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The environmental benefits of NZGAP as a third part quality assurance scheme

Overview

The adoption of Good Agricultural Practice (GAP) standards enables New Zealand fruit and vegetable growers to meet a range of regulatory and market requirements. The integrity elements of GAP programmes make them essential to the proposed Audited Self-Management model which is being considered by regulators and Regional Councils for the management of environmental issues in agriculture.

New Zealand GAP (NZGAP) is an assurance programme that certifies a range of fruit and vegetable crops in New Zealand. The NZGAP standard describes the Good Agricultural Practices that apply to New Zealand horticulture production systems. In the 20 years since the introduction of these programmes, the New Zealand Horticulture Industry has built a high degree of capability among its growers and auditors. Internationally, the NZ horticulture industry established a reputation for the performance and effectiveness of these programmes.

The governance, codes of practice, standards, record keeping, certification, standard risk assessment, research, training and technology provided by schemes develops continuously improving verified standards of environmental management that will have long term positive benefits.

Background

1. New Zealand GAP is an internationally recognised standard for the certification of New Zealand grown fruit and vegetables. Certification to a Good Agricultural Practice (GAP) programme is a market requirement. Growers are therefore highly motivated to achieve and maintain certification.

2. Established in 1999, New Zealand GAP is a robust assurance programme that has been developed to enable growers to meet a range of regulatory and market requirements, including environmental matters. The integrity of the programme lends itself to the proposed Audited Self-Management model.

3. The New Zealand GAP standard is set out in the New Zealand GAP scheme rules, New Zealand GAP manual and checklist. Certified growers are audited against the New Zealand GAP standard and are required to meet the requirements in order to achieve certification.

4. The New Zealand GAP scheme enables growers to manage the costs and complexity of regulation and the multiple certification requirements of retailers and processors in New Zealand and overseas. A key driver for the programme is the need for an efficient, cost effective management and production system that manages the increasing complexity and duplication of standards and audits. New Zealand GAP helps to ensure that there continues to be a single auditor coming through the gate.

Establishment of New Zealand GAP

5. The establishment of the New Zealand GAP programme was a pro-active move by New Zealand growers to address consumer concerns relating to food safety, the environment and quality assurance issues. The New Zealand GAP scheme now includes the "New Zealand GAP" scheme and the "New Zealand GLOBALG.A.P. Equivalent" scheme. Both schemes are referred to in the term "New Zealand GAP'.

6. Since the programme was launched in 1999, it has become one of the most widely recognised Good Agricultural Practice programmes in the NZ Horticulture industry. Over 65% of New Zealand Growers are certified to one or more Good Agricultural Practice programmes. This is among the highest rates of certification in the world.

7. In addition to the 1200 growers that are certified to New Zealand GAP, there are approximately 2400 New Zealand growers certified to the European based GLOBALG.A.P. Programme. (www.globalgap.org). GLOBALG.A.P. is a private standard that is owned by European retailers and sets production standards for their suppliers in over 50 countries. GLOBALG.A.P. has specific and detailed requirements in areas such as nutrient and water management and is, by its global nature, a more complex standard. The "New Zealand GAP - GLOBALG.A.P. Equivalent" scheme includes GLOBAL.G.A.P. certification.

8. The New Zealand GAP standard describes New Zealand production practices and refers to New Zealand Regulation and Regional Council requirements in key areas such as pesticide use, land and water management. The Food safety elements of New Zealand GAP are being favourably considered as meeting the requirements of the Food Bill, currently before parliament. This will enable certified growers to be recognised as having met requirements of the new food safety regulations, in a similar way to the proposed Audited Self-Management approach.

DEVELOPMENT OF THE STANDARD

9. The New Zealand GAP standard is reviewed every 4 years, or when a significant change is required. The most recent review (version 5.0 November 2009) introduced requirements and guidance for environmental management in the areas of:

    (a) Production site management (including soil conservation);

    (b) Nutrient management, and

    (c) Water management.

10. It is intended that future versions of New Zealand GAP will align with the requirements of Regional Plans, and may be strengthened in key areas to enable this. As the New Zealand GAP standard develops over time, the skills and capability of growers and auditors also develops. Training is a key component of the New Zealand GAP programme and the standard requires evidence that growers and auditors participate in industry training programmes and certification schemes. New versions or interpretations of the standard are accompanied by training events and updates for growers and auditors. This is an ongoing process which is key to the ongoing development of the programme.

11. The New Zealand horticulture industry has established a reputation for keeping up with market and regulatory requirements. The industry has a high degree of capability among its growers and auditors.

HOW NEW ZEALAND GAP ASSURES STANDARDS FOR GOOD AGRICULTURAL PRACTICE

12. New Zealand GAP describes good agricultural practices that apply to New Zealand production systems. Their adoption is verified through an independent third party audit, which leads to certification of the crop.

13. New Zealand GAP refers to local Regional Council rules and industry programmes where they exist. This means that there is already a link to Regional Council rules and an opportunity for councils to recognise this evidence.

14. Certified growers are required to provide a significant amount of evidence of their practices during the audit process. This includes records, certificates, documentation and observations. The discipline required to achieve and maintain this evidence over time has resulted in many growers adopting an integrated quality systems approach within their businesses. Growers comment that this has been of benefit to the running of their businesses as new requirements can fit into this framework.

15. New Zealand GAP draws on industry guidelines where they are available; for example the Fertiliser Association of New Zealand "Code of Practice for Nutrient Management", and various soil conservation guidelines. This code of practice sets out the requirements for nutrient management plans. These requirements are covered in New Zealand GAP audits.

ACHIEVING CERTIFICATION

16. The processes by which growers achieve certification to New Zealand GAP are described in the New Zealand GAP scheme rules. Participation in NZGAP is open to any business that produces crops for human consumption in New Zealand. Growers can only receive certification for product that is produced by them.

17. Growers can apply for certification under 3 options to suit the structure and management of the business. These options are tailored to the common business structures of New Zealand farming operations.

    (a) Scheme A: Individual Business Certification - Central management;

    (b) Scheme B: Individual Business Certification - Multiple managers reporting centrally, and

    (c) Scheme C: Group Certification - Multiple businesses covered by one certificate.

32. When determining the most appropriate scheme the following apply:

    (a) Only one certificate is allowed per legal entity (i.e.: grower/company/business).

    (b) Growers applying for certification must own all product that is produced on the land AND be responsible for all activities that take place in relation to that crop.

(c) For land not owned by the grower e.g.: lease or management arrangements, signed contractual agreements must be in place that confirms ownership of the crop.

18. All Approved Suppliers are independently audited and monitored and must continuously meet the New Zealand GAP standard to ensure ongoing certification. The New Zealand GAP manual sets out the requirements for the range of matters addressed. Production site management includes soil conservation and is relevant in terms of reducing risk of sediment loss from production systems. The section on Nutrient Management includes nutrient management plans and compliance with Regional Council plan requirements. These matters are included in the Assessment Checklists, which are the basis of the New Zealand GAP audit.

AUDITING AND VERIFICATION

19. New Zealand GAP is audited by 2 independent third party agencies, known as Certification Bodies: AsureQuality Ltd. and SGS (NZ) Ltd. The New Zealand GAP audit process includes a combination of site audits, self-assessments, random audits and targeted audits.

20. Auditors are qualified and skilled in following a structured audit process. The majority of auditors currently operating in New Zealand have relevant tertiary qualifications and /or experience in crop production. Auditors will need to have an understanding of the requirements of the proposed Healthy Rivers Plan. The required level of understanding would need to be determined, including the interpretations and expectations of Regional Councils, to enable Auditors to effectively verify the practices on farm.

21. It is appropriate, therefore, that there be some transitional period to ensure that all growers and auditors are aware of the new system.

WHY IS NEW ZEALAND GAP IS THE APPROPRIATE TOOL IN THIS SITUATION

22. New Zealand GAP is an appropriate tool because it is integrated into the growers' business system, it is well known, respected and trusted within the horticulture industry and is already a key market access instrument. There are already a significant number of growers certified to New Zealand GAP in the Waikato region. Aligning new rules to this existing programme offers the opportunity for a seamless and effective adjustment.

23. Compliance standards in New Zealand are largely driven by the customer. It is sensible that the system that has been developed by growers, for growers with the assistance of their customers is also used to meet the needs of local regulatory agencies such as Environment Canterbury. For the growers it prevents adding complexity, cost and the burden of additional audits.

24. New Zealand GAP has the elements of integrity that are sought by regulators. This includes a structured system, independent audits, and underlying quality assurance systems that have been tested and improved over many years. New Zealand GAP is a controlled, audited self-management system that is updated from time to time and known by its current version number and reference. The current version is Version 5.0 November 2009. The version is being modified now and will be released shortly, with the major elements of revision including new environmental management module components and food safety updates.

WHAT ARE THE ADDITIONAL ASSURANCES NEW ZEALAND GAP PROVIDES REGARDING IMPROVEMENT OF ENVIRONMENTAL FOOTPRINT?

25. *Governance and business models*: Recognised schemes have well-functioning governance boards and committees that are able to set good strategies and support them. Schemes require sound business models to ensure that they are resilient and have sufficient resources to carry out their functions.

26. *Guidance and codes of practice:* Guides and codes can be used to describe and document the range of GMPs. These can be developed by regulators, or industry organisations. The Scheme provides a standard process to continuously review and improve these to update them as technology and science find new solutions to environmental concerns and issues.

27. *Records & data:* Records should be used as evidence of practice where ever possible. Records provide a versatile method of verification in that they can be viewed and verified remotely (desktop or online) and by a range of people with specific expertise.

28. *Recognition & certification*: Recognition is the most important way that businesses participate in a programme or scheme and for driving uptake. A consistent system of recognition is required to identify businesses that comply with the standards. This recognition must be of value to the certificate holders, and be recognised by industry, consumers and regulators.

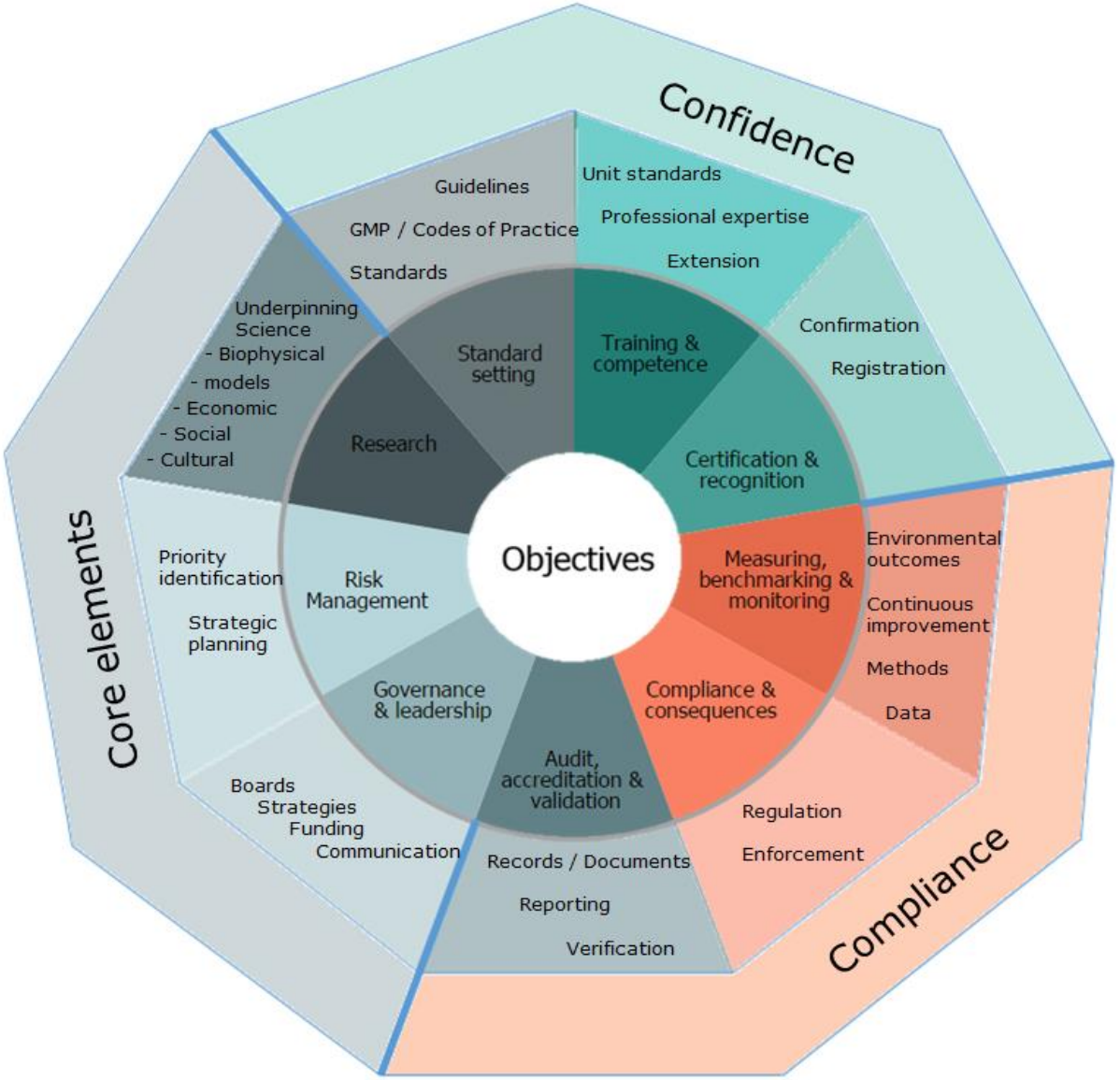
29. *Risk Assessment:* Risk assessment methods and techniques are well established in the existing GAP programmes. Certified producers already follow a risk assessment process for food safety, worker safety, food defence (site security) and residue management and therefore have a good understanding of how the process works.

30. *Research and innovation*: The tools being developed by NZGAP to promulgate Good Management Practice are supported by the Horticulture New Zealand and Regional / Government funded science programmes designed to assess the effectiveness of practice, and to develop new practices that can be implemented. These programmes are comprehensive and peer reviewed, and are generally beyond the ability of any single enterprise to sustain.

31. *Setting standards & limits*: This includes the standards development process as well as the structure and content of the standard. Standards must be relevant and linked to the objectives of the framework.

32. Training and competence: The competence of the members of the scheme is an important part of the credibility of a scheme. Competence can be achieved by formal training, or through experience. The scheme is in the process of developing core competencies around training for growers, farm advisors and auditors in the environmental management disciplines relating to desired Healthy Rivers Plan Change outcomes.

33. *Technology*: The scheme is developing reporting technologies that are standardised, and that can deliver improved information to growers and regulators in a standard way.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Unit standards
Professional expertise
Extension
Guidelines
GMP / Codes of Practice
Standards
Underpinning Science
- Biophysical
- models
- Economic
- Social
- Cultural
Standard setting
Training & competence
Confirmation
Registration
Research
Certification & recognition
Core elements
Priority identification
Strategic planning
Risk Management
Objectives
Measuring, benchmarking & monitoring
Environmental outcomes
Continuous improvement
Methods
Data
Governance & leadership
Compliance & consequences
Audit, accreditation & validation
Boards
Strategies
Funding
Communication
Regulation
Enforcement
Records / Documents
Reporting
Verification
Compliance

Regulatory & Industry Assurance Framework