

SUBMISSION ON

Proposed Amendments to the Agricultural Compounds and Veterinary Medicines Act 1997

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To: New Zealand Food Safety, Ministry for Primary Industries

Name of Submitter: Horticulture New Zealand

Contact for Service:

Dr Qinhu Shen

Risk Policy Manager

Horticulture New Zealand

PO Box 10-232 WELLINGTON

Ph: 022 307 2232

Email: Qinhua.shen@hortnz.co.nz



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HortNZ's Role

Background to HortNZ

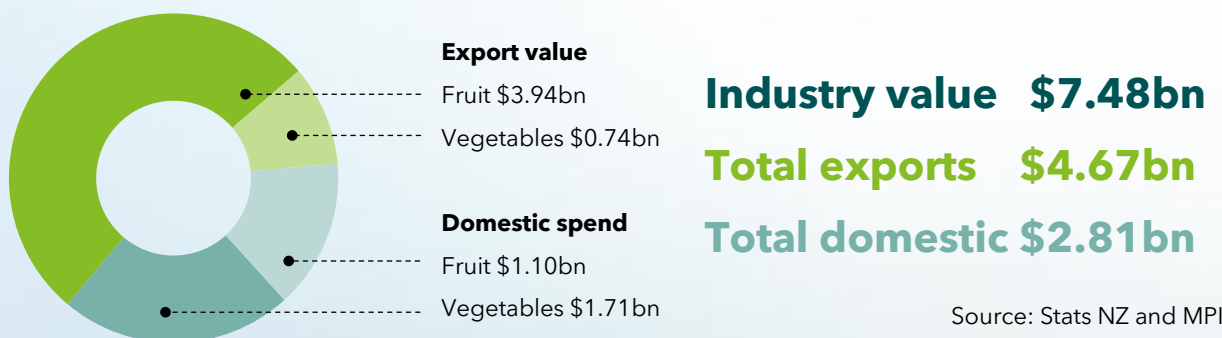
HortNZ represents the interests of approximately 4,200 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

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.



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 (HortNZ) welcomes the opportunity to provide feedback on the proposed amendments to the Agricultural Compounds and Veterinary Medicines (ACVM) Act as part of the Omnibus Bill. We appreciate the Ministry for Primary Industries' (MPI) proactive efforts to modernise the regulatory framework, particularly in aligning the ACVM Act with evolving industry needs.

To ensure that this Bill supports New Zealand's horticulture sectors and exports to grow, it is important that the following amendments are prioritised:

1. **Regulatory alignment:** Strengthening coordination between the ACVM and HSNO Acts to avoid regulatory duplication, inefficiencies, and innovation-stifling delays.
2. **Leveraging international assessments:** Increasing reliance on assessments and data from trusted international regulators to maximise efficiency within the approval process and incentivise manufacturers to register their products here by reducing costs.
3. **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.
4. **Streamlining biopesticide approvals:** Establishing a dedicated biopesticide registration pathway to encourage innovation and enhance sustainability.
5. **Improving transparency in approval processes:** Implementing a single set of secondary regulations for HSNO and ACVM timeframes, along with a simple tracking system for applicants.
6. **Supporting efficient exemptions & approvals:** Simplifying variation processes and consolidating provisional/research approvals under a standard framework.

We urge MPI to consider these amendments 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.

HortNZ looks forward to continued collaboration with MPI on these critical reforms.

Submission

1. General Comments

HortNZ appreciates MPI's proactive approach in leveraging the Omnibus Bill as an opportunity to introduce nine additional amendments to the ACVM Act beyond the original the Ministry for Regulation Review recommendations, aimed at modernising the legislation.

In addition to feedback on the amendments to the Act that have been proposed for this Bill, we have provided feedback about which of the remaining eight recommendations from the Ministry for Regulation Review are most important from the perspective of the horticulture industries.

To support New Zealand's horticulture industry to thrive and grow, it is important that you:

1.1. Ensure alignment between the ACVM and HSNO Acts

Given the interconnected nature of the approval pathways under the ACVM and HSNO Acts, any amendments to one Act must be carefully aligned with the other. Ensuring consistency between these regulatory frameworks is critical to maintaining a clear, efficient, and navigable system for stakeholders. This aligns with-

- Recommendation 4: Recommend that MPI/NZFS, MfE, and the EPA make the two regulatory systems easier to navigate.

Several of the sixteen recommendations from the Ministry for Regulations Review highlight the need for stronger coordination between these two regulatory frameworks. Enhancing alignment will not only improve regulatory efficiency but also eliminate duplication and provide greater clarity for applicants and decision-makers.

For example:

- Recommendation 9 - Strategic Priority Pathway: The prioritisation framework developed by MPI and the EPA should yield a consistent priority list of chemicals between the two frameworks to ensure efficiency and clarity in decision-making.
- Proposed Changes to the HSNO Act: The introduction of a time-limited conditional approval pathway under the HSNO Act should also be replicated in the ACVM Act. This alignment would facilitate a more streamlined and efficient approval process, reducing delays and unnecessary regulatory hurdles.

1.2. Leverage international regulators' assessments and data

To enhance regulatory efficiency and transparency, we recommend that MPI/NZFS amend the ACVM Act to enable a greater ability to use international regulators' assessments and data. This should include:

- Establishing clear criteria for recognising trusted overseas regulators, which is the approach taken under the HSNO Act.
- Defining mechanisms through which MPI/NZFS can formally incorporate and rely on international regulatory assessments and data.

This aligns with -

- Recommendation 7: Recommend that the EPA and NZFS maximise their use of assessments by international regulators for assessing the risks of a product while still considering aspects unique to New Zealand.

The full Ministry for Regulation Review report specifically highlights that *"there is an opportunity for NZFS to make better use of international regulators' work, where appropriate for New Zealand."*

By leveraging high-quality, international evaluations, MPI can reduce duplication of effort, accelerate decision-making, and improve access to essential crop protection products while maintaining robust safety and efficacy standards.

1.3. Effective international engagement to harmonise regulatory requirements

We would like to take this opportunity to recognise and appreciate MPI/NZFS's active engagement in international regulatory discussions, particularly through its participation in the OECD Working Party on Pesticides and Codex Alimentarius, although we acknowledge that these efforts do not require amendments to the ACVM Act.

Strengthening and expanding these efforts is critical to ensuring that New Zealand's regulatory framework remains aligned with global best practice and the New Zealand market is more attractive for manufacturers to invest in. To support alignment with global best practice, we recommend that MPI/NZFS:

- Prioritises and facilitates the establishment of evidence-based Maximum Residue Limits (MRLs) to support trade and market access.
- Advocates for and works towards international alignment of regulatory requirements, such as harmonised labelling standards, to reduce unnecessary compliance costs for applicants and improve access to crop protection products.

These align with-

- Recommendation 8: Recommend that the EPA and MPI (including NZFS) prioritise engagement at the international level to support harmonisation of requirements
- MPI Action Plan 2025-2026
 - Double the value of exports by 2034: Remove regulatory barriers to enable exporters to meet market demand

New Zealand's small market size and geographic distance from major agricultural chemical manufacturing hubs make international harmonisation particularly important to incentivise international manufacturers to invest here despite the relatively small returns.

Additionally, reducing inconsistencies in MRLs between countries would help mitigate operational challenges for end users in the field.

1.4. Create a registration pathway for biopesticides under the ACVM Act

Amending the ACVM Act to establish a clear and efficient registration pathway for biopesticides is essential to supporting innovation, sustainability, and trade competitiveness in New Zealand's agricultural sector. This aligns with:

- Ministry for Regulation recommendation 7. Increasing the reliance and use of assessments by international regulators while still considering aspects unique to New Zealand to improve efficiency.

- The Review’s intent of streamlining the products approvals pathway that are relatively less complex.
- MPI Action Plan 2025-2026
 - Double the value of exports by 2034: deliver the Trade and Market Access Action Plan to remove trade barriers and strengthen relationship with targeted markets.
 - Back the Primary Sector to win:
 - Unlock options for land use optimisation and flexibility including water availability and security.
 - Reduce food and fibre sector costs through simple, effective and efficient regulation and legislative change.

Currently, there is no clear or efficient pathway under the ACVM Act for registering biopesticides. In contrast, the U.S. Environmental Protection Agency (EPA) has recognised that biopesticides pose inherently lower risks than conventional pesticides and has adjusted its regulatory approach accordingly. The U.S. EPA considers that 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 users¹.

For these reasons, USA EPA generally requires less data to register a biopesticide than to register a conventional pesticide, and the review times are shorter for biopesticides.

Despite the global shift towards biopesticides, New Zealand’s current regulatory framework discourages their adoption due to:

- Regulatory uncertainty, with no dedicated or clear approval pathway.
- High registration costs and prolonged timeframes, deterring investment.
- A small market size, offering limited commercial incentives for manufacturers.

These barriers are effectively forcing growers to rely on older, broad-spectrum pesticides that risk leading to negative environmental impacts and will increasingly impact the sector’s ability to trade. As our key trading partners are starting to actively adopt biopesticides and lower MRLs for older chemicals, New Zealand growers risk losing access to certain markets due to outdated regulations.

If New Zealand is serious about doubling the value of exports by 2034 and backing the Primary Sector to win², then it is time to modernise the ACVM Act to enable New Zealand to utilise the rapidly developing field of biopesticide technologies.

¹ [US EPA - Biopesticide Oversight and Registration at the U.S. Environmental Protection Agency](#)

² [MPI action plan 2025-2026](#)

2. Specific Comments

2.1. HortNZ supports enabling exemptions via a notice from the Director-General

We agree with MPI, that moving the exemption process from regulations to notices and empowering the Director-General to issue such notices would 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.

2.2. HortNZ suggests that a single layer of secondary legislation should be created that covers approval timeframes for both the HSNO and ACVM Acts

We appreciate the effort to enhance transparency, certainty, and efficiency by setting statutory timeframes in secondary legislation rather than in the Act. However, the proposal only partially addresses the issue—it improves transparency and certainty to some extent but does not enhance efficiency.

To truly improve transparency and certainty, a transparent tracking system—such as a dashboard similar to Immigration New Zealand’s visa application tracker—should be implemented. This would provide applicants with visibility into the status of their applications and expected decision timelines, making the process more predictable and efficient.

To modernise the regulatory framework and align timeframes under the HSNO and ACVM Acts, MPI and MfE should collaborate to develop **a single set of secondary regulations** covering approval timeframes for both MPI and EPA. This would improve efficiency, particularly given that the intent of this legislative change is to enable a more flexible framework for regular review.

We have some concerns, that as we read it, this change appears to give regulators the ability to reset statutory timeframes if they are unable to meet them, which could enable regulators to extend timeframes to match their output. Rather than doing this, we would appreciate it if MPI and EPA identify the root causes of delays and determine process improvements in a transparent way.

2.3. HortNZ supports the proposal to simplify processes around variations to a product’s registration

We strongly advocate for simplifying the entire process of registering variations to a product. This proposal aligns with the Government’s goals of enhancing efficiency and reducing unnecessary regulatory burden.

There is significant potential to simplify the registration process for variations, which could enable more resources to be allocated to higher-risk applications. Simplifying this process would also meet the expectations of registrants who are looking for a more transparent and predictable regulatory environment. By adopting this approach, we believe the Act can strike a better balance between risk and regulatory effort, ensuring that the system is efficient, effective, and responsive to the needs of industry.

2.4. HortNZ supports the status quo for “provisional registrations” and “research approvals” and the continued use of Research, Testing, and Teaching exemption³

Section 27 of the ACVM Act lists research approval as a subset of provisional approval, so there appears to be no reason to amend the Act.

However, we do think that the Act could be amended here to enable the use of specific exemptions such as the Research, Testing and Teaching (RTT) already in use.

HortNZ agrees with MPI that further guidance could be developed to clearly differentiate between provisional registrations, research approvals, and RTT exemptions, including outlining appropriate application pathways for each.

2.5. HortNZ supports expanding the scope of emergency situations

We acknowledge and appreciate the effort to address the use of chemicals in emergency situations. Having timely access to effective active ingredients is crucial for managing biosecurity emergencies, as these situations require swift and decisive action to prevent widespread harm. The risk-benefit profile of emergency situations differs significantly from routine use, justifying a specific and targeted regulatory response.

However, without a clear picture of the scope of expanded emergency situations, and how emergency approvals will be expedited under the Act, it is difficult to fully assess the potential impacts and benefits of these changes for growers. We urge MPI to (1) actively seek and incorporate industry input when developing these amendments to ensure they are practical, effective, and responsive to real-world challenges, and (2) collaborate with MfE on the changes to the scope of emergency situations in the HSNO Act.

Additionally, we recommend that assessments and consultations for anticipated emergencies be conducted proactively during non-crisis periods. Establishing pre-approved emergency-use authorisations based on rigorous risk assessments will enable a faster response when an emergency arises. This approach ensures that appropriate products are readily available as soon as possible at the start of an emergency, allowing growers to take immediate action to mitigate threats effectively and prevent further economic and environmental damage.

2.6. HortNZ does not support expanding scope of when product registration can be suspended

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.

2.7. HortNZ strongly supports the use of public notification of any prohibition or restriction on a product or group of products using multiple effective channels

³ [ACVMs exempt from registration | NZ Government](#)

We support the MPI's preferred option (Option 2) to amend the Act, allowing greater flexibility in public notification processes. 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 to stay informed without looking at it each day.

To enhance transparency and accessibility, we recommend that MPI supplement Gazette notifications with additional communication channels. These should include publishing notices on MPI's official website, directly emailing industry bodies and stakeholders, publishing in all major metropolitan daily newspapers on at least two occasions, and leveraging other relevant platforms to ensure timely and widespread dissemination of critical information.

Please remember that growers are busy people who are unlikely to spend time searching for information on the internet each day. A collaborative and comprehensive approach to public notification will help industry participants remain informed about regulatory changes, enabling them to respond appropriately and maintain compliance.