Government Industry Agreements (GIA) Deed – Frequently Asked Questions

1. **What will TNZ’s role be in GIA?**

TomatoesNZ (TNZ) will be the signatory to the GIA Deed and any Operational Agreements under the Deed on behalf of fresh tomato growers. TNZ will engage with the Ministry for Primary Industries (MPI) and other industry groups in developing Operational Agreements including readiness and response plans for pests that affect fresh tomato growers. TNZ will consult with growers before signing any Operational Agreements, including on the expected costs.

1. **What will TNZ be required to do under GIA?**

There are obligations for signatories to meet minimum commitments for readiness and response. These activities include;

* Maintaining access to technical biosecurity capacity and capability, including securing appropriately skilled and committed people to engage in readiness and response activities, including technical and operational experts.
* Promoting awareness of New Zealand‘s biosecurity status and assisting MPI in detecting, reporting and managing pests.
* Communicating with tomato growers and raising awareness of biosecurity, key quarantine pests and response arrangements.

TNZ already undertakes these activities to some degree.

1. **When does joint decision making and cost sharing begin?**

Joint decision-making for response activities will commence as soon as an industry organisation signs the deed.

Joint decision-making and cost sharing for readiness activities will commence as agreed in Operational Agreements for specific pests.

1. **Have any sectors already signed the Deed?**

There are two industry groups ready to sign the Deed by June 2014.

1. How will TNZ fund commitments to GIA?

TomatoesNZ intends to fund minimum commitments and readiness activities from existing commodity levy funds. In a response scenario, it is likely that the funding requirements will exceed the capability of the existing commodity levy. TomatoesNZ intends to establish a biosecurity levy to cover the costs of responding to a quarantine pest. 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.

1. How much will this biosecurity levy be?

After signing the Deed, TNZ will enter into discussions with MPI on responding to specific pests. These discussions will estimate the costs of preparing for and responding to quarantine pests. Once this information is known, TNZ will consult with growers on whether a specific Operational Agreement should be signed. Details on the cost of the biosecurity levy will be included in the consultation. If an Operational Agreement is signed and a response occurs, the TNZ Board would have the authority to increase the biosecurity levy to recover response costs up to a predetermined amount – known as a fiscal cap. Once response costs were paid, the levy would be returned to zero.

1. What happens if the tomato industry’s cost of a response exceeds the fiscal cap?

It is proposed that an industry decision would be taken to determine whether the industry supports continuing to fund a specific response if it’s going to exceed the fiscal cap.

1. What happens if we don’t sign the Deed?

A non-signatory industry will not have a seat at the ‘decision-making’ table for biosecurity readiness and response, nor will they have any input into a response or how it is managed. If a non-signatory industry benefits from a response, MPI will recover a share of the response costs from those industry members. In other words, those industries will receive a bill for the cost, without any input into the response and without having access to the transitional financial discounts.

1. **Why should growers pay another levy when government is responsible for the border, including any breach and resulting costs?**

The government believes it is reasonable for industries to contribute to managing biosecurity risks for their industry, as they would other business risks. It also believes shared costs and decision-making will lead to better priority setting and more efficient and effective responses.

1. **What else will growers be expected to do under GIA?**

Operational Agreements on specific pests will include readiness and response plans. These may include asking growers to undertake some specific readiness and activities for those pests on or around their properties (e.g. monitoring, reporting and surveillance). The actions to be taken by growers in a response will also be defined in the Operational Agreements.

1. **Is MPI going to reduce funding into biosecurity as a result of industry being required to pay for this activity?**

No, the Government states that under GIA, biosecurity funding will not decrease. By implementing a partnership approach, resources will be used more effectively and this will result in better biosecurity protection for the country overall.

**12. Will it be a true partnership including Government responding to industry concerns about risks from border activities?**

Under GIA, signatories will have much greater engagement in border and pre-border activities. Government will need to respond to industry concerns and must be able to justify their response to these concerns.

MPI is working towards engaging signatory industries earlier in the development of draft Import Health Standards (which manage the biosecurity risks of products imported to NZ) to address specific concerns at an earlier stage.

1. **We grow multiple crops, do we have to pay for them all separately?**

Under GIA, separate industries have separate industry representatives and funding mechanisms. This ensures adequate representation of that sector’s views in the decision making process. Unfortunately this will mean that growers of multiple crops will be subject to levies from different organisations.

The horticultural sector has been working together to ensure there is an aligned approach amongst industry groups.