



Potatoes
NEW ZEALAND

Levy Consultation

March to April 2024



Since the last Levy vote

Potato growers have faced ever evolving challenges since the last levy vote. Different solutions are required to manage and adapt to changing circumstances such as adverse weather events, labour shortages, and Covid-19.

Potatoes New Zealand has stepped up to support growers with pathways, solutions and support as well as practical advice and help. As an industry voice, Potatoes New Zealand continually has growers' interests and views in mind which are reflected when dealing with government and other industry bodies.

Grower Responsibility

Potatoes New Zealand needs your continued support through voting 'Yes' for the Levy. Your support will enable us to enhance our work to support growers to thrive and supply quality potatoes to the market.

When the time comes, we ask that growers vote. It is critical that we hear from you and have your backing to continue to support your business and to advocate for you on the key issues. Potatoes New Zealand's prime reason for existence is to protect potato growers' business interests, increase consumption and improve the profitability of the entire industry. Without a levy, Potatoes New Zealand would cease to operate, hence it is imperative to vote when the time comes.

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Key Strategic Achievements

\$814 million* Domestic Market Value

\$116 million* Export Market Value

\$931 million* Total Value

* per annum from 2022

Since 2019 Potatoes New Zealand has been engaged in many projects to ensure the betterment of the potato industry, including:

Biosecurity Readiness and Response

- Biosecurity and Inspector Training – Successful course held
- GIA Operational Agreement readiness programme
- Response to incursions managed
- Upskilled Potatoes New Zealand team with CIMS training

Education and Training

- Food Industry Enabling Technologies – Successful workshop held
- Erosion and Sediment Control – Successful workshop held
- Soil Fumigation – Successful workshop held
- Potato New Zealand – Biennial Conference attracting over 100 attendees in 2023
- Meeting with Ministry for the Environment on Water – Successful series of workshops
- Spring Fling – Successful 'November means new potatoes' event
- Powdery Scab – Successful workshop held
- Climate Change – Successful webinar held
- CPLI Project – Successful introduction event
- Potato Tuber Moth – Successful meeting held
- Fall Armyworm – Successful workshop held
- Sustainable Vegetables System Grower Workshops held and feedback to improve the tool

Grower Representation

- New chief executive – Kate Truffitt became new chief executive in 2023
- Working closely with Horticulture New Zealand and various government ministries to ensure growers' best interests are represented
- Increased collaboration amongst Vegetable product groups
- Advocacy and support during crisis's

Information and Communication

- Social media channels audience and engagement continues to increase
- Monthly articles in NZ Grower magazine
- Regular Potatoes New Zealand newsletters and update emailed
- Regular Potatoes New Zealand text messages sent on key initiatives
- Potatoes New Zealand growers' collateral developed
- Potatoes in schools and other educational tools developed
- Promotion in New Zealand Home Diary
- School engagement for growing, cooking and nutritional benefits

Market Development and Promotion

- New Season Potato – November means New, successful event held
- 5+ A Day – collaborated with United Fresh for continued promotion of consumption of new season potatoes

Research, Development and Extension

- International experts delivered Grower Talks in main growing regions
- Field Walks held for members in each of the main growing
- 26 Research and Development project areas completed
- 14 Research and Development projects currently underway
- Tuber moth – Damage has reduced significantly since the programme started
- CPLI – massive reduction in the number of rejections at the factory since the project started
- Pulsed Electric Fields – McCain have installed a unit in Timaru
- Quick N – Increasingly used by growers
- SVS tool developed ready for use by growers in 2024

Administration

- Annual General Meetings held and published Annual Reports
- Financial reporting and management executed by Potatoes New Zealand
- Strategic Plan developed in 2023
- Business Plan created and linked to strategic initiatives, signed off by Board

About Potatoes New Zealand

Potatoes New Zealand (PNZ) is the industry association representing the interests of the New Zealand potato industry. In June 2013 PNZ began collecting a commodity levy in accordance with the Commodity Levies Act (1990) – Commodity Levies (Potatoes) Order 2013.

The principal object of the society is to provide benefits to the potato industry in New Zealand by creating a positive industry profile and business environment for members.

Membership categories:

Grower Members

Actively engage in the production of potatoes in New Zealand for commercial processing, domestic fresh market, export, or seed who, in the preceding 12 month period. They have paid a levy pursuant to the Commodity Levies (Potatoes) Order 2013 and have voting rights.

Trade Members

Actively engaged in processing, trading or retailing New Zealand grown potatoes or potato product. Trade Members have all voting rights at an AGM but no voting rights for the levy referendum.

Associate Members

Associated with the potato industry and are engaged in supplying services to Grower members or Trade members.

New Zealand Potato Industry by Numbers



\$200 million Value at farm gate

\$814 million* Domestic Market Value

\$931 million* Total Industry value

\$116 million Export Market Value

419,200 MT Estimated production p.a.

* Based on best estimates for 2022 year

Structure

Board of Directors

Potatoes New Zealand is governed by a Board of Directors and led by the Chief Executive. The Board is comprised of a maximum of eight members representing various member groups. Board members may be appointed for up to three terms, of up to three years each. Each year the elections are held at the Annual General Meeting.

Seed Certification Authority (NZSPCA)

The purpose of the New Zealand Seed Potato Certification Scheme is to provide assurance that certified seedlines meet the minimum standards for disease freedom and trueness to type that are specified by the Seed Certification Authority. The scheme is also intended to at least meet the requirements of UNECE Standard S1 concerning the marketing and commercial quality control of seed potatoes. Certification of seed potatoes in New Zealand is managed by the Potatoes New Zealand. This is done by specialised inspectors to visually inspect crops in the field as well as tubers after harvesting.

Research, Development and Extension

The Potatoes New Zealand Research and Development Technical Panel is made up of industry growers, processors, agronomists and technical experts that advises on the Research and Development Strategy and activities. The Panel meets regularly during the year to review the current Potatoes New Zealand Strategy, observe field trials, discuss results and comment on planned activities.

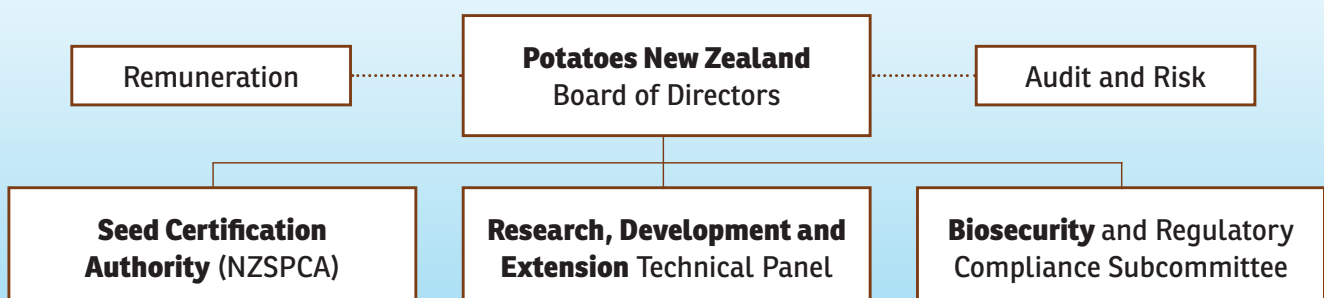
Potatoes New Zealand runs a comprehensive research, development and development programme that covers pan-industry and potato industry specific research. Members can gain insights through Field Walks, Grower Talks and Potato Updates.

Biosecurity and Regulatory Subcommittee

This subcommittee negotiates new market access arrangements and works with MPI to ensure access compliance costs are kept to a minimum. This subcommittee also advises on PNZ's Biosecurity Readiness and Response activities and commitments.

Market Development and Promotion

Potatoes New Zealand works closely with key industry organisations and media to promote potatoes, potato products and industry good stories.



Growing Together

Potatoes New Zealand has developed an Industry Strategic Plan focussing on delivering our purpose to 'Listen, enable and promote better outcomes for the New Zealand potato industry.'

Potatoes New Zealand's four key strategic priorities: **Leadership in the field**, **Growing great people**, **United industry voice** and **Working together**



Our Strategy 2028

Vision End to end value creation for potatoes in New Zealand.

Purpose Listen, enable and promote better outcomes for the New Zealand potato industry.

Priorities



Leadership in the field

- Growing practices
- Future focused science, innovation and technologies
- Biosecurity and crop protection



Growing great people

- Pathways to support our young growers
- Training opportunities for industry
- Building sector capability



United industry voice

- Strengthened advocacy
- Strategic communications and industry engagement
- Promotions of the wider New Zealand potato story
- Market Intelligence



Working together

- Industry engagement to reflect our diversity
- Trusted partnerships and collaborations
- Potatoes as part of the growing system

Context The potato industry has a complex value chain; we recognise the diverse needs of all parts of the sector.

Potatoes New Zealand works as a trusted partner and leader, promoting initiatives and innovates to add value to your value chain and continuously seeks improvement for our industry.

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Making an Impact

The Potatoes New Zealand 2024 Strategic Plan aims to create 'End to end value creation for potatoes in New Zealand' and the PNZ Business Plan highlights various activities to ensure we are well on track to meeting the priorities set out.

Potatoes New Zealand regularly reports against these strategic initiatives, to ensure progress towards and achievement of our goals. An annual Business Plan, linked to the strategic initiatives, has been signed off by the Board.

Commodity Levy Voting Process

Key dates:

Monday 15 April 2024 – Voting opens
Friday 10 May – Voting closes 12pm (noon)

Voting methods

You may vote in ONE of two ways:

- Online vote or
- Postal vote

Voting entitlement

All active commercial potato growers are entitled to vote. Active commercial potato growers are those persons or businesses that are actively engaged in the commercial production of potatoes.

Voting eligibility

To be eligible to vote in the Potatoes New Zealand Inc., Levy Referendum your business must have paid a potatoes commodity levy for the twelve months to 31 March 2024.

Levy rate

The maximum rate of levy will be 1% (\$1 per \$100) of:

- The gross sales value (before deduction of costs and charges) at the first point of sale for all potatoes sold.
- The notional process value for growers who process their own potatoes.

The rate for the initial levy year will be 0.85% (85 cents per \$100). The rates are GST exclusive.

Levy expenditure

It is proposed that the levies will be spent by PNZ on the following purposes relating to potatoes or potato growers:

- Biosecurity readiness and response
- Education and training
- Grower representation
- Information and communication
- Market development and promotion
- Research, development and extension
- Administration of Potatoes New Zealand

Potatoes New Zealand will consult with growers on how the levy is spent through grower representatives and at the Potatoes New Zealand's biennial Conference, Annual General Meeting and any Special General meetings that may be held. The levy will not be spent on any trading or commercial activity.

Proposed Commodity Levy Changes

It is proposed that the current Commodity Levy remains the same.

For more information about:

The Commodity Levy Referendum

Please visit www.potatoesnz.co.nz/levy24

Potatoes New Zealand

www.potatoesnz.co.nz or phone 0800 399 674

Voting assistance

Please phone the Election Helpline: 0800 666 028

How would a 'No' vote affect the industry?

If you decide to vote 'No' these are some of the implications for the New Zealand potato industry:

- **No Research, development and extension work** – Who will keep you informed of latest industry research outputs, trends and opportunities?
- **No Biosecurity readiness activities** – Can you afford for your crops to be wiped out?
- **No Quality Control** – How will people identify quality potatoes?
- **No Market Access support** – You will have to negotiate market access for your potatoes!
- **No Seed Certification Authority** – No controls over seed potato quality!
- **No Advocacy** – Liaison with government and regional agencies and departments will be your responsibility!
- **No industry promotions** – Can we afford not to have potatoes at the forefront of consumers' minds?
- **Nobody pushing 'industry good' stories** – Lose the limelight and with-it people's mind space!

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Vision
End to end value creation for potatoes in New Zealand.



Purpose
Listen, enable and promote better outcomes for the New Zealand potato industry.

