To:
Consultations
Ministry for Primary Industries
PO Box 2526
Wellington 6140
New Zealand
plantimports@mpi.govt.nz

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Suspension of unused or out-of-date nursery stock import pathways

Massey University is grateful for the opportunity to submit on the consultation: *Suspension of unused or out-of-date nursery stock import pathways and reformat of nursery stock import health standard*

Background

Massey University has been working in partnership with Begin Distilling, and with support for our research programmes from Distilled Spirts Aotearoa, Spirits New Zealand, AGMARDT, Bashford Nicholls Trust, MPI SFFF Fund, Te Puna Umanga Venture Taranaki and LA Alexander Trust, to explore the potential for a New Zealand supply chain for gin botanicals.

Traditionally, and as of today, these botanicals, which are the defining ingredient in gin production remain mostly imported. New Zealand-grown botanicals offer potential for displacing imports, providing high value crop options for New Zealand farmers and growers, and distinctive, premium, quality-assured ingredients to underpin a vibrant and growing New Zealand gin production industry and related hospitality and tourism industries.

Specifically, Massey has worked with Orris, Angelica, Liquorice and Juniper, the latter within a programme of seven years duration to date. Juniper (*Juniperus communis*) is the most critical of these ingredients, needing to comprise 50% of botanicals in a London-style gin.

There is significant (i.e. 'fatal') risk to the gin industry if Juniper is not available. Our analysis has revealed that future production demand will outstrip available supply of juniper 'berries', especially if diseases such as ***Phytophthora*** continue to kill off trees throughout the northern hemisphere, as has been observed in recent years, and if geopolitical events and climate change (e.g. wildfires) continue to impact Juniper stands. In collaboration with analysts, we have estimated the financial risk to New Zealand represented by lack of supply of Juniper to be in the order of:

- $22.9 million annual export value (estimated 50% of total spirits exports. Ref. Distilled Spirits Aotearoa, 2023)
- $4.98 million annual customs & excise paid to government on domestic gin production (based on NZ Spirits 2022 production figures and customs & excise payable 2020, NZIER 2022)
- A sizeable contribution to $513 million total tax paid annually via spirits industry (inclusive of imports) to government via taxes, inclusive of duties, GST, Company Tax, PAYE (NZIER, 2022).
- Plus impacts on employment, supply chains and tourism and destination attractiveness if distilleries fail.

We are currently underway with planning the next 7-10 years of Juniper research to ascertain and demonstrate the potential for cultivating and cropping Juniper as a commercial venture in New Zealand, and have enquiries on our books from 83 parties who are keen to grow Juniper on significant hectarages of land. This has potential to be a world first in terms of cultivated (and optimised) Juniper production. Juniper traded throughout the world is, we understand, 100% derived from wild-harvesting throughout countries in the northern hemisphere.

While we are still in the process of establishing the complete range of genetic stockholdings within New Zealand, we know from an extensive search (The Great New Zealand Juniper Hunt), that there are only around 50 trees of appropriate *Juniperus communis* in New Zealand at this time. Should this genetic range need widening, we will likely need to look to importing plant material (subject to import standard and relevant quarantine and testing conditions). While there is an import standard for seed, we know that striking from seed is notoriously challenging, and would not easily allow for an understanding of parent material genetics, as would growing from cuttings and imported stock.

Our connections with European researchers will be valuable with regards to parent plant (genetics) selection, and our partnering with them in future research may also provide them with an opportunity to benefit from access to Juniper plants grown in a part of the world that is not experiencing the risk/loss that the northern hemisphere trees are experiencing. Collaborators will further benefit from the new knowledge gained from our research.

This situation may also allow New Zealand a future opportunity to become a global exporter to countries which use considerable quantities of Juniper and Juniper derivatives, as well as other botanicals and derivatives thereof – not only the gin production industry, but also food, pharmaceutical and cosmeceutical industries.

Massey University Submission

As per above, there are compelling reasons to continue to research Juniper (and other gin botanicals) within the New Zealand context. While the proposal for suspension of Plant Import Standards is qualified by statement that "*Pathway suspension is not a permanent situation. Pathways can be re-opened after biosecurity risk is assessed and we can ensure the standard is effective at managing risks*" (https://www.mpi.govt.nz/consultations/suspension-of-unused-or-out-of-date-nursery-stock-import-pathways-and-reformat-of-nursery-stock-import-health-standard/#proposed), we understand that these 'reinstatement' processes could likely add difficulty, cost and timeframes to what are already challenging and expensive processes (which pre-industry research projects can ill afford to pay).

We wish to request that the below Plant Import Standards are not suspended:
Juniperus communis (Juniper)
Iris
Glycyrrhiza glabra (Liquorice)

Massey University supports:
Massey University supports the proposal to reformat the import health standard Importation of Nursery Stock to make it more user-friendly and align it with modern standards.

Massey University does not support:
Massey University does not support the suspension of pathways that may be important for the establishment of the spirits botanicals industry in New Zealand, specifically ***Juniperus***, ***Iris*** (potentially impacting Orris root), **and *Glycyrrhiza*** which are on the Biosecurity New Zealand suspension list.

Yours faithfully

Dr. Russell Wilson, Director - Commercialisation and Intellectual Property

Eve Kawana-Brown, Business Development Manager (Taranaki)

Dr Svetla Sofkova-Bobcheva. Senior Lecturer in Horticulture Production

Dr Vaughan Symonds, Senior Lecturer in Plant Science

Dr Donita Cartmill, Senior Lecturer in Horticulture and Production

Professor Joanne Hort, Fonterra Riddet Chair in Consumer and Sensory Science