Fewer quarantine requirements when some risk is managed at an offshore facility. Minimal duplication of offshore procedures.
- ✓ Reduced costs for plants from approved facilities.
- ✗ There would still be heavy reliance on Level 3B quarantine. It would be very costly to import some plants.
- ✗ It would still take a long time to import some plants.
- ✗ There would be variation and inconsistency between standards, and ongoing uncertainty around likely future requirements.
- ✗ The system would be resource intensive for Biosecurity New Zealand to operate and maintain. It would take a long time to develop and review import health standards.
- ✗ Ongoing reliance on offshore facilities voluntarily managing risk on our behalf.

Change option 1

Faster onshore quarantine, less reliance on offshore procedures

Managing risk in New Zealand

- Level 3B quarantine for all plants from non-approved sources.
- Target quarantine length 3-9 months.
- More laboratory testing to find key pests, controlled environments to support early disease detection.
- Most testing & inspection done in New Zealand.
- Offshore procedures recognised with NPPO certification and prior agreement from MPI.

Managing risk outside New Zealand

- MPI audits offshore facilities if operated by an NPPO.
- Facilities approved if they meet all import requirements. No quarantine in New Zealand.

What this means

- ✓ Faster imports of many plants, increased Level 3B throughput, costs less than the status quo.
- ✓ Faster IHS development, easier for Biosecurity New Zealand to operate & maintain the system.
- ✓ Expected to manage risk as well as the status quo.
- ✓ More certainty on likely future import requirements.
- ✓ No quarantine for plants from one existing offshore facility, options to recognise test results for plants from other facilities.
- ✗ Continued heavy reliance on Level 3B quarantine, with higher demand than under the status quo.
- ✗ Some offshore tests may be duplicated in New Zealand, especially if offshore NPPOs cannot certify results of testing.
- ✗ Four existing offshore facilities would not be approved. Plants from these sources would need Level 3B quarantine.
- ✗ Higher costs to import from facilities that would not be approved.
- ✗ It may not always be possible to manage risks in 9 months. An example of this is summerfruit plants, which may need up to 14 months quarantine.
- ✗ More demand for Biosecurity New Zealand to develop diagnostic tests.

Change option 2

Graduated quarantine with less time needed in Level 3B, and more ways to recognise offshore procedures

Managing risk in New Zealand

- Graduated quarantine for plants from non-approved sources. A target maximum of 6 months in Level 3B, then Level 2 for the remainder.
- Target quarantine length 3-18 months.
- No controlled environment regimes, spring- and summer-like conditions needed in Level 3B.
- Recognise pest freedom with NPPO certification.

Managing some risk outside New Zealand

- MPI audits and approves offshore facilities to manage some, or all, risk on our behalf.
- A new option to import from NPPO-supervised, officially regulated production schemes.
- Potential for less quarantine and testing in New Zealand for plants from approved sources, depending on what risks are managed offshore.
- No quarantine if all measures are applied offshore.

What this means

- ✓ Slightly faster imports of some plants, increased Level 3B throughput, costs less than the status quo.
- ✓ Minimal duplication of offshore procedures, less stringent quarantine for plants from offshore sources that manage most pests.
- ✓ Expected to manage risk as well as the status quo.
- ✓ Less reliance on Level 3B quarantine (which remains an essential part of the system).
- ✗ A more complex system. It will be resource-intensive and time-consuming for Biosecurity New Zealand to operate and to develop IHSs.
- ✗ Ongoing reliance on offshore facilities voluntarily managing risk on our behalf.
- ✗ Some uncertainty around likely future import requirements, and length and level of quarantine for plants from approved sources, because these will depend on individual facility performance.



To: Hon Nicola Grigg, Associate Minister of Agriculture
Cc: Hon Andrew Hoggard, Minister for Biosecurity
From: Stuart Anderson, Deputy Director-General Biosecurity New Zealand

Proposed changes to nursery stock import pathways

Date	Reference
12 September 2024	AM24-0862

Purpose

- This aide-memoire provides information on a proposal by Biosecurity New Zealand (BNZ) to suspend out of date, unused import pathways and discusses feedback from a key stakeholder (BLOOMZ NZ Limited (BLOOMZ)).

Key messages

- s9(2)(g)(ii) They say it is hard to comply with, costs too much, and that it takes too long to open new pathways.
- s9(2)(g)(ii). We are working to resolve the above issues, and to make other improvements to the system:
 - this includes consulting on a proposal to clean up the plant nursery stock import standard by suspending unused import pathways, many of which have not been used for over 25 years. **Appendix One** provides the background on this proposal; and
 - this will help us more effectively manage actively traded pathways and let us focus on opening (or reopening) priority pathways faster.
- Stakeholders are concerned that we will never reopen suspended pathways. **Appendix Two** describes the themes raised by stakeholder BLOOMZ and how we are responding. **Appendix Three** provides the summary of recommendations from the BLOOMZ submission:
 - suspension is temporary and not intended as permanent closure;
 - we will focus on reopening suspended pathways that have been requested by stakeholders as quickly as possible; and
 - stakeholder concern is understandable. We are looking for different ways to manage the system to reopen pathways in a timely manner.

4. We are taking other steps to improve the system including developing options to speed up the import process of nursery stock (we will consult on these soon) and planning a longer-term piece of work to redesign the plant nursery stock import regulatory framework to significantly reduce complexity.

Minister / Minister's Office

Seen / Referred

/ / 2024

Appendix One: Background to our proposal to suspend import pathways

Context

1. The existing plant import system manages biosecurity risks well and has allowed free-flowing imports of some plants for many years. However, it has restricted many other imports. It needs improving to help industries import plants faster and with less cost.
2. The first part of Biosecurity New Zealand's (BNZ's) work to improve import efficiency is to clean up the plant nursery stock import health standard by suspending unused, unmaintained import pathways.
3. The Aotearoa Horticulture Action Plan sets out an agreed aspiration to breed cultivars that meet future growing needs. That involves ensuring a robust, timely and cost-effective germplasm import pathway. This is necessary if we are to achieve the desired outcome of improved access to high quality, pest-free germplasm material in New Zealand, and increased confidence to invest in breeding programmes.
4. Suspension of pathways may seem counter-intuitive and counter-productive to that goal. Our experience shows that unused pathways create a distraction from the pathways that matter.
5. Cleaning up the nursery stock standard by suspending pathways will help us focus on maintaining standards that are most important to New Zealand's plant-based industries, and which will give the biggest benefits to New Zealand.
6. We consulted on suspending pathways between 18 July and 30 August 2024.

Why did we make the proposal?

5. When we analysed use of the standard, we found that a high proportion of the standard is unused and has not been maintained for many years:
 - a) only 24 percent of plants (459 genera) covered by the standard have been imported in the past 11 years; and
 - b) remaining plants (1468 genera) haven't been imported for at least 11 years, and in most cases not for over 25 years.
6. Biosecurity risk is constantly changing. Standards need regular updates to account for this. Updating standards is time consuming. Even though most import pathways have not been used, we need to assess emerging threats and update these pathways if the standard implies that imports are allowed.
7. Many of the pathways we propose to suspend would need a pest risk review before they could be used. This is because:
 - a) standards are based on risk assessments from the 1990s. Most have not been reviewed to account for changes in biosecurity risk;

- b) many unused pathways may have unmanaged biosecurity risks that we have identified through the Ministry for Primary Industries' (MPI) Emerging Risks System. They may also have unmanaged risks that we do not yet know about because we haven't analysed these in many years; and
 - c) we have not updated most unused pathways to manage these risks. This is largely because we focus our resources and expertise on ensuring that the actively used pathways are up to date.
8. We need to be transparent about which pathways are up to date and which are not:
- a) the existing standard implies that many pathways are open when, in reality, we would not allow imports for some because they are out of date;
 - b) this misleads stakeholders. It can lead to them ordering plants and incurring significant costs, only to then find that they cannot import the plants; and
 - c) s 9(2)(h)
9. The proposal to suspend standards does not change the current state of trade, but instead gives transparency on what can, and can't, be imported:
- a) without suspension of some pathways, we do reactive work to check whether imports are allowed. This is unplanned, time consuming, and stops us focussing on priority work that will give the biggest benefits to New Zealand's horticulture sector, and other plant-based industries.

What did we ask stakeholders to provide during consultation?

10. We expected that importers would want to use some pathways proposed for suspension. We asked the following questions during consultation to understand what pathways might be in demand, and what impact suspension would have:
- a) what impacts will this proposal have on you?;
 - b) do you have a viable and valid interest in importing any plants proposed for suspension?;
 - c) what is the demand – and opportunities in New Zealand – for plant species that are proposed for suspension?; and
 - d) do you have any other relevant information we may have missed while developing our proposal?

What feedback have we received?

11. Stakeholders have been very engaged with our proposal via email, phone calls and attendance at information sessions. We received a high number of submissions (24). Key themes in submissions include:
- a) objection to the proposal to suspend unused pathways;
 - b) lists of plants that stakeholders are interested in and want to import in the future;
 - c) concerns that suspended pathways will not be reopened when importers and industry groups need them;
 - d) concern about the impact of suspending pathways on growth and productivity of plant sectors, and goals to double horticulture export values;
 - e) some support towards changing the system; and

- f) support for the reformat of the nursery stock standard.

Next steps

- 12. We are in the process of considering all feedback.
- 13. We aim to make decisions about the pathways that will be suspended in late September. This timeframe may shift if further analysis of options is needed.

Appendix Two: Our response to the BLOOMZ submission

1. BLOOMZ is a key stakeholder involved in importing plants for planting and their submission was on behalf of several stakeholder groups with an interest in importing nursery stock. They raised concerns about our proposal to suspend import pathways (see BLOOMZ 'summary of recommendations' in **Appendix Three**). We have grouped their recommendations into four main themes and respond to each.

Suspension and barriers to trade – BLOOMZ recommendations 3, 4 and 5

2. BLOOMZ commented that many pathways are not used because there are too many barriers to import. They note that this does not mean people don't want to import. They asked us to retain several pathways proposed for suspension and to prioritise those for review. They also commented that we need faster ways to review standards.
3. We agree there are many barriers to prospective importers under the current standard and that a lack of trade does not necessarily mean there is no interest in importing:
 - a) this is why we asked stakeholders to identify pathways of interest to them. We will keep working with them to better understand their needs for these pathways; and
 - b) BLOOMZ identified four plant genera that they and their clients are interested in. We will work with them to find out more about these pathways.
4. Once we fully understand the needs, we will prioritise standards for review and work to reopen pathways as quickly as possible. We don't want to unduly restrict trade where there is a desire to import. But we must ensure biosecurity risk will be effectively managed before we allow imports of plants that have never been imported and where standards are out of date.
5. We already have a substantial pipeline of standards for review. This includes standards for plants (including banana, cannabis, pear, and pine) and seeds (including brassica, tomato and maize):
 - a) we will need to prioritise re-opening pathways against reviews of those standards, to ensure that all work we do will deliver maximum economic, and other benefits for all of New Zealand.
6. We agree with BLOOMZ that we need faster ways to review standards. Standard delivery has taken, and continues to take, longer than we would like:
 - a) we have done a substantial amount of work to improve the speed of standard delivery. This has seen us deliver standards faster. More improvements are needed; and
 - b) a key aim of the recent BNZ organisational efficiency change was to find more efficiencies in the standard setting area and free up resource to dedicate to standard delivery. We expect that we will continue to deliver standards faster as we embed the new structure and develop new ways of doing things.

Impact on international trading partners – BLOOMZ recommendation 2

7. BLOOMZ's view is that suspending pathways will be seen as a technical barrier to trade and signal to international trading partners that we are not 'open for business'.
8. BNZ has considered reactions of trading partners, and we have taken steps to mitigate negative consequences:
 - a) overall, we do not expect trading partners to see this as trade restrictive because our proposal targets import pathways that have not been used for many years. Trading partners very rarely express interest in using nursery stock pathways. Import pathway requests nearly always come from New Zealand importers;
 - b) we were concerned that the proposal could be interpreted incorrectly, so we have been proactive in liaising with our offshore counterparts. We consulted through the usual Sanitary and Phytosanitary World Trade Organisation process (30 July to 12 September) and raised this topic at a recent Asia & Pacific Plant Protection Commission meeting; and
 - c) as of 6 September, we have not received any feedback from trading partners.

Reformatting the Import Health Standard – BLOOMZ recommendation 1

9. The nursery stock standard was first issued in 1993. It has been amended many times since. This has introduced inconsistencies and resulted in a long complex standard that is hard to follow.
10. We reformatted the standard to make it more user-friendly, and to align with MPI Requirements and Guidance formatting requirements.
11. Expected efficiency outcomes are that:
 - a) we will get fewer questions about how to interpret import requirements. This will free up resource for us to use elsewhere (for example, to improve the system); and
 - b) imported plants are more likely to conform with the standard. This means that there will be fewer delays in import, and fewer costs incurred.
12. We consulted on the changed format at the same time as we consulted on suspension of pathways. Stakeholders overwhelmingly supported the change and saw it as a big improvement.
13. BLOOMZ agree the reformatting is an improvement. They also commented that they want to see the requirements in an online database, not a static document.
14. We fully agree that a database will be easier to use – this is our preferred option:
 - a) reformatting is a necessary first step to prepare requirements more suited to entry into a database;
 - b) BNZ has implemented the first phase of the Product Import and Export Requirements (PIER) project which includes a database that holds summarised data of biosecurity regulations. This is accessible through a public website for industry stakeholders, importers, exporters, and offshore competent authorities; and

- c) Ahead of commencing Phase 2 of the PIER project we are assessing alternative design options. The enhanced design aims to hold more biosecurity regulatory data and information, with an intuitive website that will improve user access to get current and accurate biosecurity regulatory information.

Appendix Three: Summary of recommendations from the BLOOMZ submission

1. We submit that the reformatting of import health standard (IHS) should remove any reference to treatments, and that all import requirements be included in PIER in a new user-friendly electronic interface.
2. We oppose BNZ's proposal to suspend numerous IHSs in that it sends a very destabilising message to our trading partners.
3. We disagree that many IHSs are redundant due to disinterest; rather there have been numerous barriers to prospective importers so they have not proceeded.
4. In any event we request that several IHS listed on pages 9 and 10 (of the BLOOMZ submission) are left in place and prioritised for rapid review if necessary.
5. BNZ does not have the capability to review numerous IHSs within a timeframe that is acceptable to industry. We submit that a radical new approach for IHS development with early collaboration with industry is the number one priority.



To: Hon Andrew Hoggard, Minister for Biosecurity
From: Stuart Anderson, Deputy Director-General Biosecurity

High Pathogenicity Avian Influenza Update

Date	2 September 2024	Reference	AM24-0807
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Purpose

- This aide-memoire updates you on work to prepare New Zealand for a H5N1 Highly Pathogenic Avian Influenza (HPAI) incursion. It also provides a summary of the possible implications on free-range producers during an incursion.

International Environment

California cattle infection

- Three California dairy herds tested positive for HPAI, with clinical signs beginning 23 August to 25 August. It is not yet clear how these herds became infected – if it was from another spillover event or is the same HPAI H5N1 variant that's spread from Texas. No human cases have been confirmed in relation to this event.
- Animal movement is being tracked and evaluated. The affected dairies have been placed under quarantine on the authority of California Department of Public Health's State Veterinarian, and enhanced biosecurity measures are in place. Sick cows are isolated and are being treated at the dairies; and healthy cows have been cleared to continue shipping milk for pasteurization.

Other international HPAI updates

- In Australia, no further cases of HPAI have been detected since 24 June. As a result, housing orders and movement controls are easing.
- In Malaysia, ten human cases of H5N1 bird flu have been recorded so far this year, four since July. One teenage female died. No evidence of human-to-human transmission has been reported in association with any of these cases.
- Europe is starting to see incursions as Autumn approaches. France and Poland both had incursions mid- to late- August, after having none since January and February, respectively.

New Zealand sampling


6. The Department of Conservation (DOC) sequencing analysis results from more than 1500 samples, including from the Subantarctic Islands, showed no high pathogenicity avian influenza. There was one find of low pathogenicity avian influenza on mainland New Zealand.
7. DOC will conduct fieldwork in the sub-Antarctic Islands in October. The team will sample for HPAI, same as what was carried out in 2023.

One Health Preparations

One Health tabletop exercise

8. Exercise Bulwark Quill was successfully conducted on 27 August, bringing together 31 participants from One Health partners as well as representatives from local and regional councils. The exercise was effective in confirming roles and responsibilities in the event of any future HPAI outbreak, and clearly establishing where future readiness effort would be best directed. Six representative scenarios were discussed, and all key response management activities clearly assigned for each.
9. Feedback on the activity has been overwhelmingly positive, and the outcomes will now be used to refine ongoing readiness planning. Future HPAI exercises are intended, with the next one scheduled with Industry this month in mid-September. Industry representatives are being confirmed by the Poultry Industry Association New Zealand (PIANZ) and the Egg Producers Federation (EPF).

Ministry for Primary Industries (MPI) and DOC Joint agency operational readiness workshop

10. The workshop helped to clarify roles and responsibilities between DOC and MPI regarding wildlife impacted by HPAI:
 - a) DOC confirmed that they have responsibility for native birds, and that the protection and management of native birds on DOC land will be their primary focus;
 - b) non-native birds fall outside of DOC's responsibility;
 - c) DOC advised that landowners would be generally expected to address wildlife issues on their land. This includes private and commercial landowners, Council land, other Crown agencies with large land holdings; and
 - d) s 9(2)(f)(iv) 
11. Working with local government on their role in a response is a focus.
12. The workshop also outlined next steps for the vaccination plan for native birds. DOC is developing the plan to achieve the best results for New Zealand wildlife. MPI will assess how this plan will impact market access for poultry exports.

One Health Study Tour of the United Kingdom

13. The MPI and industry delegation returned from the United Kingdom on 12 August. The study tour exceeded expectations and industry gained greater insight and appreciation of MPI's preparations, and the role that the industry itself should play in preparations. You will receive a verbal briefing on this on 9 September.
14. Many key learnings are informing changes in readiness and response planning. It was very evident that investing in preparedness now will pay dividends in our ability to withstand an incursion in New Zealand. Key findings included:
 - a) the scale of the initial outbreak is potentially very large, and it may have significant impact on the public;
 - b) there is a need for pragmatism around the right level of Personal Protective Equipment (PPE) use, s 9(2)(g)(i)
 - c) strong farm and shed biosecurity is essential. Industry is focused on this and working with MPI;
 - d) the need to consider the impact on the mental health of people involved in disposal of wildlife as well as mental health and wellbeing support for farmers;
 - e) that early and clear messaging is essential. Likely high engagement from the public will need proactive information resources; and
 - f) there is a need for clarity around roles and responsibilities when responding to local animal health and mortality events.

Response guidance documents

15. Key response documents outlining an HPAI H5N1 response are being prepared:
 - a) a National Stakeholder Guidance document will provide stakeholders with an understanding about how a Biosecurity response to HPAI may be approached; and
 - b) tactical readiness guidance document will outline detailed information about the key response procedures for the Depopulation, Disposal, and Decontamination of birds at commercial poultry operations (3D's). The Tactical Plans include standards, tools for decision making, standard operating procedures, and oversight and assurance frameworks.
16. Engagement with the poultry industry, local government and other stakeholders will strengthen these documents and to enable further alignment and refining. This will take place in mid-September.

Stakeholder engagement

17. Fish & Game New Zealand have developed an HPAI Plan. One Health agencies are providing feedback.
18. MPI had a constructive meeting with poultry industry chairs on 21 August, which addressed ways to adjust the work programme following learnings from the study tour.


Transmission in cattle

19. No evidence of HPAI infection in cattle has been observed anywhere outside of the United States, despite HPAI being well-established in European countries with large dairy industries. The spillover event from wild birds to cattle in the United States is highly likely to be the result of particular environmental and production circumstances, and the genetic adaptation of the virus to a novel strain (B3.13). This occurred in the arid Texas panhandle region, and it has been suggested that birds congregating in large numbers around cattle troughs in search of water may have been the source of infection.
20. Infected cattle show a rapid decrease in milk production accompanied by other signs of ill-health, but usually recover within two to three weeks. Transmission between cows is thought to be via milk or contaminated milking equipment, and between farms by farmers moving or selling cattle.
21. Should such an event occur in New Zealand, our legal framework and existing work to ensure the continuity of milk processing in the event of a Foot and Mouth Disease outbreak, can be leveraged for HPAI. This provides measures at individual farm level to limit the spread of the disease whilst minimising disruption to the sector.
22. MPI is continuing to engage with New Zealand livestock and pig sectors, to reinforce the importance of maintaining biosecurity measures on farm.

Free Range producers

23. MPI understands you wish to minimise the impact of a housing order on free range producers. A learning from the United Kingdom study tour was to not delay housing orders, which occurred in the United Kingdom due to free range labelling concerns.
24. There are two issues that may arise from housing orders:
 - a) it appears that an exemption for selling as free range whilst a housing order is in place is not possible: The Fair Trading Act 1986 prohibits the making of unsubstantiated, false and misleading representations, and generally conduct that misleads the public as to the nature of the goods. The Commerce Commission (the Commission) has enforcement responsibilities under the Fair Trading Act 1986, including bringing proceedings against persons who breach the Fair Trading Act 1986. We understand that the Commission does not have the ability to exempt any person or goods from complying with those provisions. It appears no other person may provide an exemption either. MPI will work with Ministry of Business, Innovation and Employment to understand if, within the constraints of the Fair Trading Act 1986 and Commerce Act 1986, there are actions the government could do to minimise the impact of housing orders. We will report back to you on this; and
 - b) s 9(2)(g)(i), s 9(2)(h)

s 9(2)(h)



Industry is very engaged to decrease the likelihood of infection

25. Industry is very engaged in increasing on-farm biosecurity. A joint industry-MPI workshop is planned for mid-to-late September. MPI will be working with industry on:
 - a) biosecurity plans to stop disease spread between sheds within farms and to stop spread between farms; and
 - b) biosecurity plans that set out how a housing order may be handled, including dealing with any poultry that cannot be held indoors due to animal welfare requirements or the absence of housing.

26. MPI understands that at least one major producer is gathering the per square metre stocking density of housing data, which will inform planning to manage housing orders with minimal disturbance.

Minister / Minister's Office

Seen / Referred

/ / 2024



BRIEF: Foodborne Illness in New Zealand: 2023 Report

To:	Hon Andrew Hoggard, Minister for Food Safety		
From	Jenny Bishop, Acting Deputy Director-General New Zealand Food Safety		
Date	18 September 2024	MPI Reference	MO24-0445
Priority	Low	Security Level	In Confidence

Foodborne Illness in New Zealand: 2023 Report

- The *Annual Report Concerning Foodborne Disease in New Zealand 2023* (the Report), compiled by the Institute of Environmental Science and Research for New Zealand Food Safety (NZFS), was published on 5 September 2024. It is the latest in a 17-year series providing a consistent source of annual data to monitor trends in foodborne illness in New Zealand.
- These reports are used by NZFS, the health sector, and the food industry to help improve and strengthen the food safety system in New Zealand and in turn reduce foodborne illness.
- The latest 2023 Report confirms that:
 - campylobacteriosis continues to be the most prevalent notifiable disease in New Zealand. However, encouragingly, the Report shows positive progress towards the key NZFS performance indicator of reducing the rate of foodborne campylobacteriosis by 20 percent by the end of 2024.
- The Report also describes trends for the next five foodborne illnesses of interest to NZFS:
 - salmonellosis notifications are down but remain of regulatory interest with the ongoing poultry regulatory control scheme implemented after the *Salmonella* Enteritidis outbreak in 2021, and association with imported foods;
 - listeriosis, while stable in notifications, has high severity for those that are susceptible, and requires further risk management action through consumer and service industry education campaigns;
 - shiga toxin-producing *E. coli* (STEC) notifications have stabilised, and 2023 attribution studies have failed to identify a food source other than raw-drinking milk, and they remain a market access focus;
 - vibriosis notifications are the lowest recorded potentially due to NZFS consumer campaigns in the last two years regarding safe shellfish preparation, including cooking; and
 - yersiniosis notifications remain high and scientific studies to better characterise incidence in pigs and identify risk mitigation measures are continuing by NZFS.
- As with the previous reports, the 2023 Report will enable NZFS, the wider health system and the food industry to make more informed decisions on priority measures to minimise the risk of foodborne illness to consumers, and to maintain and enhance the reputation of New Zealand's businesses as producers of safe food.
- The full report entitled *Annual Report Concerning Foodborne Diseases in New Zealand 2023* and previous annual reports can be found at the Ministry for Primary Industries webpage¹ and is attached for your convenience.

¹<https://www.mpi.govt.nz/science/food-safety-and-suitability-research/human-health-surveillance-and-attribution-programme/foodborne-disease-annual-reports/>



To: Hon Andrew Hoggard, Minister for Biosecurity

From: Stuart Anderson, Deputy Director-General Biosecurity New Zealand

Meeting with Minister Patterson and Rob Phillips 11 September 2024

Date	10 September 2024	Reference	AM24-0825
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Purpose

- This aide-memoire supports your meeting with Hon Mark Patterson, Associate Minister of Agriculture, and Rob Phillips on 11 September 2024 at 3:15 pm to 3:45 pm.
- Rob Phillips will likely be joined by Peter Scott and Ross Ivey.
- The need for increased funding for the control of wilding trees will be a key point of discussion.
- You will be supported by Sherman Smith, Manager National Wilding Conifer Control Programme and John Walsh, Director Pest management from Biosecurity New Zealand.
- Further background information can be found in:
 - AM24-0899 *Progress and Milestones for the Wilding Conifer Programme on funding progress on funding progress*; and
 - AM24-0518 *Funding options for the National Wilding Conifer Control Programme*

Key issues to be raised:

1. Current funding for wilding conifer control is inadequate to maintain the gains made to date. Continuing to defer control work results in compounding costs.
2. Unlike most established pests, there is a chance of successfully eliminating wilding conifers if urgent action is taken.
3. Additional funding up front for the next three years then ongoing stable funding for the next ten years is required to break the back of the problem.
4. Long-term solutions for ongoing funding, such as levying beneficiaries and exacerbators through a National Pest Management Plan, should be considered.

Work being done to source additional funding:

5. s 9(2)(f)(iv) [REDACTED]
6. BNZ continues to engage with power generators s 9(2)(b)(ii) [REDACTED] around the benefits derived from wilding conifer control, particularly in the Mackenzie Basin.
7. BNZ is supporting the Wilding Pine Network and the South Marlborough Landscape Restoration Trust to hold a 'summit' workshop with yourself and other stakeholders and leaders, as part of your visit to Marlborough on 9 October 2024, to explore future funding solutions for wilding control including through business/cause-related partnerships and philanthropy.




Minister / Minister's Office

Seen / Referred

/ / 2024

¹ 3 September 2024, Beehive Media Release: <https://www.beehive.govt.nz/release/ivl-increase-ensure-visitors-contribute-more-new-zealand>

Appendix One: Biographies

	<p>Rob Phillips</p> <ul style="list-style-type: none">- Recently named as the facilitator for the Upper Clutha Wilding Tree Group.- Co-Chair of New Zealand's Biological Heritage National Science Challenge.- Has a long history working in sustainable land and water management and biodiversity.- Has held senior leadership positions at regional councils, most recently as Chief Executive of Environment Southland 2012 to 2022.- Was a member of the (now disbanded) Biosecurity Ministerial Advisory Committee from 2013 to 2018.
	<p>Peter Scott</p> <ul style="list-style-type: none">- Chair of Environment Canterbury and Councillor for South Canterbury/Ōtuhituhi.- Member of the Canterbury Mayoral Forum, the South Island Regional Councils, and the Local Government New Zealand Regional Sector Group.- Previous leadership roles include Chief Executive of Opuha Water, a director of Horticulture New Zealand, and a director of Irrigation New Zealand.
	<p>Ross Ivey</p> <ul style="list-style-type: none">- Manager Glenntanner Station, a merino farm at the head of Lake Pukaki- Chairman of the Wilding Free Mackenzie Trust- You met with Ross when visiting the Mackenzie on 10 July 2024.



To: Hon Andrew Hoggard, Minister for Biosecurity
From: Stuart Anderson, Deputy Director-General Biosecurity New Zealand

Progress and Milestones for the Wilding Conifer Programme

Date	Reference
10 September 2024	AM24-0899

Purpose

- This aide-memoire updates you on the progress and milestones for the Wilding Conifer Programme (the Programme).

What progress can be made with the current funding

1. Ministry for Primary Industries (MPI) Baseline funding of \$10 million and expected partner contributions of \$2.8 million for 2024 to 2025 will see operational control in nine regions across approximately 130,000 hectares.
2. The current approach is to carry out the highest priority maintenance work on as many areas previously controlled as possible to protect the gains from investment to date.
3. At present, around \$23.7 million of due or overdue maintenance control work across 953,000 hectares (actual area of control will be less) is being deferred as a result of insufficient funding this year and last financial year.
4. Ongoing investment at current levels in the Programme will result in the Programme losing ground, and decisions will need to be made about which large areas are left that will not receive follow-up treatments.
5. Work in the Godley management unit in the Mackenzie has been prioritised to enable the second half of the management unit to be completed and transitioned back to landowners.

What are the key milestones and/or where are the points where BNZ will assess progress to determine how the Programme is tracking

Milestones reached:

6. Based on current infestation data and reporting on operations, BNZ knows that around 70 percent of the total known national infestation has been controlled at least once.

7. At the end of each financial year, the Programme reviews the status of each management unit and prioritises where control efforts should be focused for the coming year based on urgency of control, strategic gains (for example, removing particular seed sources) and using agreed spread risk criteria.

Ongoing monitoring and reporting of control delivered:

8. Councils provide financial and operational reporting to BNZ monthly. This data is captured in the wilding conifer information system, a Geographic Information System (GIS) based mapping and data entry platform.
9. BNZ tracks operations progress against the funding allocated and areas planned to be controlled in the year, and this is reported to the Programme Governance Group quarterly.
10. BNZ has developed a standardised national post-control audit protocol to assess effectiveness of ground control operations with a continuous improvement focus. This will be rolled out this year.
11. Tracking of progress and any risks/issues are discussed at bimonthly meetings with councils.

Ongoing monitoring of spread and infestations:

12. National infestation data was collated in 2016 and updated again in 2018, providing baseline understanding of the location and density of infestations. Since then, a significant amount of control has taken place, and an update is scheduled to be carried out this financial year. This will be informed in part by satellite-based deep learning (AI) mapping of conifers carried out by the programme in 2022/23.
13. Updating our infestation data will also inform the ongoing prioritisation of areas for control.

Assessing progress:


14. The Programme undertakes two-yearly independent evaluations against key programme indicators (effectiveness of control, alignment of policy and regulations, social licence, partnership model, health and safety, and data and information). The next evaluation will be carried out this financial year, as it was deferred by a year to better align with the end of the four-year Jobs for Nature funding allocation.
15. Cost Benefit Analyses were undertaken in 2018 and 2022 to assess the impact of investment options against the status quo.
16. The latest Cost Benefit Analysis in 2022 provides forecasts of milestones that would be achieved under specific funding scenarios.
17. While these forecasts are now out of date, BNZ does not intend to complete similar analysis again at this time. Under current funding the focus is on maintaining the work

done to date and this means the Programme is essentially seeking to mitigate decline, rather than moving forward towards the outcomes of the strategy.

Options for conversations that the Minister can have to assist in scoping other sources of funding

18. BNZ understands you have accepted an invitation from the Wilding Pine Network and the South Marlborough Landscape Restoration Trust to view the Branch Leatham infestation and attend a workshop with other stakeholders and leaders on future funding solutions for wilding control on 9 October. This will be an opportunity to discuss business and philanthropy options with leaders/specialists.

s 9(2)(f)(iv)




21. A joined-up approach between all current partner agencies could see the collective Programme funding increased and add weight to engagement with other potential funders (such as power generators).

What more can be done with International Visitor Conservation and Tourism Level (IVL) funding

22. Any IVL funding has the potential to significantly increase the amount of control that can be done this year, and thereby reduce future costs from deferred control or maintenance. The largely fixed cost of administering the coordinated national control programme is already met within baseline funding.
23. In 2023 to 2024, \$7.051 million of IVL funding for wilding conifer control operations essentially doubled the operational control budget and enabled an additional 143,900 hectares of control to be carried out.
24. BNZ anticipates that areas of high priority deferred maintenance that protects public conservation land and contributes to wider programme objectives would be the primary focus for control by IVL funds, should they become available.

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Concise back pocket lines of what BNZ are doing right now in the programme and some key deliverables planned in the short term

Suggested high level talking points

27. The National Wilding Conifer Control Programme has delivered substantial progress on pushing back wilding infestations and is well-placed to achieve its outcomes, subject to adequate consistent resourcing.
28. The Programme continues to provide good value through its collaborative model and the skilled industry that has been developed and strong participation from partners.
29. Beneficiaries from wilding control delivered to date include users for water for hydroelectricity generation and irrigation, the tourism sector dependent on iconic unique landscapes, and large landholders including managers of Crown-held land.
30. Alongside operations and the other workstreams, Biosecurity New Zealand (BNZ) is working with partners on ways to further boost resourcing to complete more maintenance control and remove seed sources.
31. There is a focus on continuous improvement of wilding management. Key work streams continuing include supporting policy improvements around afforestation and carbon credits; maintaining up to date data on infestations and spread; researching ways to slow reinfestation and trials of new control technologies.

Current focus 2024 to 2025

32. The current operational focus for Crown funding through the National Wilding Conifer Control Programme is on delivering the highest priority maintenance control, to protect the land where the Programme has previously funded control.
33. In the 2024 to 2025 year, the Programme plans to deliver control operations in 394 operational areas.
34. As well as delivering effective wilding control operations, the Programme is improving wilding management through policy, good practice, research, data management and engagement work.
35. Other key work streams include supporting policy improvements around afforestation and carbon credits, updating essential data on infestations, assessing where grazing can slow reinfestation, and removal of legacy seed sources such as shelterbelts.

Control progress in 2023 to 2024:

36. Last financial year (2023 to 2024) the Programme achieved removal of all coning trees in another four management units (MUs), bringing the number of management units in the maintenance stage to 21 (of 49 total MUs). In these areas substantial control operations will not be needed again until scheduled maintenance in around three years.
- a) several MUs have partial areas that are sufficiently controlled that transition planning can begin; and
 - b) 20 MUs still have significant seed sources and there are areas where the Programme is not yet active, where spread continues unchecked.

Minister / Minister's Office

Seen / Referred

/ / 2024



To: Hon Andrew Hoggard, Minister for Food Safety
From: Jenny Bishop, Acting Deputy Director-General New Zealand Food Safety
 Alastair Cameron, Acting Deputy Director-General Policy & Trade

Ministry for Regulation Agricultural and Horticultural Products Review – Advice to support Ministers’ meeting

Date	20 September 2024	Reference	B24-0564
Decision required		Date decision required by	
YES <input checked="" type="checkbox"/> / NO <input type="checkbox"/>		23 September 2024	

Purpose

- This briefing supports your meeting with Hon David Seymour, Minister for Regulation, and Hon Penny Simmonds, Minister for the Environment, on 24 September 2024 on the Agricultural and Horticultural Products Review.

Joint Ministers’ meeting on 24 September 2024 - 7.30pm - 8:15pm

- Vincent Arbuckle, Deputy Director-General New Zealand Food Safety, and Julie Collins, Deputy Director-General Policy & Trade, will attend in support.
- The Ministry for Regulation has briefed Minister Seymour, Minister Simmonds and yourself (MFR2024-106 refers). This meeting is to:
 - discuss updates across the review, including summary of engagement and submissions, issues analysis, economic analysis and options analysis; and
 - agree an approach to Cabinet decisions in 2025.

Updates across the review

- The first phase of the review has focussed on stakeholder feedback and analysis. S
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[REDACTED] MPI is already improving parts of the Agricultural Compounds and Veterinary Medicines Act 1997 (the ACVM Act) via the Regulatory Systems (Primary Industries) Amendment Bill 2024 (PIRSA), currently at select committee.

Summary of engagement activities

4. Engagement has been undertaken with a range of stakeholders. MPI has supported engagements with primary industry stakeholders throughout the review. The next stage is testing preliminary findings and options with the Sector Reference Group. MPI will work with MfR officials to further understand what the implications are for the ACVM Act, and MPI, in particular.
5. To date, the review team have largely engaged with agencies separately. MPI sees benefit in MfR engaging with agencies collectively to enable efficient sharing of information and agencies' views. We will continue to work closely with MfR and our colleagues at the Ministry for the Environment and Environmental Protection Authority (EPA).

Issues analysis workstream

6. The MfR briefing notes the important distinction between issues raised by parties and the work needed to verify claims raised during the engagement process. MPI supports this view and will work with the review team to verify and address any issues without sharing the specific details of the submitters.
7. A high-level issues summary is provided in Appendix A of the MfR briefing. MPI has not yet provided detailed feedback on these issues. We are keen to understand if the implications affect the ACVM and/or the Hazardous Substances and New Organisms Act 1996 (the HSNO Act), so that we can target our advice effectively.

Economic analysis workstream


8. MPI agrees that the relative size of the New Zealand market is a factor in what products are made available by manufacturers here. Other countries, such as Australia and Canada, have similar experiences. With respect to managing risks through other mechanisms, MPI is not aware of any non-regulatory initiatives that are managing risks relevant to the ACVM Act.
9. Analysis in the economic workstream is set out in Appendix B of the MfR briefing. MPI notes this is early analysis, and we are in the process of working with the review team to provide primary industries data. We understand MfR will seek a third-party to conduct part of their economic analysis to inform the review, which will likely be conducted under a very short timeframe and at a high level.

Options analysis workstream


10. The review team has developed an initial set of criteria to analyse options (in Appendix C to the MfR briefing). We consider these criteria are useful and will help the Regulatory Impact Analysis (RIA) stage.
11. MPI looks forward to providing feedback on potential options and will keep you advised as appropriate.

MPI comments

12. Overall, MPI notes:

- a)  s 9(2)(g)(i)
- b) MPI can most effectively support the review and its analysis at this stage by helping analyse and verify issues related to the ACVM and interfaces with HSNO;
- c) agency feedback from earlier versions has been incorporated into the briefing, and we will continue to work constructively with the review team; and
- d) work already underway to improve the ACVM regulatory framework is ongoing and will be informed by this review.

s 9(2)(f)(iv)



Next steps

- 15. MPI officials will meet with you on 23 September at 9:30am to discuss this briefing, the MfR briefing, and the Joint Ministers' meeting on 24 September.
- 16. MPI is also preparing a background paper on the ACVM system for your information (AM24-0928 refers). We welcome the opportunity to discuss this paper with you at a convenient time.

Recommendations

17. It is recommended that you:

- a) **Note** the Ministry for Primary Industries' (MPI) comments on the Ministry for Regulation review into agricultural and horticultural products;

NOTED

- b) **Note** that MPI officials will meet with you on 23 September 2024 to discuss this briefing.


NOTED

J. Bishop

Jenny Bishop
Acting Deputy Director-General
New Zealand Food Safety

Hon Andrew Hoggard
Minister for Food Safety

/ / 2024



Alastair Cameron
Acting Deputy Director-General
Policy & Trade



Meeting with Horticulture New Zealand on 26 September 2024

Date submitted: 19 September 2024

Tracking number: Ministry for the Environment: BRF-5268

Ministry for Primary Industries: AM24-0909

Security level: Classification

Actions sought from ministers	
Name and position	Action sought
Hon Shane JONES Minister for Regional Development	Read before you meet with Horticulture New Zealand. Agree to reaffirm the Government's commitments to the sector and indicate that Ministers are working through the policy issues.
Hon Andrew HOGGARD Associate Minister of Agriculture	
Hon Nicola GRIGG Associate Minister of Agriculture	

Actions for Minister's Office staff
Forward to Freshwater Ministers for information, namely: Hon Chris Bishop; Hon Todd McClay; Hon Tama Potaka; Hon Penny Simmonds; Hon Mark Patterson

Appendices and attachments
1. Talking points

Key contacts at Ministry for the Environment			
Position	Name	Cell phone	First contact
Principal Author	Will Murray		
Responsible Manager	Nik Andic		
General Manager	Hayden Johnston	022 153 0221	✓
Key contacts at Ministry for Primary Industries			
Position	Name	Cell phone	First contact
Principal Author	Ben Flighty		
Responsible Manager	Claire McClintock	021 523 569	
Director	Jane Chirnside	022 026 7959	✓

Meeting with Horticulture New Zealand on 26 September 2024

Purpose

1. This note gives you information about your meeting with Horticulture New Zealand (HortNZ) on 26 September 2024. Talking points for the meeting are in Appendix 1.

Context for meeting

2. You are meeting with HortNZ from 11am – 11.30am on Thursday 26 September. Officials from the Ministry for the Environment and Ministry for Primary Industries will also attend the meeting.
3. The proposed agenda is to discuss two topics:
 - a. a permitted activity for commercial vegetable growing (CVG)
 - b. enabling the supply of fresh fruit and vegetables as a matter of national significance.
4. We will provide separate advice to Freshwater Ministers, prior to the meeting, that will seek scope decisions on CVG and water storage. These topics will then be included in the Cabinet paper seeking agreement to undertake targeted engagement on freshwater proposals.

Key messages for meeting

5. We suggest that you use your meeting with HortNZ as an opportunity to:
 - a. express support for growers, noting that the Government wants New Zealanders to be able to access fresh fruit and vegetables at a reasonable price
 - b. affirm the Government's commitments to enable vegetable growing, particularly in catchments that are not overallocated, and permit crop rotation
 - c. note the challenges with these objectives are primarily to do with resource allocation
 - d. indicate that you are working through the policy issues.
6. The above key messages are reflected in the talking points in Appendix 1. There are additional points on the Regional Infrastructure Fund if this topic comes up.

Context on commercial vegetable growing

7. CVG is a relatively intensive land use. CVG activities risk discharges of sediment and nutrients to the environment. Nitrogen discharges are the most significant risk for CVG, because of high nitrogen fertiliser use and challenges in mitigating nitrogen losses.
8. CVG's need for nitrogen discharge allocation is in tension with allocation to other resource users, and the need to reduce nitrogen discharges to improve water quality.
9. CVG production needs to expand to meet demand from projected population growth. New Zealand's population is forecast to grow 8 per cent between 2023 and 2033.
10. The relevant Government commitments are to:
 - a. amend the RMA to make it easier to consent new infrastructure including renewable energy, allow farmers to farm, get more houses built, and enhance primary sector including fish and aquaculture, forestry, pastoral, horticulture and mining; and
 - b. remove the need for growers to obtain a resource consent to grow food or rotate crops within a catchment.
11. Information as requested (by Hon Hoggard's office) on three topics is set out below.

Summary of HortNZ correspondence on permitted activity for CVG

12. HortNZ wants CVG urgently made a permitted activity. In summary, its views¹ are that:
 - a. permitted activity status would apply to existing CVG and expansion of CVG
 - b. an NES would need to prevail over regional council rules, for national consistency
 - c. permitted activity status for CVG operations over 5 ha would be subject to conditions managed through freshwater farm plans
 - d. the use of land and associated discharges for CVG would be a restricted discretionary activity if the use did not comply with the permitted activity conditions
 - e. requiring consents for CVG expansion in catchments with nitrogen attributes below the bottom lines is unlikely to be effective, as significant reductions in nitrogen losses could not be achieved without reducing vegetable production

¹ HortNZ's views are here summarised from a number of documents, including: Letter to Ministers Simmonds, McClay, and Grigg on permitted activity status for commercial vegetable production, dated 19 March 2024; HortNZ submission on Targeted changes to the RMA, dated 5 April 2024; HortNZ Position Paper on National Direction for Vegetables, dated July 2024.

- f. a more comprehensive alternative to an NES would be a National Policy Statement for Horticulture, accompanied by a short-term RMA amendment to make CVG a permitted activity while the replacement to the RMA is developed.
13. [REDACTED] 9(2)(g)(i) [REDACTED] We need to know more about the baseline for intensity, location, and adoption of good management practices.
14. We will be providing further advice to Ministers McClay and Hoggard on potential approaches to meet your objectives for CVG.

Update on Specified Vegetable Growing Area policy

15. The Specified Vegetable Growing Area (SVGA) policy was quashed in December 2023.
16. The SVGA policy attempted to address the tension between CVG and meeting environmental outcomes in areas of intensive CVG within Pukekohe and Horowhenua. It required regional councils to consider a trade-off between a national need (for domestic supply of fresh vegetables) and a regional need (to achieve water quality outcomes).
17. The policy was effectively never implemented, because the relevant regional councils (Auckland/Waikato for Pukekohe and Horizons for Horowhenua) are yet to notify regional planning instruments that implement the NPS-FM.
18. Before the SVGA policy was quashed, clause 3.33 and the NPS-FM Appendix 5:
- a. required regional councils to have regard to the importance of the contribution of the SVGA to the domestic supply of fresh vegetables and maintaining food security for New Zealanders; and
 - b. allowed councils to set a target attribute state below the national bottom line, if the baseline state of specified nitrogen-related attributes was below the bottom line and achieving the national bottom line would compromise the matters in (i) above; and
 - c. required regional councils to not exempt vegetable growers from requirements (eg, limits) aimed at achieving at target attribute states; and
 - d. expired 10 years after commencement (ie, 2030) or earlier if an NES came into force that applied to the SVGA.
19. In 2022, Muaūpoko Tribal Authority Inc and Te Rūnanga o Raukawa Inc sought judicial review of the policy. After the High Court dismissed the application for review, the appellants appealed the decision to the Court of Appeal. The Court of Appeal held that the Minister for the Environment had not undertaken sufficient engagement, given the significance of Lake Horowhenua to iwi/Māori and the historical complacency of the Crown in permitting degradation of the lake. On this basis, the Court of Appeal quashed the policy from the NPS-FM in December 2023.
20. Although HortNZ supports a revised SVGA policy in the NPS-FM, it would prefer other policy solutions that more directly enable the sector (eg, permitted activity status).

Relevant context from regional councils/regional plans

21. Regional councils have been reporting to the Minister for the Environment on how they provide for vegetable production through land and water plans. Key themes are:
 - a. councils seek more flexibility to provide for and expand vegetable production
 - b. some councils see merit in SVGA arrangements in their regions, and Tasman District Council also seeks a similar provision for fruit growing.
22. Regions that produce a significant proportion of New Zealand's CVG already have, or are establishing, nitrogen discharge rules. In these regions it will be the most challenging to develop an NES for CVG. Elsewhere the land use and discharges associated with CVG are, for the most part, permitted activities – although regional councils may develop more stringent rules to address water quality issues.

Canterbury

23. Rules for vegetable growing are operative and growers will have applied for resource consent. Nitrogen discharges are allocated at a property scale, with progressive reductions from the baseline loss rate over time. The plan allows CVG nitrogen discharges to be calculated over a baseline 'area' for an entire operation, and enables crop rotation within nitrogen management zones.

Horizons

24. Nitrogen discharges are allocated to land based on land use capability, and progressive reductions from the baseline loss rate are required over time. Plan Change 2 intends to provide for baseline nitrogen allocation to CVG operations using a baseline area, and allow alternatives to Overseer for calculating nitrogen discharges.

Waikato

25. Plan Change 1 has been underway since 2012. It intends to provide a resource consent pathway for existing CVG, and for limited CVG expansion in some sub-catchments.

Hawke's Bay

26. Plan Change 9 has been underway since 2012. It intends to permit existing CVG, but require resource consent for expansion.

Environment Court decisions pending

27. Decisions on the Horizons, Waikato, and Hawke's Bay plan changes are expected in late 2024/early 2025.

Other matters that may come up in your discussion

Review of approval pathways for products used by growers

28. Following increasing concerns from the sector about the time it takes to process applications, the Ministry for Regulation is reviewing regulatory regimes that provide

approval pathways for products used by growers. The Ministry for the Environment is also considering amendments to improve processing times for hazardous substances.

29. If a substance for use on farms is deemed hazardous, as are most pesticides and related products, an approval is required under the Hazardous Substances and New Organisms Act 1996 before that substance can be imported or manufactured. Agricultural compounds also require registration under the Agricultural Compounds and Veterinary Medicines Act 1997.

Next steps

30. We will shortly provide advice to Freshwater Ministers seeking agreement on options to take to engagement on amending the NPS-FM and other freshwater national direction.

Appendix 1: Talking points

Freshwater policy

- The Government wants New Zealanders to be able to access fresh fruit and vegetables for a reasonable price. The Government is open to the idea of enabling the supply of fresh fruit and vegetables as a matter of national significance. This will need to be worked through during the ongoing programme of RMA system changes.
- The resource management system comes with some issues and challenges. As you've noted in correspondence, the main challenge for horticulture is the allocation of rights to discharge nutrients.
- The Government is exploring ways to enable vegetable growing, particularly in catchments that are not overallocated, and permit crop rotation. In doing this, it will be important to make sure any effects don't make the environment significantly worse off.
- We're interested in your thoughts on how to make commercial vegetable growing a permitted activity, including the potential role for freshwater farm plans (FW-FPs).
- Work is currently underway to improve the FW-FP system, with the intention to have any changes finalised by mid-2025. Objectives of the review are to make the system more cost-effective and practical and to recognise the good things that farmers and growers are already doing.
- The scope of proposed changes to freshwater management is being considered, as part of the national direction work programme. You will hear from us in the coming months once we have approval from Cabinet to proceed. It is expected that new national direction will in place by mid-2025.

Regional Infrastructure Fund

- The Regional Infrastructure Fund is a \$1.2 billion capital investment fund that aims to build infrastructure for growth and resilience in our regions.
- Because the RIF is primarily a capital fund, funding support will be provided through a mix of loan and equity investments, and grants will only be available in very limited cases.
- The RIF will look for investment and co-investment projects that support the priorities of the regions themselves.
- RIF investment priorities include food production infrastructure and water storage projects.
- I encourage businesses, iwi, council and community groups in our regions to take advantage of the Regional Infrastructure Fund to build infrastructure for growth and resilience in their regions.