

Summary

Background

In November 2006 the *Final import risk analysis report for apples from New Zealand* (final IRA report) was published. On 26 March 2007 the Director of Animal and Plant Quarantine determined the policy to permit import of apples from New Zealand, subject to application of the quarantine measures specified in the final IRA report. New Zealand challenged the measures for fire blight, European canker and apple leaf curling midge, through the Dispute Settlement Body of the World Trade Organization (WTO), claiming that the measures were inconsistent with Australia's international obligations under the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement).

A Dispute Settlement Panel was formed and, on 9 August 2010, ruled that Australia's phytosanitary measures for New Zealand apples are not justified. Australia notified its intention to appeal the Panel's decision and the Appellate Body reported on 29 November 2010, reaffirming the Panel's rulings that Australia's phytosanitary measures for New Zealand apples are not justified. There are no further avenues for appeal. As a member of the WTO, Australia is obliged to implement the independent findings of the Panel and Appellate Body, or risk retaliatory action from New Zealand.

On 30 November 2010, the Australian Government announced it "*has accepted the decision and will now proceed with a science-based review of the import risk analysis for New Zealand apples. The review will be conducted by Biosecurity Australia*".

This report presents an analysis of the existing policy for the import of apples from New Zealand. The quarantine risks posed by three pests associated with the importation of apples from New Zealand: fire blight (caused by the bacterium *Erwinia amylovora*), European canker (caused by the fungi *Neonectria ditissima*), and apple leaf curling midge (*Dasineura mali*) are reassessed. The analysis has been undertaken in order to meet Australia's WTO obligations and the requirements of the *Quarantine Act 1908* and the *Quarantine Proclamation 1998* as amended.

Outcome of the Review

The report proposes that the current import conditions for apple fruit from New Zealand be amended and that the importation of apples be permitted, subject to a range of quarantine conditions.

This report takes into account the pre-harvest, harvest and post-harvest practices for the production of apples for export from New Zealand. Also considered is new scientific information that was not available when the 2006 final IRA report was completed.

The report concludes that the risks associated with fire blight, European canker and apple leaf curling midge can be managed to achieve Australia's appropriate level of protection (ALOP).

In addition to the three pests considered in this report, the final IRA report in 2006 recommended quarantine measures for a further nine quarantine pests. Those nine pests included five leafrollers that were assessed as quarantine pests for all of Australia, and two mealybugs, codling moth, and apple scab (caused by *Venturia inaequalis*) that were assessed as quarantine pests only for Western Australia. Apple scab is now considered to be present in Western Australia and is no longer a quarantine pest requiring measures. The measures recommended for those remaining pests must also be applied to export consignments and include:

- A 600 fruit sample from each lot of fruit inspected and found free of quarantine pests for Australia (for leafrollers and mealybugs).
- Establishment of pest free areas, or areas of low pest prevalence for codling moth, or fumigation with methyl bromide. This measure is only required for lots destined for Western Australia.

A draft report was released on 4 May 2011 for a 60 day consultation period to allow interested parties the opportunity to provide written submissions. Biosecurity Australia received 65 submissions and has considered all stakeholder comments. The report has been amended to take account of all scientifically relevant comments and information.

Management of apple imports from New Zealand

The import of apples from New Zealand is managed in 4 ways:

1. Supply chain traceability

Australia's import conditions require that apples only be exported from registered orchards producing export quality fruit (i.e. mature and symptomless, free of rots and hail damage). Apple fruit must be processed in registered packing houses. Registration is required to ensure that all export production sites and facilities are known and can be audited. This enables the tracing of fruit back to source.

2. Specific pest and disease control measures

In-orchard controls

Orchardists must demonstrate compliance with Australia's import conditions. Australia will verify and audit pest monitoring records, use of disease risk models and the application of relevant control measures.

Australia requires the following practices to be applied in all orchards producing apples for export:

Fire blight management

Orchards registered to export apples to Australia are required to have in place a fire blight monitoring regime, use targeted spray applications and prune out affected vegetation to reduce the levels of bacteria present in the orchard and the opportunity for infection.

Computer model based warning systems, calibrated for New Zealand, predict weather conditions suitable for potential infection events.

These systems allow orchardists to ensure the targeted application of streptomycin or a biological control (e.g. Blossom Bless) to greatly reduce the risk for fire blight blossom infection. Biological control is the most commonly used method to manage fire blight blossom infection and is compatible with organic production. It has been shown to be as effective as streptomycin.

Throughout the year, orchards are monitored for symptoms of fire blight. This allows targeted removal of any affected shoots and branches.

European canker management

Orchards registered to export apples to Australia are required to have in place a European canker monitoring regime and to remove any potentially infected material.

Antifungal chemicals used for powdery mildew and apple scab (both already present in Australia and New Zealand) are also effective against European canker and contribute to the general control in orchards. In organic orchards, approved antifungal controls include copper and sulfur.

Apple leaf curling midge management

Orchards registered to export apples to Australia are required to have in place a regime to monitor apple leaf curling midge on susceptible foliage, which is predominantly found on young trees and trees that have recently been grafted.

Biological control agents or the targeted application of insecticides are used to control the midge. The use of biological control agents is compatible with organic production.

These in-orchard controls are currently implemented by New Zealand through the pest management practices set out in New Zealand's Integrated Fruit Production Manual. Changes to the import conditions required by Australia can only be made by agreement between the Australian Government Department of Agriculture Fisheries and Forestry and the New Zealand Ministry of Agriculture and Forestry, including if the pest management practices in the Integrated Fruit Production Manual change in the future.

Packing house controls

Maturity testing

Australia requires apple fruit from each variety and production site combination to be tested for maturity using the starch pattern index. This testing ensures that only commercially mature fruit will be exported to Australia.

Australia will monitor compliance with this requirement through verification and audit of maturity testing and records of maturity testing.

Maintenance of sanitary conditions in dump tank water

Australia requires the maintenance of sanitary conditions in the dump tank and the high pressure spray water to be achieved through use of sanitisers or regular replacement of water.

Australia will monitor compliance with this requirement through verification and audit of packing house practices and records to ensure sanitisers are used at label rates and at appropriate pH, or that replacement of water occurs to schedule.

High pressure washing and brushing of fruit

Australia requires apple fruit to be washed by high pressure water spraying and brushed in the packing house to remove surface contamination of pests and trash.

Australia will monitor compliance with this requirement through verification and audit of packing house practices and records to ensure that apples are sprayed for the appropriate time during brushing and that water is sprayed at the appropriate pressure.

3. Verification

Verification will be by:

- review of documents which evidence the processes required by Australia
- on the ground validation that key personnel (e.g. growers, pest management consultants, orchard managers) have a sound knowledge of Australia's requirements
- inspection of key components of the supply chain, including packing houses and cool stores, to ensure Australian requirements are met
- physical inspections will take place both in New Zealand and Australia on every consignment

Australia requires that in New Zealand, a minimum 600 fruit sample from each lot (one variety per production site per harvest period) of fruit packed must be inspected and found free of quarantine pests and trash. Lots found to fail this requirement will be withdrawn from export to Australia.

In Australia, quarantine officers will verify that consignments are as described on phytosanitary certificates and that supply chain product security has been maintained. Australian quarantine officers will also take a 600 fruit random sample¹ from each consignment for inspection for quarantine pests and trash.

4. Audit

Australia will audit New Zealand's phytosanitary system for apple export production. Audits will be conducted at any time and at the discretion of Australia. Audits will measure compliance with all aspects of the program as identified above, including: orchard registration, pest/disease management, packing house registration, compliance with packing house responsibilities, traceability, labelling, product segregation and supply chain product security, and New Zealand's certification processes.

¹ According to *International Standards for Phytosanitary Measures No. 31, Methodology for Sampling of Consignments* at the 0.5% detection rate with a 95% confidence level, as used internationally in the trade of horticultural commodities.