COLDFACTS

SEP / OCT 2024 NEWSLETTER

New Zealand Cold Storage Assn Inc

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COLDFACTS
SEP / OCT 2024 NEWSLETTER

Hike in immigration visa charges

Immigration New Zealand (INZ) are in increasing visa charges that come into effect from 1st October.

Taking effect from October 1st 2024 most visa charges will increase. The good news is that these changes will reduce the taxpayer contribution to the immigration system by $563 million over four years.

The not-so-great news is that this will affect your businesses and most of your migrant staff at a time when businesses are having to better manage costs.

If you are considering extending visas for your workforce we highly recommend you start today to lodge your application by Monday September 30th, as the cost of an AEWV will more than double on October 1st.

The table at the bottom of the page is a snapshot of the charges that will mostly affect businesses.

For a full list of the changes, click the link below:

New Zealand Immigration, click here

There will be no increases for Recognised Seasonal Employer, Pacific Access Category, and Samoan Quota visas, in recognition of New Zealand's ongoing commitment to supporting its Pacific neighbours.

The Refugee Quota and programmes related to New Zealand's international and humanitarian obligations will continue to be funded by the government.

Reference source: Working In

WORKING IN – NZI AND AND INTERNATIONAL RECRUITMENT

Our team are prepared for a significant volume of visa applications so please contact us immediately so we can plan how your visas can be lodged before the cut off date.

Your Licensed Immigration Adviser will reach out to you directly, in the meantime please feel free to contact us to discuss how this may impact your business.

We can help you ensure that your staff are retained for as long as possible before these changes take effect.

Contact us: business@workingin.com
Visit Working In, click here

TYPE OF APPLICATION	CURRENT RATES LODGED BY SEP	NEW RATES FROM OCT
Employer accreditation (standard)	$740	$775
Employer accreditation (upgrade to high volume)	$480	$505
Employer accreditation (high volume)	$1,220	$1,280
Employer accreditation (triangular employment)	$3,870	$4,060
Job check (under Accredited Employer immigration instructions)	$610	$735
Accredited Employer Work Visa	$540	$1,540
Work Visa Other	$490	$1, 355
Variation of conditins on a temporary entry class visa	$210	$325



Regulatory review into approval pathway for agricultural and horticultural products

Regulation Minister David Seymour, Environment Minister Penny Simmonds, and Food Safety Minister Andrew Hoggard jointly announced last week a regulatory review into the approval path for agricultural and horticultural products. In announcing the review, Ministers stated that the intent was to look at how the Government can speed up the approvals process to ensure farmers and growers get access to safe, innovative products that are necessary to ensure New Zealand's agricultural and horticultural sectors remain competitive in the global marketplace. The review is being led by the Ministry of Regulation who is inviting submissions and feedback until 8 September.

Reference Source: New Zealand Foriegn Affairs and Trade

The following article is from the Ministry for Regulation, if you wish to provide feedback, head to their website.

Ministry for Regulation, click here

OVERVIEW

Farmers and growers use a range of different agricultural and horticultural products in their businesses, including feeds, fertilisers, veterinary medicines, pesticides, and environmental inhibitors.

These products support horticultural and farming productivity, boost our agricultural and horticultural exports, and help protect against pests.

Timely access to newer and improved products is important to maintain our competitiveness and to stay ahead of any developing resistance.

New agricultural and horticultural products can pose both opportunities and a range of risks, including some that are unique to our environment and primary production systems.

Risks could include residues in food that might have detrimental impacts on human and animal health, our agricultural and horticultural exports, and the environment.

To manage these risks, agricultural products are approved under the Agricultural Compounds and Veterinary Medicines Act 1997, and if the products are hazardous substances or new organisms, they also require approval under the Hazardous Substances and New Organisms Act 1996.

APPROVAL PATH FOR AGRICULTURAL AND HORTICULTURAL PRODUCTS REGULATORY REVIEW

The Ministry for Regulation is seeking to assess whether the current approval path is maintaining an appropriate balance between access to these products and managing risk.

It's encourage you to read the Terms of Reference for this review. Also, an economic analysis issues paper that you may find useful '*AgHort Products Regulatory Review economic issues*'. Find both links within this article online.

Terms and conditions, click here
Economic analysis issues paper, click here

Regulatory review into approval pathway for agricultural and horticultural products continued

In considering your feedback, please think about these broad initial questions.

- Are the regulations working?
- What are the biggest issues with the current approval path?
- What are some of the causes or contributors to these issues?
- How would you solve them?
- What evidence do you have that you could supply or point us to?
- What are the underpinning market failures and the basis for government intervention?
- What are the costs and benefits of regulation, and the distribution of those across different parties?

WHAT HAPPENS NEXT

We are now considering the feedback and written submissions we received through direct engagement and through the engagement hub.

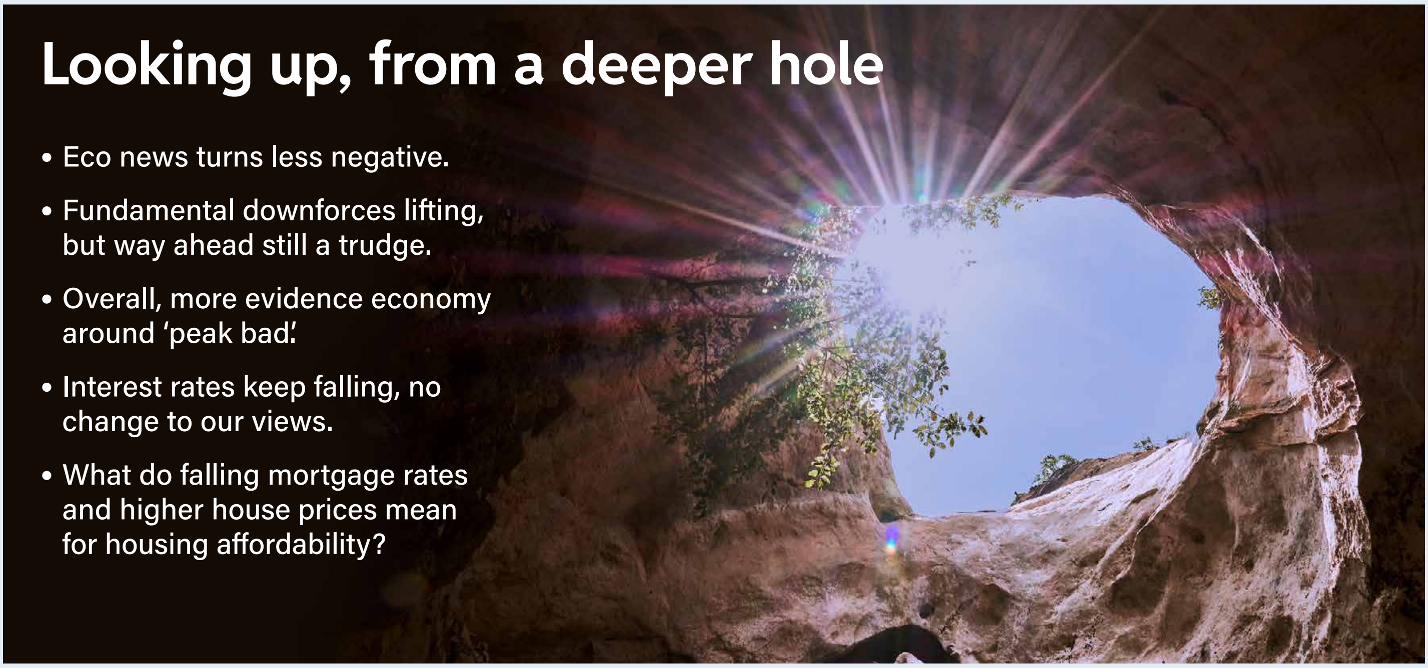
The Ministry will continue engagement and testing of analysis and recommendations with a range of stakeholders, including a sector review panel and other government agencies, before making any recommendations for consideration by government.

We will provide a report to the Minister for Regulation, Minister for the Environment, and the Minister for Food Safety, followed by a Cabinet paper seeking decisions on any recommendations and next steps.

Reference Source: Ministry for Regulation

TIMELINE

1 AUG TO 8 SEP	SEP TO NOV	DEC 2024	FEB 2025
Submissions and engagment process	Substantive analysis, incl. of submissions and engagement	Draft report	Cabinet paper



Looking up, from a deeper hole

- Eco news turns less negative.
- Fundamental downforces lifting, but way ahead still a trudge.
- Overall, more evidence economy around 'peak bad.'
- Interest rates keep falling, no change to our views.
- What do falling mortgage rates and higher house prices mean for housing affordability?

Looking up, from a deeper hole continued

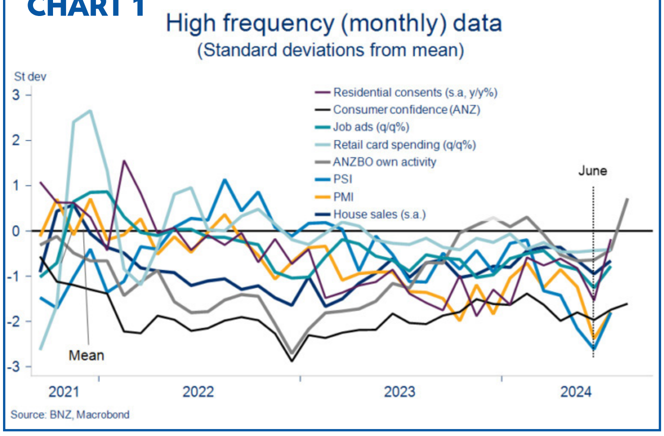
Over the past few weeks we've watched most of the July eco-news roll in.

The good news is that, in nearly all cases, July readings improved from frankly terrible June results. The less good news is that, despite this, most of these indicators remain at subpar levels indicative of an economy going backwards.

For the full picture, the chart below indexes most of the key monthly ("high frequency") indicators so they can all be summarised on the one chart.

See chart 1 (below)

CHART 1



There's a strong 'dead cat bounce' element in the mix. That is, June was so weak and/or holiday-affected that some relief was always likely for the following month. We'd put consents, card spending, the PMI, the PSI, job ads, and house sales in this category.

Nonetheless, the less-bad vibe in the data flow must still be taken as an encouraging sign given the disconcerting speed with which everything had been deteriorating since about February.

Moreover, some abatement in the two big fundamental downforces on the economy raises the odds we get a bit more relief in the numbers over coming months.

- First and most obviously, interest rates are coming down. It's too early for this to have had much of an impact to date but it undoubtedly did on the most forward-looking of the indicators opposite – own activity expectations from the ANZ business survey. They're now above average. The extent of the jump has raised a few eye-brows, but it was still interesting to see the retail sector experience the largest increase (albeit from the lowest base). That lines up with a few other snippets suggesting the retreat in retail spending may be nearing its end.
- Second, and perhaps less obviously, expectations of a global cyclical upturn are hanging in there. That's despite few signs China's economy is about to right itself and fading hopes US economic 'exceptionalism' can be maintained. Instead, forecasters are putting their faith in other parts of the world – Europe particularly – to pick up some of the slack next year. Falling global interest rates are the big support here, and we note global GDP growth forecasts for this year and next are still clawing their way higher. They're now almost back to trend sorts of levels.See chart 1

See chart 2 (page 7)

The latter point signals a more supportive demand back-drop for our primary exports in future. That's encouraging given still challenging conditions in the rural sector. It would be a stretch to say firmer global demand is the main factor behind recent lifts in meat and dairy prices – they've been far more about tightening supply – but it has certainly helped.

Beef and lamb prices have increased 15-20% over the past four months, albeit in the case of the lamb to still very low levels. Dairy auction prices have maintained a wobbly uptrend and are now up 35% on a year ago. That's allowed us to lift our 2024/25 Fonterra Milk Price forecast to $8.50 kg/ms. Relative to a $8.00 counterfactual, that would amount to an extra almost $1b in dairy sector income.

Combined, the ok-looking global backdrop, falling interest rates, and stabilising economic data flow broadly play to the grain of our view we might be at the bottom of the business cycle around now. Call it 'peak bad.' Our GDP forecasts continue to pencil in a slow return to economic growth from the final quarter of this year.

See chart 3 (page 7)

Looking up, from a deeper hole continued

That may be so but, as ever, there are a couple of cautions to fold into the mix.

First, the hole that we are emerging from may end up being deeper than previously thought. We're forecasting a cumulative GDP decline of 0.6% over the second and third quarters of this year. Various bottom-up and top-down indicators of short-term economic growth point to some residual downside risk on this view (Q2 GDP data released 19 September).

Second, the trudge up and out of the economic hole will feel like a slog for many. For one thing, the labour market will still be deteriorating – we're still forecasting the unemployment rate to rise from 4.6% currently to 5.5% by March 2025. It then stays around there for the rest of next year.

So, while inflation worries may continue to retreat, the baton seems to be passing on to job insecurity. This can be seen, for example, in the unfortunately titled "misery index." It's an indicator of how households are experiencing the economy produced by adding the unemployment rate and annual inflation rate together.

As the chart shows, the expected lift in unemployment stalls what might have otherwise been further falls in the index. Thankfully, it's a lot lower than it was but, on our forecasts, looks set to remain at a more elevated level than the 2015-2019 period.

Pulling all of the threads together doesn't change our expectation that the Reserve Bank (RBNZ) will keep trimming the Official Cash Rate in 25bps lumps in coming meetings.

See chart 4 (page 7)

A quickening in the pace of cuts at the next (9 October) announcement appears unlikely given the economic picture is no worse than the RBNZ's August forecasts. A larger, 50bp cut in the final (November) meeting of the year is more of an open question, and something financial markets continue to fully price.

But the important thing – for the RBNZ and for most people – is that market interest rates are still falling.

The pace of declines has slowed as expected, but the downtrend continues and looks to have further to run. Falling global interest rates, with the US Federal Reserve near certain to kick off its own easing cycle this month, may further fan the flames.

See chart 5 (page 7)

The OCR has only been lowered 25bps so far but retail rates have fallen much further given what's been baked into expectations. One-year term deposit rates are now about 100bps below the peaks. Falls in 2-5 year fixed mortgage rates have been of a similar or larger magnitude while rates on shorter terms having fallen by a little less.

In our recent Property Pulse we laid out our view for mortgage rates and what this might mean for the housing market. In short, our OCR forecasts are consistent with a 2-year mortgage rate close to 5% by the middle of next year (from just under 6% now). That is expected, with all the usual caveats around house price forecasting, to help drive a modest 7% lift in house prices over 2025, following a flat performance over the rest of this year.

But the question has been asked: what might all of that mean for housing affordability? After all, falling mortgage rates and potentially higher house prices work in opposing directions in an affordability sense.

The short answer is that all cases will be different. But for a general macro sense of the net effect we can run a few scenarios through our affordability index.

Looking up, from a deeper hole continued

The index tracks the three core components of the housing affordability equation: the size of the required deposit, the cash required to service a mortgage, and the household incomes used to pay these bills. It estimates the average cost of a house deposit and first year of mortgage bills, all expressed as a multiple of the average household disposable income.*

The latest iteration shows:

- A big improvement is in train for the current (September) quarter, thanks to falling mortgage rates alongside continued income growth and flat-to-falling house prices.

See chart 6 (below)

- This continues the modest recovery in housing affordability since the trough in late 2021 when house prices peaked. Our index is up about 15% over that time.
- Our (lower) mortgage rate and (higher) house price forecasts for next year largely cancel each other out in the workings of the index. Based on our forecasts for the inputs, the index is projected to improve very slightly from Q4 through to the end of 2025.
- Despite this, in an absolute sense, housing affordability is expected to remain stretched. Our index is set to remain in a worse state compared to where it was prior to the pandemic in early 2020.
- The scenario chart below illustrates that, under a scenario in which house prices flat-line for the next 18 months (and all other assumptions are held constant), the housing affordability index would get back to 2020 levels late in 2025. If instead, income growth flatlines, the index would wind up around 6% worse than our base case by the end of 2025.

See chart 7 (below)

**In practice, we assume a deposit of 20% of the median national house price. To this we add debt servicing costs in the first year (i.e. interest only), based on an 80% LVR and a 50/50 mix of floating and 2-year fixed mortgage rates, all expressed as a multiple of the average household disposable income. Technically, the discounted value of future debt servicing costs should be included, but we've simplified for ease of interpretation.*

Reference source: Mike Jones, BNZ Chief Economist

CHART 2

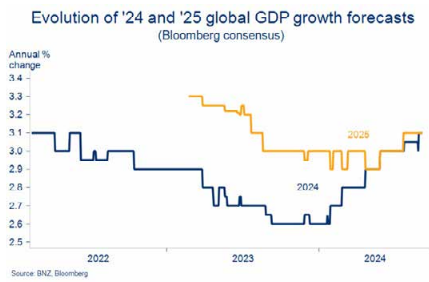


CHART 3

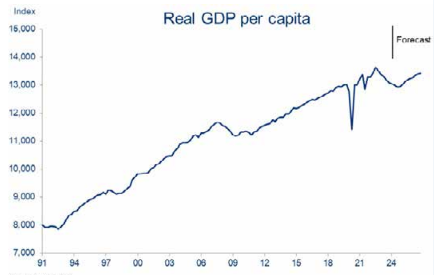


CHART 4

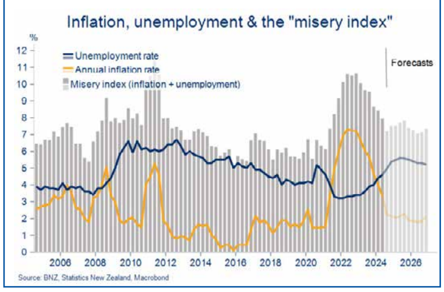


CHART 5

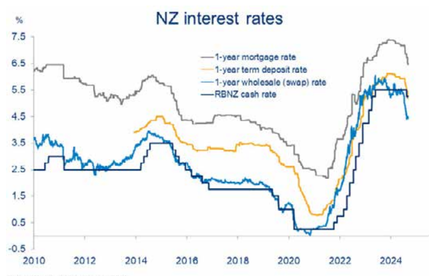


CHART 6

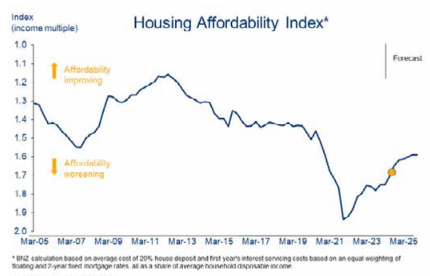
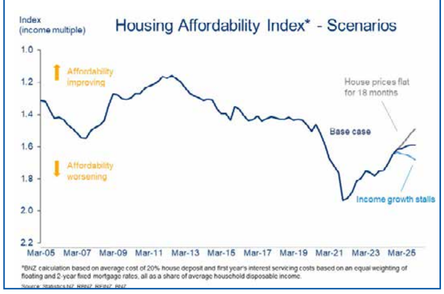


CHART 7



Lower Costs and Carbon with Demand Flexibility

In the ever-evolving energy landscape, demand flexibility is a powerful tool for a reliable and efficient electricity system. Cold storage operators can provide this demand flexibility, helping stabilise the grid while saving costs and earning revenue from greater control over their energy use.

WHAT DEMAND FLEXIBILITY IS

Demand flexibility involves tools and strategies for businesses to adjust their electricity use in response to grid and market price signals.

This could involve reducing your energy consumption when the grid is stressed, or electricity prices are high, or shifting your usage to when renewable energy is plentiful, and electricity usually costs less.

WHY IT'S IMPORTANT

Demand flexibility is a cost-effective solution for meeting shortfalls in renewable generation. This might be due to an event such as a power station tripping or weather conditions that limit our hydro, wind, and solar generation.

The more expensive alternative is building larger powerlines, installing batteries, or meeting shortfalls with fossil fuel generation.

HOW YOU BENEFIT

At Simply Energy, we can help you integrate flexibility into your operations to save costs, reduce carbon emissions, and earn revenue from being part of our demand flexibility programme, Simply Flex.

The specific benefits you gain will depend on the flexibility options you choose.

An added benefit is that demand flexibility can help you better predict system performance during power outages by allowing you to simulate and manage the impact of turning off loads. This provides insights into how your systems will behave and recover, enhancing your confidence in handling actual power cuts.

HOW SIMPLY FLEX WORKS

Cold storage facilities are uniquely positioned to benefit from demand flexibility because your operations involve equipment such as compressors, cooling systems, chillers, and freezers that can quickly adjust energy use without disrupting your primary goal of keeping things cold or frozen.

We collaborate with you to determine the equipment and installation needs, install an on-site hub, and set up the necessary connections to act on market and price signals. We then test the equipment to ensure it operates correctly and approve your site for participation in electricity markets.

WHAT IT COSTS

Upfront costs are low as we'll fund 100% of the meter supply, installation, and PLC programming with your existing contractor.

YOUR OPTIONS

Participating in Simply Flex opens up several opportunities:

Frequency Response

This is where you earn revenue by supporting short-duration grid events, like a power station tripping. To participate, your equipment must respond quickly (within a second). Transpower offers two markets for participation: Fast Reserves, which requires turning off for up to one minute, and Sustained Reserves, which involves turning off for up to 30 minutes. These events typically occur once or twice a year.

Since signing up our first customer in 2019, we have over 80 sites across various industries participating in Frequency Response. Together, they contribute 82MW of flexible load to support the grid.

This includes over 60 sites with cold storage, such as Alliance. In 2023, after seeing the value of providing 0.4MW of interruptible load at its Dannevirke site, Alliance expanded its flexibility into its Lorneville site, one of New Zealand's largest refrigeration plants, adding 2MW of grid support.

Demand Response

This is similar to Frequency Response but deals with events that occur over more extended periods of grid constraint, such as during winter morning and evening peaks, and you don't need to respond so quickly. Our technology makes it easier for you to participate in existing and emerging demand response markets typically offered by networks and some retailers.

Energy Flex

With Energy Flex, you can save costs by reducing your electricity usage during peak periods or shifting it to when the grid is greener, and electricity usually costs less.

For example, you might use Energy Flex to temporarily reduce cooling demand during peak pricing periods.

If you're paying for electricity on a 'time-of-use' plan, you're most likely paying different rates for different periods. For example, rates might be higher during peak hours when demand is high (like in the late afternoon and early evening) and lower during off-peak hours when demand is lower (such as late at night or early morning).

With Energy Flex, we send signals to your equipment to turn off and on at agreed times throughout the day. You remain in control and can restart the equipment earlier if certain conditions arise, such as if the temperature of a cold store reaches a specific threshold.

Load Monitoring and Capacity Management

Flexibility solutions can help reduce expansion and electrification costs by managing and optimising energy use to stay within a site's physical and allocated capacity limits.

Flexibility ensures that your site operates efficiently without exceeding its capacity envelope by continuously monitoring load and adjusting energy consumption in real-time.

This can minimise or eliminate infrastructure investment, allow for the seamless integration of new energy systems and technologies, avoid overloads and help maintain operational stability.

POTENTIAL FOR BETTER ENERGY RATES WITH FLEXIBILITY

We can advise on possible agreements and tariffs that reward flexibility. Last year, we helped design a unique supply arrangement for New Zealand Steel's new electric arc furnace, which will come online at its Glenbrook steel mill at the end of 2025.

Through a 10-year hedge agreement backed by Contact's geothermal portfolio, we could offer New Zealand Steel price certainty and an incentive to scale back production during morning and evening winter peaks.

FIND OUT MORE

Contact us to explore how Simply Flex can help you optimise energy use, reduce costs, and enhance your sustainability. **Contact: jonny.corlett@simplyenergy.co.nz**

Reference: Simply Energy

For more click here

Simply Energy

Design and specification of Controlled Environment Systems with insulated panels: Modern challenges andinsurance considerations

In the contemporary landscape of controlled environment buildings with insulated panels, the design involves a complex set of considerations. From energy efficiency and fire safety to insurance implications, every aspect plays a critical role in ensuring that the chosen panels meet both operational and business needs, and regulatory standards.

ENERGY EFFICIENCY AND MATERIAL PERFORMANCE

Energy efficiency remains a cornerstone in the design of buildings with insulated panels. With rising energy costs and modern sustainability goals, selecting panels that provide superior thermal resistance is essential. Materials like polyisocyanurate offer excellent insulation properties, effectively reducing heat transfer through the building envelope and minimizing energy use.

FIRE SAFETY

Fire performance is a crucial consideration when specifying insulated panels, particularly in environments where fire safety is paramount. Panels must meet stringent fire resistance standards to prevent the rapid spread of flames and smoke. Materials like mineral wool and certain fire-rated foams are designed to withstand high temperatures and contribute to building fire resistance. It's important to select panels that comply with relevant fire safety codes, ensuring they offer adequate protection in the event of a fire.

INSURANCE CONSIDERATIONS

Insurance is an often-overlooked factor in the design of insulated panels. Insurers evaluate the risk associated with building materials, and the choice of panels can impact coverage terms and premiums. High-quality, fire-resistant, and durable panels may result in more favorable insurance conditions, such as lower premiums and broader coverage. Conversely, panels that fail to meet fire safety standards or are prone to deterioration may lead to higher premiums or potential coverage issues. Engaging with insurance providers early in the design process can help align material choices with coverage requirements, balancing upfront costs with long-term financial benefits.

CONCLUSION

Today's approach to designing and specifying insulated panels for controlled environments requires a multi-faceted perspective. Balancing energy efficiency, fire safety, and insurance considerations is essential for creating effective and resilient systems. By selecting high-performance materials, ensuring compliance with fire safety standards, and understanding the insurance implications, stakeholders can achieve optimal results. In a world of evolving standards and increasing environmental challenges, these considerations will guide the development of controlled environments that are both safe and efficient.

Reference source: Kingspan

info@kingspanpanels.co.nz | 0800 12 12 80
Visit our website, click here

Government unlocking potential of AI

Science, Innovation and Technology Minister Judith Collins today announced a programme to drive Artificial Intelligence (AI) uptake among New Zealand businesses.

"The AI Activator will unlock the potential of AI for New Zealand businesses through a range of support, including access to AI research experts, technical assistance, AI tools and resources, as well as options for funding and grants.

"AI is predicted to contribute $76 billion to the New Zealand's annual GDP by 2038. It is crucial we support businesses to improve their awareness and uptake of AI, so they can capitalise on the benefits as the rest of the world rapidly adopts this technology," Ms Collins says.

"Today I am also announcing the pilot of GovGPT, which will make it easier to access reliable government information and support for businesses and people wishing to interact with government agencies.

"GovGPT is an exciting first step towards a vision of a 'digital front-door', where individuals can find answers to their questions about government in a convenient and timely way.

"Both initiatives announced today will be run by Callaghan Innovation, which will fund this work through baselines.

"This work, coupled with our ongoing work on a strategic approach to AI, demonstrates the Government's commitment to safely maximising the value AI can have for the economy and all New Zealanders."

Hon Judith Collins KC, Beehive.govt.nz

Ships have been forced to divert thousands of miles due to months of turbulence in the Red Sea

Six major supply chain trends and challenges

Dedicated procurement and supply chain consultancy Efficio has identified six major trends and challenges shaping the supply chain landscape in 2024

Disruption is, needless to say, the new normal when it comes to global supply chains.

This stark reality means organisations must strive for maximum resilience and efficiency to ensure their operations continue running smoothly.

However, as Efficio points out, maintaining focus on the right areas can be problematic. In a bid to keep leaders and other decision makers informed, the dedicated procurement and supply chain consultancy has identified six major trends and challenges shaping the supply chain landscape in 2024.

GEOPOLITICAL TENSION IN THE RED SEA

Attacks by Houthi militants on merchant vessels have put a halt to transits by a host of major container shipping companies through critical waterways in this region.

To avoid being hit, many have been forced to detour around the Cape of Good Hope, close to the southern tip of Africa – adding approximately 9,000 nautical miles to the distance sailed.

“This disruption has not only impacted trade volumes but also increased air freight rates as an alternative,” explains Ashray Lavsi, Principal at Efficio.

“Efficio advises businesses to develop resilient contingency plans, consider alternative routes and buffer stock levels to mitigate such risks effectively.”

MOUNTING PRESSURES ON SEA FREIGHT AND TRUCK TRANSPORT

Beyond the Red Sea, pressures on sea freight and truck transport are mounting globally.

The overflow of traffic from disrupted routes like the Suez Canal has congested Mediterranean ports, with Barcelona recording a 17% rise year-on-year in containers handled in February 2024.

Meanwhile, the trucking industry faces numerous challenges including driver shortages, especially in the US, where the American Trucking Association (ATA) estimated a deficit of more than 60,000 drivers as of 2023. What’s more, tightening regulations requiring the adoption of electric and hydrogen fleets means delivery companies are having to revamp their fleets and substitute standard trucks with EVs to stay compliant.

Ashray adds: “We recommend enhancing transport network transparency and diversifying logistics partners to manage capacity fluctuations and volatility effectively.”

Shifting risks and opportunities: Offshoring versus reshoring and nearshoring

The 20th century saw a rise in offshoring, with companies capitalising on lower production costs and expanded market access.

Six major supply chaintrends and challenges continued

However, a notable shift is occurring in global manufacturing strategies, with companies reassessing the risks associated with offshore operations and reconsidering in favour of reshoring and nearshoring.

This is especially prevalent in Europe, which, according to Cushman & Wakefield, saw a 29% increase in the acquisition or leasing of industrial space in 2022 compared to 2021.

"This trend, driven by geopolitical uncertainties and rising labour costs, aims to enhance supply chain resilience and reduce dependency on distant suppliers," Ashray continues.

"Efficio advises assessing risk exposure across the supply chain (tier mapping) and strategically reshoring elements where feasible to mitigate disruption impacts."

INVENTORY MANAGEMENT: BALANCING EFFICIENCY WITH SAFETY

Efficio points out that, prior to the COVID-19 pandemic, just-in-time (JIT) inventory management was seen as a cornerstone of efficient supply chain practices due to its ability to help minimise working capital, enhance flexibility and optimise cash flow.

However, the pandemic revealed its vulnerabilities, with a reliance on minimal buffer stock levels leading to widespread supply chain disruptions.

Now, companies have a dilemma on their hands amid the convergence of high interest rates and escalating supply risks. As they grapple with replenishing inventories amid disruptions, the need to open up operating cash flow is drawing them back into a JIT approach.

Ashray says: "We suggest adopting dynamic inventory segmentation and predictive replenishment strategies to strike a balance between efficiency and risk mitigation."

GLOBAL SHORTAGES ACROSS LABOUR, RAW MATERIALS AND SHIPPING EQUIPMENT

The pandemic combined with political tensions and extreme weather events have significantly reduced material and labour availability across various industries' supply chains.

Labour shortages have been exacerbated by demographic shifts, including ageing populations, changes in immigration policies and workforce preferences.

In fact, S&P Global forecasts that, by 2050, developing nations may lose approximately 92 million working-age individuals and gain more than 100 million elderly people.

Climate change has led to raw material shortages, particularly affecting agriculture due to

severe weather conditions like flooding and droughts. The concentration of food production in a few countries has heightened global food supply chain vulnerabilities.

"Efficio advises prioritising supply continuity through comprehensive risk assessments and exploring diversification strategies to reduce vulnerability to these shortages," Ashray goes on.

ESG: TAKING ON SCOPE 3 EMISSIONS

While progress is being made towards reducing direct emissions (Scope 1) and indirect emissions from purchased energy (Scope 2), accounting for emissions from upstream and downstream activities in an organisation's value chain (Scope 3) demands attention.

However, complexities in supply chain visibility, data collection, regulatory compliance and stakeholder engagement present formidable challenges.

Ashray concludes: "Efficio recommends integrating sustainability metrics into procurement processes and fostering collaboration across the supply chain to achieve meaningful emissions reductions.

"Navigating these supply chain challenges requires a proactive approach that integrates resilience, agility and sustainability into core operational strategies. By embracing these recommendations, organisations can enhance their ability to thrive in a volatile and interconnected global marketplace."

Reference source: Supply Chain Digital, Tom Chapman

Watch navigating the complexities of global supply chain management, click here

NZ energy certificates on the rise

The RSM is now more carbon intensive with certificate volumes up by 41%

We are excited to announce significant growth in the volume of New Zealand Energy Certificates (NZ-ECs) traded this year, with redeemed volumes up 41% on the previous year!

We had 1.78 million certificates redeemed on our system this production year (1 April 2023 – 31 March 2024), up from 1.26 million on the previous production year. The growth was largely driven by the registration of 10 new renewable production devices, mainly from new wind and solar generation. Wind and solar combined now make up nearly 20% of our total certificate volumes.

The number of energy users in the BraveTrace network has also grown to 307, up from 212 last year. It is great to see the increasing number of energy users realising the value of redeeming certificates to reduce their scope 2 emissions and support renewable generation here in Aotearoa New Zealand.

Not only does an increase in certification volumes support the energy transition by enabling new renewable generation possibilities, it also increases the carbon intensity of emissions factors for non-certifying businesses.

In practical terms, the growth in certification volumes has continued to widen the gap between the National Supply Mix (NSM) and the Residual Supply Mix (RSM). We now see a more carbon intensive RSM, which is 4.46% higher than the NSM. The gap between the two has widened from 3.14% the previous year. As these figures continue to diverge, non-certifying businesses face higher reported scope 2 emissions.

BraveTrace welcomes all compliant certification into the RSM calculations in order to further increase the gap between the RSM and NSM. We are actively working to bring other users into the calculation to further incentivise renewable energy procurement.

We'd like to thank the whole BraveTrace Network for working with us towards our shared purpose of accelerating the renewable energy transition.

Full Annual RSM Publication for 2023/2024, click here.

Reference source: BraveTrace

COLDFACTS
SEP / OCT 2024 NEWSLETTER
New Zealand Cold Storage Assn Inc

ALL GUARD SAFETY + WORKWEAR

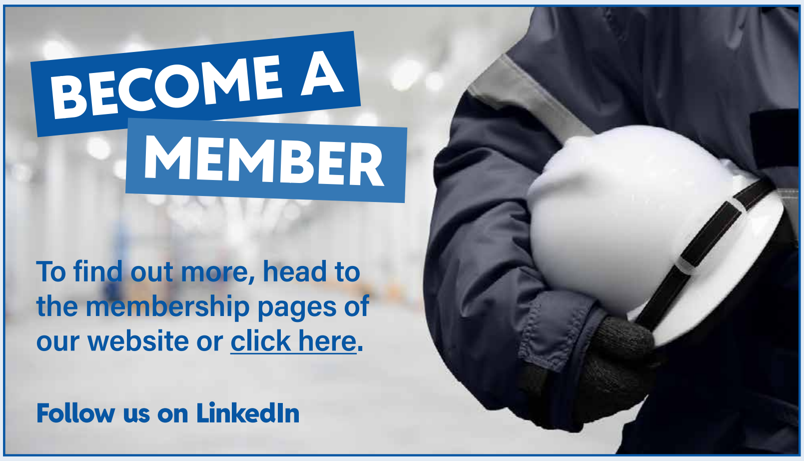
A message from Jacob for Cold Storage Conference attendees – August 2024

Jacob would like to share his video with you on some points from the conference. A big congratulations to the winners of the prize draw, a huge thanks to the organisers plus a quick overiew on their new online portal designed to manage and simplify all your uniforms and PPE needs on one platform To discuss this you can book a time directly into his calendar.

Jacob Capper, All Guard Safety and Workwear

Book a time

View Video



New Member Badge

Look out for your new membership badge coming soon. Support each other.

COLDFACTS

SEP / OCT 2024 NEWSLETTER

Be the change. Help us rescue surplus food from Cold Storage and deliver it to those in need

How much surplus food from your site ends up in landfill?

It's alarming that in New Zealand 1 in 5 children struggle to access enough nutritious food, while over 100,000 tonnes of food waste is generated by the commercial sector every year. Something clearly doesn't add up.

As cold storage operators, you will often be witnessing perfectly edible food on the brink of being sent for destruction.

At New Zealand Food Network (NZFN), we provide a simple, immediate, and free solution for your customers. They simply need to give you the OK to donate, and wherever you are and whatever the volume, you have NZFN as a single point of contact to seamlessly arrange its donation. It will be out of your way before you know it and sent out to feed people struggling to put food on the table.

NZFN has the capacity to safely and efficiently move any volume of food to where it's urgently needed, through our nationwide network of Food Hubs (charities and food support organisations). Your input with arranging these donations can make a real difference in people's lives, instead of being lost to landfills.

How you can help? See the diagram below.

HOW YOU CAN INFORM YOUR CUSTOMERS

Recognising the need for a 3PL to get sign-off from the client to donate stock, we've created a flyer to make it easy for you to inform your customers about the option of using NZFN to donate surplus food. **Download Flyer.**

CONTACT US

To request a customised flyer or speak to one of the team:

North Island – Sophie Percy:
021 393 662 | Sophie.percy@nzfoodnetwork.org.nz

South Island – Nicki Crosbie:
021 393 612 | Nicki.crosbie@nzfoodnetwork.org.nz

VISIT US CLICK HERE

Maximising Cold Storage Efficiency Through Automation – Insights from Storepro

As cold storage facilities face growing demand, automation is emerging as a key solution for improving efficiency, safety, and productivity. Storepro, a leader in racking solutions across New Zealand, is helping businesses optimise their cold storage operations with cutting-edge automated systems in partnership with PHS Innovate.

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THE BENEFITS OF AUTOMATION

Automation offers more than just increased storage density. By reducing manual handling in hazardous environments like cold stores operating at -27°C, automation enhances both safety and efficiency. Storepro's automated systems not only cut labour costs but also ensure faster access to products, improve workflow, and provide the most efficient use of available space by installing racks closer together. Additionally, the systems minimise product and racking damage, enhance safety, and reduce operational risks. Whether for high-volume or high-SKU goods, Storepro's automated solutions help businesses maximise productivity while minimising risks.

TAILORED SOLUTIONS FOR COLD STORAGE

Storepro works closely with each client to design solutions tailored to their specific needs. By thoroughly understanding each client's handling and storage processes, Storepro creates bespoke solutions that fully optimise space utilisation within their facility. For a customer in Hawke's Bay, Storepro installed a semi-automated shuttle racking system that boosted their cool store storage density and capacity within the same footprint, whilst still providing room for future expansion. This approach reflects Storepro's commitment to delivering flexible, scalable solutions for its customers, offering businesses a future-proof option that can adapt as their operations grow.

With significant experience delivering both fully and semi-automated systems, Storepro has successfully completed many large-scale cold and frozen storage projects across New Zealand. Working in partnership with PHS Innovate, Storepro has implemented solutions for industries ranging from food processing to third-party logistics.

For example, in Ashburton, Storepro completed a fully automated racking system for a frozen food company, increasing storage capacity to 9,000 pallets at 14 metres high. Similarly, a recent project in Rolleston saw the installation of 7,000 pallets of fully automated racking for a 3PL frozen food business. These projects are part of a growing trend towards automation, as more businesses recognise the long-term benefits of optimised cold storage solutions.

CONCLUSION

As cold storage needs expand, automation provides the ideal solution for enhancing efficiency and safety. Storepro's innovative, customised systems ensure that businesses are ready to meet the challenges of the future, while maximising productivity today.

Beyond racking systems, Storepro offers a comprehensive, end-to-end service that includes project management, design, supply, compliance facilitation, installation, maintenance, audits, and repairs. This approach ensures that each project is delivered on time, within budget, and to the highest standards of quality and safety, making Storepro a trusted partner for cold storage optimisation.

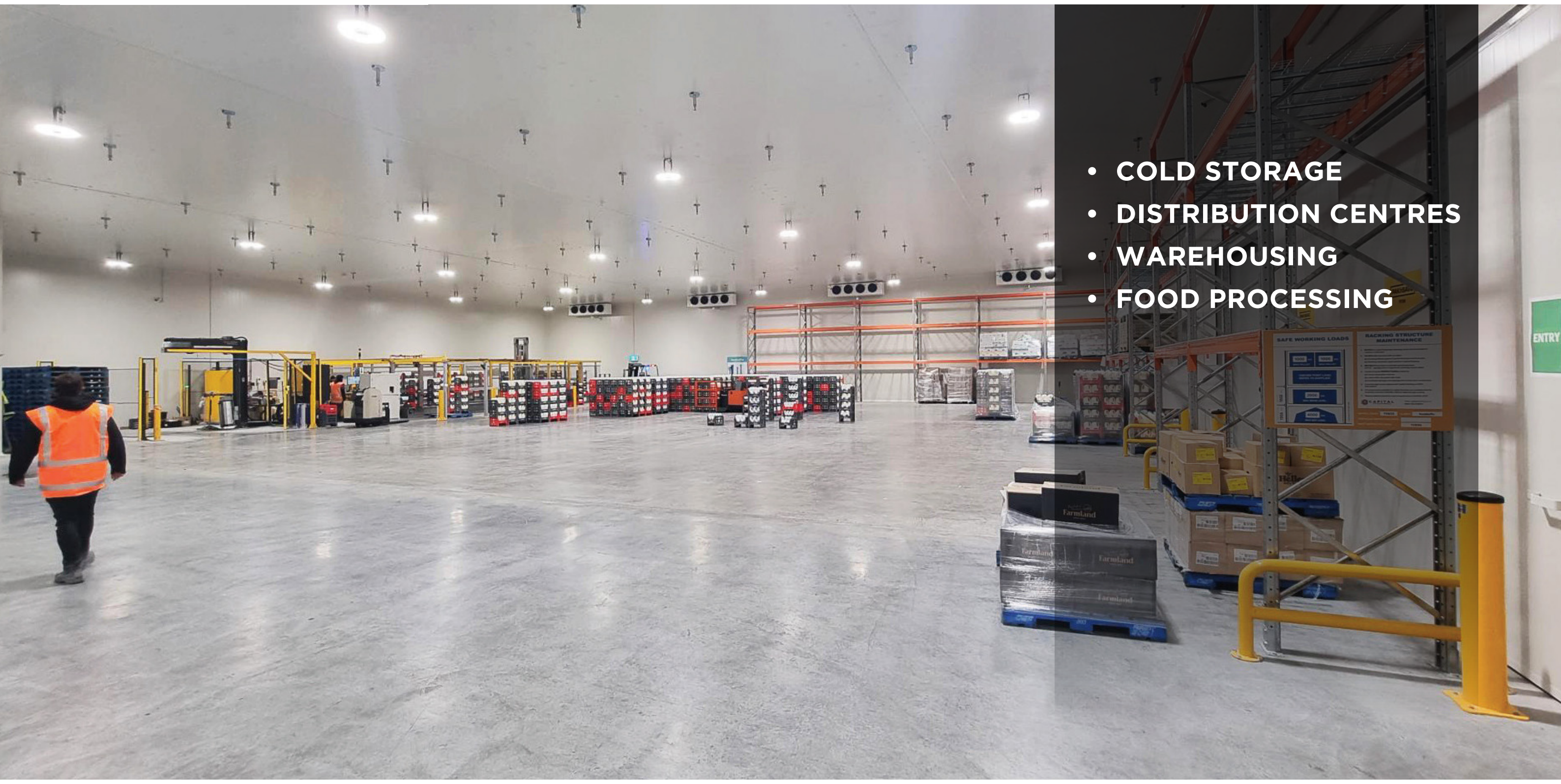
To learn more about what Storepro can do for your business:
Email: sales@storepro.co.nz or **click here.**

STORE PRO®
STORAGE SOLUTION PROFESSIONALS


SAVE THE DATE
NZCSA 2025 CONFERENCE
NAPIER CONVENTION CENTRE
Registrations open April, 2025

NOVASTEEL

DESIGN SMART BUILD STRONG



DELIVERING PRODUCTIVE WORKING ENVIRONMENTS

We specialise in temperature controlled buildings, where we start with project feasibilities, bulk and location and budget pricing, moving into concept design, planning, resource consents, detailed scoping, specification and programming.

Novasteel employs highly skilled commercial construction specialists and provides a construction service second to none.

Novasteel is focused on a partnership approach to projects, where we can pass on the benefits of our significant experience to ensure we deliver an exceptional quality, productive, working building that will deliver ongoing value to our clients.

Recent projects:

- Coolstore and Cross Dock facility – Foodstuffs North Island, Whangarei
- Coolstore and Cross Dock facility – Foodstuffs North Island, Wellington
- Food processing facility – Superior Petfoods, Waikato
- Poultry processing factory – Tegel Foods, Auckland
- Coolstore and Bottling plant – Waikato

interlogic
Intelligent Warehouse Solutions | Honeywell

COLD CHAIN HEROES: THE TOOLS THAT WILL SUPERCHARGE YOUR OPERATIONS

Maximize uptime, streamline processes, and ensure compliance with industry standards. Our solutions are engineered to thrive in the challenging conditions of the cold chain, keeping your operations running smoothly.

Experience unmatched efficiency and reliability in your cold chain operations with our advanced solutions:

Product	Product Line	Solution
 CK65/CK67	Mobile Computer	Designed to withstand cold temperatures while ensuring seamless data capture and processing.
 CT47	Mobile Computer	Ideal for cold storage and distribution centers, combining rugged durability with intuitive usability.
 Thor VM1/ Thor VM3	Vehicle-Mount Computer	Optimize temperature-controlled transport with robust computing power and user-friendly interfaces.
 Granit-XP	Scanner	Engineered to perform in extreme cold conditions, delivering fast and accurate scanning for inventory management.
 Talkman A710	Voice Solution	Enhance productivity and accuracy in cold storage environments with voice-directed picking and real-time communication.

EMPOWER YOUR COLD CHAIN WITH UNRIVALLED INNOVATION

Honeywell
PLATINUM ELITE
PERFORMANCE PARTNER

READY TO ELEVATE YOUR COLD CHAIN LOGISTICS?
Contact us today to discover how our technology can transform your business.

Contact us:
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Phone number: 09 4141104 | Mobile: 0212200996 | Email: darren@interlogic.co.nz

www.interlogic.co.nz