

SUBMISSION ON

Proposed Amendments to ACVM (Exemptions and Prohibited Substances) Regulations 2011

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To: Ministry for Primary Industries

Name of Submitter: Horticulture New Zealand

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OVERVIEW

Submission structure

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Our submission

Horticulture New Zealand (HortNZ) thanks the Ministry for Primary Industries (MPI) for the opportunity to submit on Proposed Amendments to the Agricultural Compounds and Veterinary Medicines (Exemptions and Prohibited Substances) Regulations 2011 and welcomes any opportunity to continue to work with MPI and to discuss our submission.

The details of HortNZ's submission and decisions we are seeking are set out below.

This submission is supported by:

Apples and Pears New Zealand
Canterbury Growers
Hawkes Bay Fruitgrowers' Association
Hawkes Bay Vegetable Growers Association
New Zealand Tamarillo Growers Association
Persimmon Industry Council
Pukekohe Vegetable Growers Association
Strawberry Growers New Zealand
Tairāwhiti Growers Association

HortNZ's Role

Background to HortNZ

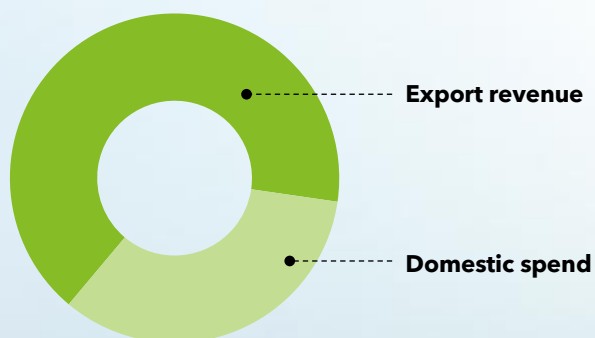
HortNZ represents the interests of approximately 4,300 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

There are approximately 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain, and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

HortNZ's purpose is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand.



Industry value \$7.54bn

Farmgate value \$4.89bn

Export revenue \$4.99bn

Domestic spend \$2.55bn

Source: HortNZ Annual Report 2025

HortNZ's involvement with crop protection regulation

On behalf of its grower members, HortNZ works to help ensure that the regulatory settings and services that affect the availability and affordability of crop protection products in New Zealand are appropriate, workable and cost effective.



Executive Summary

Horticulture New Zealand welcomes the opportunity to provide feedback on the proposed amendments to the Agricultural Compounds and Veterinary Medicines (Exemptions and Prohibited Substances) Regulations 2011. Updates to the regulations are timely to ensure that they reflect the ever-evolving domestic and international context.

To ensure that these regulations support New Zealand's horticulture sectors and exports to grow, it is important that the following areas are prioritised:

Establishing a low-risk registration approval pathway: A dedicated low-risk registration pathway would encourage innovation and enhance sustainability, for example streamlining biopesticide approvals. HortNZ emphasises the need for balanced regulatory approaches that ensure new agrichemicals are approved promptly with practical and workable conditions.

Supporting efficient and timely exemptions and approvals: We support the proposed inclusion of an ACVM Act amendment in the Agricultural and Horticultural Products Omnibus Bill to move exemptions from regulation to notice-level. This implements the Ministry for Regulation Agricultural and Horticultural Products Regulatory Review Recommendation 5 to better design and more frequently update exemptions.

Increased oversight and compliance monitoring for exempted products: Growers need access to crop protection tools and other agricultural compound products that are proven safe and effective.

Leveraging international assessments: Increasing reliance on assessments and data from trusted international regulators to maximise efficiency within the approval process, and to incentivise manufacturers to register their products here by reducing barriers.

Enhancing international engagement: Proactively harmonising New Zealand's regulatory requirements with global standards or with key trading partners to enhance market access and attract international investment.

We urge MPI to consider these areas to ensure a modern, more agile, science-based and globally competitive regulatory framework that supports New Zealand's horticulture industry while maintaining robust public, animal and plant health, and mitigating trade risks.

Crop protection - Strategic context

New Zealand's horticulture industry has been facing a problem of dwindling crop protection products for many years due to older products being phased out, newer products not becoming available, and increasing issues with pests, diseases and weeds developing resistance to remaining products. At the same time consumers have increasingly been asking for food that is as free from chemical residues as possible, is grown sustainably, and is ethically produced.

Due to the lack of new products coming onto the New Zealand market, growers are being repeatedly disarmed in their fight to control pests and diseases. If this trend is not reversed, New Zealand's horticulture growers will increasingly struggle to be commercially viable, and unable to provide healthy, safe and suitable fresh produce for people to eat.

While programmes like A Lighter Touch demonstrate and support growers moving towards agroecological approaches to crop protection, growers urgently need access to modern, effective, and environmentally friendly tools to maintain productivity, meet export market requirements, and enhance environmental outcomes

Key priority 1.3 in the Aotearoa Horticulture Action Plan (AHAP)¹ sets out the agreed aspiration to *increase crop protection, management and biosecurity tools*. Fit-for-purpose regulatory settings that allow New Zealand growers to access globally approved sustainable chemistry and integrated crop protection tools will be critical to enhance production, meet market expectations, adapt to future growing conditions, increase food security and to move each and every crop toward the overarching AHAP goal of doubling farm-gate value by 2035.

¹ The [Aotearoa Horticulture Action Plan](#) sets up a collaborative framework across industry, Māori, research providers and government to achieve the ambitious goal of doubling the farmgate value of horticultural production by 2035 in a way that improves prosperity for our people and protects our environment. The plan was developed collectively and creates efficiencies by allowing the partners to align efforts and investment towards common actions.

Submission

1. General Comments

HortNZ supports the proposed amendments to streamline the exemption pathway, clarify ambiguity, and reduce regulatory costs.

Key recommendations:

1. **Increase oversight and compliance monitoring of exempted products** – Growers have concerns over the safety and efficacy of certain exempted products. We propose a consolidated public list of exempted products to improve oversight, and transparency on the criteria for how products are determined to be exempt.

We are encouraged that proposed amendments aim to address this issue by introducing reporting and record-keeping requirements for product non-compliance, adverse event, recall, and complaints. This intelligence will ensure timely interventions and form the basis for future product reviews.

2. **Explore establishing a low-risk approval pathway for products beyond inhibitors** – To mitigate growers' concerns around the integrity and rigour of exempted products, we propose establishing a dedicated low-risk approval pathway which would mean efficacy, safety and trade risks unique to New Zealand's context has been considered. If products are not registered, then it becomes much more difficult for the end user to distinguish products of integrity and efficacy from 'snake oils'.
3. **Align with other food safety legislation for consistency of language and requirements** – This would improve regulatory interfaces between the Acts and enable legislation to be better used by sectors adhering to multiple ones. This includes record keeping times and Director-General-approved exemptions for plants or animals used in low-risk trials to enter the food chain.

2. Specific comments

Criteria for assessing the proposed amendments

Q1. Do you agree with the proposed criteria? Why or why not?

Yes. Our members consider the proposed criteria are the correct criteria for the purpose of this review.

Potential impacts of proposed changes

Q2. Do you agree with the rationale and need to change the Regulations?

Yes.

Q3. What is your view on the size/scale of issues defined?

The proposed amendments are largely minor and technical with no major policy changes and impacts anticipated.

Q4. What other issues would you like to see resolved as part of this update?

We propose that plant bio stimulants and microbials in the fertilisers category should be considered for registration or low-risk registration to manage efficacy and trade risks. This would align New Zealand's requirements with international regulators such as the European Union. The MPI Inspector-General Review² of the ACVM System in 2021 notes that the regulation of fertilisers is an opportunity for further research.

Amendments to the ACVM Regulations 3-15 - Existing compounds

Q5. Do you agree with the proposed changes?

Yes, with specific comments on:

- *Regulation 5: Insert new condition 5(2)(c) product applicant to report product non-compliance, recalls and adverse events to MPI* - Support this new requirement as this would mean increased oversight of exempted products from an efficacy and safety perspective. Further clarification sought on implementation of this proposal.
- *Regulation 15: Insert 15(d) new record-keeping requirement for importers of exempted compound products around customer complaints, adverse event reports, non-compliances and recalls* - Support. Clarification sought on if this record-keeping requirement would be consistently applied to other persons i.e., manufacturers located in New Zealand. Further, suggest clarifying the time and manner that records would need to be stored for which aligns with other food safety legislation e.g., Wine Regulations 2021.

Schedule 1 - Prohibited Substances

Q6. Do you agree to delete Lindane and insert gamma-HCH (previously lindane)?

Yes. Note for implementation to communicate this name change.

Schedule 2 - Agricultural compounds exempt from registration - new compounds to be added

Q7. Do you agree with the addition of these new classes to Schedule 2?

Yes.

Q8. Do you agree that the product description (column 1) and conditions (column 2) achieve the intended purpose of the amendment?

Yes.

² [Agricultural Compounds & Veterinary Medicines Act 1997 - A Regulatory System Review](#)

Q9. Are there changes that should be considered?

Yes, specific comments on:

New exemption of agricultural compounds used for trial work in laboratories, dedicated research greenhouses and caged animal facilities – Support as this would assist trials for agricultural compounds being registered in New Zealand thus improving access to novel or existing products for the horticultural sector.

However, HortNZ proposes an alternative condition to allow plants or animals from low-risk trials to enter the food chain. This condition would align with a minor and technical amendment being made to Regulation 118 in the Animal Products Regulations 2011 to allow animal material from low-risk experiments, trials, or research to enter the food chain subject to Director-General approval.

The reason is that some products being trialled can be low risk in that they do not leave residues and can be safely consumed without warranting crop destruction as they present little or no risk to public health. This condition would also decrease trial costs for product registrants by removing crop compensation costs, potentially attracting incentive to research and register new or extend labels for existing products in New Zealand, particularly for minor crops.

An example of low-risk trials is biopesticide products where the natural enemy of a target pest is used which leaves no or little residue, posing less risk to public health. Internationally, the US Environmental Protection Agency has recognised that biopesticides pose inherently lower risks than conventional pesticides and has adjusted its regulatory approach accordingly.

Biopesticides:

- Can decrease risks to human and environment without affecting yield.
- Are often less toxic than conventional pesticides.
- Can be effective in very small quantities.
- Decompose quickly in the environment.
- Are targeted towards specific pests, which helps to protect beneficial insects such as bees.
- Can be used in a manner that helps to prevent development of pest resistance.
- Enable improved residue management by growers and other users³.

Q10. Are the proposed changes clear, and will they be easy to work with?

Yes.

³ [US EPA - Biopesticide Oversight and Registration at the U.S. Environmental Protection Agency](#)

Q11. Any other comments on the exemption or registration of inhibitors?

We propose a low-risk products approval pathway not limited to only inhibitors to meet the consultation's criteria of fairness. Low risk products could include certain biological products, food-safe substances, or products already registered in recognised international regulators.

A low-risk approval would mean efficacy, safety and trade risks unique to New Zealand's context has been considered and provides a level of oversight and monitoring compared to a product being exempted with little monitoring of compliance and assessment for efficacy claims.

If MPI creates this exemption for inhibitor products, we suggest that any low-risk environmental inhibitors exemptions apply wider than animals for futureproofing of legislation. MPI's proposes for this exemption to be added to *Schedule 2, Part B: Exemptions relating to agricultural compounds that could be used in relation to animals*. HortNZ suggests it be added to *Schedule 2, Part A: Exemptions relating to agricultural compounds that could be used in relation to either animals or plants*.

Data on current environmental inhibitor use in horticulture in New Zealand is unknown however could be an emerging area in the future. Agricultural emissions in New Zealand comes primarily from livestock farms, but also from fertiliser use in horticulture. Horticulture use of nitrogen fertiliser is relatively low and makes up of 3% of nitrogen fertiliser use in New Zealand⁴ compared to 60% for dairy.

Schedule 2 Amendments - Agricultural compounds exempt from registration - changes to existing compounds and/or their conditions

Q12. Do you agree with the proposed changes that are intended to provide clarification?

Yes. Specific comments on:

- *Entry 3* - Support and suggest adding the underlined wording to the corresponding conditions in column 2 after "research, testing or training [or teaching]" to make conditions consistent with MPI's proposed insertion.
- *Entry 5, Agricultural chemical compounds used to protect plants from climatological conditions* - Support minor change for consistency of language. For further consideration is if there are any not-intended non actives carrier in this exempted product which poses trade risks.
- *Entry 6, New condition of label directions to manage safety and residue concerns* - Support in principle, however further clarification required on the implementation and impact of this proposal, such as who assesses that label

⁴ [Fertiliser use in New Zealand | Fertiliser Association of New Zealand Inc](#)

directions are accurate as it's an exempted product. This new condition of label directions could slow down access to products if MPI is assessing every exemption and label directions.

- *Entry 7* – Same comment as for Entry 6 above.
- *Entry 36* – Do not support, keep status quo. Legislatively this appears out of alignment with other food safety legislation which uses wording of 'food for consumption by humans or animals'. More detail is sought on the evidence of the current wording being a problem. Additionally, the proposed amendment to the corresponding condition to change the word "state" to "indicate" is unclear in why it is being changed. The word "indicate" appears to be a less stringent qualifier than "state".
- *Entry 42, New condition on fertilisers* – More clarification needed on the intent of this proposal and how this links to previously exempt fertilisers now being required to be registered. The proposed legislative drafting and policy intent is unclear.

Transition period

Q13. If you are a producer and or exporter, do you consider you are capable of managing any risks to trade in the interim, during the transitional period?

Yes, horticulture sectors and exporters are capable of managing risks to trade as it is a continuation of the status quo until products are registered. However as outlined, exempted products have the potential to, and have created market access issues.