NZKGI
NEW ZEALAND KIWIFRUIT GROWERS

28 May 2020

Dr Freeth
CEO
Environmental Protection Authority
Via email reassessments@epa.govt.nz

Dear Dr Freeth,

Please find enclosed a response from New Zealand Kiwifruit Growers Inc (NZKGI) on the Call for Information on hydrogen cyanamide products. This submission is supported by Zespri.

Firstly, we would like to acknowledge the extension of time that was granted for this process. These have been challenging times and due to Covid19 we needed the extra time to prepare a robust response.

New Zealand Kiwifruit Growers Incorporated (NZKGI) works to advocate, protect and enhance the commercial and political interests of New Zealand kiwifruit growers. We represent kiwifruit growers, giving them their own voice in industry and government decision making.

New Zealand kiwifruit industry
The kiwifruit industry is a major contributor to regional New Zealand, returning $1.8 billion directly to rural communities in 2018/19. There are 2800 growers, 14,000 hectares of orchards, 10,000 permanent employees and up to 25,000 jobs during the peak season.

The NZ kiwifruit industry comprises around 7352 hectares producing Green (conventional and organic), 5483 hectares producing Gold3 (conventional and organic). The average green orchard is 3.4 hectares in size and the average gold orchard is 2.8 hectares. Growers earn significantly more growing Gold3 than they do growing Green, with Gold3 per-tray returns at $10.89 and Green returns at $5.45 per tray in 2018/19.

Zespri and NZ kiwifruit exports
Zespri is 100 percent owned by current and former NZ kiwifruit growers and manages kiwifruit innovation and the supply, distribution and marketing of Zespri Kiwifruit grown in NZ and the Northern Hemisphere. Today Zespri exports to more than 50 countries and is the world's largest marketer of kiwifruit, with a world-leading fruit brand.

Forecasts by Zespri suggest the NZ kiwifruit crop will increase over the next 10 years from 154 million trays (or around 600,000 tonnes) in this current 2020/21 season to 186 million trays to 2024/25 season (note that a tray = 3.6kg).

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Hydrogen cyanamide use in the kiwifruit industry
Hydrogen cyanamide is a flower-inducing dormancy-breaking compound used on dormant vines and is critical for kiwifruit production where it is used in late winter primarily to compensate for inadequate winter chill. Hydrogen cyanamide is also used to condense flowering, promote uniform budbreak and reduce unwanted lateral flowers even in regions which don't need to compensate for lack of winter chill.

The synchronised flowering it promotes means pollination and fruit maturity is also synchronised which gives efficiencies in labour, as orchards can be strip-picked.
Use of hydrogen cyanamide can improve yields on green kiwifruit orchards between 28 and 60 percent, gold yields between 25 and 50 percent.

Risk assessment of hydrogen cyanamide
NZKGI commissioned the Australian Environment Agency Pty Ltd to prepare an independent environmental and human health risk assessment of hydrogen cyanamide. This assessment finds that the risks from application of the product to kiwifruit in New Zealand conditions can be managed through practical controls.

Economic impact assessment of hydrogen cyanamide
NZKGI commissioned NZIER to prepare an independent economic impact assessment of the costs and benefits of withdrawing hydrogen cyanamide from the New Zealand market. This report finds the annual negative impact of removing hydrogen cyanamide could be between $233 million and $300 million on grower returns plus another negative impact of $100 million on other associated industries.

We trust that you find this information of benefit in your reassessment. Should you require any further information or have any questions about the information we have provided, please do not hesitate to contact me.

Kind regards,

Nikki Johnson
CEO