



NZKGI WORKS TO ADVOCATE, PROTECT AND ENHANCE THE COMMERCIAL AND POLITICAL INTERESTS OF NEW ZEALAND'S KIWIFRUIT GROWERS.

NZKGI'S OBJECTS ARE:

To be a competent, representative body for Growers, independent of Zespri, providing robust and accurate industry analysis to Growers on:

- The performance of Zespri (as a primary function) and all other industry organisations (as a secondary function).
- The process for management of Grower payments, Grower funds and Grower levies.
- The development and performance of the Supply Agreement and supply chain issues.

To provide Growers with responsible and informed views on:

- The performance of Zespri (as a primary function) and all other industry organisations (as a secondary function).
- The process for management of Grower payments, Grower funds and Grower levies.
- The development and performance of the Supply Agreement and supply chain issues.
- Grower equity and kiwifruit industry strategic issues.

To use its best endeavours to improve the net return to Growers for the kiwifruit that they produce.

To encourage the involvement of all Growers in NZKGI so that they can be consulted and so that their views can be fairly represented.

To represent the views of Growers to any person or organisation, including national and local/regional government, to which those views should be represented in order to further the aims of NZKGI.

To consider and make recommendations to Growers and other interested parties with respect to the future of the New Zealand kiwifruit industry.

To work with other fruit grower organisations both in New Zealand and overseas where that will assist in furthering the aims of NZKGI.

Generally to do anything that NZKGI considers to be in furtherance of these objects.

NZKGI OVERVIEW & PORTFOLIOS

MISSION STATEMENT

TO ADVOCATE, PROTECT AND ENHANCE THE COMMERCIAL AND POLITICAL INTERESTS OF NEW ZEALAND KIWIFRUIT GROWERS

INDUSTRY STABILITY

As most New Zealand kiwifruit Growers requested, NZKGI supports the Single Point of Entry (SPE) marketing structure through the Industry Stability portfolio. The portfolio does this by developing strong relationships with government, industry, and international counterparts while identifying and mitigating threats.

requirements and represent the industry within working groups and to a broad range of stakeholders, including the Government. This work includes coordinating the Recognised Seasonal Employer (RSE) scheme, advocating worker welfare, and focusing on areas such as transportation and accommodation.

NZKGI's Education portfolio works to attract, retain, and develop new and existing industry members by working with schools, training providers, and industry organisations. The portfolio promotes careers in the kiwifruit industry through events and resource materials. The Young Grower competition and Future Leaders provide further career development opportunities.

COMMUNICATIONS

NZKGI's Communications portfolio is the voice to and for New Zealand kiwifruit Growers. NZKGI gathers Grower views and presents them externally to give NZKGI a strong collective representative voice. We also communicate essential information to kiwifruit Growers to support the growth of a profitable and sustainable business.

PERFORMANCE & SUPPLY

NZKGI monitors Zespri and industry performance to ensure the industry works in the best interests of all kiwifruit Growers. We do this by analysing operational and governance activity which is then reported back to Growers.

ENVIRONMENTAL & POLICY

NZKGI's Environmental & Policy portfolio supports the retention of highly productive horticultural land and maintains the right to grow. The portfolio delivers the best policy outcomes for all Growers, including protecting the environment while enabling orchard growth. The portfolio works proactively and constructively with stakeholders.

ORGANISATION

The Organisational Management portfolio ensures the organisation is professional and well run, with maximum benefit for the levy investment received. Communication of member responsibilities, review of rules and management of NZKGI's finances, all ensure seamless advocacy and the enhancement of New Zealand kiwifruit Growers' interests.

LABOUR & EDUCATION

NZKGI's Labour portfolio works to identify future seasonal labour

Grower Update

Kiwifruit Industry Working Party

Newsletter Number 9

July 1994

2024
MARKS
SIGNIFICANT
MILESTONES

NZKGI

The organisation has made an excellent start - almost 80 % of voting entitlements returned in the elections for the 10 districts. Your response has provided a sound base for a robust grower representative body but needless to say there is a lot of work ahead. As you are aware the Working Party has organised a District representative forum for 10 August. The objectives of the meeting are to hand over the affairs of the Working Party to your district representatives and to provide background information on the relevant issues. For your information an agenda is attached to the end of this newsletter.

The highest priority is to get NZKGI up and running as soon as possible so important parts to the day will be to start the process of incorporation and elect the first executive committee. The candidates are Rod Cameron, Malcolm Cartwright, Graham Cathie, James Connell, Tony de Farias, John Dowling, Ian Fox, Craig Greenlees, Jim Jamieson, Jeremy Meehan, Hugh Moore, Vern Pain, Nick Patterson, Hendrik Pieters, David Roy and Bert van Heuckelum. We urge you to give your local representative a call and let him know who your preferences are - it is another chance for you to easily have your voice heard.

2024 MARKS SIGNIFICANT MILESTONES FOR OUR INDUSTRY:

- 120 YEARS SINCE ISABEL FRASER PROCURED KIWIFRUIT SEEDS
- 35 YEARS OF THE SINGLE DESK
- 30 YEARS OF NZKGI
- 25 YEARS OF ZESPRI

It has been 120 years since school teacher Isabel Fraser of Whanganui brought kiwifruit seeds to New Zealand after probably having been given them by English botanist Ernest Wilson during her visit to China in 1904. She in turn gave the seeds to a friend, who passed them to his brother Alexander Allison who propagated the seeds and shared his plants with other nurserymen, including Hayward Wright. Since these seeds were laid, the industry has grown rapidly, but not without its challenges. This led to the Single Desk regulations through amendment five of the Kiwifruit Marketing Regulations 1977, coming into force on 6 March 1989, now 35 years ago. The Single Desk was one of the most important steps Growers have made and has become a cornerstone of our industry, allowing

Growers to work together for New Zealand's success.

Five years after the establishment of the Single Desk, NZKGI came to fruition, with Hendrik Pieters as President and Tony de Farias as Vice-President, after Agriculture Minister Falloon called for an industry review. NZKGI's first undertaking was to pick up the Government review of the industry and discussion on the future role and operations for the New Zealand Kiwifruit Marketing Board (NZKMB). A report was released by Auckland University with recommended reforms for the NZKMB, including retaining the Single Desk, but also opening up collaborative marketing and the global sourcing of kiwifruit for year-round supply.

A further five years later led to the conversion of the NZKMB to a public company, ZESPRI Group Ltd which allowed for a Single Desk while also embracing the cooperative nature of the industry, enabling Growers to be shareholders - and owners with control of the company.



2024 AGM Resolution to change NZKGI's rate of levy

As NZKGI's responsibilities have grown, so has the value that the organisation delivers to Growers. Our return on investment for Growers is significant. If the EPA had banned Hi-Cane, a conservative estimate has found that it would have cost the economy \$1.56 billion over 30 years. Growers would be only paying less than 3% of this over this period to fund all of NZKGI's operations. Clearly an excellent return on investment.

Unfortunately, this reassessment has cost NZKGI most of our retained earnings. NZKGI no longer has the financial viability to fight such cases that are beyond our operating expenses in the

future. This, combined with factors such as inflation, have increased costs which means that NZKGI must increase its levy to continue operating with its current output.

To fund NZKGI's current operations, including special projects such as the aforementioned retention of Hi-Cane, a resolution at this year's AGM is proposing to increase NZKGI's levy by two-tenths of one cent. This would increase NZKGI's levy from 1.1 cent/TE to 1.3 cent/TE for exported kiwifruit (excluding Australia).

To put this in context, the average Gold conventional Grower currently pays NZKGI a levy of \$125.11/ha. This would increase \$22.75 to \$147.86, or an additional \$15.43 for Gold organic. Green conventional would pay an additional

\$13.76, Green organic \$8.95. Green14 \$9.37 and Red \$3.09.

While NZKGI already approaches other organisations for funding, we need to retain our independence as much as possible, especially when it comes to Zespri.

A levy of 1.3 cent per tray creates a stronger and independent NZKGI with better oversight and reporting for improved industry governance. The small increase in funding would create:

- **Greater independence in undertaking critical projects for Growers.** Historically Zespri has contributed to some projects such as the Gisborne Rates court case and Hi-Cane hearing.
- **Improved benchmarking and reporting of Zespri performance** to Growers either through more Forum time in market or improved access to consultants. Plans are currently underway to enhance our performance reporting of Zespri which would be supported by increased funding.
- **Enhanced ability to undertake projects which support the Single Desk.** NZKGI requires additional funding to undertake further projects such as the BERL report independently from Zespri.
- **The capacity to respond quickly to one-off events** such as performance analysis of the Europe mice infestation or in building a better picture of global threats such as SunGold in China.
- **Ability to invest more time with central and local government** to build deeper relationships. It is important that NZKGI has the capacity to be a strong voice in light of a growing Zespri presence.
- **Improved ability to fund projects which contribute to policy settings.** This includes, for example, financing for advice from experts on topics such as water, shelter, bird scarers etc.
- **The ability to advocate the importance of the RSE scheme** for kiwifruit Growers through participation at the Pacific Labour Mobility Annual Meeting.
- **Funding allocated specifically to Grower education** so that Growers have stronger industry knowledge and can make more informed decisions.





**2024'S SUCCESSFUL HARVEST IS A RESULT OF CAREFUL
PLANNING OF THE SEASON AS WELL AS GREAT TEAMWORK
BETWEEN INDUSTRY STAKEHOLDERS TO ENSURE GREAT
TASTING KIWIFRUIT REACHES OUR CONSUMERS.**

NZKGI Chair - Mark Mayston

CHAIR'S REPORT

— MARK MAYSTON —

“Rarely, when the moons align, the critical components of a good growing season and harvest go well for the majority of us. There will always be exceptions, but all up, most of us have had the right weather when we’ve needed it and a sufficient supply of labour to get the fruit off the vines at the right time.”

This is such a stark contrast to last year’s low volume on the back of poor pollination, wind, flooding, hail and cyclones. While bad harvests are often focused on, we need to recognise the good ones too.

Although the final submit of the 2024 harvest wasn’t as high as initially forecast, we managed to produce our largest ever crop, just shy of 200 million trays. The successful harvest is a result of careful planning of the season as well as great teamwork between industry stakeholders to ensure great tasting kiwifruit reaches our consumers. While at this time of writing we await the prices that Zespri can attract in overseas markets, there is hope that the returns will be a welcome relief for many Growers who have experienced financial strain over the last few years.

NZKGI has also been experiencing financial strain in gaining wins for Growers. Critical projects, such as fighting for the retention of Hi-Cane, have been a costly marathon for our organisation, using up most of our retained earnings. NZKGI requires

your support at this year’s AGM for an increase in our levy of two-tenths of one cent to both to fund such projects as well as keep our regular advocacy operating in an increasingly noisy environment. The return on this very small increase into your Grower advocacy is far, far, greater than your investment.

Your Forum has continued to make important decisions on growers’ behalf on topics such as the different schedules, pack rate, supplier accountability, period 1 and time. I thank Forum members for their contribution to Growers. Representation is often a thankless task, but this is a critical one.

Over the last 12 months there have been some changes on the Forum. Simon Craig (G6 representative), Amy Tocker (iwi representative) and Simon Cook (Te Puke representative) stood down and we thank these Forum members for their contribution. We have welcomed Carol Ward, Tiaki Hunia and Michelle Dyer who have stepped up to these respective positions.

2024 marks an important milestone for our industry. It has been 120 years since Isabel Fraser brought kiwifruit seeds to New Zealand, 35 years since the Kiwifruit Marketing Regulations came into force, 30 years since the formation of NZKGI and 25 years since the Zespri Group Ltd came to the fore. Growers have owned our industry over the last 120 years and must continue to do so in the future if we are to retain control of our destiny. Without NZKGI there is no Grower voice. NZKGI has a critical role to ensure New Zealand’s kiwifruit industry remains in the hands of Growers.

Please remember to ask questions and keep yourself informed. This is our industry, and it is a great one.

NZKGI Chair - Mark Mayston





CHIEF EXECUTIVE OFFICER'S REPORT

— COLIN BOND —

After a number of challenging COVID-impacted seasons, followed by the adverse weather experienced in 2023, the comparatively straight forward 2024 harvest has been welcomed by the industry. We were due a good one.

If we're looking for positives, that tough period provided learnings which, if embedded, set the industry up well for the higher volume in years ahead. Our collective challenge is to keep our standards high in everything we do. That's how we deliver on our brand promise.

Speaking of positives, the outcome of the hydrogen cyanamide hearing has provided another confidence booster to the industry. So many people contributed to this outcome. We were confident in the case we put forward thanks to the hard work of NZKGI staff and Forum members and the engagement of the many Growers who either wrote their own submissions or contributed to the NZKGI thinking. Other industry participants, including service providers to the industry, all helped build a strong case for retention. It was a team effort.

The hydrogen cyanamide process highlighted the important role of NZKGI. Our Growers deserve the best advocacy organisation in New Zealand. That's what I want NZKGI to be.

At this AGM we are seeking an increase to the levy from 1.1 cents per tray to 1.3 cents per tray for three reasons. The first is that the battles we fought on the hydrogen cyanamide and Gisborne rates proceedings, during a volatile period for the industry, has had a severe impact on retained earnings. We are in no position to defend another material challenge to Growers' businesses without more funding.

Secondly, the cost of doing the same is increasing all the time. Variability in tray numbers means that we can't simply rely on additional funding coming through increasing trays.

Thirdly, as the industry grows and more Growers have more wealth at stake, the consequence of poor performance of our marketer gets ever greater. The model remains the best one for Growers, but NZKGI wants to make sure a strong Zespri is supported by an

equally strong NZKGI. Please support our request for a levy increase. I am confident we can deliver you value.

There were a number of staff changes during the course of the year. Abby Van De Ven and Georgia Monks finished with NZKGI and Vanessa Malloy joined on a contract basis. We thank the departing staff for their contribution and welcome Vanessa to the team.

We are grateful to the NZKGI Executive and wider Forum for the support they provide to staff. As we enter the next three-yearly cycle of Forum representatives, we thank those Forum members stepping down and look forward to working with new Grower representatives.

Working for you, our valued Growers, remains a privilege. Keep talking to us. Onwards and upwards.

NZKGI CEO- Colin Bond

KEY PORTFOLIOS

INDUSTRY STABILITY | PERFORMANCE & SUPPLY | COMMUNICATIONS
EDUCATION & LABOUR | ENVIRONMENTAL & POLICY | ORGANISATION



NZKGI continues to spend time building effective relationships both inside and outside the industry.

Government Relations

A national election during the year resulted in a new coalition Government and a clear change in direction for the country. NZKGI seeks to build effective relationships with all political parties as well as government officials so that we are well placed regardless of election outcomes.

The new Government has a change agenda driven by a focus on economic improvement. Our industry can be a leading participant in driving export growth in an environmentally sound way. We have a strong message to communicate, and they are listening.

Our relationship with government officials extends to the Pacific Islands where we look to work together to ensure the ongoing success of the

RSE Scheme. At its best, this scheme makes a significant contribution to the personal and economic lives of many island nations. We must continue to ensure it is a success.

Industry Relations

NZKGI has a close working relationship with Horticulture NZ and the other product groups. We work hard to remove duplication and ensure we have a clear aligned message for local and central government.

NZKGI representatives continue to participate on the Industry Advisory Council (IAC) and Industry Supply Group (ISG). We aim for all industry decisions to consider best outcomes for Growers, but not at the expense of not achieving the long-term success of all industry participants.

International Relations

NZKGI once again represented the industry at the International Kiwifruit Organisation's (IKO) annual conference. Hosted by Chile, our relationship with that nation is increasingly strong. In fact, every nation represented at the conference articulated an understanding of the role Zespri and the New Zealand industry has played in growing the category globally. The relationship we have with growers across the globe helps us with the early identification of biosecurity threats, aids market access and supports growth in the kiwifruit category. It remains important. The next conference is in Greece in September.



The Performance & Supply portfolio continues to monitor Zespri and industry performance to ensure the industry is working in Growers' best interests.

NZKGI monitors Zespri and industry performance to ensure it operates in the best interests of all kiwifruit Growers and that they are always top of mind in the industry decision-making.

There are a multitude of different issues that NZKGI can monitor on Growers' behalf. Quality and supply chain issues are two examples which have been a very high priority over the last year.

Industry Decisions

In order for industry decisions to be more effective for all Growers, NZKGI initiated a review of the Industry Supply Group (ISG) terms of reference (TOR). This was to ensure that current processes, voting, accountability, structure and methodology used were still relevant and fit for purpose.

Throughout this review, changes to the TOR included: improved improved clarity, direction, scheduling, membership, subgroup scoping, defined principles, processing and annual mapping. This was to help develop a timelier structure for the industry and to enable a more proactive approach to major industry decisions.

Quality & Supply Chain Operations

Although each season has its complexities, following the 2022 quality issues which created a significant financial impact for Growers, NZKGI were involved as part of several action groups throughout 2023 to ensure the October 2022 Industry Advisory Council's seven point Quality Action Plan continued to be developed and implementation by:

- Understanding the cause(s).
- Rebalancing commercial drivers/ incentives.
- Communicating best practice for growing and harvesting premium fruit.
- Assessing fruit flow decision-making – end to end.
- Keeping poor fruit onshore via Zespri onshore quality assurance.
- Assessing supplier accountability – commercials and consistency.
- Improving transparency of in-market information on quality and costs.

Whilst modules across various action points have been developed (i.e. transparency through the Grower portal reporting, increased communications, decision-making), NZKGI continues to focus on quality standards across the whole supply chain, along with constantly monitoring performance and improvements that could impact quality results for Growers.

Grower Pool Audit

Monitoring of Zespri has been ongoing through regular meetings between Zespri's Executive and Supply team and NZKGI's Executive and Forum members to review current issues

and relevant topics. Each year an annual external assurance review on the allocation of costs to the pool is conducted. The review ensures pool costs are made in accordance with the Supply Agreement. In 2023, freight costs were audited.

Communicating Performance to Growers

One of the key outputs of the Performance & Supply portfolio is the Key Performance Indicators dashboard for Growers, which can be found on the NZKGI website. The dashboard collates facts and figures about Zespri year-on-year for Growers including:

- Industry Trends – Fruit Loss Reports.
- New Zealand Supply Overheads, Margin and Sales.
- Percentage of Revenue Allocated to R&D.
- Global Revenue per Employee.
- Average Premium Pricing for Green.
- Brand Awareness (power/ penetration).
- Zespri Group Limited (ZGL) Dividends (share/equity).
- Collaborative Marketing data (TFSP/ OGR).
- CM approvals / declines / volumes / returns.

NZKGI undertakes special strategic projects which are of importance for Growers to operate their business efficiently, sustainably and profitably.

ANALYSIS OF THE SINGLE DESK

NZKGI COMMISSIONED BERL, A LEADING PROVIDER OF A BROAD RANGE OF ECONOMIC RESEARCH, ANALYSIS, ADVICE AND CONSULTANCY TO ANALYSE THE BENEFITS, COSTS, AND BARRIERS OF THE SINGLE DESK ARRANGEMENT FOR NEW ZEALAND KIWIFRUIT.



In their report, BERL recognise that the New Zealand kiwifruit industry is an international marketing success story. The Single Desk arrangement has been used strategically by Zespri to build a strong international brand that has drawn in significant income to New Zealand kiwifruit Growers and post-harvest suppliers as our kiwifruit command a significant premium on retail shelves across the world.

The full report was communicated to Growers via roadshows and industry publications and remains available for Growers via the QR code above.

GREEN GROWER SYMPOSIUM

NZKGI HEARD FROM MANY GREEN GROWERS WHO FELT THAT THEY ARE DISADVANTAGED OVER GOLD GROWERS.



This related especially to smaller, low yielding Green Growers who were struggling to make good returns in comparison to Gold Growers who often have a higher OGR. The reasons for feeling disadvantaged seemed to run across the whole supply chain with Gold orchards argued to get first preference for orchard work, post-harvest allegedly preferring to work with Gold over Green and a perception of Green being incorrectly priced and promoted in market.

NZKGI went out to Green Growers to record their concerns and then undertook a project to involving

the analysis of quantitative evidence to ascertain if these concerns were reflected by the facts. NZKGI then presented the findings to Growers through two symposia. It was hoped that these findings would enable Green Growers to create a more in-depth understanding about the industry so that they could ultimately make better informed decisions about their businesses. The symposia included:

- A Q&A session by Zespri covering off questions placed by Green Growers on the profitability of Zespri performance.

- A presentation on post-harvest management of the Green category.
- A presentation by KNZ on the performance of collaborative marketing.
- A panel discussion by Green Growers on issues affecting on-orchard profitability.

A recording of the symposia remains available for Growers to view via the QR code above.



NZKGI'S COMMUNICATION PORTFOLIO HAS CONTINUED TO DELIVER GROWERS BUSINESS CRITICAL INFORMATION TO ENSURE THEY ARE ABREAST OF INDUSTRY DEVELOPMENTS.

Some highlights of NZKGI's communications over the last year have included:

- Updates on orchard rates and valuations as NZKGI argued against including SunGold kiwifruit licenses in a property's rateable value in the Bushmere Trust v Gisborne District Council case.
- Podcast on the quality of New Zealand kiwifruit imported to Europe.
- Informing Growers on the different political parties' positions on the general election so that they can make a more informed decision.
- Updating Growers' on the processes to defend growers use of Hi-Cane.

Topics such as these have been communicated to Growers through a range of mediums including:

- NZKGI's roadshows, a Grower only meeting to allow Growers to speak freely and frankly on all matters that concern them.

- Non-NZKGI publications including Horticulture NZ's Orchardist Magazine and Zespri's Kiwifruit Journal.
- NZKGI's newsletter, the Weekly Update, continues to communicate business critical information, governance topics and other need-to-know information to Growers. The number of subscribers continues to grow, and regular CEO updates in the newsletter continue to provide value to Growers.
- Colin Bond, as NZKGI spokesperson, represented the kiwifruit industry actively throughout the year in TV, radio and print to advocate for Growers.

Pastoral Care

On the back of a significant number of Bay of Plenty kiwifruit Growers impacted by cyclones Hale and Gabrielle, funding from the North Island Weather Events Fund was received for NZKGI to contract training for industry representatives to enable them to better identify mental health issues amongst growers and refer

them to the Rural Support Trust. Three one-day Mental Health 101 Workshops were held for NZKGI representatives, Zespri and post-harvest staff.

NZKGI also continues to roll out its Live Well, Grow Well pastoral care book which was produced in collaboration with Farmstrong. Live Well, Grow Well tells the stories of experienced Growers and industry figures who have navigated tough times and shares what they now do to manage workload and stress. It also contains expert advice on topics such as nutrition, sleep and strategies to manage pressure and highlights the importance of rest and recovery time.

NZKGI continues to be active on the Primary Sector Coordination Group as well as the Rural Support Trust to share information leading to the provision of pastoral care support for Growers. NZKGI is also now a trained member of the kiwifruit industry Emergency Response Management group to provide support to Growers in the cases of large adverse events.





NZKGI PORTFOLIOS

ENVIRONMENTAL & POLICY

Hydrogen Cyanamide

The hydrogen cyanamide (Hi-Cane) reassessment by the EPA was a key focus of the Environmental and Policy portfolio over the last year.

NZKGI opposed any ban of hydrogen cyanamide and any associated phase-out regardless of timeframe on the basis that the positive effects/benefits of hydrogen cyanamide significantly outweigh the adverse effects/risks of the substance.

A delay in the hearing to February 2024 provided an opportunity for NZKGI to do more work to address matters raised in the EPA's Update Report that was released in December 2022. The Update Report raised new concerns regarding the potential impact of hydrogen cyanamide on soil organisms, and the delay in the hearing provided an opportunity to engage Manaaki Whenua Landcare Research to implement a field trial on a kiwifruit orchard in Te Puke during the 2023 spray season. The field testing demonstrated no difference in the abundance of springtails and other soil invertebrates between control and sprayed plots before and after field-application of Hi-Cane. The results suggested that the high in-field chronic risk rated, as assessed by the EPA is not warranted.

The hearing took place between 26 February and 1 March 2024.

NZKGI's presentation included legal submissions and expert evidence in relation to worker exposure, spray drift and shelter, birds, soil organisms and the significant contribution that the use of hydrogen cyanamide makes in relation to national wellbeing. NZKGI also provided comments on the recommended controls for hydrogen cyanamide, including windspeed, AI nozzles/spray quality and the proposed buffer zones. With respect to the latter, it was NZKGI's view that the considerable and well documented spray drift mitigation effects of natural and artificial shelter should have been provided for through reduced buffer zones where effective shelter is present.

The decision was released on 17th May 2024. The decision-making committee considered the risk, impacts upon Māori and taonga, costs, and benefits associated with the use of hydrogen cyanamide on kiwifruit and other fruit crops, and considered:

- The benefits from using hydrogen cyanamide to be significant.
- The costs if hydrogen cyanamide were no longer available to be significant.
- The benefits and costs would outweigh the risks and costs associated with adverse effects from exposure to the use of hydrogen cyanamide in these circumstances.

- Additional controls should be applied to further mitigate risks.

The committee considered that based on the evidence provided, the 10-year expiry date proposed by the EPA was not justified, and the continued use of HC was approved subject to new controls.

NZKGI wishes to acknowledge the quality of the presentations from those who appeared at the hearing to explain the reasons why they supported the continued use of hydrogen cyanamide, with workable conditions.

Shelter Mandate

In recognition of the important part that shelter can play in reducing spray drift, NZKGI and Zespri have been working on minimum standards for boundary shelter near sensitive areas (the Shelter Mandate). The feedback received from Growers and those who construct artificial shelter suggests that the Shelter Mandate requires review and this will proceed now that the hydrogen cyanamide decision has been released.



Policy Changes

Following the general election on 14 October 2023, the coalition Government comprising the National Party, ACT Party and New Zealand First was sworn into office on 27 November 2023. The new Government immediately commenced a phased approach to resource management reform. How that ends up looking will be important to the future of the kiwifruit industry because of the direction it provides to regional and district councils.

The Government is taking a phased approach to the reform of the resource management system. The three phases are:

- Phase One – repeal the Natural and Built Environment Act and Spatial Planning Act (completed in December 2023).
- Phase Two – Fast-track Approvals Bill, targeted changes to the RMA through two amendment bills.
- Phase Three – Comprehensive reform and replacement of the RMA.

The Government also intends to make a number of other changes, including a review and replacement of the National Policy Statement for Freshwater Management, and the speeding up of processes to develop or amend national direction such as national policy statements and national environmental standards. In addition, the Government has announced that it intends to change the freshwater farm plan system to make it more cost effective and practical.

The Government has also changed the deadline for regional councils to notify their draft freshwater plans from 31 December 2024 to 31 December 2027. Regional councils have responded differently to the government's extension. BOPRC is continuing to progress its work and intends to make a draft plan available

in November/December with a short timeframe for comments, followed by formal notification in September 2025. Tasman District Council is continuing to draft its Land and Freshwater Plan Change with stakeholder engagement likely in mid to late November. Some councils are progressing parts of their workstreams, while others have paused their process to wait and see what the Government does next, or until a new NPS-FM is available.

NZKGI will continue to work with Horticulture NZ to monitor progress and provide feedback/submissions as appropriate.

Whakatāne District Plan – Plan Change 6 Audible Bird Scaring Devices

Plan Change 6 (PC6) was promoted by council on the basis of strong community support for changes to the existing District Plan rules for Audible Bird Scaring Devices (ABSD) use. Through the pre-hearing mediation, both the community and kiwifruit industry representatives mutually agreed that changes to the district plan were not supported and sought the withdrawal of PC6.

Through the mediation process, the submitters discussed issues relating to:

- Lack of orchardists contacting neighbours to advise of the use of ABSDs.
- Contact details for neighbours to call orchardists if they have concerns with ABSD use.
- Poor practices with ABSDs being set and not actively managed.

The submitters recognised that improved orchard practices could alleviate concerns of those adjacent to or near orchards and by the community. They also all supported council taking a firm approach to exceedances of the noise limits by ABSDs.

The outcome of mediation was that all attending submitters agreed that they preferred other methods for addressing concerns regarding ABSDs, including education, monitoring and industry self-regulation over the proposed plan change.

Representatives of the kiwifruit industry (NZKGI, Horticulture NZ and Zespri) agreed to work closely together with Growers to implement a best practice guide to improve orchard protocols, undertake industry monitoring, ensure proper signage is on every front fence with current contact details, introduce a standard letter for mail drops and public notices to advise of 'bird scaring season'. The mediation recommendation, supported by all attendees was for PC6 to be withdrawn as it was no longer supported by supporters. At a hearing on 20 June 2024 the council made a decision to withdraw PC6 and work with industry on education and compliance.

Other

NZKGI continues to work alongside Horticulture NZ and Zespri to provide input into kiwifruit specific policy where required. In 2023/2024, NZKGI has lodged submissions on:

- The proposal to prohibit the production and export of 180 chemicals in the European Union (July 2023).
- Exploring a biodiversity credit system for Aotearoa New Zealand (November 2023).
- The Smartgrowth Strategy 2023 (October 2023).¹

NZKGI also provided comments on BOPRC's Freshwater Management Unit (FMU) stories in September 2023.

¹ SmartGrowth is partnership between Tauranga City Council, the Bay of Plenty Regional Council, Western Bay of Plenty District Council, tāngata whenua and central government.





2023 BOP Young Grower contestants

LABOUR

NZKGI continues to advocate for Growers in the labour space in recognition of it as a critical component of Growers' businesses. Our focus is balanced between ensuring that the industry has enough short-term seasonal labour as well as supporting the changing needs of the industry's permanent workforce. Our view on labour supply and demand is based on NZKGI's data forecasting which is used to develop our annual Labour Attraction Strategy.

Recognised Seasonal Employer Scheme

This year marks a significant stride forward for NZKGI in advocating for changes for the RSE Scheme. We have not only engaged in conversations with government officials and ministers, but we have also participated in the reconstitution of the National Labour Governance Group (NLGG). The NLGG, with representatives from across New Zealand's horticultural industry, aims to work collectively to enhance the RSE scheme.

Despite the RSE Policy review being put on hold due to COVID, the NLGG continues to advocate for a Labour Inspectorate with increased resources, the implementation of a 30-hour average requirement over a four-week period, standardisation of accommodation and market rate practices, and greater consistency across the RSE landscape.

Template Resources for Growers

NZKGI provides ongoing support to Growers by consistently refining and updating our range of templates. These resources are designed to simplify compliance, ensuring that Growers can focus on their core activities without unnecessary complications. Among these essential tools are the Orchard Services Agreement and Employment Agreements, which are tailored to meet the specific needs of the industry and help Growers manage their operations more effectively.

Seasonal Worker Accommodation Review

NZKGI is working with local councils, such as the Western Bay of Plenty District Council, to review and improve seasonal worker accommodation. Our goal is to ensure that the growing number of workers supporting the kiwifruit industry's expansion has access to adequate housing.

Efforts are being made to address both the amount of accommodation available as well as their quality, to secure safe and comfortable housing for workers. This involves revisiting local planning provisions and improving transport options to and from work.

Bay of Plenty Labour Governance Group

With seasonal workers continuing to be a very important part of our industry, NZKGI continues to chair the Bay of Plenty Labour Governance Group. This group meets three times a year and has industry-led working groups (Labour

Utilisation, Immigration, Education & Training, Worker Pastoral Care, Accommodation/Transport and Business Analysis) to work together to share knowledge and to lead the kiwifruit industry in the Bay of Plenty on all matters relating to labour.

BOP Kiwifruit Industry Health and Safety Forum

NZKGI sits on the committee for the BOP Kiwifruit Industry Health and Safety Forum. This platform is important as it provides an open, yet confidential, environment for industry members to share information and work together to enable a pro-active, collaborative approach to provide accurate, relevant information and guidance on improving health and safety practices within the kiwifruit industry.

EDUCATION

NZKGI works to actively showcase the broad range of careers in the industry to a wide variety of newcomers, from school students to career changers. This is achieved by representing the industry at career expos (in schools and regional events), Fielddays and Canvas Career Expo. NZKGI, along with Priority One, also organise Cultivate Your Career, an industry-focused event targeting Year 10 and 11 students.

Agribusiness in Schools

This programme has been developed at St Paul's Collegiate in Hamilton. It is available to students from across New Zealand, at NCEA Levels 2 and 3, who want to work in the agribusiness sector. It is run in collaboration with



various industry partners, including NZKGI. The Agribusiness in Schools programme is a unique educational opportunity that enables secondary school students to broaden their knowledge and skills in the agribusiness sector. The programme aims to provide students with a comprehensive understanding and prepare them for employment within the industry.

Bay of Plenty Young Grower

The Bay of Plenty Young Grower Competition is a notable event proudly organised by NZKGI in collaboration with the Bay of Plenty Young Fruit Growers Upskilling Committee. The competition aims to recognise and encourage the emergence of future leaders in the horticulture industry and highlight the varied career opportunities available. The winner of the 2023 competition was Sydney Hines, an Orchard Manager and Technical Advisor for Sybton Horticulture. A key highlight of the evening is the speech component, where competitors present a three-minute speech on a topic assigned by the committee and are evaluated by a panel of esteemed judges. The overall winner of the Bay of Plenty Young Grower Competition represents the region at the National Young Grower competition. All contestants also have the opportunity to compete for the Upskilling Scholarship. For more information about the Bay of Plenty Young Grower Competition, visit our website www.bopyounggrower.co.nz.

Kiwifruit Book

This publication remains a highly regarded resource for secondary school teachers of horticulture and agribusiness. The book is updated every second year with industry statistics released after harvest and significant events and topics that arise over the year. In 2023, a survey was conducted to ensure the right areas are being focused on within the publication and how many people

use the printed version compared to the online version. The kiwifruit book is currently being updated and will be made available in late November 2024.

Future Leaders

Future Leaders was initially established in 2014 to develop and showcase potential future leaders of the kiwifruit industry by engaging them through regular education, networking and social activities. The group is managed by an executive committee of volunteers from the horticulture industry. Events are held around six key themes: Sustainability; Community; Innovation; Personal Development; Leadership and Social Activities.

The Future Leaders Executive Committee consists of Bryce Morrison, Jacqui Craig, Emily Woods, Brendon Cochran, Lucy Carter, Robin Barker-Gilbert, Sam Vicente-Moa and Nick Pridgeon. The Future Leaders Executive Committee would like to thank Amy Willoughby and Libby Twiss who left the committee in 2023 for their efforts to Future Leaders.

In late 2023 we had netball legend, Casey Kopua, present on overcoming tough times. Facilitated by our Future Leaders Executive Committee member Brendon Cochran, Casey provided her tips for mental perseverance as a top sports person. It was an intimate and engaged audience that asked Casey a number of questions about her sporting career and balancing being a top Silver Fern netball player with her own personal life. We also held our 7th Annual Quiz Night. With 18 teams from the industry entering the competition, it was tight to determine who is the smartest team in the industry. Congratulations to Fruition Horticulture who took out first prize again in 2023 closely followed by team KVH.



2023 BOP Young Grower winner Sydney Hines with Former Minister for Education Jan Tenetti

This event is our flagship event that gets bigger and better each year.

We would like to thank NZKGI and Zespri for their valuable contribution to allow Future Leaders to host these events. Thank you to all who have attended and continue to support our events.

Cultivate Your Career

In collaboration with Priority One, NZKGI organise the annual Cultivate your Career event. This event's aim is to change the perception of the kiwifruit industry from young people to encourage them to enter into a career/job with the industry.

Kiwifruit Career Promotion

NZKGI works actively to showcase the wide variety of careers within the kiwifruit industry. Staff, Future Leaders and Young Grower contestants attend multiple careers expos around the Bay of Plenty. Regular presentations are also made to young people both in school, tertiary and not in education, employment or training (NEETs).



PERSONNEL CHANGES

Several changes to Forum representatives occurred within the last year:

- G6: Simon Craig stood down and Carol Ward is now the supply entity representative.
- Iwi: Amy Tocker stood down and Tiaki Hunia is now the iwi representative.
- Te Puke: Simon Cook stood down and Michelle Dyer is now the Te Puke regional representative.

NZKGI thanks the departed representatives for their service for kiwifruit Growers and welcomes the new representatives.

Regarding staff changes, in 2024 two staff members resigned - Senior Policy Analyst Abby Van De Ven and Data Policy Analyst Georgia Monks. Vanessa Malloy joined on a contract basis in the labour and policy areas.

EXECUTIVE COMMITTEE



Mark Mayston
CHAIR
INDUSTRY STABILITY



Whetu Rolleston
VICE CHAIR
ENVIRONMENTAL & POLICY
INDUSTRY STABILITY



Sean Carnachan
LABOUR & EDUCATION



Tammy Hill
COMMUNICATIONS
LABOUR & EDUCATION



Sally Gardiner
PERFORMANCE



Robert Humphries
COMMUNICATIONS
ENVIRONMENTAL & POLICY
PERFORMANCE

NZKGI STAFF MEMBERS



Colin Bond
CHIEF EXECUTIVE OFFICER



Mike Murphy
HEAD OF COMMUNICATIONS
AND STRATEGIC PROJECTS



Neil Moge
PERFORMANCE &
SUPPLY MANAGER



Tanya Vickers
EXECUTIVE ASSISTANT



Kathy Mason
SENIOR POLICY ANALYST



Gavin Stagg
WORKFORCE MANAGER



Sam Vicente-Moa
EVENTS & COMMUNICATIONS
OFFICER

STATEMENT OF FINANCIAL PERFORMANCE

	Notes	2023	2022
Revenue			
Revenue from Provision of Services			
Commodity Levy		1,474,315	1,775,913
Project Income	6	19,500	101,339
Other Income		4,795	-
Total Revenue from Provision of Services		1,498,610	1,877,252
Interest and Investment Revenue			
Interest Income		23,240	12,841
Total Interest and Investment Revenue		23,240	12,841
Total Revenue		1,521,851	1,890,093
Total Revenue		1,521,851	1,890,093
Expenses			
Executive Committee & Forum Members	7	296,131	282,192
Staff	8	1,117,905	996,563
Overhead Expenses	9	217,288	191,643
Industry Stability		27,888	23,163
Communications		56,930	53,528
Performance		40,292	36,163
Labour / Education		90,864	162,575
Environment & Policy		193,915	232,189
Organisational Management		11,502	51,416
Total Expenses		2,052,716	2,029,431
Net Operating Profit / (Loss) Before Tax		(530,865)	(139,338)
Provision for Tax			
Provision for Tax	14	6,227	3,315
Total Provision for Tax		6,227	3,315
Net Profit / (Loss)		(537,092)	(142,653)

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

STATEMENT OF FINANCIAL POSITION

	Notes	2023	2022
Assets			
Current Assets			
Bank Accounts and Cash	3	861,120	1,323,256
Debtors		113,994	191,331
GST Receivable		80	2,730
Total Current Assets		975,193	1,517,317
Non- Current Assets			
Fixed Assets		16,217	26,106
Intangibles		4,455	4,455
Total Non-Current Assets		20,672	30,561
Total Assets		995,865	1,547,878
Liabilities			
Current Liabilities			
Accruals and Provisions	4	93,018	95,358
Accrued Holiday Pay		54,156	34,566
Credit Cards		1,726	2,350
Creditors		16,003	52,709
Income in Advance	5	3,000	-
Tax Provision	14	3,228	1,068
Total Current Liabilities		171,130	186,051
Total Liabilities		171,130	186,051
Net Assets		824,735	1,361,827
Equity			
Retained Earnings		824,735	1,361,827
Total Equity		824,735	1,361,827

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

STATEMENT OF CHANGES IN EQUITY

	2023	2022
Equity		
Opening Balance	1,361,827	1,504,481
Increases		
Net Surplus / (Loss) for the Period	(537,092)	(142,653)
Total Increases	(537,092)	(142,653)
Total Equity	824,735	1,361,827

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

These summary financial statements have been extracted from the audited financial statements prepared for New Zealand Kiwifruit Growers Incorporated. The full financial statements were prepared as special purpose reports for the purpose of reporting to members.

The financial statements are prepared on a historical cost basis, and are presented in New Zealand dollars (NZ\$) and rounded to the nearest \$ unless otherwise stated.

These summary financial statements do not include all of the disclosures contained in the full financial statements and therefore do not provide as complete an understanding to readers as that which would be provided by the full financial statements. Full financial statements, which have been audited, can be obtained by contacting NZKGI via the following:

Phone: **0800 232 505**

Postal address: **PO Box 4246 Mount Maunganui South 3149**

Email: **info@nzkgi.org.nz**

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

BUDGET 2025

	Actual Final 2023	Approved Budget 2024	Revised Budget 2024	Budget 2025
Income				
Commodity Levy	\$1,474,315	\$1,980,000	\$1,980,000	\$2,522,000
Interest Income	\$23,240	\$10,000	\$10,000	\$12,000
Project Income	\$19,500	-	-	-
Other Income	\$4,795			
TOTAL INCOME	\$1,521,850	\$1,990,000	\$1,990,000	\$2,534,000
Expenses				
Exec Cmte & Forum Members	\$296,131	\$303,060	\$303,060	\$421,137
Staff	\$1,117,905	\$1,119,821	\$1,119,821	\$1,232,693
Overhead Expenses	\$217,288	\$218,892	\$218,892	\$235,392
Industry Stability	\$27,888	\$25,000	\$25,000	\$80,000
Communications	\$56,930	\$47,000	\$47,000	\$72,000
Performance	\$40,292	\$40,000	\$40,000	\$120,000
Labour/ Education	\$90,864	\$93,500	\$93,500	\$140,000
Environment & Policy	\$193,915	\$82,340	\$112,340	\$149,140
Organisational Management	\$11,502	\$41,200	\$41,200	\$44,300
TOTAL EXPENSES	\$2,052,715	\$1,970,813	\$2,000,813	\$2,494,662
Net Operating Profit/ (Loss Before)	(530,865)	19,187	(10,813)	39,338
Provision for Tax	\$6,227			
Net Profit/ (Loss)	(537,092)	19,187	(10,813)	39,338
Prior Year Retained Earnings	1,361,827	824,735	824,735	813,922
Retained Earnings Year End	824,735	843,922	813,922	853,260

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.



ANNUAL REPORT 2024

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