

Part 2 - Issue 2: If a mandatory standard is chosen, how should we check that relevant businesses meet the standard?

Option 2A: Ongoing verification for all organic businesses

I prefer this option as long as it includes PGS and that there are low cost options like provided by OFNZ and that the process is made as simple as possible while still meeting the established standards.

Option 2B: Spot check verification for all organic businesses

Do not like this option.

Option 2C: Ongoing verification, with limited exceptions

I am not keen on the idea of there being any exceptions. I don't see "not produced in an organic way" as being a "risk". Organics as stated previously in the document is about "processes" that have less impact on the environment and create less contamination of the environment and the product. These processes need to be verified and therefore low-cost systems of verification will need to be developed by MPI. Without mandatory verification the idea of "certified organic" loses any credibility with the consumer.

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s 9(2)(a)

From: Marion Wood s 9(2)(a)
Sent: Monday, 11 June 2018 3:31 PM
To: Organics Consultation
Subject: submission on regulation of organics
Attachments: submission regarding mandatory regulation of organics.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

Kia ora,
Please find attached the submission of the Organic Traders Association of New Zealand regarding mandatory regulation of organics.

Warm regards

Marion Wood
Executive Director

commonsense

PO Box 19287
Wellington

s 9(2)(a)

www.commonseorganics.co.nz

Submission on the proposal to regulate organic production

This submission is made on behalf of the Organic Traders Association of New Zealand (OTANZ). The aims of the Association are as follows:

1. *To support organic traders*
2. *To foster and develop trade in certified organic produce and products*
3. *To provide a forum for organic traders, especially organic retailers, to discuss issues of common concern and interest.*

Members of the Organic Traders Association include:

Commonsense Organics, (organic retailer, Wellington and Auckland)

Ceres Organics, (organic wholesaler, New Zealand and international)

Trade Aid (Fair Trade wholesalers and retailers)

Fresh Direct (organic wholesaler)

Huckleberry (organic retailer, Auckland and Tauranga)

Naturally Organic (organic retailer, Auckland)

IE Produce (organic retailer, Auckland)

Cornucopia (organic retailer, Hastings)

Organic Living (organic retailer, Palmerston North)

Piko Wholefoods (organic retailer, Christchurch)

Taste Nature (organic retailer, Dunedin)

Soulfood Organics (organic retailer, Wanaka and Queenstown)

This submission has been prepared by the Chair of the Organic Traders Association, Marion Wood. Marion is co owner of Commonsense Organics.

Part 1: Introduction, purpose and context

1. Do you agree or disagree with the proposed scope? Are there any other products, for example aquaculture products, that should be considered? Please specify.

The Organic Traders Association of New Zealand (OTANZ) agrees with the proposed scope, but recommends the addition of aquaculture and cosmetics.

2. To what extent do you agree with the description of the current context for organics? Please explain why.

We agree. The market information shared is accurate as far as we can tell.

3. To what extent do you agree with the description of the current regulatory environment for organics? Please explain why.

The Organic Traders Association agrees with the description of the current regulatory environment. OTANZ operates a group certification scheme for our members in

conjunction with BioGro and we are aware that the BioGro standards were heavily referenced in the development of NZ Standard 8410.

4. Do you agree that this is a good opportunity to change the way organics are currently regulated in New Zealand? In your opinion, what needs to change? Please explain why.

The Organic Traders Association agrees that this is a good way to change the way organics is currently regulated. As certified organic traders we are aware that the growers we deal with are unfairly competing with companies that are not necessarily selling genuine organic products. In order to ensure that our customers are not confused by the lack of regulation of the use of the word 'organic' we have developed our own voluntary labelling system which our members adhere to, which distinguishes between growers and processors who have organic certification and those who do not.

The development of a mandatory system would enhance the trust that we have already developed with our customers.

5. Do you think that the appropriate objectives for a new organic regime have been identified? What would you suggest a new regime should achieve? Please explain why.

We note that the objectives for a new organic regime are as follows:

- Consumers have confidence in the way organic products are produced, and a variety of products to choose from;
- Businesses have regulatory certainty to invest and innovate in organic products;
- New Zealand's regulatory regime is effective at enabling trade in organic products;
- The regulatory regime has flexibility and is simple to understand and administer; and
- The costs to businesses and consumers are proportionate to the overall benefits.

The Organic Traders Association agrees with these principles, but would like to see retail added to the first objective. It would therefore read

- Consumers have confidence in the way organic products are produced **and retailed**, and a variety of products to choose from;

In addition we have some concern as to the application of the final objective. In particular we would not like the mandatory regulation of organics to result in another layer of compliance costs to current licensees.

In an ideal world we believe that it is the farmers, growers and retailers who are not organic who should be certified, as there is likely to be a far greater danger to the environment and to the health of New Zealand's population from industrial farming and processing, than from organics. We recognise, however, that such moves are probably a little before their time.

Part 2: Options for how a new regime for organics could work

6. Do you think that a standard setting out requirements for production methods would be best suited to organic production? Please explain why.

Organic Certification requires transparency the whole way through production, and audits are carried out to analyse every aspect of this. Because of this, a standard setting out requirements for production methods is best suited to organic production.

Issue 1: Should a new standard be voluntary or mandatory?

7. Do you think that the correct options have been identified? Are there alternative option(s) that should be considered? Please describe.

There are no other alternatives we believe should be considered.

8. Are there positive or negative impacts of any options that are not described? Please describe any impacts that we've missed.

We believe that the positive and negative impacts have been well described. We are most concerned about the possible negative impact on small growers and processors.

9. If a standard became mandatory for all organic operators, what would be the positive and/or negative impacts on you or your business?

Most of our members have BioGro certification and we would expect that we would not have to be recertified. As a group we already implement a labelling system distinguishing between products that are certified organic and those that 'contain organic ingredients'. It is currently up to us to verify the claims of the processors so we would support a tightening of regulations for these products. We do, however, have some concern that this would lead smaller processors to put organic ingredients in the 'too hard' basket. We often encourage small companies who want us to sell their products to source organic ingredients as much as possible. If this, however, leads to additional compliance costs they would just stop doing it. For this reason we are very keen to ensure that additional compliance costs do not fall on small fledgling businesses.

10. To what extent do you support or oppose the use of a logo to help distinguish organic products from non organic products? Please explain why.

The word organic should mean the product is certified organic. We do support a national logo as long as it is not used to replace the current organic labels. Reputable companies like BioGro are fully established and well respected on our shelves. They have earned this respect because of their integrity and their constant vigilance and opposition to the

'watering down' of organic standards that has happened in some countries. It is vital that companies like BioGro continue to maintain this role.

Issue 2: How should we check that relevant businesses meet the standard?

11. Do you think that the correct options have been identified? Are there alternative option(s) that should be considered? Please describe.

On the basis of what we know has been tried and tested overseas, the options identified are substantial enough.

12. Are there positive or negative impacts of any options that are not described in the above section? Please describe any impacts that we've missed.

The Organic Traders Association is concerned that the process described in the position paper could lead to a doubling up of auditing requirements with a concomitant increase in compliance costs.

We would like to see a continuation of the organic certification and auditing regimes currently in place. We do not consider it necessary for a separate auditing system by government, particularly for domestic certification. In our view this role can be delegated to existing certifiers, rather than expecting individual organic businesses to pick up more compliance costs. In this scenario the government would audit the certifiers, which would simplify the system and reduce costs.

13. If ongoing verification (with limited exemptions) was used to check compliance, what would be the positive and/or negative impacts on you or your business?
As above

14. If some businesses were not required to be verified on an ongoing basis, what do you think the criteria for exemption could be? For example, method of sale, annual turnover, volume sold, others...

The Organic Traders Association agree that a combination of the approaches outlined should be required for an exception to be made. It is important to ensure that a procedure is in place to assess the validity of the claims made by the businesses.

Annual total turnover, not only organic turnover should be assessed. If there are multiple companies held by a single individual this would not be allowed to have an exception.

Summary of Proposals

15. To what extent do you support this combination? Please explain why.

We support this combination as a preferred method in the implementation of a National Standard. Mandatory compliance is important to ensure that we are getting the most of what a National Regulation should be and that is transparency and clarification for the nation and for export opportunities. Ongoing verification is crucial to ensure that the quality of this precedent is always being maintained however the limited exceptions aspect takes into consideration the smaller companies and avoids any exclusion where possible.

We envisioned that the OFNZ style PGS system or the Demeter style audit system would be recognised as organic.

16. What changes or impacts would this combination of options involve for you and/or your organisation?

As currently organically certified businesses our members hope to see limited changes or impacts with the options outlined. We currently meet BioGro standards that are of the same level as those being proposed, and this is something we would like you to take into consideration.

17. What would be your preferred combination of options? This can include any listed options and any other possible option not listed.

We would like to see a continuation of the organic certification and auditing regimes currently in place. We do not consider it necessary for a separate auditing system by government, particularly for domestic certification. In our view this role can be delegated to existing certifiers, rather than expecting individual organic businesses to pick up more compliance costs. In this scenario the government would audit the certifiers, which would simplify the system and reduce costs.

Part 3: If needed, Proposed Features of Empowering Legislation

18. Have the powers required to implement a new regime been correctly identified? Are there any other components you think would be necessary?

An additional point to note as mentioned before is to allow for an easy process for those already certified to respected standards, what would be the proposed method of this?

We do not think that MPI needs to implement a recognised persons scheme, only a recognised agencies scheme under ISO17065 as the EU / UK certifiers use.

We feel that an expert panel made of industry representatives and recognised agencies should be funded from the fees MPI charges for exports.

19. Do you have any comments on the range of proposed compliance and enforcement tools?

Non compliances should be recognised for the risk factor that would then determine what action should be taken as a result. Minor non compliances and a first offence should not be handled the same as a major non compliance from a repeat offender, for example. It is possible and should remain so that major repeated faults can lead to decertification of a company completely and be red flagged as so.

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[Not relevant to request]

From: Lauren H s 9(2)(a)
Sent: Monday, 11 June 2018 3:24 PM
To: Organics Consultation
Subject: Submission
Attachments: MPI Organics Submission.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

Hello there,

I have attached my submission on the proposals for organic legislation.

Many thanks,

Lauren Hunter

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Submitter Details:

Name: Lauren Hunter

Contact phone number s 9(2)(a)

Email address s 9(2)(a)

Submission:

Issue 1: Should a new standard be voluntary or mandatory?

I completely agree with MPI's preferred option (1C) to create a mandatory standard for all organic operators. The only way that organics will truly work in New Zealand is if we create a mandatory standard in which everyone who claims their product is 'organic' is actually organic. In my opinion, voluntary standards will plainly just not work. If we have a voluntary approach to organic regulation, it will continuously be exploited by those supposedly 'organic' businesses who want to make a little bit more profit from consumers who they know pay a premium for organic products. Ultimately, anyone who owns a business is primarily in it to make money. If businesses can see an opening for making a bigger profit, then they will do it at the expense of being a trustworthy and honest producer to those who are purchasing their goods. Being brought up on a certified organic farm, I personally do not want these greedy businesses to give the organics community a bad name and to make the consumers feel that they are not getting the product they thought they were purchasing. Being certified organic is quite challenging, with so many loopholes that you have to climb through, and as a consequence, I commend any business who decides to endure the process of being 'organic'. I therefore believe that if any business, no matter how big or small, really wants to use the word 'organic' in any of their products, then they have to comply with the national mandatory standard.

Issue 2: How should we check that relevant businesses meet the standard?

I completely disagree with MPI's preferred approach to have ongoing verification with limited exceptions (2C). In order for the mandatory standard to really work in New Zealand, all businesses who claim to be complying with the organic standard must prove their compliance to the standard. This new standard needs to be extremely transparent and consistent, otherwise exploitation of the word 'organic' will be inevitable. It is all very well having a mandatory standard, but all organic businesses, no matter how big or small, must prove they have complied with this standard through some external auditor, or else creating the standard is just a waste of time. Having worked at the local Farmers Market for my parent's certified organic business over the last 15 years, I have found that the best way to prove to your consumers that you are what you say you are, is to show them the certificate of compliance from the external organic auditor. I therefore believe that any supposed 'organic' producer should have to label somewhere on their product that they have been audited externally and have therefore complied with the national mandatory organic standard. Such compliance to the mandatory standard should occur on an annual basis by an external auditor, rather than being completed on a spot check basis. There is no certainty when an organic business would be audited through the spot check process, and I personally believe that any longer than a year between audits is too long. We need to continuously prove the authenticity of our organic businesses to our consumers so that they actually feel that they are purchasing the product they thought they were, and I believe an annual audit for all organic businesses is the best way to achieve this. In my opinion, our

consumers are our biggest asset and liability. We need to always provide our consumers with an organic product which we are 110 percent honest about, which we can prove through an auditing process, because if we are not honest, then the consumer will stop purchasing organic products altogether and this will have a huge impact on the entire organics community.

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From: Fraser Cranston s 9(2)(a)
Sent: Monday, 11 June 2018 3:35 PM
To: Organics Consultation
Subject: Organic Regulation

Follow Up Flag: Follow up
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MPI
New organic regulation.

PROPOSED CHANGES TO ORGANIC REGULATION

I believe that the whole process is upside down.
It should be all users of chemical inputs prove that the chemical content of their produce is within acceptable levels.
Someone must officially do these tests as there are some alarming levels of contamination found by independent labs in so called safe produce.

If you do not look you won't find.

Question /1

The proposed scope
Not broad enough. Could call it a start point. Should apply to all goods sold or traded in NZ with ORGANIC LABEL or with the new NZ standard displayed. Including imported goods and produce.
How does the shopper know what the organic standards are for foreign countries selling here?

At the moment we have a totally confusing situation with organics. About 6 standards in NZ and many so called organic standards from other countries.

What a mess.
Yes, aquaculture should be included.

Question /2

Why is the demand for organic products growing so fast?
Is it that people just want organic goods and produce? I believe that the big driver is that people do not want chemically and G E contaminated produce and goods. Consumers are now becoming aware that their nutritional consumption is often directly related to their health status.
People are waking up.

Question /3

A NZ standard is a very good idea for the domestic market. The current situation is very confusing to the buyer.
There needs to be clear distinct labeling and the NZ standards protocol should be easily accessible to the buyer.
There should be a minimum size for print of ingredients and standards.
This should apply to all goods and produce sold in NZ including imported goods and produce.

Could current certifiers be contracted to administer the program.
Current organic programs could continue by removing the word ORGANIC or NZ ORGANIC. Instead use BIO GROW certified), for example.

Question /4

It is 20 years late . better late than never.

Yes it is time to get this sorted.

All goods and produce sold in NZ must comply with one organic standard if they carry organic labeling.

If imported goods or produce comply with other organic certification and does not meet the NZ standard it must be labeled...DOES NOT COMPLY WITH NZ STANDARD... with a minimum print size . It must be very easy to read.

Question/ 5

The current system is a confusing mess. Many standards that most people do not understand . Let alone the difference between the different standards.

We need one NZ ORGANIC STANDARD. The protocol for this standard must be freely available to all. Must be transparent.

It must be done right for so growers, producers and buyers want to use and rely in this new system.

Ideally a world standard is what we all want .

Trouble is each country has its own pedantic rules. Can be a form of trade barrier.

If we have a standard that complied with all the other organic standards it would put NZ at a major disadvantage in overseas markets because of compliance costs.

Question /6.

We are what we eat .

This applies to all things . Plants, animals, Processed goods.

This is why it is of grave concern that we find glyphosate and other chemicals in our food.

This is why we find GE in imported stockfeed that we feed to our chickens, pork dairy..

Is this what we want for our country? Is this what we want to be exporting?

Toxins in toxins out. Chemicals in chemicals out. GE in GE out.

This is why it must have a process based system.

I support option C.

All goods sold or traded with an organic label must comply.

Other standards operating alongside the new standard should be clearly labeled as non compliant.

There is great need for a clear understanding around the term ORGANIC.

Question /7

I do not have the knowledge or foresight to say that I know all the options.

Question /8

I have tried to cover some of these above. It is very important to get this right. Take the time and consult with all parties involved.

I am very disappointed that we were given such a limited time for this process.

Question /9

Clarity for growers, consumers and processors.

Done properly it could reduce compliance costs.

The government must carry some of the cost as this process is only necessary because of the chemicals and toxins they have allowed into our food and products..

Question/10

A logo is essential and must be well promoted alongside the detail of what it stands for.

Option 2 A is the best option. Should not cost any more than current compliance. Should reduce if there is good uptake of this new standard rather than 1 through six different standards..

Question 11.

I do not have the knowledge or foresight to answer this.

Question 12

Must be provable, traceable and understood by all that are involved.

At the moment anyone can claim organic status with little or no justification. This is confusing for buyers and unjust for compliant producers.

Question 13

All exemptions create confusion. It is not compulsory to be organic it is a choice.

Question/ 14

As above.

Question /15.

About 70 % I believe it should apply to all organic goods and products sold in N Z.

Will have little to no impact on exported goods and produce as most countries will comply with their own standards as they should until such time there is an international standard.

Question /16

If it is done right, little or no thing significant.

Question /17

To include all organic goods or produce sold or traded.

Not to focus on the export markets at this point. However if we have a good and stable domestic standard it will be simpler to adjust our export standards and for importers to see what adjustments they require for their market.

PART 3

/1

Should run parallel to existing standards with a clear distinction like ((N Z Organic standard)) A Q Certified.. Biogrow Certified. Ect.

A good place to start but must include all goods and produce sold in N Z carrying the word organic Including hair/body products, household cleaners etc.. Everything.

2/

Include everything claiming organic status.

The standards rules must include production, processing, and distribution..

3/

Yes contract existing certifiers to carry out the certification process.

4/

Yes that's OK.

Remembering that the driver for organics is people wanting food and goods that are not contaminated by harmful chemicals and toxins including G E.

Therefore the driver for this process is directly related to the fact that governments have allowed so much of our food and other goods to be contaminated.

It is time a government took responsibility for their shortcomings.

Meet the costs.

5/

Forget overseas standards. This could in effect become a trade barrier because of unnecessary costs.

Every country has their own little quirks for their organic standards. It is unrealistic to include them all. Set a good responsible standard as a base. Growers and processors can then adjust their operation to fit the market they wish to target.

Unfortunately I do not have the time available to complete this process.

I think it is very important to clarify and simplify the current mess.

It is very important that we get it right. This has the potential to be a great success and have a massive uptake. Creating clarity and understanding about organics if we get it right.

If we get it wrong we could end up with a bigger mess than we already have.

We are organic dairy farmers in Northland

A 3 Employees.

B Organic dairy farming.

C N O P CERT DAIRY

D Meat and dairy.

E To processor, some may be exported.

If we are going to do a N Z standard which I believe is very necessary do it once and do it right.

Must provide certainty to all parties including the buyer.

Must include all goods and produce that carry an organic label.

We can't have two or more products called organic all to completely different standards as we now have.

Regards

Fraser

From: Heli <heli@helixorganics.co.nz>
Sent: Monday, 11 June 2018 3:43 PM
To: Organics Consultation
Subject: Submission responding to MPI Discussion Paper No: 2018/09
Attachments: Helix Organics Submission 110618.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

Dear Sir / Madam,

It is our pleasure to send our submission regarding the proposed changes to the way organic production is regulated in New Zealand.

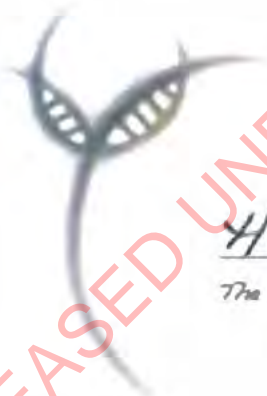
Kind regards,

Dr Heli Matilainen

Director

Helix Organics Ltd

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Helix Organics
The science behind the food you trust

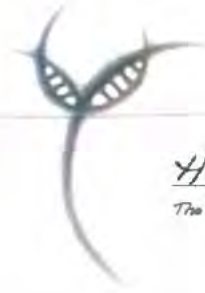
Dr. Heli Matilainen
Director

Helix Organics Ltd
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www.helixorganics.co.nz

11th June 2018

Wellington, New Zealand



Helix Organics

The science behind the food you trust

To: the Ministry of Primary Industries

Re: Organic Consultation

Thank you for the opportunity to respond to your consultation on whether New Zealand would benefit from an organic regulation.

Helix Organics is an expert support services provider in the area of organic certification in New Zealand. We support our clients in meeting the relevant organic standard requirements and obtaining organic certification for their products and operations, domestically and for overseas markets, as needed.

We in general fully supports MPI's preferred options, which will lead to the development of an Organic Act and supporting regulations. This will include regulating organics and defining a mandatory, single national standard.

In doing so, this would align New Zealand with international best practice for protecting organic products, provide all customers and consumers with assurance, and place New Zealand in the best position for international trade negotiations.

Once New Zealand has appropriate organic legislation, it would have a positive impact for all of New Zealand by:

- protecting the term and use of organic
- providing security for those seeking to invest in the sector
- assisting with the provision of other environmental claims
- aligning New Zealand's strategic direction as a country that provides value to quality products.

Helix Organics Ltd

P: (04) 384 5358

www.helixorganics.co.nz

Our answers to the relevant consultation questions can be found below:

Part 1: Introduction, purpose and context

1. We fully support regulating the term organic in New Zealand. This is important because it gives consumers trust and also supports genuine organic operators and their business. In regard to the scope, we would like to see organic standards established first for the core products, e.g. primary and processed products, including food and beverages from agricultural origin. Textiles, such as wool, could be included to this scope at the beginning, as the international standards are already established and the area is important for New Zealand. Health and bodycare as well as aquaculture could follow later; in the case of aquaculture, after the international standards situation has been clarified.

4. We support the development of a single national organic standard, which would define the minimum requirements that the regulated organic produce needs to meet. In our opinion the standards should cover domestic market and exports. However, imports should be based on equivalence agreements. It is very important that the national organic standard be approved in the *IFOAM- Organics International Family of Standards*.

5. We support the five objectives summarised under the section 'What we think an organic regime should achieve'. We would like to add that it is important to have suitable verification options for small-scale producers and businesses, to ensure that those who wish to become organically certified can do so, regardless of scale.

Part 2: Options for how a new regime for organics could work

6. The New Zealand national standard for organic production should clearly be a process-based standard; this is the commonly used approach overseas. Process-based standard compliance would be easier to verify than end product-based standard. In addition, a process-based standard decreases risks for organic operators, as there is always risk, for example, from spray drifts.

15. We support the option 1C: mandatory compliance for all relevant businesses/ 2C: ongoing verification, with limited exceptions. However, we would like to add that for 2C 'independently verified' should include third party verification as well as PGS system or

similar to accommodate small scale operations.

* * *

New Zealand has, due to our unique geological location, an opportunity to become known as the leader of international organic community, possessing the highest organic standards and producing the purest organic produce in the world. This would be a unique selling point to respond to the ever-increasing demand of organic and GE-free produce worldwide.

We fully support MPI in working towards this goal.

Please keep us informed of the development of this important work.

Yours sincerely,



Dr Heli Matilainen
Director
Helix Organics
heli@helixorganics.co.nz
04 3845358

s 9(2)(a)

From: Penelope Peirce <[REDACTED]>
Sent: Monday, 11 June 2018 3:43 PM
To: Organics Consultation
Cc: Andy Goodwin
Subject: Fonterra submission on MPI discussion paper 2018/09 Would NZ benefit from new organic regulation
Attachments: 18 06 11 Fonterra Cooperative Group Ltd Submission on Organic certification regime FINAL.pdf
Follow Up Flag: Follow up
Flag Status: Flagged
Categories: To put in submission database

Good afternoon,

Please find attached the Fonterra submission on the MPI discussion paper regarding a new organic regulatory framework.

If you have any queries relating to the submission please don't hesitate to contact me.

Kind regards,
Penny

Penelope Peirce LLB, BSc

Regulatory & Market Access Specialist – New Zealand Standards
Quality Assurance Technical & Regulatory Compliance

Fonterra Co-operative Group Limited

s 9(2)(a)

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Fonterra Co-operative Group Limited Submission on:

MPI Discussion Paper No: 2018/09

Would New Zealand benefit from new organic regulation

11th June 2018

Fonterra Co-operative Group Limited

Fonterra Co-operative Group Limited (Fonterra) appreciates the opportunity to work collaboratively with the Ministry for Primary Industries (MPI) in support of the New Zealand dairy industry and to protect and build on New Zealand's reputation as a world class producer of safe food.

Fonterra is owned by around 10,500 New Zealand dairy farmers. Fonterra and its subsidiaries (collectively, the Fonterra Group), has a global supply chain that stretches from Fonterra's shareholders' farms in New Zealand through to customers and consumers in more than 100 countries. Collecting more than 20 billion litres of milk each year with around 18 billion litres sourced from New Zealand, the Fonterra Group manufactures and markets over two million tonnes of product annually. This makes the Fonterra Group the world's leader in large scale milk procurement, processing and management, with some of the world's best known dairy brands.

General Comments

- 1 Fonterra appreciates the opportunity to provide input into the discussion on whether New Zealand would benefit from new organic regulation. Fonterra's view of a proposed new regulatory regime for organic production in New Zealand is supportive, and Fonterra sees value in aligning with our key trading partners on the regulatory framework for organic production. Feedback on the key questions posed in the discussion document are contained below.

Specific Comments

2 Proposed scope:

Fonterra agrees with the proposed product scope of organic regulation in New Zealand. When it comes to developing the regulatory framework itself, Fonterra suggests creating an industry working group to review the proposed regulations with MPI, to ensure that the framework is practical and aligns with the current regimes operating under the OAP. For example, Fonterra would like clarity on whether the use of antibiotics would be acceptable, as this is not clear from the bullet pointed examples in part 1 of the discussion paper.

An example of an approach taken by MPI to create a new regulatory regime which provided a positive outcome was the creation of a Halal regime for the dairy industry. The MPI Notice was collaboratively worked on by MPI and dairy industry members. Fonterra suggest that this approach be adopted for organics.

3 Demand for organic products increasing:

Fonterra agrees with the context provided in the discussion document around the demand for organic food.

4 Current regulatory environment for organics:

Fonterra generally agrees that this is an accurate reflection of the current regulatory environment for organics. Fonterra agrees that the AsureQuality standard is a private standard in that it is not set by the Government directly. However, it is different from all of the other listed private organisations in that it is owned by the Government.

5 An opportunity to improve the current regime:

As MPI has stated in the discussion paper, the uptake of a voluntary standard has not been widespread. Therefore, Fonterra views the proposed changes to the regulatory regime most effective if it is made a mandatory standard rather than voluntary. A mandatory regime lends itself to providing the biggest improvement, as it will give a better position to negotiate equivalence with other countries. It will also have the biggest impact in rationalising the current regulatory regime which operates several private standards. To move to one standard would provide the simplest regulatory regime for organics and is therefore the best option from Fonterra's point of view.

6 Objectives of an organic regime:

Fonterra agrees with the objectives outlined in the discussion paper, and would place emphasis on the need to effectively enable trade in organic products. The biggest positive impact that Fonterra sees in a change to the regulatory model is the opportunity to improve the recognition of the organics regime with major trading partners, in particular the USA, where the lack of a comprehensive agreement leaves organic exports vulnerable to a change in the USDA NOP. Therefore, when establishing the regulatory regime, it should be robust enough to enable these trade benefits with large organic markets such as the USA, as this is where the largest improvements to the current regime can be made.

7 Is production standard setting the best fit to regulate organics?

Fonterra agrees with the recommendation that a regulatory regime be production based rather than outcome based, as it is important for New Zealand to be aligned with the international approach to regulating organics. This also aligns with the current certification regime, as described in the MPI discussion paper (although there are multiple standards that can be followed currently).

8 Issue 1: Should a new standard be voluntary or mandatory?

8a. Have all applicable options been identified?

Yes, Fonterra cannot see any further options.

8b. Are there positive or negative impacts of any of the options that are not described?

Fonterra believes that the summary provided of the potential impacts is accurate. But that there is an additional potential opportunity for cost savings associated with verifiers (e.g. AsureQuality) in not needing to maintain their own individual standards should one mandatory standard be put in place.

8c. If a standard became mandatory, would this have a positive or negative impact on your business?

This would have a positive impact on Fonterra's business; as previously stated it is anticipated that a mandatory production standard will have the greatest impact on trade. A mutual recognition agreement reached with China because of an aligned organics regime is estimated to provide a saving of approximately \$50,000 in the first year.

The positive impacts on Fonterra's organic trade with the USA would be significant as well. Should a mandatory regime be put in place in New Zealand that enables mutual recognition with the USA, there would be significant risk taken out of organic trade with the USA. This is because currently organic trade is dependent on meeting the USDA NOP, so any changes to the NOP create risk for New Zealand organic exporters.

There are significant benefits to be made in consumer recognition and protection as well under a mandatory regime. The robustness of a mandatory regime is the preferred option both as a trade enabler and from a consumer confidence perspective.

8d. To what extent do you support or oppose the use of a logo to help distinguish organic products from non-organic?

Fonterra is supportive of a logo to identify organic products, and it is suggested that it needs to be ensured New Zealand moves to a single logo for domestic product under the one mandatory regime. This enables easy consumer identification and the greatest confidence in an organic regulatory regime. It is likely that for export organic product though, the ability to use another organic logo will be needed. For example Fonterra anticipates that it will remain necessary to use the USDA organic logo for product exported to the USA.

9 Issue 2: How would we check that relevant businesses meet the standard?

9a. Do you think the correct options have been identified?

Yes.

9b. Are there positive or negative impacts of any of the options that are not described?

The use of an organic logo by a producer that is not subject to verification could undermine the confidence that the consumer has in any organic logo. It is suggested that should option 2C be used, the use of an organic logo be restricted to producers who undergo verification activity. This leaves the option open for a producer who could be exempted to decide whether the use of an organic logo provides enough value to undergo the verification activity required to use it, whilst still preserving the integrity of an organic logo.

There is also additional concern that no verification at all for exempted producers could undermine the standard itself. It is suggested that options be investigated regarding alternative low-cost ways for exempted businesses to provide confidence that they are meeting the organic standard. This could be through a peer review network of exempted producers for example.

9c. If ongoing verification was used to check compliance, what would be the positive and/or negative impacts to your business?

Fonterra proposes that consideration should be given as to whether costs can be minimised for businesses by using existing verification audits to verify compliance to an organic production standard.

9d. If some businesses were not required to be verified on an ongoing basis, what should the criteria for exemption be?

Fonterra believes the most effective regime would be the proposed option 2C in the discussion paper, but that if some businesses were to be exempt the most logical criteria would be for a producer who sells direct to a consumer to be exempt if they wish (noting our concerns expressed above with regard to use of an organic logo). This way the consumer can have a direct line of inquiry to the producer to ensure that they are happy with the organic production being used. As soon as there is a separate, independent organisation taking accountability of distribution, marketing and/or retail of organic product, there should be a requirement to undergo verification to ensure the organics regime is robust.

Fonterra believes there are no other reasonable criteria available to allow exemption from an organic standard, as volume of production or value of production does not provide a good measure of the relative risk associated with not being verified, or the end confidence consumers have in the integrity of organic status.

10 Summary of proposals

10a. To what extent do you support this combination? Why?

Fonterra supports the combination of proposals being put forward by MPI, with the primary concern held regarding the use of an organic logo by producers who are exempted from verification activity.

10b. What changes or impacts would this combination involve for you or your organisation?

Any change to a regulatory regime involving logo use will take time to implement as SKUs require their packaging to be changed over. When developing the regulatory regime consideration will need to be given to a transition period which allows producers to make changes to their production. For example, it can take two to three years for packaging to be changed over and completely moved out of the supply chain.

10c. What would be your preferred combination of options?

The preferred combination of options is the combination presented in the discussion paper as the preferred option, as long as the use of an organic logo is preserved for producers undergoing verification.

11 Powers to implement a new regime

11a. Have the powers required to implement a new regime been correctly identified?

Yes

11b. Do you have any comments on the range of proposed compliance and enforcement tools?

No, the compliance and enforcement tools are appropriate.

11c. Do you have any other comments about the proposed legislative settings?

No.

12 What evidence should be examined to inform further analysis of this proposal?

Consideration needs to be given to what type of regime and what requirements within the regime will enable the greatest trade benefits. The regime needs to be carefully crafted to ensure that there is significant alignment with key organic trading partners to enable future equivalence agreements to be negotiated.

13 Further comments and suggestions

It is important that the New Zealand Technical Rules of Organic Production are used as the base for the development of a new Organic regulatory framework. It needs to be ensured that current organic trading agreements already in place due to the existing framework are not compromised by a change to the framework. This would compromise the Fonterra organic programme as the products are primarily exported.

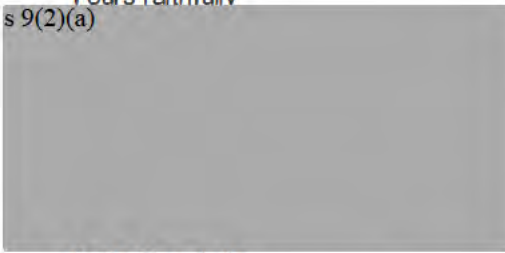
As stated in the feedback to the proposed scope of the regulatory framework, Fonterra recommends that an approach similar to the development of the Halal framework for the dairy industry be adopted. It is acknowledged that in creating a framework for organics, there is a far wider industry pool of knowledge to pull from. So it is Fonterra suggest that MPI investigate how a representative working group could be formed to work on the regulatory regime's development with MPI.

If there are any queries relating to this submission, please contact Penelope Peirce.

§ 9(2)(a)

Yours faithfully

s 9(2)(a)



Andy Goodwin

QA Technical & Regulatory Compliance Manager

Please note that the contact details and signatures of the Fonterra representatives referred to in Fonterra's submission letter and/or cover email should not be included, and/or be redacted, if a copy of Fonterra's submission, or extracts of that submission, are requested by any third party and provided by MPI in accordance with its submission review process.

From: Sales <tosales@ecoseeds.co.nz>
Sent: Monday, 11 June 2018 3:51 PM
To: Organics Consultation
Subject: Organic Consultation Paper
Attachments: Submission letter MPI.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

Kia Ora

Please find attached support for Organic Regulations.

Thank you

Dave Treadwell.

--
ecoseeds

s 9(2)(a)

Supplier of NZ Grown Certified Organic Seed since 1993

This email has been checked for viruses by Avast antivirus software.
<https://www.avast.com/antivirus>

Dave Treadwell

ecoseeds ltd.

s 9(2)(a)

Re: Organic Consultation

Thank you for the opportunity to respond to your consultation on whether New Zealand would benefit from an organic regulation.

I fully support MPI's preferred options which will lead to the development of an Organic Act and supporting regulations. This will include defining a mandatory, national standard that includes domestic, import and exports.

In doing so, this would align New Zealand with international best practice for protecting organic products, provide all customers and consumers with assurance and place us in the best position for international trade negotiations.

Once New Zealand has appropriate organic legislation, it would have a positive impact for all of New Zealand by:

- protecting the term and use of organic
- providing security for those seeking to invest
- assisting with the provision of other environmental claims
- aligning New Zealand's strategic direction as a country that provides value to quality products.

With a well designed regime, all those who wish to become organically certified can do so, regardless of scale.

Please keep me informed of development of this important work.

Yours faithfully

Dave Treadwell.

From: Rich and Jose s 9(2)(a)
Sent: Monday, 11 June 2018 3:55 PM
To: Organics Consultation
Subject: Submission Would NZ benefit from new organic regulation
Attachments: Organics Consultation Submission FNOG.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

Please find attached our submission from Far North Organic Growers and Producers Society Incorporated.

Regards,

Richard Van Alphen

Chairman of FNOG



11th June 2018

To: Ministry of Primary Industries, Food and Regulatory Policy,
organicsconsultation@mpi.govt.nz

From: Far North Organic Growers & Producers Society Incorporated

Address: P.O. Box 157, Kaitaia, Far North

Contact: s 9(2)(a)

Re.: **Submission Would NZ benefit from new organic regulation?**

Thank you for this opportunity which is very important to New Zealanders, which we support and we wish to put forward this short submission on behalf of our members after having a discussion with them. Please note some of our members will be putting through their own submissions with fuller answers. Our group wished to highlight the below to save repetition ...

Tell us a bit about yourself

Business:

Far North Organic Growers, FNOG, have been involved with the Organic industry for the last 29 years, offering local certification for people selling at Farmers Markets and locally. Also represent OFNZ in the Far North Region certifying producers selling nationally for the domestic market only.

a. We have approximately 56 members

Question 10 regarding logo

A universal logo could help easy recognition as the NZ base line standard, an additional local logo may also be used to let consumers know what region their produce has come from, e.g. FNOG

Additional comments:

There should be no extra cost to small certified organic operations supplying the domestic market. We have in place auditors and work to the bio gro standards but would be happy to change to a NZ STANDARD. Or if no price increase Assure Quality can be auditors.

The definition of Organic should mean Certified Organic.

FNOG support the option of regulating the use of the term organic.

FNOG also support the idea of regulation and of a mandatory single national organic standard as a baseline.

FNOG support the 5 objectives laid down under the section "what we think an organic regime should achieve".

FNOG feels any new regulation should preserve existing guarantee systems e.g. PGS, to avoid small businesses suffering from extra costs.

s 9(2)(a)

From: Jessica Wilson s 9(2)(a)
Sent: Monday, 11 June 2018 3:56 PM
To: Organics Consultation
Subject: Submission
Attachments: MPI Organic regulation submission.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

Hi there

Attached is Consumer NZ's submission on the organic regulation discussion paper.

Regards
Jessica

Jessica Wilson
Head of Research
Consumer NZ
Private Bag 6996
Marion Square
Wellington 6141

s 9(2)(a)

consumer.
now you know

This electronic message together with any attachments is confidential. If you are not the intended recipient:

(i) Do not copy, disclose or use the contents in any way.

(ii) Please let us know by return e-mail immediately and then destroy the message. Consumer NZ is not responsible for any changes made to this message and/or any attachments after sending by Consumer NZ.

11 June 2018

Food and Regulatory Policy
Ministry for Primary Industries
PO Box 2526
Wellington 6140
New Zealand

By email: organicsconsultation@mpi.govt.nz

**SUBMISSION on
"Would New Zealand benefit from new organic regulation?"
Discussion Paper**

1. Introduction

Thank you for the opportunity to make a submission on the discussion paper on the organic regulation regime. This submission is from Consumer NZ, New Zealand's leading consumer organisation. It has an acknowledged and respected reputation for independence and fairness as a provider of impartial and comprehensive consumer information and advice.

Contact: Aneleise Gawn
Consumer NZ
Private Bag 6996
Wellington 6141
s 9(2)(a)

2. General comments

Consumer NZ supports the Ministry for Primary Industries' proposal to regulate organic production.

We agree a new regime would provide producers and consumers of organic products with increased certainty in making or relying on organic claims. We also agree New Zealand's organic regulatory regime needs to be better aligned with other countries.

We consider the scope of regulation needs to be broad to cover the range of consumer products carrying organic claims. These products not only include foods but also other consumer goods such as cosmetics and textiles.

Our research continues to find examples of products marketed as "organic" where the extent of the product's organic content is minimal and would not meet the requirements of any recognised organic standard. Among the products identified in our 2016 review were:

- Natures Organics Organic Care Shampoo. Despite the product's name, only four out of 18 ingredients were certified as organically produced. Combined, they made up less than five percent of the shampoo.
- Palmer's Organics Cocoa Butter Massage Cream. Just three of the 33 ingredients in the cream were certified as organically produced.
- Stepout Organic Cotton Socks. While the socks carried a "certified organic cotton" logo on the pack, the logo was developed by the manufacturer and was not a third-party certification mark.

Given the range of consumer products on which organic claims appear, we recommend the ministry liaise with other relevant government agencies on the scope of regulations. Our preference is for a single standard that would apply to all consumer goods.

Such a standard could be mandated under section 27 of the Fair Trading Act, which provides for Consumer Information Standards to be issued by Order in Council.

Our answers to selected questions from the discussion paper are set out below.

3. Answers to selected questions

Question 1: Do you agree or disagree with the proposed scope? Are there any other products, for example, aquaculture products, that should be considered? Please specify.

As noted above, we think the scope should be widened. Consumers have the right to know whether the organic foods they buy are true to label. They also have the right to know whether other organic products they buy meet their label claims.

Question 4: Do you agree that this is a good opportunity to change the way organics are currently regulated in New Zealand? In your opinion, what needs to change? Please explain why.

Yes, we agree this is a good opportunity to change the way organics are currently regulated. In our view, the current regime is not serving consumers well and is open to abuse.

Organic products are becoming increasingly popular in New Zealand with the organics industry now worth more than half a billion dollars. Our survey research has found 65 percent of consumers buy organic products at least some of the time.¹

While consumers pay a premium for organic goods, it can be difficult for shoppers to know whether they're getting a genuine product. As noted above, we have found items displaying logos that give the appearance of official certification when no certification has been obtained.

Misleading organic claims have also seen companies fined. In 2006, two butchers were fined for falsely labelling products as certified organic when they were not. The Commerce Commission currently has four open investigations into unsubstantiated organic claims.

Lack of regulation puts New Zealand out of step with our trading partners. It also means consumers here have less protection than those in countries we typically compare ourselves with. Close to 90 countries already have mandatory regimes for organic production.

¹ Data are from a nationally representative survey of 1022 New Zealanders aged 18 years or over, carried out online in December 2017.

Question 9: If a standard became mandatory for all organic operators, what would be the positive and/or negative impacts on you or your business?

We believe a mandatory standard for all organic operators would give consumers greater confidence in the products they are buying.

We also think it would be beneficial for businesses to have a mandatory standard as it will provide greater certainty and create a level playing field between domestic production and export production.

Producers that are already meeting recognised organic standards should not face any significant cost increase if a mandatory standard is introduced. Therefore, we don't expect a marked rise in the price consumers pay for genuine organic goods.

Question 10: To what extent do you support or oppose the use of a logo to help distinguish organic products from non-organic products? Please explain why.

Our preference is for a single logo to help distinguish organic products from non-organic. Having a single logo would help ensure products meeting the mandatory standard are easily identifiable.

Question 15: To what extent do you support or oppose this combination? Please explain why.

We support mandatory compliance for all relevant businesses so that consumers can have confidence the organic products they're purchasing meet expected standards.

We also support ongoing verification. We agree there may be some situations in which businesses should be exempt from ongoing verification provided that these businesses are still subject to enforcement action if they sell organic products that do not meet the standard.

Question 19: Do you have any comments on the range of proposed compliance and enforcement tools?

Yes, we would like to see the introduction of fines sufficient to deter non-compliance.

Thank you for the opportunity to make a submission on the Discussion Paper. If you require any further information, please do not hesitate to contact me.

Yours sincerely

Aneleise Gawn
Consumer Advocate

s 9(2)(a)

From: Brian Opie s 9(2)(a)
Sent: Monday, 11 June 2018 3:57 PM
To: Organics Consultation
Subject: Organics Consultation
Attachments: MPI organics.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

I have attached a submission on the MPI Discussion Paper No. 2018/09 on behalf of the Board of Growing Organics Inc.

Brian Opie (Treasurer)

72 Woodside Road, RD1
Greytown 5794
New Zealand

s 9(2)(a)

stoneriverorganics.nz

MPI Discussion Paper No. 2018/09

Would New Zealand benefit from new organic regulation?

A submission from the Board of Growing Organics Inc.
10 June 2018

Submitter: Brian Opie (Treasurer)
72 Woodside Road, RD1
Greytown 5794
New Zealand
s 9(2)(a)
stoneriverorganics.nz

Those contributing to this submission are both members of Growing Organics Inc (growingorganics.nz) and Board members of this OFNZ regional group based in the Wairarapa. The Board's primary responsibility is, with the assistance of the Certification Manager, an ex officio member of the Board, to organise on OFNZ's behalf the processes for the annual certification of our members.

This work requires the Board to:

- set out the dates governing the annual certification timetable;
- circulate the dates and the Property Management Plans (PMPs) to all members and intending members in our region;
- establish a Certification Committee, made up of two Board members and the Certification Manager, to: review all PMPs; draw the auditor's attention to any potentially problematic issues that s/he may need to address with a grower/processor; receive the auditor's reports; and advise growers/processors of any issues needing to be addressed and the timeframes for so doing;
- inform OFNZ, after the completion of the auditing process, of any changes in the status of all growers/processors and ensuring that those who are to be certified for the upcoming year receive their renewed certificates before their current certification lapses.

Growing Organics Board members have played and continue to play an important role in organics in the Wairarapa. One aspect of this role is public education. Another is ensuring the effectiveness of the audit procedures. We are very aware that standards by themselves don't change practices; but qualified and committed auditors do, both in respect of the implementation of the relevant standards on a particular property, and by advancing learning through the face-to-face discussion of practice.

Growing Organics Inc Board Submission:

1. We endorse the scope of the description of the term “organics”.

If there is a case for any other product or process to be included, for example, aquaculture, then it needs to be made by those with relevant knowledge and fully in accord with organics principles and the best (that is, not compromised or reductive) international versions of organics standards.

2. Increasing interest in organics products and their economic value is a critical context for the development of standards in New Zealand. Another important aspect is noted in a point made in Pt 1.3, that official data is lacking both about uncertified organics businesses in New Zealand and imported products claiming to be organic. Accurate knowledge about how the organics sector is constituted in New Zealand and how claims that imported products are organic can be verified are necessary components in the future development of organics in New Zealand.

3. We recognise the need for national organics standards. We also note that the present certification system is provided by a variety of organisations which are distinguished in part by what Pt.1.1 refers to as ethical principles. We believe that a national standard which also acknowledges the motivating role of ethical principles would encourage new entrants into organics. At present, the informal and self-authorized use of terms like “organics”, “free range”, “spray free” is confusing for consumers and reduces the incentive for producers to become certified (5. Para 4).

4. This is the right time to achieve a change, because the various bodies in New Zealand providing some part of the certification regime are talking to one another and are seeking government help to achieve a single standard.

5. We agree with the 5 bullet points in 1.5 which set out what an organics regime should achieve. But the regime should also include some proactivity in relation to the development of the sector. Until this point, the apparent lack of interest in government and the failure to give equal scientific weighting to organics methods as to the now conventional modern farming practices has discouraged the evolution of the sector. This is a cultural more than an economic or regulatory issue. It is, though, an important one.

6. There is no need to reinvent the wheel when it comes to formulating standards. The experience of the existing organics certifying bodies affiliated to IFOAM should provide a sufficient building block, especially if the framework aims to be open to future developments.

The distinction between process- and outcome-based approaches is not very useful in relation to many kinds of organic products now that the Food Act 2014 is also requiring certification.

7. We believe that a certification regime should be mandatory. We accept that the costs of maintaining such a regime are significant, but do not understand how a

scheme with exceptions could deal effectively with the issues that regulating use of the term “organics” is seeking to deal with.

8. Producing safe food in a “green” environment requires significant new learning for those brought up to accept that modern farming with its “routine use of artificial chemicals” (1.1) is the only way to farm. It is important, therefore, in the formation of a national standard to ensure that organisations which assume a role in managing the standard should also ensure that provision is made for:

1. public education in organics principles and practices, to support entry-level producers in working up the certification ladder;
2. different cost levels of certification depending on the scale of the organics business; and
3. professional development programmes for auditors.

Part 3. 6 includes a Note: “Information tools such as providing education/advice would not need to be empowered by legislation.” Our point here is not that education and training should be legislated for but that provision for them is needed to support the vigorous development of organics in New Zealand.

9. We are already subject to a mandatory standard in order to be certified under OFNZ/BioGro standards. The key issues are the quality of administration of the standard, and the role of the auditor/verifier. The effects of a nationally mandatory standard, assuming it would be like what we already observe, would only be to increase certainty among consumers and provide for more effective integration of the organics sector.

10. We support the use of a logo. Organics producers and processors are expected to use their certifying agency’s logo on their produce.

11. We agree with the preference for 2A: Ongoing verification, with no exceptions.

12. Since the purpose of mandatory standards and ongoing verification is to assure purchasers of organics products that they are, indeed, organic, the costs on small businesses of meeting these standards needs particular attention. This issue would not be solved by exemptions, either by income level or scale of production (as in Option 2C).

13. We already use a version of ongoing verification with our annual audit of each grower or processor. We note that the first paragraph under the heading Preferred Option makes reference to distinctions which are otherwise used to distinguish Levels 1 and 3 in the Food Act 2014. From our point of view, the key issue is the size of the business and the audit/verification costs that small businesses can face.

14. See 12 above.

15. We do not think that any “relevant businesses” should be exempt. We note the limitation of scope described in Issue 1, para 2.

16. The key issue is the size of the business and the verification process relevant to small businesses. Our members, all of whom are individually certified, run small businesses; the most likely impact on them is any increase in the current level of their certification fees. It is important to find a way to deal with "disproportionate compliance costs" (Option 2C, para 1) other than through exemptions.

17. We appreciate the willingness in this Discussion Paper to think seriously about the costs on small businesses. We note that a number of references are made in the Paper to the Food Act 2014. We believe that an important outcome of this consultation process would be an agreement that, however formulated, there should be only one annual audit to meet the requirements for organic certification and Food Act 2014 compliance.

18. On legislation. The list of powers is what one would expect, but we depend upon those working for organics at the national level and in an international context for substantive comment.

Pt 3.7 notes that organics conversion normally takes three years. Those already having achieved full organics certification are familiar with this transition period, and procedures have been developed to assist new producers through this phase. Those procedures need to be clearly spelled out in the operation of the standards.

19. On the range of proposed compliance and enforcement tools, we would only comment that the roles of the auditor/verifier and the persons evaluating reports and confirming certification (or not) are absolutely critical. If the standards require new or further training for auditors/verifiers, provision of that training must have a high priority. Passing a law without ensuring that its provisions can be fully implemented would be a major mistake in a situation where cultural change and new learning is fundamental to the take-up of organics practices.

20. We have no further comments about the proposed legislative settings.

21. On other evidence informing analysis. A major handicap, which needs to be addressed as soon as possible, is the lack of data to inform policy (Response 2. above, Pt1.3). Take-up of organics is typically presented in economic terms. Fonterra's coming and going about organic milk demonstrates that there is a deeper basis for the mind-set changes which organics requires to be properly implemented. Hence the stress in our response on education and training. Huge public investments have been made in modern conventional scientific agriculture in New Zealand, much of which has been focussed on farmer training and development through Farm Advisors and such. Organics needs to be approached in the same way. Organics is no less scientific; but it is informed by different fundamental principles which happen, now, to be entirely consistent with ecological and environmental thinking and practices.

s 9(2)(a)

From: Brendan Hoare <s 9(2)(a)>
Sent: Monday, 11 June 2018 3:59 PM
To: Organics Consultation
Cc: Li-chen Hoare
Subject: Submission responding to MPI Discussion Paper No: 2018/09
Attachments: Phase I Submission.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

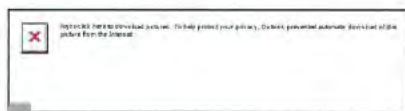
Kia ora - good afternoon,

Please find attached our submission 'Phase I Submission', regarding MPI Discussion Paper No: 2018/09.

Very best regards

--

Brendan Hoare



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2

Web: <http://www.buypurenz.com>

11 June 2018

Brendan Hoare

Managing Director

Buy Pure New Zealand™

Re: Organic Consultation

Thank you for the opportunity to respond to your consultation on whether New Zealand would benefit from an organic regulation and single national mandatory standard.

Buy Pure New Zealand is a multi – platform private company whose purpose is to develop and build a thriving trading community of organic, natural and fair trade brands throughout the Oceania, Pacific and Asian marketplaces. We are a certified organic exporter with AsureQuality and export to several countries, mostly in Asia.

Our business model includes consulting and advisory services to the private and public sector nationally and internationally. As a result of this pioneering approach, we are recognised leaders in providing growth strategies and trade facilitation for sustainable New Zealand brands. We contract our expertise across a range of services including Chief Executive of Organics Aotearoa New Zealand and serving on the IFOAM Organic International's Standards Review Committee. I served on the BioGro Board for 10 years.

Our office base is located on an organic farm certified with the Organic Farm NZ (OFNZ) programme. We have been certified with OFNZ from its inception helping initiate the scheme and act as an auditor. We have extensive experience in both domestic and international organic business and trade relations.

We fully support MPI's preferred options to develop:

- an Organic Act and supporting regulations
- a defining a mandatory, national standard that includes domestic, import and exports.

In doing so, this would align New Zealand with international best practice for protecting organic products, provide all customers and consumers with assurance and place us in the best position for international trade negotiations.

Our personal experience in trading certified organic goods out of New Zealand is that the current system fails to ensure access to countries and has resulted in multiple losses in opportunity at significant cost to all involved. The current system, while serving a purpose at one level, is outdated and not in step with global best practice.

Once New Zealand has appropriate organic legislation, it would have a positive impact for all of New Zealand by:

- protecting the term and use of organic
- providing security for those seeking to invest
- assisting with the provision of other environmental claims
- aligning New Zealand's strategic direction as a country that provides value to quality products.



You have requested more detailed information, but we believe the next phase of the consultation is the best time to enter into further detail of how the operation would best function and will make further contribution then.

We should take heed of the opportunity that lies ahead however. Ironically, being last to develop a regulatory system, means New Zealand can learn from others and therefore should develop a 'start of the art' modern system that capitalises the use of modern digital technology and science tools to create a well-designed system so that all those who wish to become organically certified can do so, regardless of scale.

In addition to this, it is critical to the success of developing an Act and having a mandatory standard that it should be human centered; recognising that it is people who farm, produce, manufacture, market and consume organic. Buy Pure New Zealand and all its networks are willing to assist in ensuring this opportunity is realised.

Please keep me informed of development of this important work and we wish to be engaged at all phases of its development.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Brendan Hoare', with a long horizontal stroke extending to the right.

Brendan Hoare

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

From: Rich and Jose s 9(2)(a)
Sent: Monday, 11 June 2018 4:00 PM
To: Organics Consultation
Subject: Submission Would NZ benefit from new organic regulation
Attachments: Organic Consultation Submission NatureZone.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: To put in submission database

Please find attached our submission from NatureZone Gardens.

Regards,

Rich and Jose Van Alphen

NatureZone Gardens

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

To: Ministry of Primary Industries, Food and Regulatory Policy,
organicsconsultation@mpi.govt.nz

From: NatureZone Gardens, Rich and Jose Van Alphen

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Re.: Submission Would NZ benefit from new organic regulation?

Thank you for this opportunity which is very important to us and all New Zealanders.

Tell us a bit about yourself

Business:

NatureZone, a small family owned business, certified organic with OFNZ since 2002, before that with Far North Organic Growers since 1998. We have sold at Farmers Markets and also Organic Wholesalers, and we still do. Currently Rich is Chairman of Far North Organic Growers and Producers Society and Auditor, also on the National Coordinating Committee Representative for OFNZ for the Far North Region. Jose also is Certification Manager for OFNZ, Far North Region.

- a. both of us as a partnership - 2
- b. Sell organic produce in New Zealand
- c. certified organic products
- d. Plant products (including fresh fruit and vegetables) (organic),
- e. directly to consumers (e.g. farmers markets, gate sales) and to a retailer or distributor (e.g. speciality shops, supermarkets)

Consumer:

- a. yes if available
- b. extremely high

Which organic products are we interested in

Q1: do you agree or disagree with the proposed scope? Are there any other products, for example aquaculture products, that should be considered? Please specify.

A1: Aquaculture products, like seaweed, fish, and molluscs should be considered additionally if MPI can ensure that clean water, clean and organic food are used in a sustainable, certified organic environment in which marine

life can prosper and reproduce. There are definite health benefits for the consumers of organic aquaculture products: NZ soil is notoriously deficient in Selenium, which is abundant in seafood (including seaweed). Additionally, cosmetics and hygienic products should be included in the "new organic regulation" - similar to Australia. Whether products are eaten or used on the body: consumers want to be sure that the products they purchase comply with the organic standard. In fact, even (cotton) textiles should be included to avoid false labelling: why stop at including wool?

Demand for organic products is increasing

Q2: to what extent do you agree with the description of the current context for organics? Please specify.

A2: Yes, the growth trend for organic product demand is exponential and will remain so, \$217m domestic sales and \$280m exports in 2015 and it is likely that this growth will already have increased significantly by now, June 2018. The Ministry of Statistics should be empowered to collect more data more frequently and include the organic status of imported goods (in cooperation with Customs).

The regulatory environment for organics

Q3: to what extent do you agree with the description of the current regulatory environment for organics? Please explain why.

A3: Principally, the restricted use of "100% organic", "organic" or "made with organic ingredients" should be mandatory in NZ like in regulated markets. To this effect, official organic certification by an accredited certification company/society and/or an official MPI assurance program is a must for all organic producers.

While the list of "private standards referring to organic principles in NZ" might be complete, the list of logos respectively certification companies/society is not: e.g. Far North Organic Growers (FNOG) is a members based incorporated society, which offers certification (OFNZ) based on BioGro standards to small local growers who supply their goods mainly to local markets and shops. There might be other such groups, which help to provide confidence for buyers of organic produce at a low cost for the producer.

All verifying businesses/societies should be required to be accredited by MPI for their work based on the new standard. It should not be necessary for MPI to take over the audits. If it is deemed necessary to conduct additional random spot checks by MPI, the associated cost should not be passed to the producer

The New Zealand Standard 8410 -Organic Production- should be updated to achieve international recognition or the bio-gro standards be used as this is already an internationally recognised standard and used through NZ

Why change how organics are regulated?

Q4: do you agree that this is a good opportunity to change the way organics are currently regulated in New Zealand? In your opinion, what needs to change? Please explain why.

A4: Yes, it is high time that domestically and internationally recognised organic rules be created, applied and monitored. The term "organic" should not be allowed for non-certified products..

What we think an organic regime should achieve

Q5: do you think that the appropriate objectives for a new organic regime have been identified? What would you suggest a new regime should achieve? Please explain why.

A5: The five listed objectives are correct: consumer confidence, regulatory certainty, effective trade enablement, rules simple to understand and administer, and costs to businesses and consumers proportionate to the overall benefits.

OPTIONS FOR HOW A NEW REGIME FOR ORGANICS COULD WORK

Q6 Do you think that a standard setting out requirements for production methods would be best suited to organic production? Please explain why.

A6: A process-based standard should be chosen to match international standards.

Issue 1: Should a new standard be voluntary or mandatory?

Q7: Do you think that the correct options have been identified? Are there alternative option(s) that should be considered? Please describe.

A7: Option C: a mandatory standard for all organic operators. The consequent costs on small operators need to be mitigated.

Q8: Are there positive or negative impacts of any options that are not described? Please describe any impacts that we've missed

A8: No

Q9: If a standard became mandatory for all organic operators, what would be positive and/or negative impacts on your business?

A9: Our business/property is already certified organic by OFNZ (Organic Farms New Zealand) according to BioGro standards. While there might be some additional time and effort required to address the new audit and certification process, it is unlikely to differ substantially. We do not expect substantial negative impacts as long as the cost for mandatory audit/certification process is not disproportionate .