

EXPORT MARKETING STRATEGY FOR NUTNZ

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NUTNZ New Zealand - Export Marketing Strategy DRAFT October 2006

NUTNZ New Zealand Export Marketing Strategy for NUTNZ, August 2006

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1. Introduction

Nut Industries of New Zealand [NUTNZ] was incorporated on the 20 May 2004 and represents the New Zealand Chestnut Council [NZCC], the Hazelnut Growers' Association of New Zealand [HGANZ] and the New Zealand Walnut Industry Group [NZWIG] together called the member groups [refer appendix XXX for the personnel that comprise the current members of Nut NZ and the Member Groups. These member groups represent the majority of commercial nut growers, processors and exporters of temperate nuts in New Zealand.

Commercial nut production is an emerging industry in New Zealand. Significant tree planting began in the late 1980's, from early trials undertaken by the New Zealand Tree Crops Association [NZTCA]. Commercial nut growers are now starting to reap the benefits of this initial work which developed superior named cultivars that possess good size, shape, yield and taste for an international market. Currently (2006) only a small proportion of industry income results from export sales.

Nut NZ have agreed to seek Recognised Product Group (RPG) status under the HEA Act. This Act requires all exporters of prescribed products to be licenced and operate according to the RPG's Export Marketing Strategy (EMS).

This Export Marketing Strategy (EMS) was initiated in August 2006 recognising the emerging industry and a potential collective value in various members of NUTNZ combining to ensure all temperate nuts exported from New Zealand are of a consistently high quality. It is intended to achieve this objective by the maintenance and perpetual upgrade of an EMS that applies agreed quality standards to all exported temperate nuts. The objective is that all exported product reaches the market in an optimum condition.

The New Zealand temperate nut industry is based around the majority[refer earlier comment on majority/industry information] of NZ growers, processors and exporters. An advantage for everyone involved is that New Zealand is one of the few countries free of most crippling pests and diseases affecting harvest, including chestnut blight and gall wasp, walnut crown gall rot and hazelnut eastern filbert blight

Annual registration with NUTNZ and payment of the fees entitles any grower, processor or exporter of walnuts, hazelnuts or chestnuts to participate in this EMS which is a requisite for the export of these member group products.

Chestnuts – in the form registered through the NZCC quality standards
Walnuts - in the form registered through NZWIG quality standards
Hazelnuts - in the form registered through HGANZ quality standards

2. Vision

A profitable and sustainable commercial temperate nut industry with a market focus based on appropriate and enforceable quality standards.

3. Specific Objectives

The objective of NUTNZ is to provide leadership in facilitating the efforts of all those participating in the industry to maximise the ongoing profitability, sustainability and viability of the New Zealand temperate nut industry.

NUTNZ proposes to achieve its objectives for all exports by the introduction and enforcement of this EMS.

The role of the NUTNZ EMS is to provide a robust **quality assurance programme** which ensures New Zealand temperate nuts establish and maintain a market reputation for quality excellence.

NUTNZ will adopt an integrated approach to ensuring quality exports.

The EMS is to be reviewed/updated annually in accordance with the requirements of the NZ HEA Act.

4. Quality Management

NUTNZ has specific programmes and standards set by each member group which cover the quality requirements from orchard to market. It is accepted that these standards be recognised as the minimum standard only.

The criteria to meet the quality standards is set out in sections 5

The quality standards for each product are set out in appendices XXXXX and will specify how they will be monitored and by whom, frequency of inspection and other relevant details.

5. Industry Participant Responsibilities

5.1 Register of Growers, Packhouses, Processors & Exporters

Growers, packhouses, processors and exporters intending to be involved in the temperate nut export business are required to be registered with NUTNZ.

This system of registration (as detailed below) will provide a communication network for the industry.

Nut NZ considers accurate and reliable information as critical to the co-ordinated development of the industry. To facilitate this development all registrants will be required to provide information to NUTNZ as requested from time to time.

5.2 Grower Responsibilities:

Growers must be committed to supplying products that consistently meet the industry agreed minimum quality standards

Growers wishing to supply nuts for export shall register with, and be a paid up member of, the NUTNZ member group appropriate for the product supplied. The member group shall supply to NUTNZ a list of these growers on an annual basis.

Growers must be issued with a unique registered grower number by their member group, which is displayed for identification of all products through the chain.

Growers are responsible for ensuring sound orchard management, crop handling and storage hygiene. A grower wishing to supply product for export must meet the quality standards for each product as per appendix XXX.

The quality standards for each product shall at a minimum address the following areas...

- Requirements of cleaning, drying and storing
- Requirements for the frequency of picking product off the ground.
- Requirements for the restriction of livestock in the orchard prior to harvest
- Spray diary and/or declaration requirements
- Fertilizer diary
- Cultivar and orchard identification
- Product harvest date identification
- Audit requirements

5.3 Processor and Packhouse Responsibilities:

Organisations who wish to process or pack temperate nuts for export from New Zealand, must meet all the quality requirements, pay all the fees set and be registered with NUTNZ.

A packhouse or processor wishing to supply temperate nuts for export must meet the processor / packhouse quality standards for each temperate nuts as per appendix XXX

A packhouse or processor shall only be able to be registered once audited by NUTNZ as having met all quality requirements. This audit (to retain registration) shall occur on an annual basis.

Only a registered packhouse or processor with a unique ID number (as provided by NUTNZ) will be entitled to use the “Certmark NUTNZ” quality mark

Packhouses and processors must retain and make available for audit a list of growers whose temperate nuts they have packed for export, with their registered grower number. This information shall be retained for 24 months minimum.

Only temperate nuts grown by registered growers, and supplied to registered exporters will be permitted for export. Any packhouse preparing product for export must ensure this is the case

Packhouses and processor are recommended to have supply contracts with each of their registered grower suppliers, and supply contracts with each of the exporters they will be supplying throughout the season.

Each registered Packhouse is responsible for meeting the member groups Processor / Packhouse Quality Standards as relevant to the product being packed/processed.

Each member groups Processor / Packhouse Quality Standards shall address:

- Post harvest handling and storage requirements
- Packing/Packaging specifications.
- Grade standards
- Product labelling requirements
- Audit requirements

The packhouse / processor shall...

- Ensure the quality control system in the packhouse is in place, and operating effectively to meet all required accreditation specifications. [*Q. what about residue testing under a food safety programme? A grower is required to provide a spray diary/declaration. Should this feed through to the packhouse requirements prior to packing?*].
- Complete all required documentation in a full and thorough manner.
- Nominate a trained quality controller,
- Ensure that no inputs infringe the import requirements of the destination country.
- Ensure a product safe-guard system is implemented which identifies, segregates and prevents the load out of non export grade nuts.
- Ensure all product packed is identified with the packhouse / processor unique identification number
- Notify their member group in writing immediately any of the above criteria are breached detailing potential ramifications and actions taken to remedy breach.

5.4 Member Group Responsibilities:

Each member group shall...

- Issue registered growers with a unique grower number, which is to be displayed by the Grower for identification of all temperate nuts through the chain.

- Keep and maintain the grower register with orchard address details and associated unique identification numbers.
- Supply to NUTNZ a list of all export registered growers together with their identification number on an annual basis.
- Supply product specifications (quality / grade standards) to all growers prior to harvest
- Supply all registered packhouses with the Processor / Packhouse Quality Standards
- Supply the Grower registration date and the fee due
- Notify NUTNZ of any known breaches of this EMS by its member group members detailing potential ramifications and known actions that were taken to remedy the breach.

All identification numbers shall be preceded by a “W” for the New Zealand Walnut Industry Group, by an “H” for the Hazelnut Growers Association of New Zealand, and by a “C” for the New Zealand Chestnut Council.

5.5 NUTNZ Responsibilities:

NUTNZ shall...

- Keep and maintain a total grower register with orchard address details and associated unique identification numbers.
- Keep and maintain a packhouse / processor register
- Keep and maintain a temperate nut exporter register
- Meet and review the EMS on an annual basis
- Supply the packhouse and processor registration date and the fee due
- Ensure all packhouse and processor registrations are audited annually as per this EMS.
- Keep HEA informed of any issues or potential issues it is aware of in terms of breaches of the EMS.
- Provide HEA with the best evidence possible i.e statements, photographs and reports, of any alleged breach of the EMS.
- Take appropriate remedial action on discovery of a breach of this EMS and maintain an appropriate register of such breaches.

Under the terms of the registration agreement, NUTNZ shall have the authority to remove any registration if recommended remedial actions are not observed in a timely manner.

[it would be advisable for Nut NZ to specify (perhaps in an appendix) a breach procedure that may ultimately lead to de-registration. HEA licence breach procedure could be a guideline]

5.6 Exporter Responsibilities:

Every temperate nut exporter must register with NUTNZ as an exporter.

Only holders of an export licence from the New Zealand Horticulture Export Authority (HEA) may export temperate nuts from New Zealand. These licenced exporters are required, as a condition of licence to comply with this Export Marketing Strategy (EMS), which has been formulated by the recognised product group for temperate nuts operating under the HEA Act.

Under S34 of the HEA Act it is illegal for Exporters to appoint “export agents” to use their licences or allow another company to use their licence.

Exporters shall only export temperate nuts supplied by registered growers, processors and packhouses, who have met their requirements laid down elsewhere in this document. Any temperate nut exporter operating under a Certificate of Exemption is subject to the same responsibilities as a licensed exporter, as outlined below.

1. Exporters of temperate nut shall abide by the EMS.
2. Exporters who wish to export temperate nuts in a given year shall first register with NUTNZ and pay the registration fee set .
3. The exporter must be thoroughly aware of and ensure the processor and packhouse has complied with the Processor / Packhouse Quality Standards,
4. The exporter must meet the storage transit and handling requirements (as per the Storage Transit and Handling Procedure in Appendix XXXXX) to ensure the conditions during storage and transit do not denigrate [reduce or compromise] the product quality.
5. Exporters are recommended to supply contracts to either growers or packhouses, whichever is appropriate.
6. In order to provide feedback on the quality process, on the completion of each export transaction, the exporters shall provide a quality report to NUTNZ (without compromising client confidentiality) which details the condition of the product that arrived in the export market. Should any temperate nuts arrive in the market in a less than satisfactory condition the exporter shall work with NUTNZ to assist in improving the quality process.

6 Information and Communication

6.1 Objectives

- To develop a team attitude within the industry

In order for an industry to operate to similar standards and work towards the same objectives it is important that all industry participants receive the same information on which to base decisions. Whilst individuals may have access to some information sources, greater efficiencies can be achieved if generic information can be collected and analysed on an industry basis.

7 Exemptions

7.1 Objectives

To enable sample quantities to be exported for market testing, product research and development, and market development.

7.2 Small Volumes

Where HEA receives applications for individual shipments of temperate nuts of under 200kgs, NUTNZ accepts that HEA may automatically approve, without consultation with NUTNZ, those exemptions. No more than two exemptions shall be allowed for any one exporter to the same end customer.