

SUBMISSION ON

Proposed suspension of unused and out-of-date IHSs

30 August 2024

To: The Ministry for Primary Industries (MPI)

Name of Submitter: Horticulture New Zealand

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OVERVIEW

Submission structure

- 1 Part 1: HortNZ's Role
- 2 Part 2: Executive Summary
- 3 Part 3: Comments to the proposed changes

Our submission

Horticulture New Zealand (HortNZ) thanks the Ministry for Primary Industries (MPI) for the opportunity to submit on MPI's proposed suspension of unused or out-of-date nursery stock import pathways and reformat of nursery stock import health standard and welcomes any opportunity to continue to work with MPI's import standards team and to discuss our submission.

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

This submission is supported by:

- New Zealand Persimmon Industry Council
- New Zealand Tamarillo Growers Association Inc.
- Onions New Zealand
- Passionfruit New Zealand
- Potatoes New Zealand
- Strawberry Growers New Zealand
- Tomatoes New Zealand
- Vegetable New Zealand

HortNZ's Role

Background to HortNZ

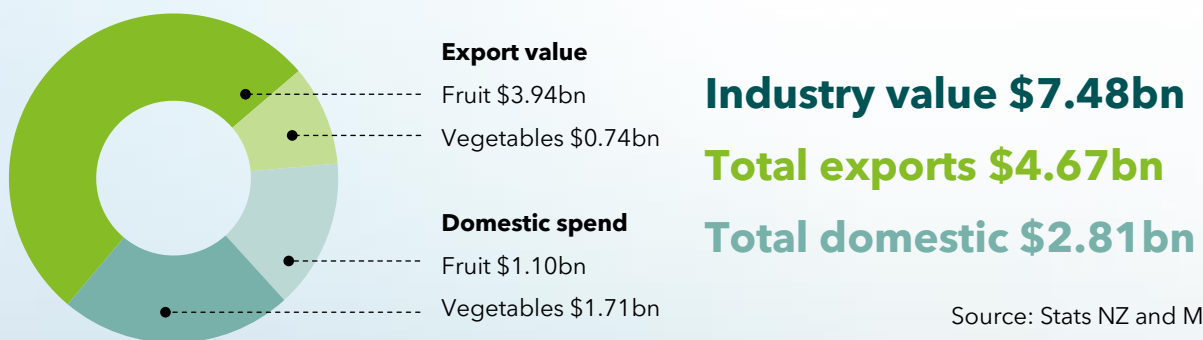
HortNZ represents the interests of approximately 4,200 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

There are 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.



HortNZ's Biosecurity Act 1993 Involvement

On behalf of its grower members, HortNZ takes a significant interest in biosecurity regulations, planning, and operations. As well as advocating on behalf of growers in discussions with MPI and other regulators, HortNZ and other industry groups also work to raise the awareness of fruit and vegetable growers about the roles they themselves can play in helping to keep their farms, orchards and wider New Zealand protected from unwanted pests and diseases.

Executive Summary

The Ministry for Primary Industries (MPI) is proposing to suspend or revoke a large list of species and genera listed in the *Import Health Standard (IHS) 155.02.06 Importation of nursery stock*. This is a strong signal that the current regulatory system and processes for plant importation are not working well.

1. HortNZ welcomes MPI's efforts to increase transparency on the eligibility of import pathways and the validity of current IHSs for all plant species and commodities.
 - a. As some of our members have experienced, because these pathways have fallen out of date, they are de facto suspended anyway.
 - b. Some sectors have put time and resource into planning to import nursery stock only to discover that the pathway they require has not been maintained and importation is not permitted.
2. HortNZ requests that those pathways where a sector has shown interest in importing nursery stock are removed from the list of pathways to be officially suspended and are instead prioritised for review and reactivation.
 - a. HortNZ notes that in this proposal MPI is indiscriminately listing all pathways where no nursery stock has been imported for 11 years as unused and therefore "inactive", and subject to the proposed suspension.
 - b. HortNZ requests that MPI makes a firm distinction between truly inactive pathways where there is no interest to import and those pathways where an industry has an existing or medium-term future wish to import nursery stock. HortNZ is willing to work with MPI and the affected horticulture sectors to discuss and agree on the status of each one.
3. HortNZ reminds MPI that their eight-point plan to double exports includes "innovation to create value". MPI are also a partner to the Aotearoa Horticulture Action Plan (AHAP), which provides a framework to double farmgate value of horticultural production by 2035.
 - a. Supporting the growth of horticulture sectors that currently generate \$100M or less per annum but that have the potential to generate more is one step towards achieving the targets in both those plans.
 - b. Suspending importation pathways that have not been maintained from a regulatory perspective will place a large barrier across the path to expansion for some of the smaller horticulture sectors.
4. HortNZ requests that rather than suspending inactive pathways, MPI engages in the work required to reactivate the horticulture pathways that the sector would like to use.
5. Further, on behalf of the broader horticulture sector, HortNZ would welcome the opportunity to work in partnership with MPI and other plant industries to ensure that New

Zealand's plant germplasm importation system supports innovation and sustainable growth for all plant sectors.

Submission

1. Introduction

MPI proposes the following changes to the IHS:

- Reformatting of the IHS to align the document to the format of more recently updated IHSs to increase readability and simplify import requirements.
- Increasing transparency on whether genera and/or species listed under this IHS can be imported or not due to out-dated biosecurity risk management measures.
- Identifying all species or genera of plants currently listed in the IHS where there is no interest or intention to import these now or in the foreseeable future, therefore currently unwanted import pathways. Maintaining the import pathways and biosecurity risk management measures requires resources that MPI proposes should be reallocated to important IHS review and development work. MPI proposes to ultimately revoke IHSs of unwanted species or genera and therefore remove these from the IHS permanently.
- Suspending an extensive list of species or genera within the IHS where associated biosecurity risks are considered not appropriately managed under the current IHS to enable importation. These IHSs and biosecurity risk management measures are considered out-dated and require substantial biosecurity risk assessment and review before importation can re-occur. MPI proposes to suspend these genera and species with the option to review and re-instate these IHSs if so requested, a process that is depended on the required risk assessment work and IHS review prioritization work program.

2. Comments on proposed changes

Horticulture New Zealand (HortNZ) welcomes the opportunity to provide feedback to MPI on the proposed changes to the import health standard (IHS) 155.02.06: Importation of nursery stock.

HortNZ understands that MPI considers the proposed changes to be of minor effect and do not alter the biosecurity risk management measures or other import requirements for any species, genera or commodity in the IHS, active or inactive.

2.1. Proposed reformatting of IHS

HortNZ supports MPI's proposal to update the formatting of the IHS 155.02.06 Importation of Nursery stock to increase readability and simplification of the import requirements and align the format with more recently updated standards. This will allow importers of nursery stock to follow a similar format throughout all plant germplasm commodities where a valid IHS exists.

It is important that all import requirements for each species or commodity is stated clearly, complete and can be followed in a logical way that prevents potential misinterpretation and uncertainties for importers. Ambiguity in the requirements that must be met in order to import may lead to unintentional non-compliance issues or costly delays in the importation process. We welcome an overall more user-friendly approach.

2.2. Increase overall transparency of available valid import pathways.

In general, HortNZ welcomes MPIs efforts to increase transparency on the eligibility of import pathways and validity of current IHSs for all plant species and commodities.

2.2.1. MPI MUST ENABLE IMPORTERS TO CLEARLY IDENTIFY WHICH PLANT SPECIES OR COMMODITY CAN OR CANNOT BE IMPORTED

It is important for importers of plant germplasm to know which species or commodity can be imported without extensive delays in form of substantial risk assessment requirements or IHS reviews that may take years to complete. Importing plant germplasm is an expensive and time-consuming process, given the need to meet all necessary biosecurity risk management requirements. In addition, importers must source suitable import material from reputable exporters, lodge permit to import applications, coordinate post-entry quarantine (PEQ) space and any subsequent steps following clearance into New Zealand.

MPI must ensure that importers of plant material are enabled to plan and coordinate all steps of the import process efficiently prior to commencing that process.

MPI should provide clear indication of the status of all species, genera, schedules or whole IHSs, and by extension whether any biosecurity risks on the selected pathway are managed or not.

2.2.2. MPI MUST DISTINGUISH BETWEEN SPECIES THAT ARE UNWANTED OR OUT-OF-DATE AND PROVIDE A MECHANISM TO RE-INSTATE PATHWAYS

HortNZ requests that MPI clearly distinguishes between species and genera that have been identified as unused and possibly unwanted for importation and those unable to be imported due to out-dated biosecurity risk management measures. There is a clear distinction between truly inactive pathways where there is no interest to import and those where an industry has an existing or medium-term future plan to import nursery stock but cannot due to inundated biosecurity risk management measures. In some cases, Industry and importers are waiting for years for IHSs to be considered for prioritization, let alone updated so that import can occur again. It is MPI's responsibility and obligation to maintain and update these import pathways and enable importation when there is clear interest and intention.

MPI must clearly specify the reasoning for the temporary suspension for each species or genera and provide options to timely re-instate an affected pathway. The status of each pathway should be discussed and agreed on between MPI and the affected industry sector.

HortNZ also notes that currently unwanted pathways, may not be unwanted in the future.

2.3. List of proposed species and genera to be suspended

HortNZ objects MPI's indiscriminately generalist approach to suspend or revoke approximately 75 percent of species and genera of the IHS. We understand the intention to identify species and genera unwanted for importation in the ¹foreseeable future to reallocate resources to areas where these are needed. MPI has a substantial backlog of IHSs awaiting update and review of import requirements on their work prioritization program, let alone those species or genera not yet included in that program. Many of these species are now proposed to be suspended. Several plant species have been identified where importation was attempted or intended but ultimately was not possible because MPI has not updated or maintained the necessary import requirement to appropriately manage the biosecurity risks.

MPI has compiled the list of species and genera using the criteria of inactivity of import pathways for a minimum of 11 years (since 2013), ignoring the fact that many of those inactive pathways are waiting to be reviewed and updated by MPI so the importation pathway can be actively used again.

It seems unlikely that simply suspending these species and genera will remove any measurable workload, let alone advance progress on reviewing and updating much needed pathways.

If MPI suspends all inactive import pathways indiscriminately, then we request MPI to prioritize horticultural species and genera that have been awaiting review for years finally re-activate these import pathways.

2.3.1. NEW ZEALAND HORTICULTURE INDUSTRY MUST BE ENABLED TO ACCESS INTERNATIONAL GERmplasm FOR SECTORS TO SUCCEED IN FUTURE.

While some horticulture sectors affected by the proposed suspensions rely on other pathways to obtain planting material for production (for example seeds for sowing or tissue culture, which are currently exempt from the proposed suspension) much of the horticulture industry is dependent on accessing new nursery stock to survive or grow. These sectors have shown clear interest and intention to import new plant germplasm recently. However, MPI has either declined their permit to import applications or discouraged starting that process based on out-dated IHSs.

2.3.1.1. Horticulture sectors that require access to new germplasm:

Persimmons - Diospyros kaki

The persimmon industry has a strong desire to import new nursery stock to breed more resilient crops. The industry is dependent on a single variety for commercial production which leaves it at vulnerable to pest pressure and biosecurity incursions, and for climatic conditions. The industry needs to diversify its commercially produced cultivars to become more resilient and meet market trends. A recent permit to import application has been

¹ Sector specific perspective of current development plans and future prediction over approximately a 10-year period. These predictions (of the foreseeable future) currently do not include the extensive lead in time for import processes and IHSs development but focus on global competitors and market demands.

declined by MPI on the basis of out-dated and inadequate biosecurity risk management measures on this pathway. It therefore requires substantial review. If this pathway is suspended, it is likely it will take a substantial amount of time, likely several years, before this IHS will be prioritized for review. Given that MPI has not maintained the biosecurity risk management measures on this pathway, the persimmon industry faces a significant delay in accessing new breeding material, threatening the survival of the whole industry.

Kumara - *Ipomoea batatas*

For several years, Kumara growers were not able to import new *Ipomoea batatas* germplasm due to the IHS being out of date. The kumara industry has been further adversely impacted by Cyclone Gabriel which devastated large growing areas and destroyed existing nursery stock. Recently, Kumara germplasm has been imported from a specified exporter to help with the Cyclone recovery efforts in a one-off manner under an exception made by MPI's chief technical officer (CTO). Given that the biosecurity risk on this particular import must have been assessed prior and appropriate risk management measures been put in place to enable safe importation, this pathway should be available for the wider sector.

Passionfruit - *Passiflora*

Access to new *Passiflora* germplasm is vital for the sustainability and survival of the New Zealand Passionfruit industry. Passionfruit growers are highly depended on gaining access to fungal-resistant or resilient passionfruit varieties. In recent years, the passionfruit industry has been devastated by the fungal disease passionfruit wilt (*Fusarium oxysporum* f. sp. *passiflorae*) and lost approximately half of its growing capacity and growers. The lack of any usable import pathway and the additional administrative burden for the industry if the pathway is officially suspended to be prioritised for the required risk management work to occur will further delay and discourage progress. Following a recent enquire about importing passionfruit germplasm, MPI has discouraged the importer of lodging a permit to import application due to the IHS being out-dated.

2.3.1.2. Horticulture sectors that want access to new germplasm in the foreseeable future:

Potato - *Solanum tuberosum*

*The New Zealand potato industry is currently investigating alternative options to import *Solanum tuberosum* germplasm. At this stage, potato germplasm can only be imported as tissue culture from a single exporting MPI-approved offshore facility. To future-proof the sector (i.e. to ensure access to potato germplasm in the event the current pathway might be interrupted) and to become less reliant on a single exporting facility, the industry wants to develop access to alternative pathways and commodities types.*

Tamarillo - *Solanum betaceum*

*The import requirements for *Solanum betaceum* (Tamarillo), under the genus *Solanum* on MPI's proposed list of inactive pathways require substantial risk assessment review. The industry has been highly impacted by biosecurity risks that entered New Zealand on other pathways. Therefore, tamarillo growers require access to new nursery stock material to obtain more resilient germplasm to overcome current pest pressure. Access to new genetics is*

therefore vital for the future development and survival of the Tamarillo industry in New Zealand.

2.3.1.3. ²Horticulture sectors that currently rely on other import pathways to access plant material for production:

Allium, Asparagus and Solanum

Currently, all species of allium, asparagus and solanum (except for *Solanum tuberosum* and *S. betaceum*) rely on importation of seeds through the seeds for sowing import pathway. Given the high biosecurity risks associated with other commodities like whole plants, cuttings or tissue culture, and the financial and organisational hindrance to gain access to these options, the industry is not able or has no intention to investigate alternatives for the foreseeable future.

Fragaria and Rubus

Both, *Fragaria* and *Rubus* are eligible for importation as tissue culture, a very active import pathway that is exempt from the proposed suspension.

While seeds for sowing are not part of this proposal, the industry signalled interest to explore seeds as possible option to gain future access to an additional import pathway.

3. Proposed changes are not aligned with strategic industry and government goals.

3.1. The proposed changes do not align with New Zealand's long-term goal set out in the Aotearoa Horticulture Action Plan

The Aotearoa Horticulture Action Plan (AHAP) sets up a framework for collaboration across industry, Māori, research providers and government (including MPI) to achieve the ambitious goal of doubling the farmgate value of horticultural production by 2035 in a way that improves prosperity for our people and protects our environment. The plan was developed collectively and creates efficiencies by allowing the partners to align efforts and investment towards common actions. MPI is a partner on the AHAP and actively contributes to its implementation.

Key priority 4.3 in the AHAP sets out the agreed aspiration to breed cultivars that meet future growing needs. Under this key priority there is an action to ensure 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.

The AHAP also sets out economic growth aspirations for all horticultural crops. These are:

² Note that this is the current sector perspective and may change in the future

- Secure New Zealand’s future global competitive position for ³Tier 1 crops (ensure that New Zealand leads in new technology and development domains for Tier 1 crops).
- Catapult ⁴Tier 2 crops to a world-leading position (build the scale needed for Tier 2 crops to become dominant in their category globally within 15 years).
- Support the rapid and effective establishment of ⁵Tier 3 crops (develop programmes to accelerate the performance and scale of Tier 3 crops at a regional level).

Cultivar development will be critical to meet market expectations, adapt to future growing conditions, increase food security and to move every crop toward the overarching AHAP goal of doubling farm-gate value by 2035. Usable import health standards for tier 1, 2 and 3 horticulture crops are required if we are to achieve the goals set out in the AHAP.

If MPI does not review and update IHSs for horticultural crops in a timely manner to enable access to economically vital germplasm, the goals set out in the AHAP are jeopardised.

3.2. Symptoms of a regulatory system for plant importation that is not fit for purpose

The proposal to suspend 75% of the importation pathways for plant nursery stock because the IHSs have not been maintained is a strong signal that the current regulatory system and processes for plant importation are not working well.

MPI’s recent eight-point plan to double export value explicitly includes “innovation to create value”. In sharp contrast, if MPI takes this proposal forward it will be actively stifling innovation across the broader horticulture sector.

HortNZ and the sector-specific product groups value both biosecurity and innovation. To adapt and grow, our industries need to have timely access to economically vital germplasm that does not pose undue biosecurity risks. However, the current IHS system is simply unable to do this across the board and, therefore, from a pan-horticulture perspective the system is not fit-for-purpose.

Currently, only a few industries have a voice into strategic decision regarding plant germplasm importation. This is inequitable, it is preventing transparency, and it is eroding trust. HortNZ would like to work in partnership with MPI and other plant industries to ensure that New Zealand’s plant germplasm importation system supports innovation and sustainable growth for all plant sectors.

³ Tier 1: generate close to or over \$1 B annual FOB value (large, sophisticated, world-leading, with strong integrated pest management and proprietary cultivars, etc.)

⁴ Tier 2: generate more than \$100 M annual FOB value (have some of the above attributes, but not all)

⁵ Tier 3: generate less than \$100 M annual FOB value (emerging and small-scale crops)

