

PROPOSAL

to set the American Foulbrood – Beekeeper Levy for 2021/22 at \$40 per beekeeper and \$1.70 per colony

September 2020



American foulbrood (AFB) is a serious disease of honeybee worldwide and causes considerable economic losses. In the absence of effective disease controls AFB has caused a significant decrease in honeybee populations, beekeeping industries and agricultural production.

Due to the serious impacts of AFB, New Zealand has legislation in the form of the National American Foulbrood Pest Management Plan (NPMP) to ensure that all beekeepers have legal obligations to eliminate AFB from their beehives. Implementation of the NPMP is funded by the American Foulbrood-Beekeeper Levy.

The amendment to levy order in April 2020 has enabled the Management Agency to fund improvements in implementing the National American Foulbrood Pest Management Plan (NPMP) in 2020/21 including:

- doubling the number of apiaries inspected for AFB each year from 1,200 to 2,400
- increasing the number of honey samples tested for AFB from 60 to 500
- employing a second Operations Manager to manage the additional inspection workload and ensure that non-compliances are followed up, and
- replacement of the ApiWeb/Apiary Database with a new modern fit for purpose system.

The Management Agency has considered the cost of the levy to beekeepers and the value of taking additional time to bed in improvements to the implementation of the NPMP and is proposing to set the levy at \$40 per beekeeper and \$1.70 per colony (\$1.96 including GST) for the 2021/22 year.

The levy is currently set at \$40 (\$46 including GST) per beekeeper and \$1.35 (\$1.55 including GST) per bee colony owned by each beekeeper at 31 March.

The proposed levy increase will deliver the following benefits:

- **Further increased honey surveillance to enable the Management Agency to better differentiate beekeepers that fail to notify active cases of AFB, from beekeepers that do not notify cases of AFB because they have eliminated AFB from their beehives**
- **Ensure that default inspections are conducted on apiaries owned by all beekeepers that default on their Certificate of Inspection obligations, and**
- **Review the Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 to ensure that AFB continues to be under effective regulatory control after 1 April 2023.**

The proposed levy is lower than our original proposal to amend the levy order released for consultation in March 2019 which was set at \$40 per beekeeper and \$1.99 per colony but higher than the current levy set at \$40 (\$46 including GST) per beekeeper and \$1.35 (\$1.55 including GST) per bee colony.

The Management Agency is therefore proposing to increase the colony levy by 35 cents to \$1.70 (\$1.96 including GST) per bee colony. The beekeeper levy is proposed to remain the same at \$40 (\$46 including GST) per beekeeper.

The increased levy rates fall within the range allowed by the Biosecurity (American Foulbrood – Beekeeper Levy) Order 2003.

This will raise an additional \$269,000 to invest in improved AFB elimination.

HOW do I make a submission?

How can I have my say?

You can respond online by following the link at afb.org.nz/budgets/ or

Completing the attached submission form and posting it back to us at:
The Management Agency, PO Box 44282, Lower Hutt 5040.

Only one submission from each individual and from each organisation is allowable.

Key Dates

5pm 25 September 2020: Consultation closes

December 2020: Management Agency Board notifies decision

Improvements we have made

In 2016 the Management Agency Board recognised the need to improve the implementation of the NPMP and initiated consultation on the "Five Year Strategy". Beekeepers confirmed the need for change and the Management Agency has implemented a series of changes since 2017 including:

- hiring a National Compliance Manager,
- hiring a National Operations Manager
- transferring the management of AP2 inspections from AsureQuality to the Management Agency,
- initiating compliance and enforcement actions when serious cases of non-compliance are detected,
- phasing out the outsourcing of operations to AsureQuality and establishing an in-house Management Agency team dedicated to the elimination of AFB,

The Management Agency is currently in the process of implementing further improvements in 2020/21 including:

- doubling the number of apiaries inspected for AFB each year from 1,200 to 2,400,
- increasing the number of honey samples tested for AFB from 60 to 500,
- employing a second Operations Manager to manage the additional inspection workload and ensure that non-compliances are followed up, and
- replacement of the ApiWeb/Apiary Database with a new modern fit for purpose system.

Enabling and ensuring that 9,500 beekeepers follow NPMP rules to eliminate AFB from their beehives is a complex challenge, and the Management Agency team is committed to implementing further changes to assist and enable beekeepers' to eliminate AFB from their beehives.

What is the proposed levy rate?

The rate of levy is proposed to be set at \$40 (\$46 including GST) per beekeeper and \$1.70 (\$1.96 including GST) per bee colony owned by each beekeeper at 31 March 2021.

How much more levy would I pay?

The increase in levy is 35 cents per bee colony as set out in the table below.

Number of bee colonies owned	1	10	100	1,000
Increase in levy (GST exclusive)	\$0.35	\$3.50	\$35.00	\$350.00

WHAT

will the increased levy be invested in?

Function	Current Budget (including cost recovered expenses)	Proposed Budget (including cost recovered expenses)
Training	\$114,000 <ul style="list-style-type: none"> • AFB Recognition courses 	\$114,000 <ul style="list-style-type: none"> • AFB Recognition courses
Extension, Research and Communications	\$52,000 <ul style="list-style-type: none"> • Suspect AFB laboratory tests • AFB website • ApiNZ Conference stand • October and March Beekeeper Magazine, and • AFB elimination communications and collateral. 	\$72,000 <ul style="list-style-type: none"> • Production of a monthly newsletter advising beekeepers of actions to undertake each month to eliminate AFB from their hives • Suspect AFB laboratory tests • AFB website • ApiNZ Conference stand • October and March Beekeeper Magazine, and • AFB elimination communications and collateral.
Apiary Register	\$302,000 <ul style="list-style-type: none"> • Operation and maintenance of ApiWeb / Apiary Database • Beekeeper registration / deregistration • Apiary registration / deregistration • Annual Disease Returns • Certificates of Inspection • DECA applications 	\$333,000 <ul style="list-style-type: none"> • Operation of a new IT system that makes it much easier for beekeepers to comply with AFB PMP requirements • Beekeeper registration / deregistration • Apiary registration / deregistration • Annual Disease Returns • Certificates of Inspection • DECA applications
Monitoring and Audit	\$428,000 <ul style="list-style-type: none"> • Honey surveillance (500 tests) • Apiary inspections (4% of apiaries) 	\$479,000 <ul style="list-style-type: none"> • Honey surveillance (1,000 tests) to enable beekeepers that are doing a great job eliminating AFB to be differentiated from those failing to report AFB • Apiary inspections (4% of apiaries)
Compliance and Enforcement	\$304,000 <ul style="list-style-type: none"> • COI default inspections (beekeepers that have defaulted on both their COI and ADR) • Unregistered apiaries • Compliance actions on default • High Risk Beekeepers (beekeepers found to have >10% AFB at the time of AP2 inspection) 	\$385,000 <ul style="list-style-type: none"> • Ensure that default inspections are conducted on apiaries owned by all beekeepers that default on their Certificate of Inspection obligations • Unregistered apiaries • Compliance actions on default • High Risk Beekeepers (beekeepers found to have >10% AFB at the time of AP2 inspection)
Review of NPMP	Not funded.	\$170,000 Review and improve the Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 to ensure that AFB continues to be under effective regulatory control after 1 April 2023.
Governance, Management, and Administration	\$528,000 <ul style="list-style-type: none"> • Governance • Management and Administration • Accounting, audit, legal, insurance and banking • Premises • IT and Telecommunications • Postage • Depreciation • Levy collection 	\$507,000 <ul style="list-style-type: none"> • Governance • Management and Administration • Accounting, audit, legal, insurance and banking • Premises • IT and Telecommunications • Postage • Depreciation • Levy collection
Total	\$1,728,000	\$2,060,000

FREQUENTLY ASKED QUESTIONS

Why is the review of the Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 required?

The legislation that ensures that all beekeepers are legally obliged to eliminate AFB from their beehives expires on 1 April 2023. To ensure that AFB continues to be under effective legislative control the Management Agency is required to submit a proposal to the Minister for Biosecurity to amend or replace the National American Foulbrood Pest Management Plan.

The Biosecurity Act 1993 prescribes the matters that the proposal must set out and consultation requirements that must be met before the Minister for Biosecurity will approve the National American Foulbrood Pest Management Plan legislation to continue for a further 10 years.

It typically takes two years for a Management Agency to prepare a proposal that meets with the approval of the Minister and the requirements of the Biosecurity Act 1993.

Why will the review of Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 cost \$170,000 in 2021/22?

The Biosecurity Act 1993 sets out demanding standards that the Management Agency must meet before the Minister will agree to continue the National American Foulbrood Pest Management Plan legislation for a further 10 years. The Management Agency will need to hire and contract specialist expertise to meet these requirements.

The length of time to review the plan and the total cost of the review will depend on how unified or otherwise beekeepers are as an industry on the legal obligations that all beekeepers are required to comply with to eliminate AFB.

When will the results of the consultation be known?

The Management Agency Board expects to notify its decision in December 2020.

How can I find out further information?

For more information email us at info@afb.org.nz



 THE MANAGEMENT AGENCY
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