



**APICULTURE**  
NEW ZEALAND

# SUBMISSION

**TO:** The Ministry for Primary Industries

**FROM:** Apiculture New Zealand

**SUBMISSION ON:** Mānuka honey sold in New Zealand: Is further regulation needed?

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## **1. INTRODUCTION**

- 1.1. Apiculture New Zealand (ApiNZ) welcomes the opportunity to make this submission to the Ministry for Primary Industries (MPI) on the application of the mānuka honey science definition to mānuka honey sold in New Zealand.
- 1.2. ApiNZ supports MPI's intention to apply the scientific definition to mānuka honey sold in New Zealand. ApiNZ considers that New Zealand consumers ought to have the same regulatory assurances as international consumers.
- 1.3. ApiNZ is concerned, however, that significant evaluation and review is required for the current regulatory definition for mānuka honey to ensure that markets and consumers can continue to maintain confidence in the definition.
- 1.4. ApiNZ requests that MPI applies the regulatory definition consistently while also undertaking a robust review of the science behind the current definition. This work is required to maintain and enhance the value of New Zealand's increasingly valuable honey products.

## **2. ABOUT APICULTURE NEW ZEALAND**

- 2.1. ApiNZ is the peak national body representing the apiculture industry in New Zealand. ApiNZ aims to support and deliver benefit to the New Zealand apiculture industry by creating a positive industry profile, business environment, and opportunities for members.
- 2.2. ApiNZ is helping to progress key industry priorities, both through its management team and via the work of five industry focus groups which are representative of its membership base. These focus groups are:
  - Education and Skills
  - Standards, Compliance and Regulatory
  - Science and Research
  - Biosecurity and GIA
  - Māori Engagement.

## **3. APINZ SUPPORTS THE REGULATION OF MĀNUKA HONEY IN THE DOMESTIC MARKET**

- 3.1. The mānuka definition is currently only relevant to product exported from New Zealand. Sales that are currently excluded from the definition include:
  - All product sold in New Zealand
  - Sales to tourists and through on-line channels (estimated to be 30% of sales)
  - All honey that is subsequently blended, packed and labelled offshore.
- 3.2. This leads to a patchwork of product definition and offers in international markets. This is not sustainable and will do long term harm to New Zealand's mānuka product.
- 3.3. To be adopted in foreign markets we need to demonstrate a commitment to applying the definition within New Zealand. ApiNZ therefore welcomes this initiative by MPI. ApiNZ's suggestions for implementation of this definition are outlined below in response to MPI's questions.
- 3.4. ApiNZ supports implementing a domestic definition in a way that works efficiently with existing laws and regulations and implemented at least cost.

#### **4. MPI MUST COMMIT TO CONTINUOUS IMPROVEMENT OF THE REGULATED DEFINITION FOR MĀNUKA HONEY**

- 4.1. ApiNZ continues to have strong reservations about the performance of MPI’s regulatory definition for mānuka honey and urges MPI to continue to monitor the performance of the definition and commit to its continuous improvement.
- 4.2. ApiNZ receives regular reports from members outlining strong concerns around the performance of the regulatory definition for mānuka honey. The performance of the current regulatory definition appears to vary considerably across New Zealand. Gisborne and Northland are examples of regions where we are hearing regular reports of mixed performance from the definition.
- 4.3. ApiNZ is grateful for the commitment of MPI to engage in an ongoing review of the performance of this definition. We request that MPI give this review increasing priority and prominence as MPI moves to implement the definition domestically. The regulatory definition for mānuka honey needs to be robust in all markets to be effective.

#### **APINZ’S RESPONSE TO MPI’S CONSULTATION QUESTIONS**

##### **Purpose and Context**

**1) Do you think we have identified the right reasons to explore whether or not the mānuka honey science definition should be applied to domestically sold mānuka honey?**

Yes. ApiNZ agrees that consumer protection, clarity for producers of mānuka honey and the potential reputational risk of grey trade are all strong reasons to apply the scientific definition domestically. ApiNZ agrees with MPI’s assessment that the lack of domestic standards or definitions makes it difficult to enforce existing consumer law requirements in New Zealand.

**2) Do you agree that New Zealand consumers and businesses do not currently have certainty on what regulators consider constitutes mānuka honey?**

Yes. ApiNZ supports MPI’s assessment. ApiNZ agrees that applying the scientific definition to mānuka honey in New Zealand will help to provide certainty as to what constitutes mānuka honey in the domestic market.

**3) Do you agree with our assumption about mānuka honey that is sold in New Zealand making its way to overseas markets?**

Yes. We understand that there is significant grey trade of Mānuka honey out of New Zealand. ApiNZ agrees that this has the potential to undermine the general assurance we give to our export markets and call into question the authenticity of our other exported products.

**4) Do you agree with the risks that we have identified if mānuka honey that was sold in New Zealand were to be traded overseas?**

Yes. ApiNZ considers that MPI has identified the key risks in this area. We are unaware of any additional major risks from not having a domestic definition in place.

##### **Options for the mānuka honey science definition to apply domestically**

**5) Do you think we have identified the right objectives? If not, what do you think needs to be included or changed?**

ApiNZ supports MPI's assessment of the objectives to be achieved from a science definition being applied in New Zealand. ApiNZ agrees that it is important that consumers have clarity as to what they are buying and the level of assurance given. In addition to this, a regulated definition also helps to drive increased consumer certainty.

ApiNZ also agrees that consumers ought to have a range of mānuka honey brands to purchase. However, we are less clear that this is a legitimate objective of this work. That is, we consider it to be the role of the regulator to ensure that all honey meets the required standard. The range of brands etc available to the New Zealand consumer is a function for the market to deliver post regulatory change.

**6) If the voluntary option is progressed, do you agree that consumers will need a way of identifying mānuka honey that meets the standard?**

Yes. Under a voluntary option this would be critical as consumers would not otherwise be able to easily identify if honey labelled mānuka is mānuka or not. If a voluntary option is adopted, ApiNZ submits that this requirement is critical.

ApiNZ does not, however, support adopting voluntary option as we do not support continuing to allow honey to be labelled mānuka if it does not meet the scientific definition. In our view this is too close to the status quo and if MPI is going to go to the effort to make a change then it ought to make compliance of the scientific definition mandatory.

**7) Do you have any other suggestions for identifying mānuka honey that meets the standard for consumers?**

As outlined above. ApiNZ supports compulsory compliance with the scientific standard.

**8) Do you agree with the assessment of the option to apply the science definition through a voluntary standard against the objectives?**

No. ApiNZ considers that a voluntary standard is likely to allow ongoing poor market behaviour and drive increased consumer uncertainty. ApiNZ submits that this industry is not sufficiently mature for a voluntary system to be effective.

**9) As a business, would you be likely to participate in a voluntary standard?**

ApiNZ considers that a large number of businesses are likely to adopt this if a voluntary standard is adopted.

**A mandatory science definition standard?**

**10) Do you agree with the assessment of the option to apply the science definition through a mandatory standard against objectives?**

Yes. ApiNZ fully supports this assessment. In ApiNZ's view this option is the strongest option presented in that it more closely aligns with the stated objectives. While there are likely to be higher compliance costs and a reduction in the level of mānuka available, it is likely to deliver higher levels of consumer protection and market assurance.

**11) Do you have any evidence of what impact a mandatory standard would have on the Mānuka honey market in New Zealand?**

ApiNZ notes that there is a lot of support for a consistent definition across all markets, domestic and international. We consider that the strongest impact from this work is likely to be from a

fair-trade perspective. That is, the only honey that is likely to be impacted is honey that isn't genuine mānuka in the first place.

**Rules and requirements if the Mānuka honey science definition is applied domestically**

**12) Do you think any other areas need to be included in a domestic standard?**

No. ApiNZ agrees with MPI's assessment and doesn't consider that there are any other areas that need to be included.

**13) Do you agree with the proposed scope of what the Mānuka honey science definition will apply to?**

Yes. ApiNZ supports MPI's suggestion that the definition be applied to single-ingredient honey to be sold for human consumption. ApiNZ agrees that this will capture all mānuka honey, whether it is being sold for immediate consumption or as an input into other products. This would mean that consumers would have confidence that any product for human consumption labelled as either being or containing mānuka would be true to label.

**14) Do you agree with this assessment of who the requirements should apply to?**

Yes. ApiNZ supports this assessment, noting the similarity to "premises of final control" in the GREX.

**15) Do you agree with the proposals for testing requirements and associated areas of responsibility for operators that the standard applies to?**

No. ApiNZ submits that it is unreasonable to require all honey to be tested. In our view it would be more sensible to require that all product is true to label and allow existing enforcement mechanisms to ensure that this is the case. That is, once this requirement is in place, all producers can be subject to existing market enforcement mechanisms. This will be backed up by a regulated definition and accompanying tests.

**16) What do you estimate the increase costs would be for your business if you needed to follow these testing requirements?**

ApiNZ considers that requirements to test all honey before being certified as mānuka will drive significant and unnecessary costs. As outlined above, ApiNZ would prefer to see existing market enforcement mechanisms to be used to help ensure that all honey marketed as mānuka does in fact meet the regulatory test.

**17) Do you agree with the proposals for labelling requirements?**

Yes. ApiNZ supports the proposed labelling requirements. ApiNZ agrees that honey that does not meet the scientific definition ought to be labelled as another type of honey, for example, bush honey.

**18) Do you agree with the proposal for record keeping and administration requirements?**

Yes. ApiNZ supports adopting the same record keeping as required for the GREX. While this will drive an increase in costs, ApiNZ submits that traceability is likely to become an increasingly important requirement for both domestic and international consumers. In our view these requirements will help to meet those needs.

**19) What do you estimate the increase costs would be for your business if you needed to follow these record keeping and administration requirements?**

Honey producers already have to maintain records for regulatory compliance. ApiNZ considers this to be cost of compliance and operating within a regulated market. So long as testing requirements aren't too onerous, these extra costs should not be significant.

**20) Do you agree that test results and sampling records should be verified?**

Yes. ApiNZ supports the requirement to verify sampling records and test results.

**21) Which verification option do you prefer from:**

- 1) **Verification of test and sampling records at the same time as regular verification visits**
- 2) **Additional verification of test and sampling records**
- 3) **As part of the standard, all Mānuka honey operators to be verified annually?**

ApiNZ supports option 3. Verification visits are already required as part of Risk Management and Food Safety plans. ApiNZ submits that verification of mānuka honey tests ought to take place at the same time. ApiNZ does not support the introduction of additional tests and sampling records.

**22) What do you estimate the increase costs would be for your business for each verification option?**

There shouldn't be any significant increase in verification costs so long as the verification takes place at the same time as existing verification requirements.

**23) Do you agree with these enforcement mechanisms for a voluntary standard? Do you have any other suggestions for how compliance could take place for a voluntary standard?**

ApiNZ submits that existing enforcement mechanisms within both the Food Safety and Fair Trading Act's are sufficient and that additional enforcement mechanisms are therefore not required.

**24) Do you agree with there being an infringement fee for non-compliance with a mandatory mānuka honey standard? Do you have any other suggestions for how compliance could take place?**

No. ApiNZ submits that it would be both unnecessary and inefficient to have a specific infringement fee for non-complying mānuka honey in New Zealand. In our view there are already good provisions for penalties when product is sold that is not true to label

Implementing the scientific definition domestically will assist regulators with enforcing these existing provisions, meaning that additional penalties are not necessary.

**25) If there was an infringement fee, what do you think would be the appropriate amount? Should this amount change depending on whether it applies to an individual or business?**

ApiNZ does not support introducing an infringement fee.

**Summary and next steps**

**26) Do you agree with these transitional provisions? Do you have any other suggestions for transitional positions that should be put in place?**

Yes. ApiNZ supports these provisions and considers them to be fair and reasonable.

**27) Do you think that the regulation of domestically sold mānuka honey products should change?**

Yes. As outlined earlier in this submission ApiNZ supports the mandatory application of the mānuka science definition to all mānuka honey sold in New Zealand. In ApiNZ's view this is the fairest and most effective means of meeting MPI's objectives and ensuring that New Zealand consumers have the same assurances as international consumers.

**28) If the regulation were to change, would you want all mānuka honey sold in New Zealand to meet a scientific standard? Or would you still like to be able to purchase/produce mānuka honey that did not meet a scientific standard?**

Yes. ApiNZ supports the application of the standard to all mānuka honey sold in New Zealand.

**29) If you think the Mānuka honey science definition should be applied to mānuka honey sold on the domestic market, do you prefer the voluntary standard option or the mandatory standard option to implement it?**

ApiNZ supports the mandatory option.