

Newsletter to participants December 2007

Key industry players agree to voluntary levy

A voluntary levy of \$1 on every kilogram of methyl bromide imported into New Zealand has been agreed by the NZ Forest Owners' Association, the Wood Processors Association, NZ Pine Manufacturers Association, NZ Fresh Produce Importers Association and the Pest Management Association of NZ.

STIMBR is currently in discussion with the distributors of methyl bromide, Brimark and Agricultural Fumigation Services, seeking to have the levy collected at the time of import. Agreement has been reached for over 75% of imports, with a fallback position of collecting as much as possible of the remainder further down the chain.

The levy came into effect on December 1, 2007 but does not affect stocks already distributed to fumigators for QPS use.

Rationale for voluntary levy

STIMBR has been unsuccessful to date in attracting significant funding support from Government, despite critical issues of high methyl bromide over use, on-site health and safety concerns, community resistance to use near residential areas, and environmental impacts.

Industry has once again taken the lead in establishing a fund to tackle issues of immediate importance to the sector, including health and safety, recapture technology, and wider application of alternatives. The work undertaken will complement forest industry initiatives already underway, developing alternative strategies to methyl bromide fumigation, and wider application of the alternative fumigant, phosphine.

Scion has agreed to manage the funds on behalf of STIMBR while an industry group within STIMBR, the Levy Management Group, will consult with their stakeholders and determine funding priorities and levels, maintaining full control of the levy fund. The Levy Management Group is still under development but is expected to include representatives of:

- Log exporters
- Timber exporters
- NZ Forest Owners' Association
- Wood Processors Association
- Forest Produce Export Committee
- Disinfestation industry
- MAF Biosecurity (Government)
- Fresh Produce Importers
- Research
- STIMBR (Chair) - Gordon Hosking
(Contact: gordon.hosking@xtra.co.nz)

What products is methyl bromide used on?

Latest figures on QPS methyl bromide use in New Zealand
by type of items treated (2006)

	Types of items treated:	Import	Export	Other	Total	%
1	Bulb, corms, tubers and rhizomes (intended for planting)	16.6	6.6	29.8	55.0	0.03%
2	Cut flowers and branches (including foliage)	104.0	406.1	0.0	510.1	0.29%
3	Fresh fruit and vegetables	3,887.1	1,727.6	0.0	5,614.7	3.16%
4	Grain and cereals for consumption including rice (not intended for planting)	340.8	9.4	0.0	350.2	0.20%
5	Dried foodstuffs (including herbs, nuts, dried fruit, coffee, cocoa)	446.2	117.2	0.0	563.4	0.32%
6	Nursery stock (plants intended for planting other than seed)	25.5	159.0	0.0	184.5	0.10%
7	Seeds (intended for planting)	21.8	98.5	0.0	120.3	0.07%
8	Wooden packaging materials, other packaging materials including cardboard, pallets and dunnage	1,135.0	4,419.2	3.8	5,558.0	3.13%
9	Wood (including round sawn, sawn wood, wood chips)	3,457.8	16,628.3	40.3	20,126.5	11.33%
10	Whole logs (with or without bark)	2.0	105,371.3	0.0	105,373.4	59.32%
11	Hay, straw, dried animal fodder (other than grains and cereals listed above)	1,393.1	491.2	0.0	1,884.3	1.06%
12	Cotton and other fibre crops and products	336.8	67.7	0.0	404.5	0.23%
13	Buildings (including dwellings, factories, storage facilities)	0.0	0.0	80.0	80.0	0.05%
14	Equipment (including used agricultural machinery & vehicles); and empty shipping containers	9,436.4	3,525.4	41.1	13,002.8	7.32%
15	Tyres	1,593.5	87.5	4.4	1,685.4	0.95%
16	Personal effects, furniture, crafts, artefacts, hides, fur and skins	4,508.2	1,166.1	19.2	5,693.4	3.21%
17	Other	1,541.6	1,519.0	37.8	3,098.4	1.74%
18	Unknown	6,749.7	6,579.7	5.5	13,334.9	7.51%
		34,996.2	142,379.8	261.9	177,637.9	100.00%

Proposed MOU for STIMBR

While STIMBR is open to all organisations and individuals with an interest in reducing the use of methyl bromide, currently at no cost, some form of agreement is needed identifying the objectives, function, and management of STIMBR so that all parties are clear just what they are signing up to.

The simplest solution is the development of a Memorandum of Understanding to which all members can subscribe. This process is underway and a draft document will be circulated for comment in the new year.

In conjunction with the development of the MOU the composition and role of the STIMBR Working Group will be reviewed in keeping with its terms of reference.

Government departments support STIMBR

In recognition that the voluntary levy would not capture funding support from those organisations which were not users of methyl bromide, but had a strong interest in its use, STIMBR is seeking a direct contribution initially to support the operation of STIMBR itself.

Biosecurity New Zealand and the Ministry of Economic Development have each provided \$3000 while Scion and Crop & Food Research have pledged in-kind support to a similar value. It is hoped other agencies will also contribute to guarantee the \$10000 - \$15000 estimated to be needed annually to keep STIMBR alive.

STIMBR urges Port involvement

The bulk of all methyl bromide fumigation occurs on ports, and recent events at both Nelson and Picton show that concerns around methyl bromide use directly impact on port business.

STIMBR is in discussion with port CEOs throughout New Zealand seeking funding support to sit alongside the voluntary industry levy. In particular we believe health and safety issues associated with the fumigant's use, and the provision of a safe work place, should be high on ports' agendas.

While we appreciate port companies are neither responsible for, nor directly involved in, fumigation activities on their premises, we believe support for appropriate STIMBR research initiatives would signal to staff, Government, and local communities, recognition that a problem exists and a willingness to be involved in seeking solutions.



Where to from here?

Symposium on Methyl Bromide – February 2008.

Biosecurity New Zealand is organising a symposium primarily aimed at generating a unified approach across all Government agencies with an interest in reducing methyl bromide use, and the flow-on effects of such reductions.

It is hoped to establish a lead entity and associated plan, identifying research priorities, strategies, and timelines along with the commitment of necessary resources. The Symposium will be held in Wellington on 27 February, 2008 and STIMBR members are invited to attend.

Contact: Jo-Anne Stokes, MAF Biosecurity

Priority Actions for STIMBR

- gain widest possible support for voluntary levy.
- gain sufficient non-user support to ensure the viability of STIMBR.
- develop an MOU acceptable to STIMBR members.
- review STIMBR Working Group TOR and membership.
- identify priority projects for levy funding support.
- ensure widest possible membership and support for STIMBR.

Background to STIMBR - Stakeholders in Methyl Bromide Reduction

STIMBR was formed to bring together a wide range of organisations and individuals with a common interest in progressing alternative strategies to methyl bromide fumigation for enhancing market access of forest produce while reducing reliance on methyl bromide use.

The forestry sector in particular is seriously exposed to any constraints on methyl bromide use, both locally through the New Zealand Government's efforts to reduce ozone-depleting emissions, and internationally through any move by trading partners to reduce their own methyl bromide use. However, since STIMBR's formation, stakeholder interest has broadened to include a number of smaller users of methyl bromide such as the Fresh Produce Importers Association, BNZ's interest in quarantine treatment of used vehicles, machinery, and sea containers, as well as a number of key fumigation companies.

An aggressive research programme focused on alternative strategies will demonstrate a commitment by all shareholders to reduce reliance on methyl bromide, and recognise the economic and environmental risks of "business as usual".

