

## Sign in or opt out: what's best for our industry?



### GIA - The Government Industry Biosecurity Agreement: How does it affect beekeepers?

The NBA is beginning a detailed consultation programme to inform members about the GIA. We will consult with members over the coming year to ensure they are fully informed about the GIA and how it will affect them and whether, as an industry, we should become a signatory.

We will work with Federated Farmers Bees to undertake this consultation.

This is the first in a series of explanatory articles that detail how the GIA will work in practice.

Readers should check our website regularly ([nba.org.nz](http://nba.org.nz)) for updates and keep an eye on future editions of the Journal. There should be an article about GIA in each issue.

We have set up an email address where you can send questions, queries, comments or concerns. We will monitor these and attempt to answer all of them in the Journal over the coming months.

The mail address for members to write in is **[GIA@nba.org.nz](mailto:GIA@nba.org.nz)**.

We have a range of other consultation initiatives planned for coming months so you will have every opportunity to ask any and all questions you want about GIA.

### Can we make changes to the GIA at this stage?

Beekeepers need to note that contrary to some views that have been expressed, both the Minister for Biosecurity and MAF are strongly committed to the GIA happening.

MAF has been working with the major agricultural industries and to a lesser extent our own representatives on the GIA concept and detail since 2005 and there is very little room to make changes to the main provisions of the GIA.

The Minister and the Ministry have said they are continuing to consult on the technical detail of the process, but not on the structure or the concept. That's set in stone.

**All industries met last month with MAF's director general, Wayne McNee, to endeavour to establish a good working relationship. Both industry and the director general expressed good intention to move toward a partnership understanding.**

### About the Government Industry Agreement (GIA)

The Government Industry Agreement (GIA) is an agreement between government and willing primary industries to work together on preparing for and responding to new biosecurity threats.

The GIA is a significant change to New Zealand's biosecurity system that will ultimately give beekeepers and the country's primary producers an equal say in biosecurity decision-making, and on biosecurity preparedness and response. While decisions will be shared, so too will a pre-agreed portion of the costs of the agreed activities.

**We need your feedback.  
We're happy to answer your  
questions and concerns.**

**Email: [GIA@nba.org.nz](mailto:GIA@nba.org.nz)**

# Key features of the Government Industry Agreement

Industries that sign up to the GIA will work closely with MAF to:

- Identify and prioritise the pests and diseases that are of greatest concern to each industry.
- Plan what needs to be done around each pest and disease if an incursion occurs. For example, pre-prepared and jointly-developed response plans will be developed for targeted organisms, surveillance programmes will be put in place for early detection, and there will be more registration of control tools (e.g. KeyStrepto™ for the control of Psa).
- Share decision making and have an equal say if and when an incursion occurs and if a response is necessary.
- Share the costs of agreed readiness and response activities (MAF will fund a minimum of 50 percent of the cost of agreed activities).
- Have full control over costs - no costs are incurred without prior agreement.

Industries that don't sign up to GIA will have no say in how biosecurity readiness and response plans are developed and implemented. MAF will respond to incursions as it sees fit. In some cases it may not respond.

## Why the GIA was developed

The GIA was developed to improve New Zealand's biosecurity system. Even MAF acknowledges that incursions will happen. The GIA is not about reducing government spending when an incursion happens. It's about making sure government and industry are ready if an incursion occurs and can work together to minimise its impact.

Industries that do sign up will have much greater certainty around, and input to, how biosecurity readiness and response actions will be taken.

Under the GIA there will also be considerable emphasis on improving our state of 'readiness'.



## How GIA will work

If the beekeepers do sign up to GIA this is what industry members could expect to happen.

### Readiness planning

- Bee industry and MAF representatives will form a group to work together to identify the priority pests and diseases of concern to the bee industry and agree which ones to do readiness and response activities for.
- This group will agree the cost-sharing split that MAF and industry would each pay towards preparing for those priority pests and diseases. The maximum industry would pay for an agreed readiness and response activity is 50 percent.
- These decision-makers, including industry representatives, would jointly design and oversee readiness programmes (surveillance, developing and registering control tools, developing the actual response plans etc).
- This group will also develop the actual response plans which could be used in an incursion. These plans will also feature strategies for long-term management of the pest or disease (if it's not eradicated as part of the response activity, i.e. Psa).

### In the event of a response

MAF will call beekeepers ASAP to alert them to an incursion. MAF and industry representatives will form a working committee that will meet urgently to:

- Discuss what's been found.
- Decide on what to do and who to involve. This will include deciding jointly on whether or not a response should be activated and, if so, should the response follow one of the pre-prepared response plan. If a response plan doesn't exist for that pest or disease, beekeepers and MAF will work together to draw up a response plan. The committee will be supported by a response team which includes industry and MAF technical expertise plus others who can advise on communications, logistics, operations, finance etc.
- Oversee any response plan that is activated and make all decisions about the plan and how much should be spent on the response activities.
- Ask beekeepers to contribute to a variety of activities, if necessary, to help control the spread of the pest or disease. Beekeepers' contribution will be included in the response direct costs at contract rates.
- Focus on keeping beekeepers throughout the country informed about progress.

### Response results

- Either the response will eradicate the pest/disease or it won't.
- If it does, the response is stood down and costs cease.
- If the incursion can't be eradicated, then the response will transition into long-term management.
- The above working committee will agree when that transition has to happen.
- The committee will then develop a long-term response plan (LTRP) and decide when it should kick in and replace the initial response activities. An example is when it was decided that varroa couldn't be eradicated so long-term plans were put in place.
- If, and when the LTRP kicks in, the cost sharing stops and the LTRP becomes industry's responsibility.

## GIA costs to industry

There are three types of costs that industry and MAF will face under GIA:

1. Readiness costs are approved upfront by the working committees that include industry reps. There will be a budget for all readiness activity. That budget cannot be exceeded without agreement from all committee members. In the event of a response, costs will obviously be incurred as the response progresses but all costs will have to be approved by the working committee. It should be noted that cost sharing for responses doesn't start until three years after June 2012 – when GIA becomes effective. If an incursion happens within those three years, industries don't have to participate in decision and cost sharing. MAF will handle incursions in this period the way it does now.
2. Secretariat costs are the costs of running the secretariat group. These are the staff needed to support and run the GIA for ALL industries that sign up. At the moment it is proposed that there will be only three staff (a management, a finance and a technical person), but this might grow as more industries sign up. MAF will pay all these costs for the first six years. After that MAF will pay a maximum of 50% of these costs. All industries that sign up to GIA will share the remaining 50%. The share that each industry pays is dictated by their 'industry value'.
3. 'Baseline commitment costs' are the ongoing costs that each industry incurs and would include communicating with industry about GIA and attending meetings etc to develop readiness and response activities, consult members about and engage in the GIA process.

More information on what these costs might be for beekeepers will be provided.

## Public benefit versus private benefit

The government/industry cost share is determined by comparing the amount of 'private' versus 'public' benefit.

Where there is more private benefit, the industry will pay a maximum of 50 percent towards agreed readiness and response costs. If there's more public benefit, MAF will pay either 70 percent or 90 percent of agreed readiness and response costs, depending on the level of public benefit.

The public/private (MAF/industry) cost share will be agreed between MAF and industries that sign up by assessing the effect of each pest and disease.

These decisions will be made as soon as industries sign up to GIA and go through the process to identify and prioritise their pests and diseases.

Private benefits are those that an industry will get, from a response. For example, the eradication or control of the pest or disease means industry will continue to get 'Business As Near Usual As Possible' with all the commercial and financial benefits that brings. This includes:

- Continued market demand or market access.
- Ongoing production and therefore revenue.

Public benefits are:

- No impact on human health.
- Good environmental outcomes.
- Continued enjoyment of the outdoors and the preservation of iconic places.
- Protecting backyard growers and home gardeners.
- Not harming the macro-economy (some pests and diseases would have serious impacts on the wider economy).

*The NBA will work with MAF to create examples of pest/disease incursions so beekeepers can see how the public/private benefit split would affect them, say in the case of small hive beetle, or an IAPV incursion.*

*We hope to provide a 'real life' example of a readiness and response exercise at next year's conference so beekeepers can see how the process would work from start to stop.*

## Maximum spend

Beekeepers must note that each industry that signs up to GIA will determine the maximum amount it is prepared to spend on an incursion response.

So industry is in control of budgets.

This means that signatories to the GIA do not invest more than they wish to or can afford. The fiscal cap may only be exceeded with the permission of the industry concerned.

Different fiscal caps can be set for each priority pest or disease or there can be one fiscal cap for all responses.

Fiscal caps are not set for readiness activities because the costs of readiness activities are agreed up front.



PHOTO: Peter Bray of Airdorne Honey

## When does GIA start?

Industries can sign up to GIA from June 2012. But we don't have to sign then. We can take as long as we want to make a decision ...

## The benefits of early sign-up

... But there are financial benefits and incentives for signing up early.

### Readiness incentives

For agreed readiness activities, industry signatories will only pay:

- 40% of their share of these costs for the first two years.
- 60% of their share in the next two years.
- 80% in the following two years.

### Response incentives

Cost sharing on response activities doesn't start for a full three years after GIA is implemented (2015).

After this, industry signatories will only pay:

- 40% of their share of these response costs for the first two years
- 60% of their share in the next two years
- 80% in the following two years.

This means industry signatories will not pay their full share of readiness costs until 2018 and response costs until 2021.

## If we don't sign up to GIA

Industries that don't sign up to GIA:

- Can't work with MAF to develop joint readiness and response plans.
- Will be excluded from any decisions about how to manage a response.
- Are very likely to be cost-recovered – in other words MAF will attempt to 'levy' beekeepers to recover the cost of an incursion that benefits them.

It should be noted that if MAF can identify where a disease or pest came from they will attempt to recover incursion costs from that party providing it is cost effective and efficient to do so.

## Where incursions affect multiple industries

If a pest or disease affects bees, it is likely to also affect other sectors. So, for example, the horticultural sector may choose to join a bee pest incursion response and contribute to it financially on the basis that the loss of bees (and therefore pollination) would present a major threat to their industry. The reverse could apply. This requires further clarification from MAF.

## Working with BIG

There are two main bodies representing the beekeeping industry (NBA and BIG). In this case, it's been suggested that our two organisations sign an 'accord' – an agreement to work together on readiness and response activities, and to share costs.



PHOTO: Peter Bray of Albion Honey

## Getting a mandate

To sign up to GIA the industry representative body(s) must demonstrate to the Minister of Biosecurity that it has the mandate to represent its industry when making decisions on GIA.

This applies to beekeepers – the NBA and BIG represent only about 25% of the total industry in terms of membership numbers.

However, between us we represent by far the most 'actively engaged' segment of the industry and demonstrating that we do so may well be sufficient to convince the Minister that we have a mandate one way or another.

## Next steps

The GIA Deed will be available to sign once it has been approved by Cabinet, and the required updates to the Biosecurity Act have been made. This is expected to happen by June 2012. The NBA believes it will take a year to ensure industry has sufficient information about the GIA to make a decision to sign up or to opt out. Our focus for the coming 12 months is to make sure every member of our Association is well enough informed about GIA to make that decision.

