**Government Industry Agreements on Biosecurity**

**Signing the Deed**

**Information for members of Tomatoes NZ**

**Background**

In September 2009, the Ministry for Primary Industries (MPI) announced a new approach to preparing for and managing new pests and diseases that might arrive in New Zealand. MPI advised that a new partnership approach would be developed for biosecurity readiness and response, in the form of Government Industry Agreements (GIA). Since 2009, TomatoesNZ has participated in discussions between the primary industry sectors and MPI (and previously, MAF) about how GIA would work. Industry groups are now being asked to sign the GIA Deed to formalise the partnership between government and fresh tomato producers.

The GIA Deed is a legal document which includes the following key components:

* Closer engagement between MPI and industry on improving biosecurity systems
* Joint decision making on preparing for and responding to pest/disease incursions
* Sharing the costs of these activities between Government and Industry.

Industry groups across the primary industries have been consulting with their growers on signing the “Deed” and thus becoming part of GIA.

**The current system**

Currently, the Government funds and makes all the decisions on biosecurity activities. MPI does not have to take industry viewpoints and priorities into account. MPI may consult with industry but the final decision on whether to respond to a pest incursion lies solely with MPI. There are only a few specific pest response plans currently in existence (beyond fruit fly) which means responses to incursions can be delayed while investigations are undertaken and decisions on funding made. The Great White Butterfly find in Nelson/Tasman is an example of the delays that can occur. These delays can affect the likelihood that eradication will be successful and can increase the cost of the response.

**The GIA system**

Under GIA, Government and industry groups sign a Deed which commits both parties to joint decision making and joint cost sharing. This partnership-based approach will mean that there is more certainty that high priority pests will be found and responded to in an appropriate time frame. The preparation work done in advance would mean that decisions on how to respond are pre-agreed. Improving preparedness for priority pests will result in faster and less costly responses which are more likely to be successful.

Once industry groups and Government have signed the GIA Deed, they then enter into discussions about Operational Agreements for specific pests. It is not a requirement to have an Operational Agreement but these are the documents that outline what preparedness and response activities will be undertaken and how these activities will be funded for a pest or a group of pests. An Operational Agreement may involve more than one industry group, i.e. where multiple crops are affected by a particular pest or group of pests (e.g. fruit flies). Each industry group is likely to eventually enter into multiple Operational Agreements that cover a range of key pests.

**Cost sharing**

Under GIA, industry and Government will share the costs of readiness and response activities. The proportion of cost share is set under each Operational Agreement and the industry share will be based on the proportion of the benefit that it receives from the cost shared activity. However, the Government has committed to funding a minimum of 50% of the readiness and response activities for any Operational Agreement. Industry groups that sign in the Deed can set fiscal caps (a maximum dollar contribution) on their expenditure so that costs are controlled.

If more than one industry group benefits, the maximum 50% cost share is split between these groups. Where an industry group is considered to be a beneficiary of response activities, but they have not signed the Deed, the Government will levy that group for their share of costs regardless. However, they will have no say in decisions that are made.

**Decision making**

Joint decision making is the trade-off for cost sharing. It is a key advantage for industry groups. Currently, because MPI is funding the activities, it can consult with industry but it makes the final decisions. Under the current system, MPI could choose to do nothing to respond to a new pest regardless of the industry viewpoint on the benefits of eradication or containment. Under GIA, MPI and industry could pre-agree on how to deal with responses through an Operational Agreement and in an actual response, Government and industry will make decisions together.

**Representation**

Tomatoes NZ is proposing to represent tomato growers in GIA. TNZ currently canvasses grower’s views through its Board, annual meeting/conference, NZ Grower magazine, their website, emails and letters and directly through meetings, visits and calls. The same structure would be used under GIA to make decisions. TNZ intends to consult with growers about any specific Operational Agreements that may be signed to ensure growers understand the cost implications. However, in an incursion, quick responses are critical to eradication success and the TNZ Board would make decisions on behalf of all tomato growers based on feedback given during the Operation Agreement consultation process.

**Costs of engaging in GIA**

At this stage, TNZ is considering signing the GIA Deed but has not yet progressed any Operational Agreements for specific pests. It is likely that TNZ will consult specifically with growers on an Operational Agreement for fruit flies before the end of 2014. At this stage, TNZ is only asking growers to consider signing the Deed.

Costs associated with signing the Deed are small. TNZ needs to commit to a number of baseline commitments but it is anticipated that these costs would be covered by the existing commodity levy already in place. TNZ does not currently consider that additional funding is needed to sign the Deed.

TNZ will consider signing Operational Agreements with MPI for specific pests. These are likely to be for pests which, if they arrive in New Zealand are going to have a serious impact on tomato growers’ continued viability and include pests such as fruit flies, and viruses. TNZ is currently involved in a Council that aims to develop an Operational Agreement for fruit flies – an issue of increasing importance given recent detections. The process of developing the Fruit Fly Operational Agreement involves a number of other impacted horticultural industry groups and MPI. As part of the process, TNZ will determine what costs tomato growers would be expected to pay for fruit fly readiness (surveillance) and response. It is expected that readiness activities be funded from the existing commodity levy but response activities will not. TNZ intends to establish a biosecurity levy which would fund responses if required. The levy will be set at zero until such time as it is needed to fund a response, when the levy will then come into force.

TNZ will be consulting with tomato growers further once the specific costs of Operational Agreements are understood and what level of funding may be required. Signing the Deed does not commit TNZ to signing an Operational Agreement

**The process from here**

The TNZ Board considers that signing the Deed is important. This document is the first step in consulting with tomato growers on signing the GIA Deed. TNZ intends to hold grower meetings in Christchurch and Auckland in May to allow further discussion. It is then likely that a remit will be presented to the TNZ AGM recommending that TNZ signs the Deed. Assuming the remit is successful, TNZ will likely consult with growers about the specific costs of signing an Operational Agreement for fruit flies before the end of 2014 and then other pests will be considered and consulted on as required.

Growers who have questions or would like more information are encouraged to contact TNZ’s Adviser Nikki Johnson from Market Access Solutionz (04 4736040 or nikki@solutionz.co.nz). More information is also available on the TNZ website www.tomatoesnz.co.nz, on the GIA website – www.gia.org.nz .