

# COLDFACTS

## Primary sector exports and jobs up again

Primary sector exports and jobs are up again, demonstrating the sector's underlying strength amid the COVID-19 global pandemic and US-China trade war, and supporting New Zealand's economic recovery.



Stats NZ recently reported New Zealand's merchandise exports in August were up 8.6% on a

year ago, driven by an increase in the value of our fruit which is up 28.2% with gold kiwifruit up 48%, wine up 17.9%, and dairy products up 10.2%. Also, the number of filled jobs across our primary industries reached 99,920 in August, up by 8,720 or 9.6% from a year ago.

Across the whole year to August, against the backdrop of a global pandemic and the US-China trade war, all exports have grown by 2.8%, with milk powder, butter and cheese exports up 11.1%, meat exports up 9.9%, wine exports up 8.5%, fruit exports up 8.4% and vegetables exports up 6.3%.

#### OCTOBER 2020

#### New Zealand Red Meat Report August 2020

It has been a challenging year, but the sector is incredibly proud of the way it has successfully responded to COVID-19, while also managing drought and feed issues across much of the country.

While markets are volatile, demand for red meat remains strong and in the wake of COVID-19 there has been an increase in interest in natural, grass-fed beef and lamb. The Taste Pure Nature origin brand is raising New Zealand red meat's profile and connecting with consumers.

Just over 90,000 jobs are already supported by the red meat sector and they are keen to work with the Government to help find employment for those who have lost jobs as a result of COVID-19.

### Storage Technology changes hands

Many of you will know and will have worked with Colin Stanley at some stage. Colin was a regular supporter and valued sponsor at our annual conferences. Colin has now decided it's time to put his feet up and has sold his business to APC Storage Technology Ltd. The new contact details for APC Storage are:

Email alex.wales@apcgroup.co.nz Phone +64 22 708 7000

## A new way of WORKING

Ian Proudfoot has written an interesting introduction to the weekly KPMG fieldnotes publication reflecting on the New Zealand approach to eliminating Covid 19 and recommending we change the

way we view the effect of Covid 19.

The idea that rather than business (or life) being about a series of finite victories, it is actually about recognising we operate in an environment without a beginning, middle or end.

A game where the players and rules change continuously and success is being a long term, sustainable player.

This is not a finite game with victory being possible.

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The pandemic has moved the playing field, changed the players and rewritten the rules of the game, it has fundamentally transformed the global infinite game we consistently strive to remain relevant within. As a consequence, the desire to vanquish the virus no longer makes any sense; we would win a game that the world is no longer playing. As cases have mounted it has become apparent that those countries and companies that give themselves the best chance changing how consumers think of remaining as sustainable

players in the game are those that adapt quickest to its new challenges.

From New Zealand's perspective, there is no doubt our initial success in responding to the virus has enabled us to return back to last year's way of life more quickly than most of the world. The trouble is last year's way of life is just that, last year's way of life which seems irrelevant and out dated to those that are adapting to the new rules. Adapting to the new rules of the game is about health, safety,

traceability, provenance and many other attributes of the food they eat.

As we sell our food, fibre, beverages and experiences to the world to create wealth; playing the same game as the rest of world is critical if we are to benefit from our early success and the perception this has created of New Zealand being a safe country. Our consumers are expecting the organisations they buy from to be playing to the same rules as they are, to help keep them and their families safe.

Full article available here





## Port of Tauranga is planning for the next stage of cargo growth

New Zealand's port of Tauranga is reporting a group net profit of \$90 million and increased container volumes despite disruptions from the Covid-19 pandemic. The profit from the nation's largest port is on 24.8 million tonnes of trade and it had an annual revenue of \$302m down \$11.3m on 2019. The current pandemic has had a wide-ranging impact on the business, including shipping cancellations, reduced cargo volumes, operational challenges and increased costs, and the resulting economic recession in New Zealand and the world.

Port of Tauranga has extended its strategic alliance with New Zealand's biggest container exporter, Kotahi, through to 2031. The Port also has long-term freight volume agreements in place with other key exporters such as Oji Fibre Solutions and Zespri International.

Click here to read the full article.





## MPI Update

MPI VS statistics for Cold Storage Premise Compliance. 9 month period. January to September 2020. In the first 9 months of 2020 the Store sector received 270 performance based verifications (PBV). This is 14% of all Circuit verifications completed for the period. 11 of the 270 PBV audits were unacceptable. This gives a 4% unacceptable level.

At the 1st of October 2020 the Store sector (both cold and dry) was made up of 179 operators. 147 of the 179 were on the PBV ceiling step (top compliance step) giving an average of 81.5%.

This measure is mostly on performance but also some new premises are working up to the PBV ceiling step. In 2020 to date these measures show the Store sector in both the risk and performance measures is performing better than average compared to some other sectors.

Significant issues identified at verification. Number of Corrective Action Requests issued (CARs)

## Corrective Action Request profile for Store sec Jan - Sept 2020

Topic	Number of CARs issued
Dairy	2
Design & construction	
Documentation	6
Hygiene & Sanitation	2
Identification, Traceability & Management	5
OMAR	3
Refrigeration	1
Quality Assurance	12
Total	31

Note: Quality Assurance - this is the company managing their own compliance. They should be identifying issues, Not MPI VS.

This has been the Stores main overall issue for some time.



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# Fonterra's manufacturing plants remain on higher alert through to winter 2021

Fonterra co-operative group is taking extra precaution at the manufacturing sites as the peak of the milking season approaches.

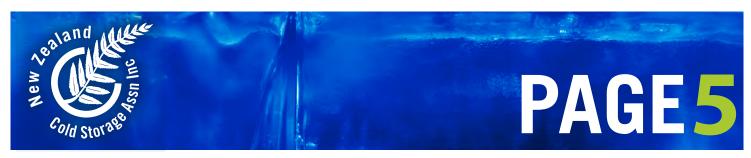
Warren Baddeley, the company's upper North Island general manager, said their manufacturing sites would continue to work at level 2 or higher even if the government moved the alert level down. Fonterra has protection measures including admin staff mostly working from home, distancing in offices, temperature tests, sanitation stations and extra clearing services, travel on approval and other precautionary policies in place. *Full article available here* 

### NZ company launches a new, cheaper method of removing ethylene from cold stores

New Zealand company Ethylene Free launched a new method of removing ethylene from cold stores. According to Roger Cherry who owns the company, this method removes 99% in a single pass and costs less than 50% of existing methods while only needing a standard single phase power point. Existing ethylene scrubbers normally range around \$30,000 plus. They will be marketing these initially at around \$12,000. This product will considerably help deliver fresher produce to long distance markets.

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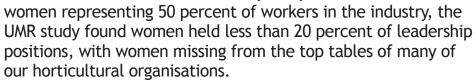


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They have also been developing a new product to provide ethylene removal in reefers and expect to have this available in the next 6 months. They saw the need to provide a system which is economical, compact and generates its own power for operation while being simple enough for anyone to clip the unit in the reefer. These units will do continual voyages endlessly with a test and check annually.

# Research Highlights Lack of Female Leadership in the NZ Horticulture Industry

Research commissioned by industry collective Women in Horticulture (WiH) shows significant gender disparity amongst senior roles in New Zealand's horticulture industry. Despite



A new website aims to tackle this imbalance by fostering an environment which will empower, value and support the thousands of women working in the horticulture industry across New Zealand.

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### CO<sub>2</sub> SOLUTION

FOR ALL COLD STORAGE APPLICATIONS

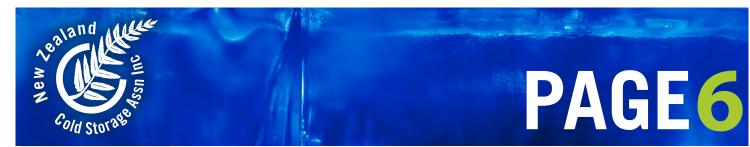
Proven 2303 solutions operating worldwide • Reliable systems running since 2004 Efficient COP's of 4.0 achievable • Sustainable natural refrigerant







For more information contact: info@pattonnz.com



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Women in Horticulture, www.women-in-hort.co.nz, is the brainchild of a group of female business leaders employed in a variety of management roles across New Zealand's horticulture industry. Representing members throughout the supply chain, WiH is dedicated to raising the profile of women in the industry and to encouraging women's participation



from entry level right through to leadership roles.

If you would like your profile added to the website, or you would like to become a member of Women in Horticulture, please contact: info@women-in-hort.nz

# Increased demand and reduced capacity prove a challenge for air freight market

Over the past six months, the air freight market has been extremely unsettled due mainly to the cancellation of passenger services across the world in what we now know as COVID-19 interrupted scheduling. This drop in capacity resulted in demand outweighing supply and therefore, air prices multiplying as global trade needed to continue.

Airlines have adapted to the changing market by introducing cargo only flights, with minimal schedules to keep global trade moving. As the air freight market remains fluid, the International Air Transport Association (IATA) continues to revise its evaluation periodically and has recently predicted that international revenue passenger kilometers (RPKs) will not recover to 2019 levels until 2024.





## Ammonia Gas Detection What's Lurking Behind Your Doors?

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## Food insecurity a global threat

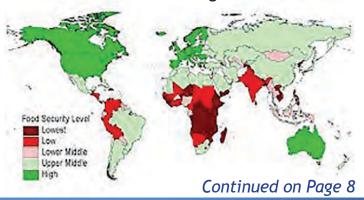
The Ecological Threat Register warns of climate threat in Africa, the Middle East and South Asia, with worrying consequences for global food security.

A total of 5bn people could suffer from food insecurity by 2050, according to the report, 1.5bn more than today. By 2040, it warned, a total of 5.4bn people - over half of the world's projected population - would reside in the 59 countries experiencing high or extreme water stress.

Lebanon, Singapore, Israel and Iraq were expected to be among the worst affected

countries by 2040, with China and India also likely to be impacted.

"There are a number of countries in the Middle East that are going to be vulnerable to severe water shortages in the future," said Steve Killelea, founder and executive chairman of the IEP. "Countries like Iraq, Syria and Yemen will have low resilience to ecological stresses.







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We saw the impact wars had in those countries in terms of the numbers who were forced to migrate. Now they are also going to be facing increased stress on their water and food supplies."The five most food insecure countries in the world are Sierra Leone, Liberia, Niger, Malawi and Lesotho, according to the report, with over half of these populations experiencing uncertainty in access to sufficient food to be healthy.

The Ecological Threat Register analyses risk from population growth, water stress, food insecurity, droughts, floods, cyclones, rising temperatures and sea levels. The report found that 141 countries would be exposed to at least one ecological threat by 2050.

### Maersk completes the acquisition of KGH Customs Services

A.P. Moller - Maersk has finalised the acquisition of KGH Customs Services, a pan-European customs services provider, further strengthening its capabilities as an integrated container logistics company, offering end-to-end supply chain solutions to its global customers.

Full article available here





## Jack's



Well, we finally made it! We are now all on level 1 but, at Alert Level 1 we still need to be ready in case COVID-19 reappears in our community. We only have to look at our Australian neighbours to realise this. The worst thing we could do is to presume that we have got it beaten. If you have cold or flu symptoms, stay home and call vour GP or Healthline on 0800 358 5453 to see if you need a test. If you need any more information you will find the government website an excellent scource as it is updated daily: https://covid19.govt.nz/updates-and-resources/latest-updates/

In case you missed it in last weeks' news... it was announced that New Zealand now has the most powerful passport in the world. After a year full of travel misery and Covid chaos the little black book clearly illustrates the value of our early lockdown.

We had held the title jointly with Japan, but the latest ranking shows NZ out on its own at the top. The Passport Index is one of several indices which measure the amount of visa-free world travel. It looks at the passports of 193 United Nations member countries and six territories.

A New Zealand passport currently gives you visa-free or visa-upon-arrival access to 129 destinations.

Not bad for a little country stuck at the bottom of the world!

