

Chairman's Report—Peter Ombler

KVH Annual General Meeting 2015

I'd like to welcome everyone to the Kiwifruit Vine Health Annual General Meeting for 2015.

When I prepared this report, I reflected on another big year for both the kiwifruit industry and for Kiwifruit Vine Health as an organisation. We've faced some big challenges, in particular the discovery of a Queensland Fruit Fly population in Auckland in February this year and also the recent discovery of Streptomycin-resistant Psa-V in Te Puke.

However, we have also made some solid progress and I believe this has resulted in some real successes for the industry.

Biosecurity

The Queensland Fruit Fly situation in Auckland was the third discovery in 13 months—an unacceptably high number of border breaches in such a short space of time. This is something we and the horticultural sector in general, have made very clear to the Government.

This latest incident is more serious than the previous two in Whangarei last year. The discovery of a localised population quickly confirmed we weren't just dealing with a single male fruit fly and the potential to have severe market impacts became more real. The response quickly escalated, with a focus on eradication.

As we speak, the response activities in Auckland continue. While MPI has reduced activity over the winter, and we have confidence all fruit flies will be successfully eradicated, we are not out of the woods yet. New Zealand's fruit-fly free status will not be confirmed until MPI and our trading partners are confident all fruit flies have been eradicated. This will likely be toward the end of this year.

It was evident in this latest fruit fly response that KVH played a far more hands-on role from the get-go, and this was due to our GIA partnership.

KVH worked closely with MPI on the response from day one. We had a place at the decision-making table with MPI and other GIA partner, Pipfruit NZ; and as a result we had a much greater understanding of what risks were involved and together we could agree the best response activities to mitigate these risks. We were also engaged with scenario planning and potential trade impacts. Previously we were less engaged and less informed.

Through KiwiNet, an initiative established in December last year, our industry quickly deployed more than 50 staff into the Auckland response. These people, mainly from postharvest, worked tirelessly with the wider response team carrying out trapping, fruit collection and surveying.

I'd like to acknowledge the excellent level of support across the industry, including postharvest, Zespri and Turners and Growers. We received only positive feedback about the kiwifruit team on the ground.

To finalise the Fruit Fly Operational Agreement, KVH is working together with industry and MPI to agree a fiscal cap for cost-sharing during a biosecurity response. We are also working with MPI on several initiatives to improve the current and future biosecurity system to raise industry confidence that every effort has been made to reduce post-border incidents. This will place us all in an agreed position to sign the agreement whereby cost-sharing is sustainable into the future.

The Government has recently injected an immediate \$27m funding boost, which will enable the immediate necessary objectives to be met to further secure the border, and will bridge the gap until the border levy comes into effect.

In addition, the recent government announcement of a border clearance levy for passengers arriving in to and departing from New Zealand, I believe, is a success for all of New Zealand's primary sectors. This levy will provide sustainable funding for New Zealand's biosecurity system and the government has KVH's full support of this initiative. Additionally, the levy allows funding for border services to increase as passenger numbers increase – more passengers means more risk.

Further on New Zealand biosecurity, the Government recently launched the Biosecurity 2025 project. This project will review and replace the current 2003 New Zealand Biosecurity Strategy. Once again, KVH will be submitting on this project with a view to achieving the best outcome for the kiwifruit industry.

KVH has also initiated a new partnership between Port of Tauranga, Government agencies and local industry to pursue 'biosecurity excellence' at the port. Through collaboration, this working group will coordinate its biosecurity efforts and lift biosecurity protection at the Port.

Initiatives include port user education, web-based information, increased detector dog use for cruise ships, site signage and anything else that supports the current screening and inspection programmes of MPI. Port staff and community members will have a heightened awareness of biosecurity and can play a key part in keeping out unwanted pests.

High risk pests include the Brown Marmorated Stink Bug (BMSB) which tends to hitchhike on inanimate objects like containers and passenger luggage. Two bugs have been intercepted at the Port of Tauranga in the last few months. Other threats include various fruit flies and invasive ant species.

The BMSB has had a high profile lately. It rates second on KVH's Most Unwanted list and first on MPI's. This is due to its high-risk of entry, its ability to easily establish in New Zealand and its impact on horticulture crops – including kiwifruit. This is a major nuisance pest and eradication would be difficult. Due to the lack of effective traps and lures in place, early detection of this organism is our best chance of keeping it out.

There are more than fifty pests and pathogens identified as potential threats to the kiwifruit industry and KVH has identified a short list of our 'most unwanted'. However the next post-border incident may not necessarily be on the short list, and therefore KVH is preparing generic readiness plans for each of the main organism types.

Psa-V

This year's national crop is indicative of the industry's remarkable recovery from Psa-V. Growers have been managing the disease for almost five years now so they have good processes in place and have largely transitioned from the vulnerable Hort16A variety.

Orchard and canopy management strategies have changed to reduce risk, this includes better hygiene practices, removing infection as it is found, improving shelter, spring trunk girdling and keeping up their protective spray programmes.

However we acknowledge there are many growers who continue to struggle with managing Psa-V, particularly those in challenged locations.

We recently faced another challenge with the discovery of streptomycin-resistant Psa in seven Te Puke orchards earlier this year. These finds were detected as part of an ongoing copper and streptomycin resistance monitoring programme that has been in place since 2011. As this programme selects a very

small sample of orchards, resistance is likely to be more widespread. The programme's aim was to ensure resistance was detected early; and these results were not completely unexpected.

While the use of Streptomycin for the coming season is still to be confirmed with the relevant industry parties, KVH's position is to retain all the key products available in the grower toolbox. This would also include the reintroduction of the antibacterial product, Kasumin, on to the recommended product list.

KVH continues to work with land owners and regional councils to manage abandoned orchards which pose a risk of Psa-V spread. There are now 108 abandoned orchards on the KVH register that have either been removed, or are in the process of being removed, since 2013. This would not have been possible to achieve without the National Psa-V Pest Management Plan in place.

I'd like to take this opportunity to thank the KVH Board, the Board Secretary and the staff at KVH.

As always, I'd like to thank all New Zealand kiwifruit growers for their support of KVH. Over the last four and half years the role and purpose of the organisation has changed and evolved; and the industry recovery has been nothing short of staggering.

But it's also important we remain alert and prepared for the next significant challenge or biosecurity incident that could affect our industry.