

Government Industry Agreement for Biosecurity Readiness and Response

Our First Report 2014/15



PUBLISHER

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The GIA Partnership: Our first report

The Government Industry Agreement for Readiness and Response (GIA) was established with the first signing of the GIA Deed in May 2014.

GIA operates as a partnership between government and primary industries for better biosecurity.

Biosecurity is critically important to New Zealand and to its primary industries. An unwanted pest or disease could have a significant impact on an industry, a regional economy, the national economy, as well as our natural and urban environments. It is important to have the right measures in place to prepare, respond to and, if needed, manage on an ongoing basis pest or disease incursions.

GIA delivers an integrated approach to prepare for and effectively respond to biosecurity risks. The central idea of GIA is that industry and government will achieve better biosecurity outcomes by working together. GIA offers primary industry sector groups a formal role, alongside the Ministry for Primary Industries (MPI), in making decisions about biosecurity readiness and response activities. It also offers a partnership in the wider biosecurity system (pre-border, border, readiness and response, and pest management) to improve biosecurity outcomes. With responsibility for sharing decisions under GIA comes responsibility for meeting minimum commitments and sharing some costs for biosecurity activities.

The Deed

The GIA Deed is the foundation document for the Government Industry Agreement for Biosecurity Readiness and Response. It establishes the basis for a transparent, consistent and equitable partnership between MPI and industry to improve biosecurity

readiness and response outcomes. Industry organisations must prove they have a mandate from their members to sign the Deed and the ability to meet commitments to be a party to GIA.

The Deed outlines the principles of the partnership, describing the rights, legal obligations, roles, responsibilities and commitments of each partner for delivering the GIA outcomes. It sets out governance arrangements for decision-making, resourcing and operations that support the GIA Deed's implementation. The full text of the Deed can be read at www.gia.org.nz.

Deed Governance Group

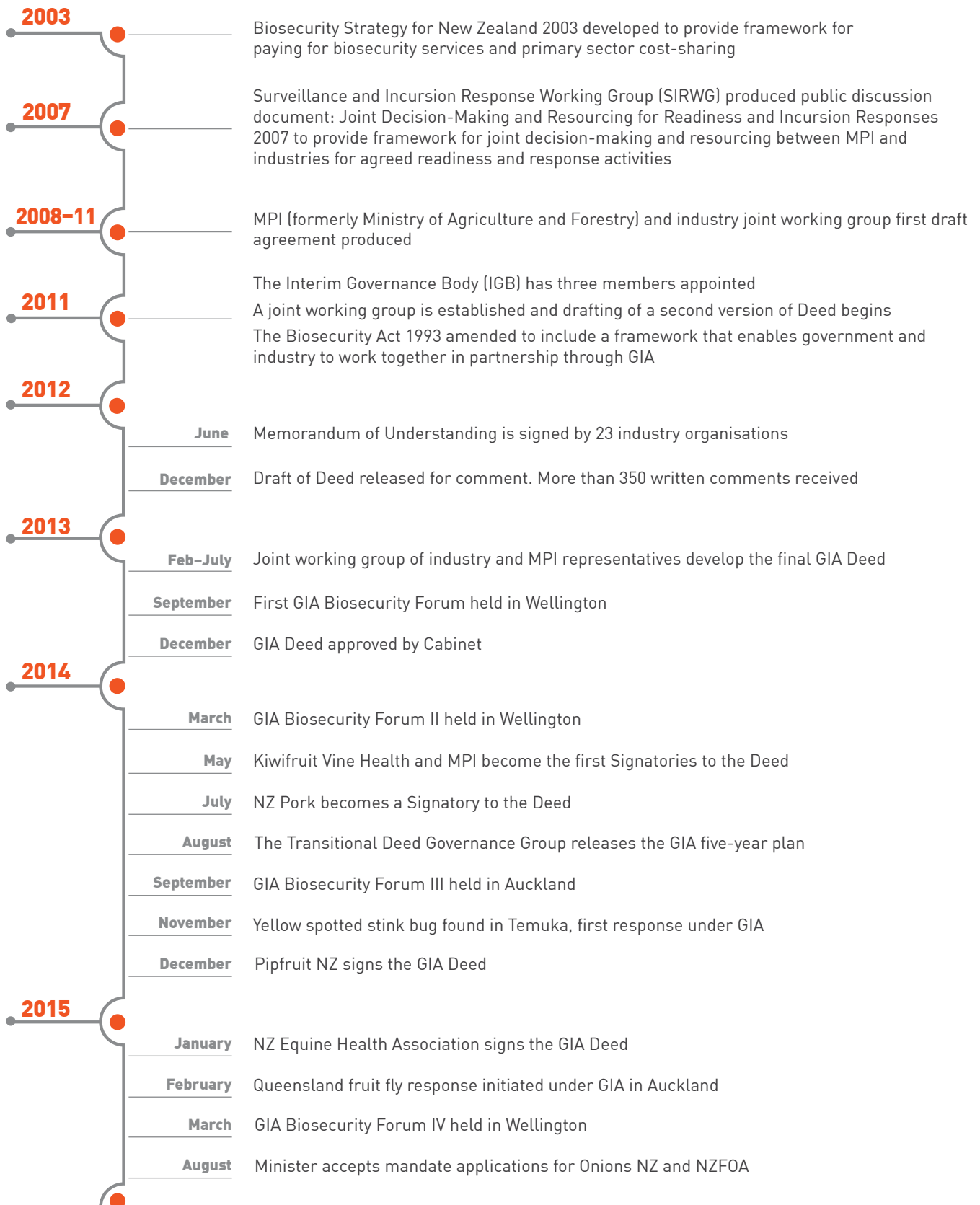
The GIA Deed establishes a Deed Governance Group (DGG) to provide oversight of Deed processes and give direction to the GIA Secretariat. The membership of the governance group includes a representative from each of the Deed Signatories. The group considers itself transitional until it agrees there are sufficient Deed Signatories from across a range of primary industries to ensure that the group's decisions represent the interests of a majority of potential Signatories.

The GIA Secretariat

The GIA Secretariat is an independent body established to equally serve the interests of GIA Signatories and facilitate the implementation of the partnership. Under the GIA Deed, the Secretariat will be fully funded by MPI until 31 December 2019, after which it is anticipated that any Secretariat costs will be shared between Deed Signatories. The role and function of the Secretariat is scheduled for review in 2017.



The GIA Journey 2003–2015



GIA Deed Partners

as at 30 September 2015



Kiwifruit Vine Health
Signed May 2014

Ministry for Primary Industries
Manatū Ahu Matua



Ministry for Primary Industries
Signed May 2014



New Zealand Pork
Signed July 2014



Pipfruit New Zealand
Signed December 2014



NZ Equine Health Association
Signed January 2015



*Onions New Zealand



*NZ Forest Owners Association

*The Minister for Primary Industries has approved the mandate applications for Onions NZ Inc and the NZ Forestry Owners Association; these were notified in the *New Zealand Gazette* in September 2015. Formal signing of the Deed will occur in the coming months.

GIA Secretariat's Report

Welcome to the first annual report from the GIA Secretariat.

On behalf of the Transitional Deed Governance Group (TDGG), we are pleased to report on a positive first 16 months. A genuine partnership between government and industry now exists and is beginning to deliver better biosecurity outcomes.

This report covers activities since the Deed's inception in May 2014; therefore the reporting period has been extended out beyond a year. It also includes financial reporting for the 2014/15 financial year. Over time we expect this report will be released annually by the GIA partners to report on the preceding year's performance.

It's the TDGG's commitment to transparency and accountability that leads the Secretariat to publish this report. While there is no specific disclosure requirement being reported against, we think it is important the Secretariat accounts to all GIA stakeholders about what we are doing with the funding we receive and what we are doing to contribute to improving New Zealand's biosecurity.

This report summarises our key activities over the past year and progress towards achieving our objectives.

There have been many achievements, but the actual completion and signing of the Deed was, in itself, the single most significant achievement for GIA and is a great testament to those involved (across government and the primary sectors). In particular the Joint Working Group (JWG) of industry and government should be acknowledged for their commitment in the formation of the Deed.

First Signatories

The first year saw the first five Signatories sign the GIA Deed, with New Zealand Equine Health Association (NZEHA), Kiwifruit Vine Health (KVH), the Ministry for Primary Industries (MPI),

Pipfruit New Zealand (Pipfruit NZ), and New Zealand Pork (NZ Pork) joining the partnership.

Two additional groups, Onions New Zealand and the Forestry Owners Association of New Zealand, have had their mandate applications accepted by the Minister for Primary Industries, and this was published in the *NZ Gazette* on 10 September 2015. A further two mandate applications are under consideration and subject to the Minister's decision, it is expected these will be finalised in the near future.

As new sectors join the partnership, it will become increasingly representative of the overall primary sector in New Zealand, and successful in exerting a combined positive influence for better biosecurity. There are still many primary industry sectors to decide on whether joining GIA is for them, but it is good to see the number of Signatories steadily growing. This growth is a signal that New Zealand's primary industries are beginning to see the benefits of partnering with government and other primary industry sectors for biosecurity.

Deed activities

As GIA grows, primary industries are becoming more involved in response activities. There have been two formal responses 'under GIA' in the last year – the relatively small and isolated yellow spotted stink bug response in Temuka in late 2014 and the much larger Queensland fruit fly response in Auckland initiated in early 2015. In both responses, Kiwifruit Vine Health and Pipfruit NZ, alongside MPI, as Signatories have been involved in the governance of the incursion. In practice, this meant MPI initiated the response with KVH and Pipfruit NZ providing resources, technical support and ongoing engagement with their members. Both Signatory industries were represented at the response governance table. These were the first examples of GIA in action in a response situation, and it highlighted the



value of being a Signatory and working in partnership.

A key part of the GIA framework is the development of Operational Agreements (OA) between Signatories. An OA is the specific, contract-like, arrangement that determines what biosecurity activities will be undertaken across a particular sector, or to mitigate against a particular pest, and associated cost-sharing arrangements. In the 2014/15 year, primary industry sector groups likely to be affected by an outbreak of fruit fly have been working to negotiate the first OA for the management of both readiness and response activities. As a pest that affects multiple sectors, negotiations have included a number of industry organisations (representing kiwifruit, pipfruit, avocados, citrus, summer fruit, and a number of smaller sectors) along with MPI. The agreement is nearing completion and it is hoped that it will be finalised in the first half of the 2015/16 year.

The GIA Deed requires Signatories to meet in a biosecurity forum twice a year (or as agreed) for discussions on the biosecurity system. Thus far, four forums have been held (in September 2013, March 2014, September 2014 and March 2015), with a fifth scheduled for October 2015 in Wellington. The forums have provided a valuable touchstone for industry and MPI to connect around the development of GIA.

Looking ahead

For the 2015/16 year, the Secretariat's work on the GIA partnership will focus on the following key areas:

- » **Governance group support** – provide ongoing support to the TDGG such as meeting and issues management, and induction of new members.
- » **GIA governance fit for purpose** – ensure the GIA governance structure delivers effective results, review the operation of the GIA Deed, and develop an accountability framework for GIA.

- » **Information management and communications** – keep all stakeholders well informed with regular communications such as website, newsletters and guidance material. Provide a framework for information sharing amongst Signatories.
- » **Signatory support** – facilitate annual meetings between Signatories, host biosecurity forums, facilitate the development of operational agreements between Signatories, and develop and implement the necessary frameworks and guidance for Signatories.
- » **Potential Signatory support** – facilitate an ongoing support programme for potential sector group Signatories.
- » **Policies and infrastructure to operationalise GIA** – assist MPI to develop guidance material to ensure there is an agreed understanding of engagement across the biosecurity system amongst Signatories. Develop and implement infrastructure to manage cost-sharing, with associated operational policies.

Amongst other things, the next year will see Signatories consider the scheduled first review of the operation of the Deed. The Deed was always intended to be reviewed after two years, allowing enough time to realise any issues and make any necessary refinements. Any adjustments and refinements made at this stage will help ensure the Deed it is fit for purpose and will serve the growing partnership in years to come.

Completed operational agreements will bring a change in the way biosecurity threats are managed in New Zealand. Once finalised, the fruit fly OA will see industry and government agree to a revised programme to prepare for the threat of fruit fly incursion, and also agree to a cost-share arrangement reflecting the benefits industry groups obtain from the activities. A new Fruit Fly Council will be formed to govern fruit fly management activities – this will represent a concrete example of how the GIA partnership changes the way biosecurity threats are



managed and how services are delivered. Additional OAs are under development between Signatories, and will be finalised through 2015/16.

Through the GIA partnership, government and Signatory industries are now partnering on biosecurity readiness and response activities, and beginning to make joint decisions on biosecurity activities. The different biosecurity perspectives of each industry group are integral to a robust biosecurity system. The GIA partnership provides an important forum to share these perspectives and to strengthen New Zealand's biosecurity system. As MPI initiates responses to biosecurity incursions, GIA partners will increasingly become involved in response governance activities.

Changes in personnel

During the year a number of the key early proponents of GIA have moved on to new opportunities. We can't name everyone here, but at the governance level we note the drive provided by David Hayes (former

Director for Preparedness and Partnerships for MPI), Peter Silcock (former CEO of Horticulture NZ) and Owen Symmans (former CEO of NZ Pork) in the early days of GIA. All three made significant contributions to the establishment, implementation and governance of GIA.

In the administration of GIA, the 'foundation' GIA Secretariat is also acknowledged. The team of Lois Ransom, Adam Benseman and Sarah Vaughan provided the valuable groundwork for the systems and structures now being implemented.

Conclusion

We are positive that GIA is on a path for success. Like all genuine partnerships it takes ongoing and consistent work, but the benefits are far greater than what can be achieved working in isolation.

While there is more to be done to grow the partnership, GIA has had a positive start. We are looking forward with confidence to building on this initial success.



Steve Rich
Secretariat Manager



Geoff Gwyn
Deed Governance Group Chair

Snapshots

Highlights from our first 16 months

The focus has been on establishing the foundations of the partnership, and beginning to improve New Zealand's biosecurity system through genuine partnerships between government and industry.

2014

A new way of working

The GIA Deed was released to industry sector groups for consideration. Penned by a working group of industry and government representatives, it outlines the principles and processes of GIA and what Signatories' obligations will be.

A partnership is born

On 20 May 2014, Kiwifruit Vine Health (KVH) and MPI became the first Signatories to the Deed. This milestone saw the commencement of the GIA partnership, giving KVH, on behalf of the kiwifruit sector, a formal role alongside MPI in making decisions about the management of biosecurity risks that affect its industry.

Workshops

In May 2014, the Secretariat ran several workshops in Auckland and Wellington to help industry organisations understand what is required to sign the GIA Deed.

NZ Pork joins the ranks

On 22 July 2014, at its annual conference, NZ Pork signed the Deed, making it the third Deed Signatory.

On signing the Deed, NZ Pork's Chair Ian Carter commented, "The industry continues to have concerns about how biosecurity is being managed, and the GIA Deed creates an opportunity for us to partner with government in a very real and practical way on some priority issues. This agreement gives the pork industry a place at the decision table when it comes to preparing for and managing biosecurity risks specific to our industry. This is a positive step toward sorting out a critical area for New Zealand's economy."



Signing the Deed: MPI Director-General Martyn Dunne, KVH Chair Peter Ombler and KVH Chief Executive Barry O'Neil.

GIA Biosecurity Forum

The second forum was held in Auckland at the Novotel Auckland Airport in September 2014. About 70 attendees discussed how GIA would work in practice, the draft *GIA Response Guide*, principles for cost-sharing, and setting financial caps.



Attendees at the second GIA Biosecurity forum held in Auckland in September 2014.

GIA Response Guide

Throughout 2014, an industry-government joint working group worked together to develop the *GIA Response Guide*. The guide describes how industry and government will make joint decisions for biosecurity responses. The final document was released by the TDGG in late 2014.

Yellow spotted stink bug

On 6 November 2014, MPI was informed that a gardener in Temuka had found an unusual stink bug. The bug was identified as a yellow spotted stink bug, and the first biosecurity response run under GIA was initiated. KVH and Pipfruit NZ (as a near-signatory) were involved in the response's governance body as joint decision-makers alongside MPI.



Pipfruit NZ joins the partnership

On 3 December 2014, Pipfruit NZ signed the Deed making it the fourth Signatory.

Alan Pollard, Chief Executive of Pipfruit NZ, said at the signing, "We are committed to working with government to deliver the best biosecurity outcomes that we can to protect our growing pipfruit sector."

2015

NZEHA becomes fifth Signatory

NZ Equine Health Association (NZEHA) signed the GIA Deed on 26 January 2015, becoming the fifth organisation to become part of the GIA partnership. NZEHA represents the equine industry on disease, health and welfare issues.

Dr Ivan Bridge, Chair of NZEHA, said he sees signing the GIA Deed as common sense. "Biosecurity is a shared responsibility, and it needs everyone to be on board. We are currently working with MPI and industry groups to ensure we continue to have cogent and forcible response processes in place for high-risk diseases."

Responding to Queensland fruit fly

In February 2015, in Grey Lynn, Auckland, a single male fruit fly was caught in an MPI surveillance trap. A small isolated population of the fruit fly was found nearby.

This was the first major response under GIA which saw industry Signatories KVH, Pipfruit NZ and MPI working in partnership. Within a few days of the initial notification, about 30 people from the kiwifruit industry were on the ground to work with the field response operations team of about 180 people.



The signing of the NZ Equine Health Association GIA Deed on 26 January 2015.



A small number of properties with infestations of the fruit fly were treated with insecticide sprays and ground treatments. Baiting operations occurred within a controlled area to attract and kill adult fruit flies.

To date, there have been 14 adult fruit flies detected and five properties where fruit fly larvae have been discovered. Effective ongoing management continues. The activities are expected to continue until late 2015.

2015 Biosecurity Forum

About 80 industry representatives attended the GIA Biosecurity Forum in Wellington in March 2015. Also in attendance was Primary Industries Minister Hon Nathan Guy.

This event had a practical focus on partnership in the wider biosecurity system, response decision-making – lessons learned from experience, and interpreting minimum commitments.



Spraying insecticide in Auckland as part of the Queensland fruit fly response.



Industry and government representatives at the GIA Biosecurity Forum in Wellington in March 2015.

Governance

GIA is governed by a Deed Governance Group (DGG), established by the GIA Deed. Each Deed Signatory is entitled to appoint a representative to the DGG. GIA Deed processes are overseen by an independent GIA Secretariat, also established by the GIA Deed.

The first governance group was formed after the first signing of the GIA Deed in May 2014. In recognition of the establishment nature of GIA, and that a number of significant primary industry groups are still in the process of determining whether GIA is right for them, the governance group considers itself to be 'transitional', and is accordingly named the Transitional Deed Governance Group (TDGG). Once the majority of the primary sector have made a decision about whether to join GIA, the TDGG will cease its transitional status. It is likely an amended governance structure will be implemented to ensure that the governance group continues to provide the necessary strategic oversight to best represent the interests of Signatories, while also overseeing the day-to-day administration of the partnership.

Under the GIA Deed the Deed Governance Group's primary responsibilities are to:

- » Approve the annual work plan and budget for the GIA Secretariat
- » Monitor the delivery of the GIA Secretariat annual work plan, and review the budget and finances
- » Approve policies and procedures developed by the GIA Secretariat
- » Consider and recommend to Deed Signatories any amendments to the Deed
- » Appoint and monitor the performance of the GIA Secretariat.

Current members of the TDGG

Deed Signatories appoint their representative on the TDGG. The current membership of the group is shown below.

The TDGG has elected Geoff Gwyn, MPI's representative, as its inaugural Chair.

While the group is transitional, to ensure its membership has input from across the full range of primary sector industries, the TDGG has invited observers to assist it with its deliberations, with a representative from both the wider animal sector, and wider horticultural sector invited to attend. As industry groups lodge applications for GIA mandate, they are also invited to participate in TDGG deliberations as observers representing their near Signatory status.

Members of the TDGG draw no fees, and any costs associated with their participation in GIA governance are borne by the signatory organisation.

TDGG has adopted an interest disclosure and management policy which is available on our website.

TDGG members (as at 30 September 2015)

- » **Alan Pollard**, Chief Executive, Pipfruit NZ – representing the pipfruit sector
- » **Barry O'Neil**, Chief Executive, KVH – representing the kiwifruit sector
- » **Frances Clement**, Policy and Issues Manager, NZ Pork – representing commercial pork producers
- » **Geoff Gwyn (Chair)**, Director, Intelligence, Planning and Co-ordination – representing MPI
- » **Trish Pearce**, Executive Advisor, NZEHA – representing the equine industry.

The observers are:

- » **Richard Palmer**, Biosecurity Manager, Horticulture NZ – representing the horticultural industries
- » **Lindsay Burton**, DCANZ and Fonterra – representing animal industries
- » **David Rhodes**, Chief Executive, Forest Owners Association
- » **Michael Ahern**, Chief Executive, Onions NZ.

The GIA Secretariat Manager attends all TDGG meetings, and manages associated administration.

Meetings held

In addition to occasional teleconferences, the group formally met during the year as listed. A forward schedule of meetings is agreed in December, however, it is anticipated that they will meet bi-monthly with additional meetings scheduled as required.

Meetings were held:

2014	2015
22 July	22 January
3 September	11 March
18 September	5 May
10 December	1 September



TDGG's September 2015 meeting, left to right: Richard Palmer, Michael Ahern, Trish Pearce, Frances Clement, Geoff Gwyn and Barry O'Neil.

Financial Performance – GIA Secretariat

As part of their respective minimum commitments, GIA signatories meet their own costs for participation in GIA matters (except any costs agreed to be cost-shared through an operational agreement).

Given this report covers the establishment year of GIA and cost-sharing for readiness (expected mid-July 2016) and response (expected in 2017) is not yet in place, there is little fiscal activity to report. In future reports it is expected reporting will include a summary of activity costs and payments for consideration and agreement by the relevant signatories under operational agreements.

Outside of an operational agreement, the only standalone costs under GIA relate to the running of the GIA Secretariat which, while operationally independent, is fully funded by MPI through the establishment phase of GIA. On this basis, MPI currently determines the appropriate level of resourcing for the Secretariat, under the guidance of the TDGG.

Table 1 outlines the Secretariat's performance against budget for the 2014/15 year.

For the 2014/15 financial year the Secretariat's budget was set at \$416,500. This was based on the TDGG's recommendation regarding Secretariat resourcing through the establishment period.

The Secretariat maintained costs within budget (note that within personnel costs, there was some transfer between salaried costs and contracting costs as staffing was based largely on contractors for much of the financial year). The most significant variance was largely a result of the lead time between the establishment manager departing and the new one starting.

Overall costs have been maintained within budget, with some trade-off between unforeseen IT/communications costs and underspend on travel and related costs.

The GIA Secretariat budget is reconsidered annually as part of MPI's normal budgetary cycle. The budget for 2015/16 is similar in total to the previous year, although the breakdown of cost allocations will be different year on year. Note that this budget does not fully reflect the cost of running the Secretariat as a number of administrative support functions (in particular, office space, computer equipment and administrative support) are not included in the specified budget, but absorbed within MPI's overall corporate baseline. MPI's direct costs associated with its internal GIA establishment project team are also not captured in the figures below.

Table 1: GIA Secretariat – Financial Performance 2014/15

GIA Secretariat expense categories	Actual \$000	Budget \$000	Variance (\$000)
Personnel (incl contractors)	357.6	375.4	17.8
Forums, workshops and meetings	20.3	20.0	(0.3)
Travel and related expenses	9.3	18.1	8.8
Communications and IT	5.7	2.0	(3.7)
Other	1.3	1.0	(0.3)
	394.2	416.5	22.3

