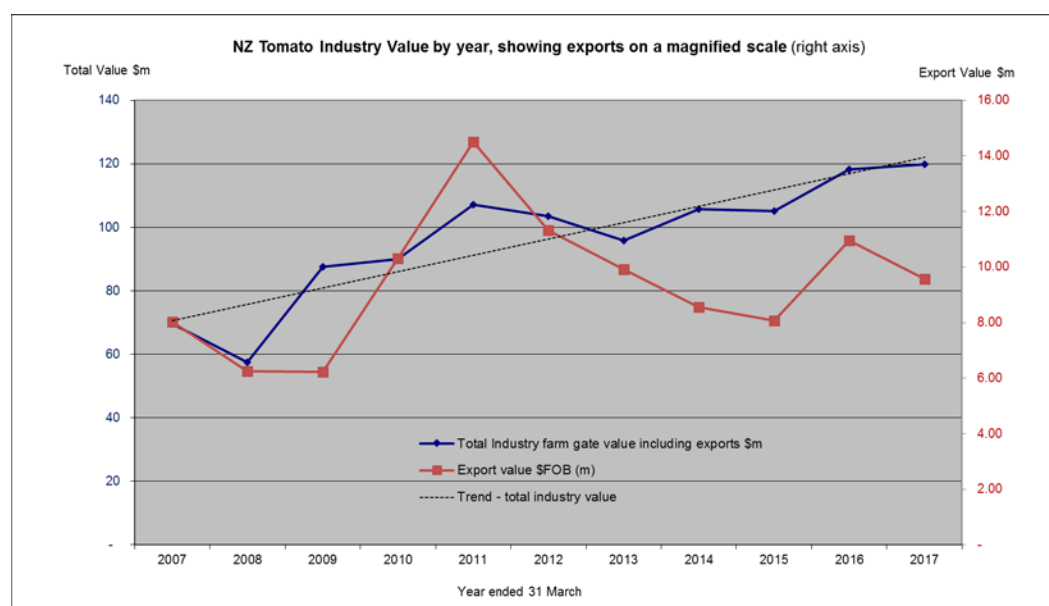


# Tomatoes New Zealand Annual Report

31 March 2017

## Industry snapshot

The Fresh Tomato Industry grew to \$120m of farm gate value, representing a growth in value of over 70% since 2007 created from about the same planted area. The graph below shows the annual industry value for the last decade, and the value of exports (note exports are shown on a different scale, on the right-hand axis).



Export value (fob) for the year were \$9.6m from nearly 3,000 shipped off shore to 20 Pacific Rim and Asian markets, the biggest being Japan, North America and Australia.

## TomatoesNZ Incorporated

This year, TomatoesNZ completed its first year as an Incorporated Society.

Achievements included:

- Updating the Fresh Tomato Industry Strategy;
- Signing up to the Government Industry Agreements on Biosecurity Readiness and Response (GIA);
- Completing some research and development projects, and beginning new ones;
- Continuing to invest in keeping the export doors open and developing export markets via Asia Fruit Logistica;
- Investment in promotion,

- Collaboration with other vegetable product groups and Horticulture New Zealand.

These and other activities are described in more detail below.

## Financial position

Total levy income for the year was \$419,595, and total expenditure \$413,369. With grant and other income added in, the society recorded an operating surplus of \$27,126 for the year.

TomatoesNZ reserves (retained levy) of \$ 613,715 are held within Horticulture New Zealand's accounts, where they were accumulated. At their April 2017 board meeting, the TomatoesNZ board agreed that this level of reserves was appropriate to retain as it gave a 12-18 month buffer to unforeseen events

## Research and development

TomatoesNZ directly invested \$107,120 of commodity levy money in the year to 31 March 2017. Additional investment was made in terms of the business manager, chair and board members' time developing and implementing projects, and representing the sector's views.

For that investment a wide range of issues were tackled, and co-funding and grants were leveraged:

- Successful completion of the **Fresher by Sea** project, which developed guidelines for growers exporting to Japan by sea freight – a world first, successfully delivering tomatoes over that distance by sea. Discussions are now underway about further work developing potential storage technologies for sea freight. This collaborative project also developed sea freight guidelines for capsicums and was co-funded by Vegetables NZ and Plant & Food Research Core funding.
- Completion of an updated guide for growers on **managing greenhouse wastewater** discharge, work conducted by Andrew Barber of AgriLink and with funding support from AGMARDT.
- Carried out new work to help **address pest issues**, including the Insecticide Susceptibility Bioassay project (with funding support from Vegetables New Zealand and AGMARDT), and registration of new whitefly agrichemicals projects.
- Started a project to “**hunt for *Macrolophus***”, the biocontrol agent that was illegally released in NZ about a decade ago.
- Contributed to the successful Vegetable Research and Innovation Board application to the Environmental Protection Authority to import for release the Tomato and Potato Psyllid biocontrol agent ***Tamarixia***, including presenting at the hearing in May. Participated in the development of a Sustainable Farming Fund project to release and monitor *Tamarixia*, and contributed to funding and oversight of the biocontrol agent's initial importation.
- Directly invested \$26,750 in **Biosecurity** through Government Industry Agreements (GIA). Gisele Irvine of Market Access Solutionz represented and negotiated on tomato growers' behalf on the Fruit Fly and Brown Marmorated Stink Bug councils formed under GIA. Fact sheets on priority pests were developed and added to a new “biosecurity” page on the TomatoesNZ website. In addition the chair represented fresh tomato growers at frequent GIA Deed governance group meetings in Wellington and the Business Manager and board member

Anthony Stone attended the Biosecurity Forum and launch of the governments Biosecurity 2025 strategy in November. The Business Manager liaised with MPI on a couple of incursions that had the potential to impact the tomato industry.

- Publication and distribution of TomatoesNZ' s first **Agrichemical Residue Information** chart for growers (which will be updated annually)
- Updated the Code of Practise for tomato potato psyllid management, required for tomato **export** to Australia (completed by Gisele Irvine of Market Access Solutionz)
- Worked with exporters and MPI to address **market access issues** as they arise, and to keep exporters informed of changes to overseas rules and regulations
- Continued advocacy on the **Emissions Trading Scheme (ETS)**. A submission to the ETS review was made in April 2016, and the Business Manager participated in subsequent ETS review consultation meetings
- Continued membership of the Plants Markets Access Council (PMAC). TomatoesNZ is represented at the regular meetings by Gisele Irvine of Market Access Solutionz. We also participated in a PMAC Fruit Fly Market Access Contingencies project
- Participated in MPI's Fresh Produce Advisory Committee (FreshPAC), Stephen Ogden of Market Access Solutionz is our representative
- The business manager visited Massey University to discuss links between industry and the work they are doing on tomatoes, greenhouse production and educating the next generation of horticulturalists
- Supported an Auckland University bid for government funding to develop new *Trichoderma* and innovative biological waste-based nutrient solutions (unfortunately this bid was unsuccessful).

This year, \$27,000 of TomatoesNZ' s R&D investment went to the Vegetable Research and Innovation Board (VR&I) and the collaborative VR&I projects that directly benefit fresh tomato growers including:

- A long-term *Monitoring Biosecurity Risks* project. This project assesses data on pests intercepted on imported produce at the border.
- Development of a cross-horticulture bid for Ministry for Primary Industries Primary Growth Partnership funding for Sustainable Pest Management. This process is now being led by HortNZ because it has achieved buy-in from fruit and arable groups as well as the Vegetable industry that initiated it. If the application is successful, this large project will provide a platform and funding to develop resistance management strategies and ease the path to registration of new and innovative agrichemicals, right across the fruit and vegetable sectors.
- Participation in the Agrichemical Strategy Working Group
- The Insecticide Susceptibility Bioassay project was run through the VR&I board

The VR&I Board is a collaborative body made up of Vegetables NZ, Process Vegetables NZ TomatoesNZ, Onions NZ, and the NZ Buttercup Squash Council. Anthony Tringham, fresh tomato grower from Clevedon and TomatoesNZ board member, represents TomatoesNZ on the VR&I board.

## Running the product group and communicating with members

In the year to 31 March 2017, TomatoesNZ invested \$60,474 in an AGM and Conference (\$21, 598), and governance including holding three board meetings, representation on the NZGAP board and the chair and business manager travelling to meet with growers.

A further \$202,449 funded staff, office overhead costs and communication costs including support for the NZ Grower Magazine. TomatoesNZ;

- Completed an update of the Strategy for the fresh tomato Industry document in October
- In conjunction with some other product groups, held a successful conference in Nelson, and hosted a visit from Michael Bledsoe, US expert on greenhouse agrichemical registration and use
- Contributed to and participated in four HortNZ Horticulture Industry Forums, a collaborative forum for HortNZ, product groups and district associations; and participated in four Vegetables Chair's forums, and a Vegetable Research and Innovation Forum
- The chair and business manager spent three days visiting growers in Auckland and two days in Canterbury
- Participation in the new Women in Horticulture group
- Contributed to funding support (grants) for some district associations (\$3,000)

The TomatoesNZ business manager and chair are in frequent contact with the business managers and chairs of other vegetable product groups (as well as some fruit groups) and HortNZ business managers and portfolio managers, through both formal and informal meetings and discussions. This results in increased sharing of resources and collaboration, minimising duplication, and maximising value for levy investment.

## Promotional investment

TomatoesNZ directly invested \$40,000 in promoting the consumption of vegetables including tomatoes, and of the industry. Staff and board member time was also invested.

- Funded contribution of \$20,000 to the collaborative vegetable promotional group Vegetables.co.nz. Malcolm Pook, TomatoesNZ board vice chair, represents TomatoesNZ on this group. With the resignation of former Vegetables.co.nz business manager Matthew Spence during the year, the TomatoesNZ chair, business manager and Malcolm contributed to a strategic review of the group, resulting in a new strategic plan and job description for the business manager role.
- Ongoing membership of United Fresh
- Funded a stand as part of the New Zealand pavilion at Asiafruit expo stand in Hong Kong in September, helping exporters develop their Asian markets.
- Issued a press release calling for all political parties to support the Green Party's bill for compulsory Country of Origin Labelling of food (CoOL), in March
- Sponsorship of the Young Vegetable Grower of the Year event.
- Development and maintenance of the TomatoesNZ.co.nz Website

## The year ahead

In the next year TomatoesNZ is looking to make a step-up, to allow us to continue to support growers to do their business in an environment of increasing rules and regulation, and the ongoing challenges of climate, pests and food safety that growers deal with on a daily basis. This step up requires extra resourcing, including employment of an additional part-time staff member to meet the ever-increasing need to represent, negotiate, provide robust data and analysis, as well as continuing to invest in research, development and promotion, and asking growers to agree to a levy to fund biosecurity readiness and response.

At the 2017 AGM on July 12<sup>th</sup>, TomatoesNZ will be asking fresh tomato growers to support TomatoesNZ's commitment to sign up to **operational agreements** for biosecurity readiness and response, and to approve a new **Biosecurity Levy** on fresh tomatoes which will fund that activity.

The Commodity Levies Order (for Vegetables and Fruit 2013) under which TNZ is funded (along with HortNZ, Vegetables NZ and Process Vegetables NZ), expires 12<sup>th</sup> May 2019.

To ensure continuity of funding, TomatoesNZ needs to have an application submitted to the Minister for a new **Commodity Levy Order** by September 2018. Now that TomatoesNZ is an Incorporated Society we will be required to apply for our own Fresh Tomato Commodity Levy Order, separate to HortNZ. TomatoesNZ will begin consulting growers about the new order during the 2017-18 financial year.

Alasdair MacLeod  
Chairman  
TomatoesNZ Inc.