SUBMISSION ON

Agricultural Compounds and Veterinary Medicines Amendment Bill

15 June 2026

To: Primary Production Select Committee
Name of Submitter: Horticulture New Zealand
Supported by: The product groups and district associations listed on page 3.

Contact for Service:

Felicity Lawlor
Senior Risk Policy Advisor
Horticulture New Zealand
PO Box 10-232 WELLINGTON
Ph: 470 5663
Email: felicity.lawlor@hortnz.co.nz

Horticulture™ New Zealand
Ahumāra Kai Aotearoa

OVERVIEW

Submission structure

1. **Part 1:** HortNZ's Role
2. **Part 2:** Executive Summary
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3. **Part 4:** Summary of specific amendments sought

Our submission

Horticulture New Zealand (HortNZ) thanks the Primary Production Select Committee for the opportunity to submit on the Agricultural Compounds and Veterinary Medicines (ACVM) Amendment Bill and welcomes any opportunity to continue to work with the Committee and to discuss our submission.

HortNZ and the growers wishes to be heard in support of our submission.

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

THIS SUBMISSION IS FULLY SUPPORTED BY AND REFLECTS THE VIEWS OF THE FOLLOWING INDUSTRY PRODUCT GROUPS AND DISTRICT GROWER ASSOCIATIONS:

Avocado New Zealand

Blackcurrants New Zealand

Boysenberries New Zealand

New Zealand Apples and Pears Incorporated

New Zealand Tamarillo Growers Association

New Zealand Vegetable Council

Persimmon Industry Council

Potatoes New Zealand

Pukekohe Vegetable Growers Association

Strawberry Growers New Zealand

Summerfruit New Zealand

Tararua District Growers Association

Zespri International Limited

PART 1

HortNZ's Role

Background to HortNZ

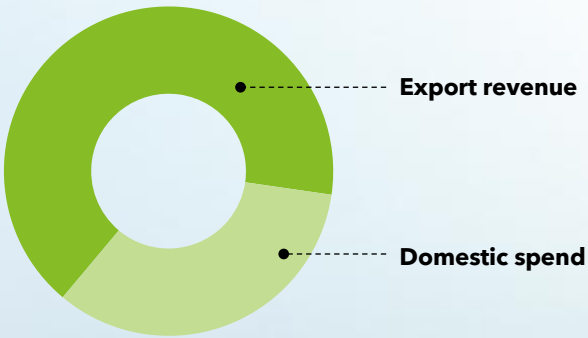
HortNZ represents the interests of approximately 4,300 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

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

PART 2

Executive Summary

Horticulture New Zealand supports the intent of this Bill. It will be a step in the pathway towards delivering 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.

Whilst we support the intent of the Bill, and acknowledge that the Bill delivers some improvements in efficiency and modernisation, we offer up amendments to further deliver on the Government's objectives of improving access to crop protection tools for our growers.

We support the following proposed changes:

- A clear shift towards more regulator discretion including exemptions at Director-General level, and simplified product variation processes via regulations; and
- Better public notifications of consultations and decisions.

We do not support the following proposed changes:

- The way the use of international regulators assessments in assessment processes has been written in the Bill. We ask for further amendment to ensure assessments by recognised overseas regulators are a default pathway for future approval decisions;
- Concerns that shifting timeframes into regulations means a greater ability for regulators to extend or change time taken to make decisions on applications;
- Expanded suspension powers to include public health, trade in primary produce, and agricultural security. This is a much broader trigger than what is currently there, and it seems discretionary. This needs to be accompanied by clear criteria or deleted.

Further amendments not currently in the Bill which we would like to be considered are:

- A dedicated pathway for registering biopesticides;
- More structural regulatory alignment with the Hazardous Substances and New Organisms (HSNO) Act, starting with embedding an independent governing body into legislation.

Some of HortNZ's proposed amendments in this submission strongly align or are mirrored with our submission on the HSNO Amendment Bill. This highlights the regulatory system across both Acts is strongly intertwined and there is a degree of duplication and reform required across these bills.

PART 3

Submission

1. The Bill is yet to deliver meaningful reform for growers

The ACVM Amendment Bill and its companion HSNO Amendment Bill were initiated by Minister of Regulation, David Seymour, following sustained feedback that product applications were languishing in bureaucratic queues for over five years. Minister Seymour initiated these reforms on the basis that overly complex, uncoordinated approval processes were costing farmers and growers time, money, and access to crop protection tools already available to their international competitors.

The Government's stated objectives were clear: eliminate delays by potentially halving approval timeframes (projected to generate $272 million in economic benefits over 20 years); enable New Zealand regulators to formally recognise and utilise assessments from established international regulators to avoid duplicative testing; boost primary sector competitiveness by accelerating access to modern crop protection tools; and reduce the bureaucratic complexity of operating across multiple overlapping legislative frameworks by requiring MPI and EPA to better coordinate[1,2,3]. HortNZ supports these objectives and engaged constructively throughout the review process and targeted consultations. However, as set out below, the Bill as introduced does not, in HortNZ's assessment, deliver on the outcomes the reform was designed to achieve.

In our view, improving growers' access to crop protection tools requires more than procedural changes. It requires a meaningful increase in the number of new products reaching the New Zealand market, shorter and more predictable approval timeframes, and approval conditions that are practical and workable within real-world production systems. The proposed amendments do not appear to deliver these outcomes. HortNZ's overarching concern is that the Bill, as currently drafted, does not create the conditions necessary for New Zealand growers to access the same tools available to their trading partners, unnecessarily creating a competitive trade disadvantage for our growers.

The following sections address our concerns, setting out the specific issues identified in the Bill's current drafting and HortNZ's recommended amendments. HortNZ's primary ask is that the Committee uses this opportunity to strengthen the Bill so that it delivers meaningful change – not merely in process, but in outcomes for growers.

[1] Regulatory review into agricultural and horticultural products now underway | Beehive.govt.nz
[2] Farmers and growers to reap rewards | Beehive.govt.nz
[3] Going for Growth: Multi-million dollar benefits possible for farmers and growers | Beehive.govt.nz

2. We agree with the following changes in the Bill

2.1. Moving exemptions to Director-General level

Exemptions are an important part of regulatory settings for agricultural compounds as it allows those products with lower risk to not be required to be registered and therefore reduce regulatory burden and cost. This process has always been subject to Cabinet (regulation) processes, which adds time and complexity to the exemptions process, and possibly leads to it not being used as often as it should.

The Bill moves exemption decisions to the Director-General level (Notices). We agree that moving the exemption process from regulations to notices and empowering the Director-General to issue such notices will improve the speed for using exemptions and remove Ministerial conflicts. We suggest that the notices should be supported by regulations describing how the notice works in line with regulatory best practice.

This change will mean faster decisions and responsiveness, and fewer bottlenecks at Cabinet level.

2.2. Simplified processes for variations to product registrations

The Bill allows for variations to conditions and controls for product registrations by inserting a new section, rather than having products go through a new registration process. This provides much needed flexibility for products already on the market, allowing registrants to update a product's registration conditions once new data or information is available. It also allows for conditions to be set in regulations thus providing more flexibility.

We support this change, as changes to processes for already registered trade name products will enable more resources to be allocated to new and higher-risk applications; and will allow for a simplified regulatory environment whilst balancing risk and aligning with the Government's goals of enhancing efficiency and reducing unnecessary regulatory burden.

2.3. Public notification modernisation

We support the amendment in the Bill to allow matters to be publicly notified other than in the Gazette, thus allowing greater flexibility in public notification processes. Currently, the Act requires notification in the Gazette only, which acts as the official record.

However, having notification methods other than the Gazette is important. When a prohibition or restriction is imposed on a product or group of products during a reassessment, it is essential that MPI notifies both the public and the affected industries to ensure clear and effective communication. Relying upon the New Zealand Gazette for such notifications is inadequate, as it has limited public visibility and lacks a subscription function, making it difficult for industry bodies and those being regulated to stay informed.

We support more options for notifying, including on the Ministry's Internet site. In reality this happens currently, but to actually have it in legislation will ensure and enhance transparency and accessibility. Other methods include directly emailing industry bodies and stakeholders and leveraging other relevant platforms to ensure timely and widespread dissemination of critical information.

3. We do not support the following changes in the Bill

3.1. Further amendment required for use of international regulator assessments

THE ISSUE

This quote is from Minister Hoggard's media release on the Bill introduction: "*one way the Bill will achieve (speeding up processes) is by enabling greater reliance on the assessments of trusted overseas regulators when evaluating risks and benefits. I consider there is no good reason our primary sector should be waiting on work that has already been done by other reputable agencies outside of New Zealand'*. [4] In addition, a recommendation from the Ministry for Regulation regulatory review was to for *'…NZFS to maximise their use of assessments by international regulators for assessing the risks of a product while still considering aspects unique to New Zealand'*.

To deliver on this policy intent, the Bill puts in place an amendment to require the Director-General, when evaluating risks and benefits for registering trade name products, to *have regard to* applicable assessments from a recognised overseas regulator.

We support greater use of international assessments by recognised overseas regulators and whilst in practice this amendment seems to allow for more use of international data and assessments, it is not guaranteed.

We consider using international assessments should be the default starting position for all applications, without a large amount of further work having to be undertaken by the ACVM team. This is not an unusual approach, for example amendments are being made to the Medicines Act; whereby if two overseas regulators have approved a medicine, then it can be approved in New Zealand within a specific time period.[5]

It is important to have this wording right, as this is an opportunity to have meaningful change to our approvals system to ensure products are approved faster, whilst still being robust and evidence based.

OUTCOME SOUGHT

There needs to be a clearly defined mechanism through which ACVM incorporates and relies on international regulatory assessments and data as the default position. We recommend the following amendment:

- Insertion of wording into new Section 20A: (iii): and, the Director-General **must, as a starting point, rely on that assessment** unless there are reasonable grounds, based on New Zealand specific circumstances or other relevant information, not to do so.

In addition, as well as recognising a person as a recognised overseas regulator, there should be the ability to recognise the agency. For example, E.g. the Australian Pesticides and Veterinary Medicines authority (APVMA); Canada's Pest Management

[4] Government reducing regulatory barriers for new agriculture, horticulture and veterinary products | Beehive.govt.nz

[5] Rule of Two for faster access to medicines | Beehive.govt.nz

Regulatory Agency; the United Kingdom's Veterinary Medicines Directorate. Our recommended amendment to the wording is:

- 20A(1) The Director-General may declare that a person **or agency** in another jurisdiction is a recognised overseas regulator for the purposes of section 20(aa)
- And hence anytime person is mentioned in this section, include '**or agency'.**

3.2. Timeframes for processing applications

THE ISSUE

We note timeframes for processing applications are proposed to be shifted from the primary legislation into regulations. We have concerns this means a greater ability for regulators to change time frames without consultation to extend them, especially when strict timeframes are the key to the system working well. This will mean no certainty for product registrants, which flows into less certainty for growers for when they will have access to new tools.

We refer to this statement in the Departmental Disclosure: "Timeframes for decision making are operational and may need to be updated to reflect changes in application volumes, processing systems or administrative practice. Thus, placing timeframes in regulations allow them to be adjusted more readily when required." [6]

We are concerned this change will give regulators the ability to advise Cabinet to reset statutory timeframes if they are unable to meet them, which could enable regulators to extend timeframes to match their output. Delays in processing times are one of the key reasons why reform is required. This proposed approach does not deliver on this outcome. MPI and the Environmental Protection Authority (EPA) should identify the root causes of delays and determine process improvements in a transparent way, rather than shifting statutory deadlines. Timeframes must function as genuine accountability mechanisms, not administrative targets that can be reset when they become unachievable.

We also consider there should be an incentive for regulators to not miss targets, similar to Regulations issued under the Resource Management Act where applicants are entitled to a discount on fees payable from a local authority, if an application is not processed within statutory timeframes, and the responsibility for failure rests with the local authority.[7] This is an effective mechanism to ensure timeframes are met.

Most crop protection products require approval under both frameworks, and misaligned timeframes between the two systems are currently a significant contributor to overall delays and we propose two options below.

[6] NZ Legislation Disclosures (Appendix 1, Further Information Relating to Part Four)
[7] Resource Management (Discount on Administrative Charges) Regulations 2010 | New Zealand Legislation

OUTCOME SOUGHT

Option 1 – Retain timeframes in primary legislation, with revised timeframes

Statutory timeframes for processing applications should remain in the HSNO Act and ACVM Act, as they currently are, with consideration of any amendments needed.

Option 2 – Move timeframes to a single joint regulation covering both ACVM and HSNO

If the timeframes are moved to secondary legislation, HortNZ recommends that a single set of regulations govern timeframes across both the HSNO and ACVM systems. A single joint regulation would enable better coordination between EPA and MPI, create consistent expectations for applicants, and provide a clearer basis for accountability across the full approval pipeline.

Under either option, the following inclusions are required in each Act:

- The Director-General of MPI and the Chief Executive of the EPA being required to publicly report on their agency websites every three months; their compliance with statutory timeframes, including the number and age of applications exceeding each timeframe and the reasons for delay, including if further information has been requested.
- If a statutory timeline is not met, then an applicant is entitled to a discount on fees payable.

3.3. Suspension thresholds

THE ISSUE

The Bill provides for an expansion of the grounds to which the Director-General may suspend a product registration, from 'reasonable grounds to believe that any condition imposed upon registration is not being complied with' to include 'reasonable grounds to believe the product poses a risk to public health, trade in primary produce, animal welfare, or agricultural security'.

This is a change to include other grounds. We do not see a strong justification for including animal or plant health and trade risks within the scope of reasons for suspending registrations. Instead, significant potential changes in risk profiles should trigger reassessments and industry should be consulted as to the potential impacts of that product being suspended.

OUTCOME SOUGHT

This amendment should be deleted.

4. Amendments we request but not currently included in the Bill

4.1. No dedicated pathway for registration of biopesticides

THE ISSUE

The Bills do not establish a dedicated approval pathway for biopesticides under either the HSNO or ACVM Acts. This represents a significant gap given the increasing importance of biological crop protection tools and the global shift toward integrated pest management systems.

Biopesticides generally present a different risk profile from conventional synthetic pesticides. They are often less toxic, more target-specific, and can support reduced reliance on broad-spectrum chemical controls. Despite these characteristics, New Zealand currently regulates biopesticides through the same approval pathways and broadly the same data requirements as conventional agrichemicals.

The current combined EPA and ACVM approval process for a new biopesticide active ingredient can take significantly longer than in comparable overseas jurisdictions that operate dedicated biopesticide frameworks. We proposed consideration of a separate pathway in Regulations for biopesticide approval.

OUTCOME SOUGHT

<u>Dedicated biopesticide regulations</u>

The Bill should include an enabling provision allowing regulations to establish a dedicated regulatory pathway for biopesticides and other lower-risk crop protection products. The regulations should be able to prescribe:

- the criteria and definitions used to identify eligible biopesticides and other lower-risk products;
- tailored data requirements proportionate to product risk;
- alternative assessment pathways and decision-making criteria;
- differentiated fees and information requirements; and
- shorter statutory assessment timeframes where appropriate.

Locating these matters in regulations would provide flexibility to respond to scientific developments, emerging technologies, and evolving international regulatory approaches without requiring further amendments to primary legislation.

<u>Enable greater reliance on recognised international assessments</u>

The regulatory framework should support greater reliance on assessments undertaken by recognised overseas regulators, including authorities such as the US Environmental Protection Agency (US EPA) and the Australian Pesticides and Veterinary Medicines Authority (APVMA) for biopesticides.

As indicated earlier in this submission, where a product has been assessed and approved by a recognised international regulator, that assessment should form the

primary basis for New Zealand's decision-making, with any additional assessment limited to clearly identified New Zealand-specific considerations (as noted in the earlier section on international assessments). HortNZ considers that international regulatory reliance should operate as a core principle across both the HSNO and ACVM frameworks. This is particularly important for lower-risk products such as biopesticides, where duplication of assessments adds cost and delay without necessarily improving regulatory outcomes.

Provide for risk-proportionate approval timeframes

A statutory timeframe for biopesticide should be included when timeframes are set in regulations. Assessment timeframes should reflect the reduced risk profile and assessment burden associated with these products, ensuring that innovative crop protection tools can be made available to growers in a timely manner while maintaining appropriate environmental and human health protections.

4.2. No structural regulatory alignment with the Hazardous Substances and New Organisms (HSNO) Act

THE ISSUE

We appreciate the changes proposed to enhance transparency and provide regulatory certainty. However, the proposals only partially address the issue – it improves transparency and certainty to some extent but does not enhance efficiency.

There are still two separate regulatory systems governing crop protection products as the changes to improve processes between the two agencies are largely administrative. This is dissimilar to other jurisdictions where the overall regulatory pipeline is held by one agency (e.g. APVMA in Australia). There is an opportunity with the recently announced future reform of the public sector - including potential consolidation of agencies – to consider a single regulatory structure.

We consider there needs to be better reporting mechanisms across the two agencies including formal reporting to a statutory body, such as the Ministry for Regulation, or other suitable entity.

By embedding the existence of an oversight EPA/ACVM body into legislation, this will go some towards ensuring the two agencies have 'one pipeline' and are working together towards a common goal.

OUTCOME SOUGHT

HortNZ considers there needs to be a statutory oversight body for the EPA and ACVM to work jointly together and to report to Ministers. This would complement the joint regulations issued under the ACVM and HSNO Acts to ensure timely approval of products.

Recommended wording is:

- 'An independent governing body shall be established and meet at least four times a year with EPA and ACVM representatives to consider the approval pipeline for products, including whether statutory timeframes are being met. This group must report to the responsible Ministers twice a year.'

PART 4

Summary of amendments requested on the ACVM Bill

Without limiting the generality of the above, HortNZ seeks the following decisions on the Bill, as set out below, or alternative amendments to address the substance of the concerns raised in this submission and any consequential amendments required to address the concerns raised in this submission.

Additions are indicated by underline, and deletions by strikethrough text.

Provision	Support/ oppose	Reason	Decision sought
Overseas regulator assessments (Section 20 amended)	Amendment required	Using overseas assessments should be a default pathway, including more specificity that overseas assessments must be taken into account for trade name products already registered overseas.	Amend new section 20 with the following addition: (iii): and, the Director-General must, as a starting point rely on that assessment unless there are reasonable grounds, based on New Zealand specific circumstances or other relevant information, not to do so.
Overseas regulator assessments (new Section 20A)	Amendment required	Clarification that an international agency as well as a person can be recognised	Amend new section 20A: 20A(1) The Director-General may declare that a person or agency in another jurisdiction is a recognised overseas regulator for the purposes of section 20(aa) And hence anytime person is mentioned in this section, include 'or agency'
Timeframes (section 19)	Deletion or Amendment	Timeframes are key to the pipeline of products. Removing these from the primary legislation and putting in regulations gives more leeway to officials to allow themselves more time.	Option 1: Remove entire section 19 (section 16 replaced), with similar removal from the HSNO Act. Option 2: Have regulations that mirror and complement each other under the ACVM and HSNO

			Acts, to allow for one pipeline for regulatory timelines. Under each option, the following is required: • Revised timelines • Joint public reporting by each agency • Amendment to allow for discount on fees payable is statutory timeframes are not met.
Suspensions (section 33)	Deletion	No strong justification for including animal or plant health and trade risks; instead, significant potential changes in risk profiles should trigger reassessments.	Remove entire section 33 (Section 30A amended)
Specific pathway for approvals and variations for biopesticides (section 75)	Addition	Addition of a specific pathway for biopesticides via regulations	Regulation-making power to be made for: the criteria and definitions used to identify eligible biopesticides and other lower-risk products; tailored data requirements proportionate to product risk; alternative assessment pathways and decision-making criteria; differentiated fees and information requirements; and shorter statutory assessment timeframes.
Reference to an independent governing group should be written into legislation	Addition	By embedding this oversight body into legislation, this will go some towards ensuring the two agencies have 'one pipeline' and are working together towards a common goal.	E.g. In Part 7 of ACM Act, and Part 10 of HNSO Act: 'An independent governing body shall be established and meet at least four times a year with EPA and ACVM representatives to consider the approval pipeline for products, including whether statutory timeframes are being met. This group must report to the responsible Ministers twice a year.'