

IN THE MATTER of the Resource Management Act
1991 ("**the Act**")

AND

IN THE MATTER of the Resource Management Act
1991 and the Environment
Canterbury (Temporary
Commissioners and Improved Water
Management) Act 2010

AND

IN THE MATTER of the hearing of submissions on the
Proposed Land and Water Regional
Plan

**STATEMENT OF EVIDENCE BY MATTHEW JOSEPH DOLAN FOR
HORTICULTURE NEW ZEALAND
2 APRIL 2013**

QUALIFICATIONS AND EXPERIENCE

1. My name is Matthew Joseph Dolan, I have a Bachelor of Horticultural Science from Lincoln University and over 20 years experience in the horticulture industry, both in New Zealand and overseas.
2. My career has largely been in technical roles including the management of industry quality assurance and Good Agricultural Practice (GAP) programmes.
3. I am currently the Business Manager for Horticulture New Zealand responsible for the Food Safety and Environment (agrichemicals) portfolio. I have been in this role for 2 years.
4. I manage 2 business units in this portfolio: New Zealand GAP (www.newzealandgap.co.nz) and The New Zealand Agrichemical Education Trust (www.growsafe.co.nz)
5. Of relevance to the matters before the Hearing Panel is my involvement as the Manager of New Zealand GAP.

SCOPE OF EVIDENCE

6. I will outline the structure of New Zealand GAP, how it operates, and how it could support the approach of Audited Self Management in the context of the Proposed Canterbury Land and Water Regional Plan.

SUMMARY

7. New Zealand GAP is an internationally recognised standard for the certification of New Zealand grown fruit and vegetables.
8. Certification to a Good Agricultural Practice (GAP) programme is a market requirement. Growers are therefore highly motivated to achieve and maintain certification.
9. Established in 1999, New Zealand GAP is a robust assurance programme that has been developed to enable growers to

meet a range of regulatory and market requirements, including environmental matters. The integrity of the programme lends itself to the proposed Audited Self Management model.

10. The New Zealand GAP standard is set out in the New Zealand GAP scheme rules, New Zealand GAP manual and checklist. Certified Growers are audited against the New Zealand GAP standard and are required to meet the requirements in order to achieve certification.
11. The New Zealand GAP scheme enables growers to manage the costs and complexity of regulation and the multiple certification requirements of retailers and processors in New Zealand and overseas.
12. A key driver for the programme is the need for an efficient, cost effective management and production system that manages the increasing complexity and duplication of standards and audits.
13. New Zealand GAP helps to ensure that there continues to be "a single auditor coming through the gate".

ESTABLISHMENT OF NEW ZEALAND GAP

14. The establishment of the New Zealand GAP programme was a pro-active move by New Zealand growers to address consumer concerns relating to food safety, the environment and quality assurance issues.
15. The New Zealand GAP scheme now includes the "New Zealand GAP" scheme and the "New Zealand GLOBALG.A.P. Equivalent" scheme. Both schemes are referred to in the term "New Zealand GAP".
16. Since the programme was launched in 1999, it has become one of the most widely recognised Good Agricultural Practice programmes in the NZ Horticulture industry. Over 65% of New Zealand Growers are certified to one or more Good Agricultural Practice programmes. This is among the highest rates of certification in the world.

17. In addition to the 1200 growers that are certified to New Zealand GAP, there are approximately 2400 New Zealand growers certified to the European based GLOBALG.A.P. Programme. (www.globalgap.org).
18. GLOBALG.A.P. is a private standard that is owned by European retailers and sets production standards for their suppliers in over 50 countries. GLOBALG.A.P. has specific and detailed requirements in areas such as nutrient and water management and is by its global nature, a more complex standard. The "New Zealand GAP - GLOBALG.A.P. Equivalent" scheme includes GLOBALG.A.P. certification.
19. The New Zealand GAP standard describes New Zealand production practices and refers to New Zealand Regulation and Regional Council requirements in key areas such as pesticide use, land and water management.
20. The Food safety elements of New Zealand GAP are being favorably considered as meeting the requirements of the Food Bill, currently before parliament. This will enable certified growers to be recognised as having met requirements of the new food safety regulations, in a similar way to the proposed Audited Self Management approach.

DEVELOPMENT OF THE STANDARD

21. The New Zealand GAP standard is reviewed every 4 years, or when a significant change is required. The most recent review (version 5.0 November 2009) introduced requirements and guidance for environmental management in the areas of:
 - (a) Production site management (including soil conservation);
 - (b) Nutrient management;
 - (c) Water management.
22. It is intended that future versions of the New Zealand GAP will align with the requirements of Regional Plans, and may be strengthened in key areas to enable this.

23. As the New Zealand GAP standard develops over time, the skills and capability of growers and auditors also develops. Training is a key component of the New Zealand GAP programme and the standard requires evidence that growers and auditors participate in industry training programmes and certification schemes. New versions or interpretations of the standard are accompanied by training events and updates for growers and auditors. This is an ongoing process which is key the ongoing development of the programme.
24. The New Zealand Horticulture Industry has established a reputation for keeping up with market and regulatory requirements. The industry has a high degree of capability among its growers and auditors.

HOW NEW ZEALAND GAP ASSURES STANDARDS FOR GOOD AGRICULTURAL PRACTICE

25. New Zealand GAP describes Good Agricultural Practices that apply to New Zealand production systems. Their adoption is verified through an independent third party audit, which leads to certification of the crop.
26. New Zealand GAP refers to local regional council rules and industry programmes where they exist. This means that there is already a link to regional council rules and an opportunity for councils to recognise this evidence.
27. Certified growers are required to provide a significant amount of evidence of their practices during the audit process. This includes records, certificates, documentation and observations. The discipline required to achieve and maintain this evidence over time has resulted in many growers adopting an integrated quality systems approach within their businesses. Growers' comment that this has been of benefit to the running of their businesses as new requirements can fit into this framework.
28. New Zealand GAP draws on industry guidelines where they are available, for example the Fertiliser Association of New Zealand "Code of Practice for Nutrient Management", and various soil conservation guidelines. This code of practice

sets out the requirements for nutrient management plans. These requirements are covered in New Zealand GAP Audits.

ACHIEVING CERTIFICATION

29. The processes by which growers achieve certification to New Zealand GAP are described in the New Zealand GAP scheme rules.
30. Participation in NZGAP is open to any business that produces crops for human consumption in New Zealand. Growers can only receive certification for product that is produced by them.
31. Growers can apply for certification under 3 options to suit the structure and management of the business. These options are tailored to the common business structures of New Zealand farming operations.
 - (a) Scheme A: Individual Business Certification - Central management;
 - (b) Scheme B: Individual Business Certification - Multiple managers reporting centrally;
 - (c) Scheme C: Group Certification - Multiple businesses covered by one certificate.
32. When determining the most appropriate scheme the following apply:
 - (a) Only one certificate is allowed per legal entity (ie: grower/company/business).
 - (b) Growers applying for certification must own all product that is produced on the land **AND** be responsible for all activities that take place in relation to that crop.
 - (c) For land not owned by the grower eg: lease or management arrangements, signed contractual agreements must be in place that confirms ownership of the crop.

33. All Approved Suppliers are independently audited and monitored and must continuously meet the New Zealand GAP standard to ensure on-going certification.
34. The New Zealand GAP manual sets out the requirements for the range of matters addressed. Production site management includes soil conservation and is relevant in terms of reducing risk of sediment loss from production systems. The section on Nutrient Management includes nutrient management plans and compliance with regional council plan requirements. These matters are included in the Assessment Checklists, which are the basis of the New Zealand GAP audit.

AUDITING AND VERIFICATION

35. New Zealand GAP is audited by 2 independent third party agencies, known as Certification Bodies: AsureQuality Ltd. and SGS (NZ) Ltd.
36. The New Zealand GAP audit process includes a combination of site audits, self-assessments, random audits and targeted audits.
37. Auditors are qualified and skilled in following a structured audit process. The majority of auditors currently operating in New Zealand have relevant tertiary qualifications and /or experience in crop production.
38. Auditors will need to have an understanding of the requirements of the proposed Land and Water Plan. The required level of understanding would need to be determined, including the interpretations and expectations of Regional Councils, to enable Auditors to effectively verify the practices on farm.
39. It is appropriate, therefore, that there be some transitional period to ensure that all growers and auditors are aware of the new system. I am aware that a five year period has been suggested for a range of reasons and this would be adequate for implementation of the system.

WHY IS NEW ZEALAND GAP IS THE APPROPRIATE TOOL IN THIS SITUATION

40. New Zealand GAP is an appropriate tool in my opinion because it is integrated into the growers' business system, it is well known, respected and trusted within the horticulture industry and is already a key market access instrument.
41. There are already a significant number of growers certified to New Zealand GAP in the Canterbury region. Aligning new rules to this existing programme offers the opportunity for a more seamless and effective adjustment.
42. Compliance standards in New Zealand are largely driven by the customer. It is sensible that the system that has been developed by growers, for growers with the assistance of their customers is also used to meet the needs of local regulatory agencies such as Environment Canterbury. For the growers it prevents adding complexity, cost and the burden of additional audits.
43. New Zealand GAP has the elements of integrity that are sought by regulators. This includes a structured system, independent audits, and underlying quality assurance systems that have been tested and improved over many years.
44. New Zealand GAP is a controlled, audited self management system that is updated from time to time and known by its current version number and reference. The current version is Version 5.0 November 2009.

M Dolan

2 April 2013