

## SUBMISSION:

## TO THE CONSULTATION: AMERICAN FOULBROOD LEVY for 2024-2025

### 1. Introduction

This letter sets out [REDACTED] response to the 2024/25 AFB Levy Consultation. [REDACTED] acknowledges this complete submission can be released and to be identified as the author.

### 2. General

[REDACTED] are committed to a collective response to AFB, expressed through the PMP process. [REDACTED] desire is to see this process provide control of AFB in a manner that is effective, efficient, and achieved through engagement with beekeepers.

Against that desire, as is well known, [REDACTED] have profound concerns about the way the PMP has been and is being managed by Apiculture NZ (as Management Agency). A consequence of those concerns is that [REDACTED] consider the proposed levy for the coming year to have not been justified, and so we consider it should be subject to further consultation and explanation.

The following four points underpin [REDACTED] view.

### 3. The Agency has a poor level of understanding of the incidence of AFB.

An effective PMP requires that the Agency understands its target pest, which must comprise understanding location and levels of infestation. The Agency has been unable to show that it has this information, or proposes to get it.


The Agency reports a claimed 0.5 per cent overall incidence of AFB. It also reports a 22 per cent incidence in inspected apiaries. The Agency reports that it inspects 4 per cent of apiaries. So, that 4 per cent either, remarkably, contains almost all the infected hives (how did they know?), or the numbers don't add up.

The Agency explains:

*"The selection of apiaries for inspections is done predominantly for those that we deem pose the highest risk, however, can also be based on factors such as:*

- *investigating reports of unknown origin of AFB,*
- *Investigating reports of serious non-compliance,*
- *Investigating reports about less-than-ideal husbandry practices."*

The Agency comments, complacently that *"In essence, 22% of AFB would have gone undetected without the PMP being implemented through our AP2s"*.



So, we can see that the selection of apiaries is based on the assumption (unproven) that only known high-risk (as defined by the Agency) beekeeping operations will have AFB. However, there is no measurement of how much AFB there is in the rest of the uninspected hive population, other than beekeepers' self-reporting, which itself needs validation. What we can say is that 78 per cent of high risk apiaries didn't have AFB, when inspected. Maybe they weren't such high risk after all?

The Agency does undertake honey surveillance. Done properly, this might act like wastewater testing for Covid-19 – a means of identifying the broad incidence of AFB and the trends underlying that incidence. However, the Agency seems unable to manage that without getting tangled in the issues of beekeeper compliance and deploying its own staff.

The Agency has told us that:

*"The Honey surveillance is not used for Compliance & Enforcement actions. It is a semi-targeted form of screening where we target the last batches of high value honey from different geographic locations where the beekeepers operate. It allows us to both verify beekeepers who are doing well at eliminating AFB from their hives and triage AP2 inspections to high-risk beekeeping operations. It is unrelated to recent AFB reports."*

Why not? Surely a focus on AFB reports would help establish a near real-time picture of AFB across the country. Instead, the focus on 'high-risk' is a comment about beekeepers, not AFB. The Agency can only effectively manage AFB if it knows where AFB is. The assumption that AFB is only found in the apiaries of known high risk beekeepers is likely to be – at best – only partly true.

If we don't know how much AFB there is, we don't have any chance of objectively considering how to tackle it, or how successful the PMP actually is. And that's where we stand. It means the proposed levy cannot be justified, because the Agency does not have the facts to justify it. The purpose of the levy – and the accountability for its use – must be judged against the incidence of AFB. Beekeeper compliance is one means to that end. That's all.

#### **4. The Agency's focus on enforcement is misguided.**

We have long argued (and will continue to argue) that the best weapon against AFB is an informed, capable and well-supported beekeeping workforce. The key is education, and working to build a culture of knowledge and a commitment to actively tackling AFB.

Instead, the Agency chooses to focus on compliance work. While this may be emotionally satisfying for those involved, it doesn't effectively advance the cause of AFB control.

The focus on enforcement proceeds from the erroneous belief that compliance or non-compliance with the PMP process is an accurate indicator of AFB and its control. We think it is a partial indicator, and that the Agency doesn't really understand the size or scope of the problem.

[REDACTED]

We have long argued that the use of levy funds for compliance should be part of a much more comprehensive strategy to ensure beekeeper education and support. A single focus on compliance is a poor use of funds, and a poor strategy.

## **5. The Agency's costs are opaque**

We have asked for details of staffing, premise and other operating costs and not received them.

This is unacceptable: staff costs can be anonymised through the use of salary bands. Premises and operating costs are known and can be forecast accurately. Levy payers need to see the use of funds properly accounted for.

The impact of falling hive numbers and apparently rising incidence of AFB creates pressure on levy rates. A clear and properly debated explanation of the Agency's fixed costs would help beekeepers understand the situation. As it is, hiding the costs creates the sense that there is something to hide.

## **6. The consultation process is flawed and does not meet the legal requirements**

[REDACTED] considers that the Consultation should start on 1<sup>st</sup> November or shortly thereafter with all the other documents (Annual Report, Financial Report, and Operations Plan Review) available for beekeepers – which would provide us and others with some of the information necessary to make an informed submission.

Crucially, Sec 16 (2)(c) of the AFB Beekeeper Levy Order says industry organisations need to be notified as well – we were not (and neither were [REDACTED]).

### **American Foulbrood Beekeeper Levy Order**

#### ***"16 Consultation on how levy spent***

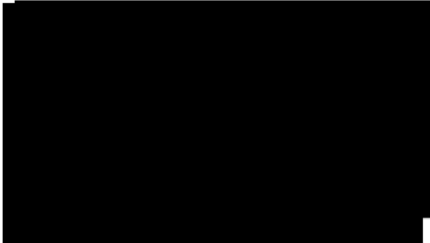
*(2) The management agency must use the following process to consult beekeepers:*

*(c) it must be send to every group or association of hobby and commercial beekeepers known to it a copy of the proposed budget."*

[REDACTED] is known to the Agency. Please refer to our Submission to the consultation American Foulbrood Beekeeper Levy Proposal for 2022-2023 on 8<sup>th</sup> October 2021, 2 General Comments, where in the first paragraph we submitted the exact same point. [**Appendix 1**].

### **We submit that the consultation should be re-run, and done properly.**

At present the lack of time and information makes a mockery of the whole thing. We also think there should be an opportunity for beekeepers to ask questions – like a series of open meetings. After all, The PMP was originally formed by Beekeepers for Beekeepers, so having no beekeeper face to face discussions opportunities seems a very retrograde step.



**7. Conclusion**

Once again, a missed opportunity. The AFB PMP should reflect a partnership across the industry, based on a shared commitment to control AFB through a process that is

- **effective** (it actually reduces AFB),
- **efficient** (it costs the minimum that can reasonably be expected), and
- **engaging** (so the whole industry is fully supported, each to play her or his part).

A levy proposal like the one before us looks self-serving and patronising. We deserve better.

Thank you



**Attached:** [Redacted] AFB LEVY CONSULTATION 2024-2025 – APPENDIX 1

**SUBMISSION:**

**TO THE CONSULTATION: AMERICAN FOULBROOD  
BEEKEEPER LEVY PROPOSAL for 2022-2023**

**1. Introduction**

The AFB PMP Management Agency (the Agency) is consulting on the 2022/23 Budget. [REDACTED] welcomes the opportunity to respond. As the Agency knows, [REDACTED] was established in 2016 and is recognised as an Industry organisation representing a growing number of small to large beekeeping businesses throughout New Zealand.

**2. General Comments**

[REDACTED] note that one of the requirements of the Biosecurity (American Foulbrood- Beekeeper Levy) Order 2003 is that in Clause 16 (2c) every group or association known to it must be sent a copy of the proposed budget. [REDACTED] have not yet received a copy.

Having re-read [REDACTED] submission for the 2021-2022 financial year, we wonder if the Management Agency takes any notice of submissions, as there appears to be no changes in the way the proposed budget for the AFB PMP is being presented.

[REDACTED] do not agree with the current method of consultation using a survey to determine the outcome where participants are required to select a given "answer" - we consider that this is a push-poll. The legislation requires that there is a consultation and submission process to be followed as written in Clause 16 of the Biosecurity (American Foulbrood-Beekeeper Levy) Order 2003.

To [REDACTED] mind, this is a display of poor Governance. There is a lack of transparency, accountability, and process that undermines beekeeper's trust in the Management Agency's ability to oversee a valuable programme to eliminate AFB from New Zealand.

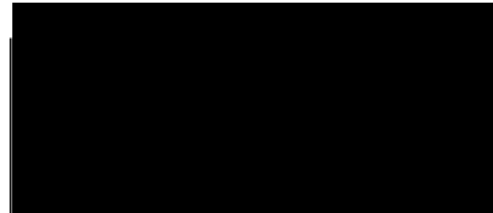
[REDACTED] supports the aims of the AFB PMP to eliminate AFB without the use of drugs.

**3. Specific Comments**

We have listed here some aspects of the budget that caused concern for our members.

- a. The inclusion of AFB Recognition courses as a budgeted expense when the Courses are self-funding and itemised separately with Course training income received in financial statements that is shown to be greater than expenses incurred.

What is the \$114,000 being used for and why are all levy payers contributing?



- b. The Agency has provided insufficient information for anybody to construct an informed view of the finances. This is despite every year asking for more detailed information relating to a breakdown of expense categories. The Agency cannot seriously expect to enjoy an appropriate social license from beekeepers if it does not accept that a higher level of transparency and accountability is required.
- c. The Levy Order provides that there should be adequate time for the Agency to consult with levy payers with information that would allow greater understanding where money comes from and goes to with the PMP. This has not happened. [REDACTED] consider that the Board should be able to provide some actual figures for expenditure incurred in the previous year's expenses (even if draft figures are given) that would allow beekeepers to assess the value of the proposed budget. The Agency has provided a 14 days consultation time frame for beekeeper input and yet allows itself a greatly extended period to consider levy payers' views, set and notify the levy rate by the required date of 20 Jan 2021. This is grossly unfair to the levy payers. More time, and a revised consultation document and process should both be provided.

- d. The honey surveillance tests – what purpose do the tests serve?  
There seems to be an opportunity to ask beekeepers for their AFB test results that are now undertaken to get honey sold to be provided to the AFB PMP virtually free of cost rather than having the cost of AP2's physically drive around to collect samples. This would reduce the cost of testing honey samples considerably.

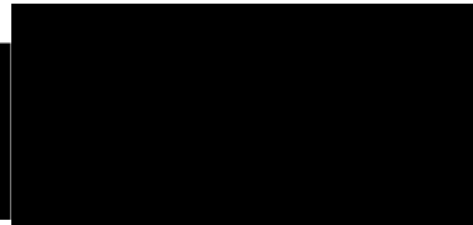
It has been noted that beekeepers (AP2's are beekeepers) collecting beekeepers processing information is of concern. Harvest Declarations are commercially sensitive and should only be collected for batch traceability when AFB spores have been found positive. Also commented, it is not the Management Agency's responsibility to validate Harvest Declarations, thus adding to the levy payer costs.

Where is a report of honey surveillance results funded by levy payers in recent years to indicate the benefits?

Are test results being sent back to the beekeeper, as many had been asked for honey samples but had not yet seen any results?

- e. The amount allocated for the AFB PMP Review seems to be excessive for the review process. The 2003 and 2008 reviews cost the levy payers very little. The \$120,000 budgeted for the 2022/23 levy year as well as \$170,000 budgeted from the current years levies appears excessive. The agency have failed to provide detail why there should be nearly \$300,000 for the review process and how those funds may be apportioned to those groups that have signaled their intention to conduct a review of the PMP as provided within the regulations.





- f. The proposal to reduce the amount of Extension, Research and Communication – this is the one area where adequate amounts should be spent on education and mentoring to help beekeepers understand AFB, the disease, as well as their responsibilities to control it.


Research should not be introduced as the strategy is for beekeeper support and education to eliminate AFB without the use of drugs, not to fund research projects.

- g. The introduction of Hive Hub which was supposedly to be more efficient and cost effective has seen increased cost with the addition of another employee.


Consideration should be given to a less complicated and labour intensive system that captures only sufficient relevant information. That would enable the agency to keep track of beekeepers and apiary locations to conduct a monitoring program to establish beekeepers are working within the aims of the PMP.

As the method of calculating levies is now determined by a beekeeper stocktake of colonies (live) as at 31 March the issuing of accounts should be based on colony returns (Clause 17B Levy Order) provided by beekeepers rather than it being necessary to update a database on a daily basis to cover fluctuating colony numbers as beekeepers split and reduce colony numbers. It is now inappropriate for the agency to advance levy invoices based on potentially inaccurate data on the Apiary database.

#### **4. Conclusion**

 simply asks to be shown transparency in this annual process to enable the levy payers to have all the required information to make an informed decision on the proposals before them.

From an apparent shortfall in the agency's performance with respect to establishing an appropriate levy, it can be concluded the agency has considerable difficulties within its governance of the PMP to fulfil its responsibilities as required by the regulations. As this is an issue that has been highlighted on an annual basis within the consultation process for acceptance of the budget over time it could be concluded the governance difficulties are persistent and ongoing without attempt by the agency to improve its performance.

 **do not recommend the agency adopt the proposed budget as it has been presented.**

