

SUBMISSION ON

National Organic Standard

16 June 2023

To: Ministry for Primary Industries (MPI)

Name of Submitter: Horticulture New Zealand

Supported by: NZ Kiwifruit Growers (NZKGI), Strawberry Growers NZ, TomatoesNZ

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Our submission

Horticulture New Zealand (HortNZ) thanks the Ministry for Primary Industries (MPI) for the opportunity to submit on the National Organic Standard and welcomes any opportunity to continue to work with MPI and to discuss our submission.

The details of HortNZ's submission and decisions we are seeking are set out in our submission below.

HortNZ's Role

Background to HortNZ

HortNZ represents the interests of approximately 5,500 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruit, and vegetables. The horticultural sector provides over 40,000 jobs.

There is approximately, 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain; and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

HortNZ's purpose is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand.



Executive Summary

Economic Analysis

It is critical that MPI conduct an economic analysis of the impact of the regulations on the organic sector. The sector is concerned that the new certification system will be prohibitively expensive for growers given the added cost of the new audit system. New Zealand could risk losing its organic sector altogether if the cost of complying with the new system outweighs potential profits. While organic growers believe in the environmental mission behind organics, they also have to earn enough money to support themselves, their families and their businesses.

Standard Specifics

HortNZ believes that the standard should align with existing New Zealand and international certification requirements that are already in use and trusted by our growers, consumers and trade partners.

We believe that the Standard needs to cover requirements for organic importers. It should also allow for containers for growing and selling seedlings if the soil and inputs meet the Standard. They may also be a tool to help organic growers in areas impacted by silt after Cyclone Gabrielle or a future natural disaster to earn an income while they rehabilitate their soil, which could take years. In addition, we ask that the Standard ensure that its rules for compost and contamination testing reflect the reality of an interconnected world that can never have guarantees of zero contamination. What is most important is that organic growers follow an agreed-upon practice to minimise pollutants.

HortNZ seeks the opportunity to comment in a secondary consultation once the entire Standard is drafted, complete with a Glossary of Terms and the supplementary notices.

Submission

1. National Organics Standard

The introduction of a specific standard will serve to protect the integrity of organics and support the well-functioning organics system in New Zealand. It will also position New Zealand on par with most other organic markets around the world (for example in Europe and the United States, a producer must be certified organic to market their product as organic). The New Zealand organic sector has been advocating for a regulatory regime for a decade, and this is an opportunity to create a fit-for-purpose regime which contributes positively to the organic sector by offering certainty to producers, trading partners, and consumers.

1.1. Alignment with Existing Certification

While a national standard is important to build consistency and trust into the New Zealand organic brand, new standards need to be both robust and workable for organic growers. Most organic growers in the country already follow BioGro or AsureQuality standards, which are detailed, fit for purpose, and already trialled and tested. It would be most efficient to adopt existing standards nationally rather than “reinventing the wheel”.

Switching to an entirely new standard will introduce unnecessary costs to organic growers as they recertify for the new system which has different restrictions.

The path forward with the least friction for growers, regulators, and certifiers is to adopt the standards that most growers are already using and work with the existing assurance programme for export - the Official Organic Assurance Programme (OOAP).

1.2. Consultation Process

Growers and the organic sector have consulted with MPI many times, emphasising repeatedly the value of using existing certification schemes and auditors to keep the organic system running smoothly. HortNZ has heard from these stakeholders that the regulations as drafted did not incorporate this feedback.

These regulations are a time sensitive matter. New Zealand’s national standards must be in place and functioning in time to negotiate a new equivalence with the European Union’s organic farming requirements by 2027 or else we run the risk of losing all organic trade with the EU.

That said, it is difficult to comment on the Draft Standard without the proposed supplementary notices or guidance content which will provide the real detail. HortNZ seeks the opportunity to comment in a secondary consultation once the entire Standard is drafted, complete with a Glossary of Terms and the supplementary notices.

1.3. Non-Duplication with Other Regulation

The Standard should not duplicate any requirements that already exist for all growers to avoid additional compliance costs. Content that overlaps with other regulation should be cross-referenced rather than duplicated to avoid conflicting requirements should that other regulation be amended. The Standard should reference existing Freshwater Farm Plan legislation since there is crossover between the two. The Standard should also seek alignment with the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (NESCS), the incoming National Policy Statement for Indigenous Biodiversity and other related national direction.

1.4. Outcomes Oriented

MPI describes their draft National Organic Standard as “outcomes-oriented”, but organics is widely accepted as a process-oriented certification. For consumers, trade partners and industry to have confidence in the organic label, it must be earned through precise technical requirements. This approach is internationally consistent, and it does not make sense for New Zealand to choose a definition of organics different from the rest of the world, given that we are primarily an export nation.

2. Commentary on the Draft National Organic Standard

In this section, HortNZ provides commentary about the written regulations, supplementary to the table outlining desired changes below.

2.1. Imports

The draft Organic Standard does not address whether imports to New Zealand can qualify as organic. The Organic Products and Production Act 2023 states that, “an importer, if the importer is also retailing the products that the importer has imported and that are described as organic” must be approved as an operator.¹ Thus, the Standard must provide for importers if they are going to be approved as operators.

There needs to be an equivalency standard between international organics certifications and our own because it is impractical to require international producers to comply with the New Zealand Standard. This is particularly important for ingredients that can then be used in New Zealand-produced organic processed goods.

The Official Organic Assurance Programme (OOAP) gives assurance that exports of organic products meet equivalency standards between New Zealand and trading partners, and it has been used for years, allowing us to trade organic products in North America, Europe, and Asia. The OOAP should be made explicitly equivalent with organics under the Standard since it has been operating as such internationally already.

¹ Organic Products and Production Act 2023, Clause 15(3)(a). [Organic Products and Production Act 2023 No 14, Public Act 15 Who must, need not, or may be approved as operator - New Zealand Legislation](#). Accessed online 15/05/23.

2.2. Container Growing

Under the given draft National Organic Standard, crops must be grown in ground soil, so the supplementary notices must be explicit in allowing plants that naturally grow in water. Watercress grows naturally in streams or mud, and it can be cultivated with its roots in water. The herb can be coaxed to grow in soil, but cultivating watercress outside of its preferred medium reduces the quality of the crop.² Watercress is an herb precious to Māori, especially due to its role in filtering the water of New Zealand's streams and creeks, a benefit to the connected ecosystem.³ It would be unreasonable to say that watercress can never be organic. The supplementary notices must be explicit about the acceptable conditions for growing plants outside the soil system. Growing crops in water is achievable with organic inputs and can reduce natural resource use while using less land area.

Some crops, like strawberries, are also unsuitable to grow organically at scale in the soil due to unrelenting pest and disease pressure. Strawberry growers are moving toward fully organic growing mediums such as peat and coconut coir that are sterilised and remove this pressure. Growing on a tabletop in a growing medium provides far better labour conditions for workers, allowing them to pick ergonomically rather than harvesting fruit at ground-level. The Standard should allow organic growing media, independent of soil and compost, for both these pest and work-safety reasons.

The Organic Standard should also keep in mind growing systems that are not yet popular in New Zealand that could be organic in the future. For instance, bioponics is a new method of growing indoors that uses "plant-based, animal-based and mineral inputs that require a biological eco-system to make nutrients available to plants," all while growing in containers.⁴ One example is aquaponics, which involves the use of fish which naturally excrete the nutrients needed by plants.⁵ Aquaponics can be considered part of the circular economy, where we raise our fish alongside our fresh produce to maximise the nutrient cycling and reduce natural resource use. Some limited aquaponics is already happening in New Zealand, raising eel, whitebait and koura alongside vegetables.⁶ Import restrictions on fish more commonly used in aquaponics could change in the future. To allow future growers to foster mutually beneficial ecosystems for plant products and fish without synthetic inputs, an avenue to develop aquaponics should be considered under the Standard.

In addition, containers are necessary for growing and selling seedlings. The Standard should be clear that seedlings are allowed in pots if the soil or compost in the pots meets the Organic Standard.

After Cyclone Gabrielle, there are regions of New Zealand that are still covered in anaerobic silt that may be contaminated from flood waters. Existing and new organic growers in the Hawkes Bay and Tairāwhiti Gisborne should be allowed to grow in containers to have a

² [Watercress • Herb Federation of New Zealand \(herbs.org.nz\)](https://herbs.org.nz/). Accessed online 12/05/23.

³ [Mātauranga Māori - that which is passed down – Science Learning Hub](#) Accessed online 12/05/23.

⁴ Archipley, et al. *Hydroponic & Aquaponic Subcommittee Report*. 21/07/16. Accessed online 04/05/23. [2016 Hydroponic Task Force Report.PDF \(usda.gov\)](#) (p. 16 of document, 130 of pdf)

⁵ Archipley, et al. *Hydroponic & Aquaponic Subcommittee Report*. 21/07/16. Accessed online 04/05/23. [2016 Hydroponic Task Force Report.PDF \(usda.gov\)](#) (p. 16 of document, 130 of pdf)

⁶ [Aquaponic Urban Farming | Aquaponics New Zealand | New Zealand \(aquaponicsnz.com\)](#) Accessed online 04/05/23.

source of income while they rehabilitate their soil and remove silt, a process that could take years for the earth to return to a healthy growing medium. Allowing this within the Standard is also a form of futureproofing for natural disasters to come.

2.3. Compost

Section 4.6.1 states, “Compost ingredients should be chosen from organic sources and/or on-farm sources where possible. Where ingredients for compost are sourced from off-farm, the operator must confirm all compost ingredients must comply with this Standard” (p. 20).

This standard seems to require that off-farm composting inputs have to come from another certified organic operation. Existing New Zealand organic certification schemes recognise that this is not always possible, and no other international organic standard has this requirement. Compost often includes inputs like arborist woodchips, bark, sawdust, and cardboard that provide necessary carbon but may not come from organic operations.⁷ Diverting food waste from landfill is also a government policy priority⁸, and the highest and best use for that waste is compost for further food production. More research is required to determine under which conditions these inputs are safe to use for organic growing, especially since generic household food waste may contain meat.

A suitable approach is for the Standards to identify substances of concern and likely sources of them (e.g. persistent organic pollutants, antibiotic resistant genes, heavy metals), and restrict some inputs but allow others on the condition that the compost is tested regularly for substances of concern.

Rather than blanket-banning these inputs, BioGro lays out a detailed seven-page guideline document for assessing ingredients for risk and ensuring they are properly composted. Certified suppliers who provide compost to organic growers are required to test their compost for risks annually.⁹ Certified producers making their own compost also have their composting procedures and ingredients assessed and approved by BioGro.¹⁰ These guidelines also recognise that the composting process neutralise some pesticide residues but cannot necessarily break down persistent herbicides like clopyralid.¹¹

In the United States, the “Soil fertility and crop nutrient management practice standard” under the Organic Production and Handling Requirements notes that producers must not use “composted plant and animal material that contains a synthetic substance” not included on the approved list of synthetic inputs for organic growing.¹² Detailed guidance of this kind seems a more reasonable approach than the blunt standard as written.

⁷ BioGro New Zealand. *Compost Guideline*. 21/11/19. Accessed online 04/05/23. [Microsoft Word - BioGro Compost Guideline .doc \(squarespace.com\)](#) (p. 2)

⁸ Ministry for the Environment. *Te rautaki para Waste strategy*. 29/03/23. Accessed online 10/05/23. <https://environment.govt.nz/publications/te-rautaki-para-waste-strategy/>

⁹ BioGro New Zealand. *Compost Guideline*. 21/11/19. Accessed online 04/05/23. [Microsoft Word - BioGro Compost Guideline .doc \(squarespace.com\)](#) (p. 6)

¹⁰ BioGro New Zealand. *Compost Guideline*. 21/11/19. Accessed online 04/05/23. [Microsoft Word - BioGro Compost Guideline .doc \(squarespace.com\)](#) (p. 6)

¹¹ BioGro New Zealand. *Compost Guideline*. 21/11/19. Accessed online 04/05/23. [Microsoft Word - BioGro Compost Guideline .doc \(squarespace.com\)](#) (p. 3)

¹² 7 CFR 205.203(e)(1) Accessed online 04/05/23. [https://www.ecfr.gov/current/title-7/subtitle-B/chapter-I/subchapter-M/part-205/subpart-C/section-205.203#p-205.203\(e\)\(1\)](https://www.ecfr.gov/current/title-7/subtitle-B/chapter-I/subchapter-M/part-205/subpart-C/section-205.203#p-205.203(e)(1))

The National Organic Standard should provide flexibility and accountability when it comes to compost and allow producers making their own compost to use non-organic inputs so long as their methods are approved by a recognised agency.

HortNZ seeks that Section 4.6.1 is revised to explicitly indicate a pathway toward using a wider variety of compost inputs and that supplementary notices or guidance content provide information at the same level of detail as the BioGro compost guidelines.

The MPI team behind this consultation should also ensure that they are communicating with the MfE waste team behind the Waste Strategy to seek alignment in writing policy for a circular economy, where household organic waste can be repurposed as compost to grow food.

2.4. Contamination

The Standard should restrict contamination based on a level that demonstrates the use of prohibited chemicals. Organic operations cannot control spray drift from neighbours or minor contamination brought by visitors from off-farm. As tests get more and more sensitive, the threshold for detection will get smaller and smaller. Some soils in New Zealand even carry natural trace amounts of nutrients that might trigger positive test results. It will never be possible to have zero contamination because we live in an interconnected world characterised by the movement of people and goods. Organic growers should not be punished because their neighbour is spraying. If that neighbour is causing contamination, they are liable under the Resource Management Act (RMA), but organic growers are not responsible for activities beyond their farm. This comes back to the widely accepted process-oriented approach to organics and what the consumer cares about - the operator's role is to demonstrate that they are not using prohibited inputs to show that their growing system is true to organic principles.

Submission on National Organic Standard

Without limiting the generality of the above, HortNZ seeks the following decisions on the National Organic Standard, as set out below, or alternative amendments to address the substance of the concerns raised in this submission and any consequential amendments required to address the concerns raised in this submission.

Additions are indicated by bolded underline, and deletions by strikethrough text.

Provision	Support/ oppose	Reason	Decision sought
Interpretation	n/a	The Standards need a clear definition of “organic” and other key terms. It is difficult to comment on the Standard without clarification of terms.	<u>Organic production seeks to produce food of optimum quality and quantity, by holistic management of productive ecosystems. This approach endeavours to make the ecosystems sustainable and non-polluting of the environment, while providing a sustainable income to the producer, families and communities.</u>
3.1 Scope Proposed Regulation content	Support in part	This section is too general. It needs a specific definition of organic, primary products, plant products, etc. The standards should cover imports of organic products, and there needs to be clarity about the rules around using imported ingredients.	<u>Introduce definition of organic and other key terms.</u>
3.6.1 Biodiversity Proposed Principle/Aim	Support in part	Not all operations have biodiversity, but they can be sustainably managed. Biodiversity requirements must be aligned with the incoming National	Organic production systems support the enhancement of natural ecosystems through managing biodiversity <u>and sustainability.</u>

		Policy Statement for Indigenous Biodiversity.	
3.6.1 Biodiversity Proposed Regulation content	Oppose	<p>The requirements around wild areas on adjoining properties have the potential to go beyond the realm of operator control and property boundary and should thus be removed.</p> <p>The requirements around maintenance work are far too prescriptive. Maintaining hedging is often required by Regional Councils to prevent spray drift, which may put the Standards as written at odds with local policies. This is particularly relevant for organic operations adjacent to properties with conventional practices to prevent contamination.</p> <p>As for ecologically diverse habitats, monoculture crops like organic kiwifruit can be grown sustainably while enhancing biodiversity.</p>	<p>...Environmentally sensitive areas must not be reconverted into agricultural land.</p> <p>Where practical, ecological corridors should be established or retained between wild or semi-wild areas, including wild areas on adjoining properties.</p> <p>Maintenance work within wild and semi-wild habitats, including operations such as hedge trimming, drain clearance and mowing of field boundaries must be carried out in a phased operation, maintaining some portion of the respective element undisturbed or untouched at any time.</p> <p>Ecologically diverse habitats must be maintained or enhanced.</p>
3.6.2 Soil health Proposed Regulation content	Support in part	The Standard needs to leave room for organic growers in Tairāwhiti Gisborne and the Hawke's Bay to maintain organic status while still managing the silt from Cyclone Gabrielle.	Healthy soil is a basis prerequisite for healthy plants, animals, and products.
3.6.2 Soil health Proposed supplementary notice or guidance content	Support in part	The language, as written, is too prescriptive.	Soil organic matter and soil structure are important of paramount importance, and should must be maintained or enhanced...

3.6.3 Water Management Proposed Principle/Aim	Oppose	The meaning of this sentence is opaque. All requirements for water management should be aligned with Freshwater Farm Plans.	Water management systems must be fit for purpose to ensure appropriateness for use.
3.6.3 Water Management Proposed Regulation content	Oppose in part	<p>These guidelines are too prescriptive and may already be covered by the National Environmental Standards for Freshwater 2020 and Freshwater Farm Plans. We need to avoid duplication with other compliance requirements as much as possible to avoid undue burden on growers.</p> <p>The BioGro standards go into detail about water supply and irrigation and could serve as a model.¹³</p>	<p>Water must be used efficiently by carefully matching water usage to crop or pasture requirements, the use of water budgets and the adoption of efficient irrigation practices and systems.</p> <p>Water use should minimise wastage and be recycled where appropriate...</p>
3.7 Managing risks to your operation Proposed Regulation content	Support in part	<p>Physical barriers are another option for mitigation of risk.</p> <p>In addition, not allowing inputs prohibited by this standard on site contradicts with split production requirements. Add a split production exclusion for clarity.</p>	<p>The operator must be able to demonstrate that sources of external contamination have been minimised.</p> <p>This may require:</p> <p>aa. the use of physical barriers;</p> <ul style="list-style-type: none"> a. the use of buffer zones; b. ineligibility of any affected areas for organic status for a period of time; or c. ineligibility of contaminated product to be labelled as meeting this Standard... <p>...Inputs not allowed under this Standard must not be stored within an</p>

¹³ BioGro New Zealand. *Module 9: Crop Production Standard*. 04/05/09. Accessed online 04/05/23. [Module 9 Crop Production May+2009.pdf\(squarespace.com\)](#) (p. 6)

			organic production site, <u>unless it follows split or parallel production requirements laid out by this Standard.</u>
4.1 Introduction and Scope Proposed Principle/Aim	Oppose in part	The language, as written, is too prescriptive. Some seeds or seedlings may be started in containers. Some plants like watercress are grown naturally in water.	This section covers plants and plant products grown in soil including seeds, propagation material, annual and perennial crops.
4.3 Environment Proposed Principle/Aim	Support in part	Crop rotation is not possible in orchards, which are included in "plant production."	Organic crop plant production should ensure crop rotation is varied and balanced to maintain and enhance long-term soil fertility and plant health.
4.3 Environment Proposed Regulation content	Support in part	The regulations need to be clear about what the options are when organic seed or plant material are not available. In New Zealand, most seeds are treated at the border for biosecurity purposes, making them not organic. It is impractical for all seeds to come from within New Zealand. This provision also seems to be in the wrong section - it should remain under 4.5 Seeds & Propagation Material.	<u>List the alternative options for sourcing seeds and plant material when organic is not available.</u>
4.3 Environment Proposed supplementary notice or guidance content	Support in part	The language, as written, is too prescriptive for orchards which need to mow orchard areas for vehicle access and to manage weeds to reduce plant competition for trees and vines.	<u>Where feasible, c</u> Companion plants and commercial crops (e.g., sward) should be diverse and include flowering plants...

4.3.1 Soil health Proposed Regulation content	Support in part	The language, as written, is too prescriptive.	The operator must put measures in place to protect and enhance the soil, and so that intervention to control weeds is minimised. there is minimal need for intervention to control weeds.
4.5.2 Variety Proposed Regulation content	Oppose	The language, as written, is too prescriptive and simplistic. It does not provide for tunnel houses, glass houses, or hot houses. There are many parameters that would be needed to judge this, including temperature, season, weather, soil type, topography and more.	Delete 4.5.2.
4.6.1 Source Proposed Regulation content	Oppose	There are many instances where non-organic inputs for compost may be appropriate, especially since potential contaminants can be neutralised by the composting process. <i>See section 3.3 of this submission for further discussion.</i>	Compost ingredients should be chosen from organic sources and/or on-farm sources where practicable possible. Where ingredients for compost are sourced from off-farm, the operator must confirm all compost ingredients must comply with this Standard.
4.6.1 Source Proposed supplementary notice or guidance content	Support	The supplementary notices should include a list of substances of concern and lay out a testing regime for those substances. It should also recognise that some substances of concern can be neutralised by the composting process. Furthermore, it should be in line with the Ministry for the Environment's waste minimisation policy programme.	Further details around on-farm composting methods, substances of concern, and acceptable inputs may be set out in supplementary notice/guidance.

		See section 3.3 of this submission for further discussion.	
4.7 Landless production systems Proposed Principle/Aim	Oppose	<p>The phrases “landless production systems” may have multiple interpretations. Clarify this section by defining and only using “container growing systems.” The phrase “without connection to the earth” lacks meaning since everything on this planet has a connection to the earth.</p> <p>The Standard must provide for crops that grow in water like watercress.</p> <p>The Standard needs to be written such that organic growers in Tairāwhiti, the Hawkes Bay and other regions impacted by extreme weather can continue to grow while rehabilitating soils from silt. This may require growing in containers for some time.</p> <p>The final sentence on inputs is too prescriptive.</p>	<p>Container growing systems Landless Production Systems are plants or plant products that are grown in a pot or container without connection to the earth.</p> <p>Container growing systems should be part of a holistic system that returns the soil based growing medium back to the soil.</p> <p>Inputs required to sustain the health of the plant or plant product in a container growing system are minimised, based on organic growing practices.</p>
4.7 Landless production systems Proposed Regulation content	Support in part	<p>The Standard should not be overly prescriptive, especially since container growing may be necessary for organic growers recovering from silt and slash due to Cyclone Gabrielle and other past/future extreme weather events.</p> <p>It is possible to grow in organic growing media like peat and coconut coir at scale without sprays or synthetic inputs, and these methods are often better for</p>	<p>Soil or compost used in cContainer growing systems (including microgreens) must be use soil or compost allowed in accordance with this Standard.</p> <p>Use of naturally derived growing media (e.g. sand, bark, moss, peat, coconut coir) is allowed in combination with soil or compost.</p>

		workplace safety and protecting the product from pests and diseases. This point is discussed in detail under Section 2.2 Container Growing in the submission above.	Only allowed products must be used in container systems for soil fertilising or conditioning. Perennial plants may be established in pots only until they are sufficiently robust enough to be planted out. In cases where perennial...
9.4.1.2 Inputs used for the purpose of plant pest, disease and weed control Proposed Regulation content	Support in part	Inputs can also be used to control pests that are harmful to pollinators or beneficial insects, not just plant pests and diseases.	Inputs used for the purpose of plant pest, disease and weed control:
9.5 Use of Inputs Proposed Regulation content	Support in part	Clarify who assesses the inputs and whether they need approval.	<u>Assign responsibility for assessment.</u>
9.5 Use of Inputs Proposed supplementary notice or guidance content	Support in part	The language, as written, is too prescriptive. This section should be clear about what information the operator must supply to the certifier.	1. justification for <u>reason for</u> necessity of use, and;