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SUBMISSION ON THE ENVIRONMENTAL PROTECTION AUTHORITY'S CONSULTATION ON THE MODIFIED REASSESSMENT OF METHYL BROMIDE – APP203660

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INTRODUCTION

1. Horticulture New Zealand (HortNZ) advocates for and represents the interests of New Zealand's 5,000 commercial fruit and vegetable growers. The horticulture industry is valued at over \$5.5 billion with over \$3.6 billion in exports annually (MPI, 2019a).
2. The horticulture industry employs approximately 60,000 people, occupies some 130,000 hectares of land and provides critical regional development opportunities in Northland, Auckland, Bay of Plenty, Hawke's Bay, Gisborne, Manawatu, Marlborough, Nelson, Canterbury and Central Otago.
3. New Zealand growers export their crops to discerning customers in over 120 countries. The industry also supplies the majority of fresh and processed fruit and vegetables to domestic consumers. This aligns with the HortNZ strategic plan to provide healthy food for all forever.
4. In order to supply customers in some export destinations with premium fresh fruit and vegetables, growers and exporters require access to various agrichemicals, which are classified by the New Zealand government as hazardous substances. HortNZ recognises that use of any hazardous substance needs to be regulated to manage risks to people and the environment, as set out in the Hazardous Substances and New Organisms Act 1996.
5. Section 5 of the HSNO Act requires all persons exercising functions, powers and duties under the Act to recognise and provide for the maintenance and enhancement of the capacity of people and communities to provide for their own economic, social and cultural wellbeing for the reasonably foreseeable needs of future generations. Section 6 requires all persons exercising functions, powers and duties to take into account the economic and related benefits and costs of using a particular hazardous substance.
6. HortNZ welcomes the opportunity to submit on this reassessment application of the fumigant methyl bromide. We hope that our insights assist the decision-makers in meeting the obligations under sections 5 and 6 of the Act, and help inform their decision.

THE IMPORTANCE OF METHYL BROMIDE TO HORTICULTURE

7. While horticulture exports only make up a small proportion of the methyl bromide used in New Zealand as pointed out in the application form, it is nonetheless of great importance to many

horticulture growers and exporters. As highlighted in MPI's response to the Environmental Protection Authority's (EPA) request for information methyl bromide fumigation is an important tool for many export commodities and pathways and it is necessary to retain it in order to comply with overseas jurisdictions' phytosanitary requirements (MPI, 2019b). These pathways include the export of:

- Tomatoes, Capsicums and peas to Australia
 - Citrus and Brassicas to Fiji
 - Potatoes to French Polynesia
 - Apples to Japan
 - Dried peas to the United Kingdom
8. As indicated in table 2 of MPI's response to the EPA, the value of these pathways is high (over \$58 million). The loss of these export pathways, due to methyl bromide no longer being usable, would result in a major adverse impact for the regional communities in which these crops are produced. This is the likely outcome if the recapture requirements for methyl bromide are not amended before October 2020. Alternative treatments are used where possible by exporters, but phytosanitary requirements for export of fruit and vegetables are determined by overseas regulators. For some export pathways there are no other practical alternatives.
 9. Methyl bromide is also a critical tool for maintenance of New Zealand's biosecurity. As is discussed by MPI in their response to the EPA's request for information, a large amount of fresh produce imports into New Zealand are treated with methyl bromide fumigation to manage non-compliances (MPI, 2019b). This is critical in order to protect New Zealand from incursions of pests which would otherwise cause substantial economic damage and may also bring harm to culturally important flora. If the recapture controls as they are currently worded take effect in October 2020, New Zealand's biosecurity will be more vulnerable than before. In accordance with the obligations of sections 5 and 6 of the Act, HortNZ considers that the recapture requirements for methyl bromide need to be changed to better align with what is technologically achievable.
 10. HortNZ shares MPI's concerns raised on page 7 of their response that not changing the methyl bromide recapture requirements would be poorly received by New Zealand's trading partners (MPI, 2019b). Not only would the inability to use methyl bromide prevent access for New Zealanders to certain products that can't be produced in New Zealand year-round, it could also be viewed as New Zealand introducing a non-tariff barrier to trade. Trade is a vital part of New Zealand's economy and is a significant driver of New Zealanders' collective wellbeing. It provides employment to 620,000 New Zealanders (MFAT, 2019). For the good of all New Zealanders, it is important to maintain positive relationships with our trading partners, including those whose goods are fumigated with methyl bromide upon arrival in New Zealand.

KIWIFRUIT INDUSTRY AND METHYL BROMIDE

11. Kiwifruit is New Zealand's largest fresh produce export with \$2.6 billion in sales of New Zealand kiwifruit in 2018/19, marketed and distributed by Zespri into more than 50 countries. There are no protocols at present which require New Zealand kiwifruit exports to be treated with methyl bromide before it leaves NZ. However, some New Zealand kiwifruit is fumigated on arrival in market, especially in Japan, Australia and, to lesser extent, United States of America. Importing countries' border authorities can choose to fumigate fruit if it fails phytosanitary inspection on arrival. Mostly these failures are for microscopic pests that are found after a very close inspection and completely preventing their presence on all New Zealand kiwifruit fruit is not a realistic option. New Zealand kiwifruit can also fail Australian phytosanitary inspection because pests found during arrival inspection are not identified to species. There is currently no acceptable alternative to methyl bromide use in this context.
12. If New Zealand bans methyl bromide for imported product then this raises the possibility that our export market could take reciprocal action. If our markets cannot fumigate our product on arrival, the only option may be to re-ship or destroy the fruit.
13. Methyl bromide is a vital component for maintaining the integrity of New Zealand's biosecurity system. As outlined in MPI's response, methyl bromide is the main, and in some cases, the only effective phytosanitary treatment option for imported goods. It is crucial that we have appropriate

tools to manage biosecurity risk at our borders as biosecurity incursions have the potential to cause significant harm to both our industry and New Zealand environment. Therefore, we have concerns that if we were to lose methyl bromide as a treatment tool at our borders, New Zealand's biosecurity system will be more exposed and as a result, the kiwifruit industry more susceptible to potential biosecurity threats.

14. Protecting our unique environment through responsible and sustainable practices is a core value of the kiwifruit industry. As such, we support the need to establish a set of requirements around the use and recapture of methyl bromide; an ozone depleting fumigant. However, the recapture rates outlined by the EPA in the 2010 decision appear to be unachievable in the timeframe specified, therefore, we would like to see the recapture requirements be adjusted to a rate which is technically and operationally feasible in the current environment (such as the recapture of 80 percent of methyl bromide at the end of the fumigation process).

REQUIREMENTS FOR RECAPTURE

15. The evidence submitted by the applicant for this reassessment demonstrates that the recapture requirements set in the 2010 decision on methyl bromide that are due to take effect in October 2020 are not able to be met (EPA, 2010). If they take effect there will be a significant detrimental impact on regional communities. In accordance with sections 5 and 6 of the Act, this must be considered by the EPA and all persons exercising duties under the HSNO Act.
16. Page one of the 2010 decision for methyl bromide states that the reasons for requiring recapture within a 10-year timeframe was that it was considered necessary for New Zealand to meet its obligations under the Montreal Protocol and to mitigate potential human health and environmental effects which may occur as a result of methyl bromide's ozone-depleting properties (EPA, 2010). As the applicant has pointed out, quarantine and pre-shipment use of methyl bromide is exempt from obligations under the Montreal Protocol (Clause 6, Article 2H).
17. HortNZ agrees with Dr Jack Armstrong's footnote on page 11 of STIMBR's response to the EPA's request for additional information (STIMBR, 2019). The 5ppm currently in place as a rate of recapture requirement that will take effect in October 2020 was presumably chosen because it is the WES value for methyl bromide. However, workplace exposure standards (WES) values relate to potential harm caused by direct exposure to workers, not indirect effects to human health as a result of depletion of the ozone layer, which is what the 2010 EPA decision stated the recapture requirement was introduced for (EPA, 2010).
18. HortNZ supports there being a requirement in place to recapture methyl bromide as this is good environmental stewardship. However, we consider that the required rate of capture should be in line with what is achievable (about 80% of post-fumigation levels), rather than be set at a rate that is unattainable and would significantly negatively impact exports of fresh produce to many markets.
19. It is clear from the application form and Dr Jack Armstrong's report (STIMBR, 2019) that lack of success in achieving recapture down to 5ppm within timeframes that are practicable for produce to be saleable is not due to a lack of trying or investment from stakeholders given the significant investment made in these technologies.
20. Consequently, HortNZ requests that the decision-making committee give careful consideration to the negative impacts that will occur if the October 2020 recapture requirements take effect, and revise these to be in line with what is technologically achievable.

CONCLUSION

16. HortNZ thanks the EPA for the opportunity to present the views of the horticulture sector on this application and to highlight the significant negative impact that would result if the recapture requirements that are set to take effect in October 2020 are implemented.
17. HortNZ insists the EPA decision makers set recapture requirements for methyl bromide at levels that are achievable and practical based on the best available current technology.

18. HortNZ requests to participate in an EPA hearing on the outcomes of this reassessment consultation.

19. This submission is supported by:

- Potatoes New Zealand
- Vegetables New Zealand
- Process Vegetables New Zealand
- Katikati Fruitgrowers Association
- Hawkes Bay Fruitgrowers Association
- Citrus New Zealand
- Horticulture Canterbury Growers Society
- Central Otago Fruitgrowers Association
- New Zealand Kiwiberry Growers
- Pukekohe Vegetables Growers Association
- Zespri
- Kiwifruit Vine Health
- New Zealand Kiwifruit Growers

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