

Producer country file

The kiwi in New Zealand

by Cécilia Céleyrette

The kiwi is a major crop in New Zealand. Over 2 500 producers make their living from this fruit, primarily aimed at the export sector. This country has been a driving force in the development of the kiwi since the mid-20th Century. Originating from China, the first *Actinidia chinensis* (or Chinese gooseberry) were described in around 1750 by a French Jesuit (P. Le Chéron d'Incarville). Cultivated in New Zealand from 1904 in domestic gardens, and then for commercial purposes from 1940, this fruit took off from the 1950s when New Zealand producers opted to rename it the kiwi (*Actinidia deliciosa*), after the bird of the same name - an icon of the country - by analogy with its hairy skin. This name would help it sell more readily in the United States, at the time in the grip of the Cold War. It made the final breakthrough in 1974 thanks to an intense commercial campaign. It was this strategy, first adopted by the New Zealand Board and now by Zespri, with the support of a marketing and technical force, which made it possible to build up its export potential to approximately 460 000 t, and to cope with the big challenges which have not been lacking in recent years, with the launch of the yellow-fleshed kiwi and managing Psa.



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Avocado report week 2 2017

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fruitmarket@cirad.fr

Trend

is progressively turning and recovering a better activity.

EU Hass reference price - grade 18

Trend	Week 2 / Week 1	2017 / ave 14-16
↑		

US Market

USA Hass reference price

Trend	Week 2
↑	\$ 37.25
	\$ / 11-15 kg lug
	0.00
	+ 34 %

Weekly supply of avocados to the US market

Market share of suppliers in the USA

Supply trend

Supply	Trend	Last 3 W supply average	total year 2017 (tons)	Comparison with season 2016	Comparison with season 2015
↑	↑	+ 7 %	18 565	- 19 %	+ 29 %

Observation

The global supply on the US market has increased but has recovered average level (+1%). Indeed, Chilean arrivals have increased again but remaining at average level (-2%). Prices have remained stable, still very high for the season (+34% average).

Retail Prices

Average retail prices on the French market

Packed avocados	Loose avocados
Week 1: 0.74	Week 1: 1.24
Week 2: 0.74	Week 2: 1.24
Comparison with 2 years: +6%	Comparison with 2 years: +17%

Observation

Stable arrivals.

Increasing volumes, mainly due to Chilean deliveries.

Last 3 week supply / average

Observation	Total Season in boxes
+ 9 %	6 465 000
- 20 %	2 869 000
+ 35 %	15 775 000

Spain

Variety	Trend	Observation
Hass	↑	Increase of deliveries.
Green	↑	Increase of deliveries.

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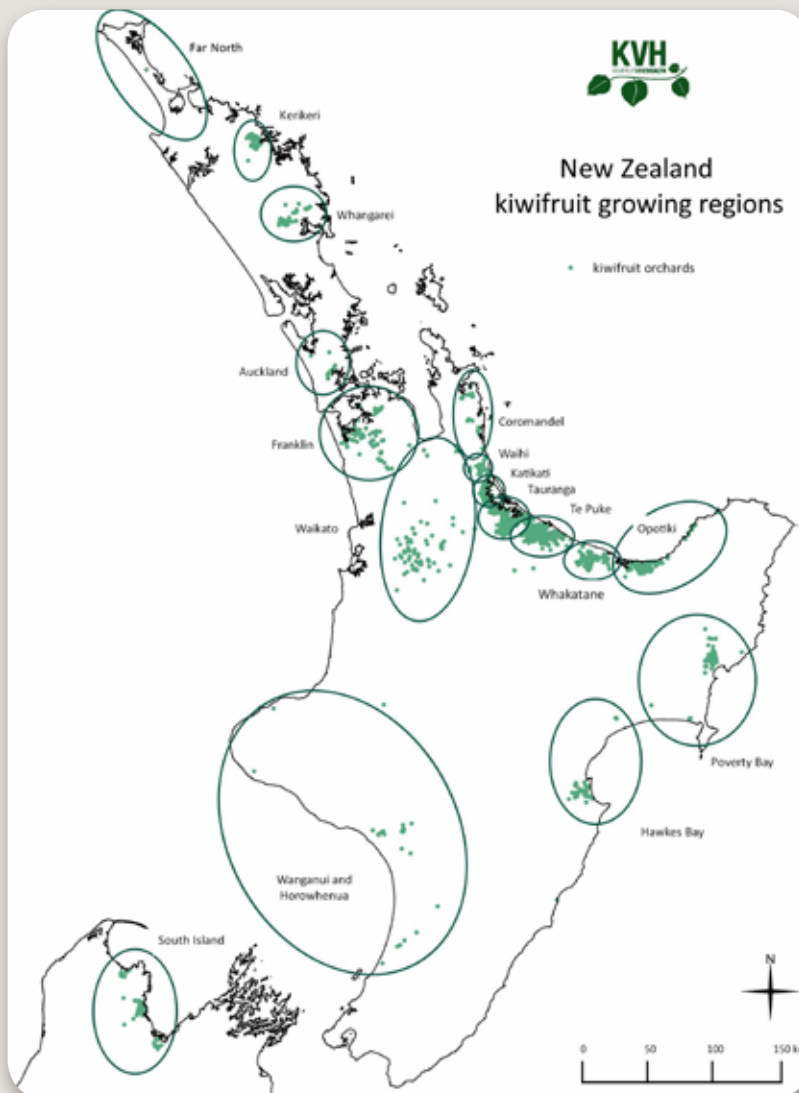
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Kiwi – New Zealand

Location

Kiwi production is spread right across New Zealand, but by volume it is primarily concentrated on North Island, with the Bay of Plenty accounting for 79 % of production around Te Puke, Katikati, Tauranga and Opotiki. The plantations are often small-holdings. Growing this fruit in New Zealand requires a certain technical level, since while the sediments of the Bay of Plenty are very suitable, the vines must be fertilised in spring. In addition, these crops must be irrigated in summer because of low precipitation on the East Coast, and must also be protected from the strong winds to which New Zealand is regularly subjected.



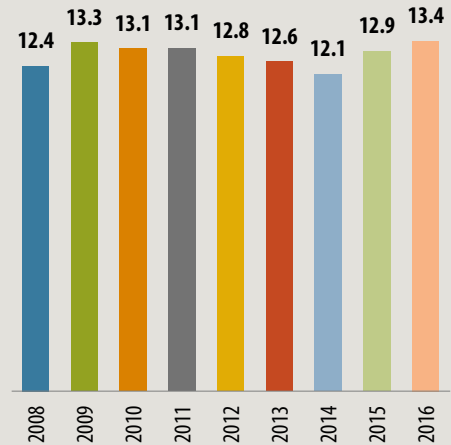
Kiwi – New Zealand

Production

Kiwi production in New Zealand has made dazzling progress. Surface areas went from 400 ha in 1970 to a peak of 17 500 ha in just twenty years, according to FAO figures. The cultivation area then dropped back to 12 000 ha in the early 2000s, reaching its lowest level in 2004 (less than 11 000 ha). Innovation once again boosted New Zealand's production with the advent of yellow-fleshed varieties, especially Gold Hort 16A, marketed by Zespri under the brand name Zespri Gold, the result of numerous years of research begun in 1987 by the scientists at HortResearch. It was first commercially planted in 2003. Kiwi growing then took off again, quickly extending to 13 000 ha in 2009. Nonetheless, this momentum was stopped dead in 2010 with the infestation of the stock with Psa (*Pseudomonas syringae* pv. *Actinidiae*), identified from the 1980s in Asia and in the 1990s in Italy. Some of the Hort 16A kiwi stock was uprooted, though the rest was grafted onto a new variety, Gold3, known by the brand name Zespri Sungold, less sensitive to Psa than Hort 16A. So surface areas fell again until 2014, but have taken an upturn since 2015 with some fine prospects. Gold3 surface areas were already 2 500 ha in 2014 and 3 500 ha in 2015, which with the Hort 16 grafts, already totalled 4 800 ha and should increase at a rate of approximately 400 ha/year until 2019. Half of new plantations should now be allocated to green variety grafts.

Kiwi - New Zealand - Evolution of planted areas

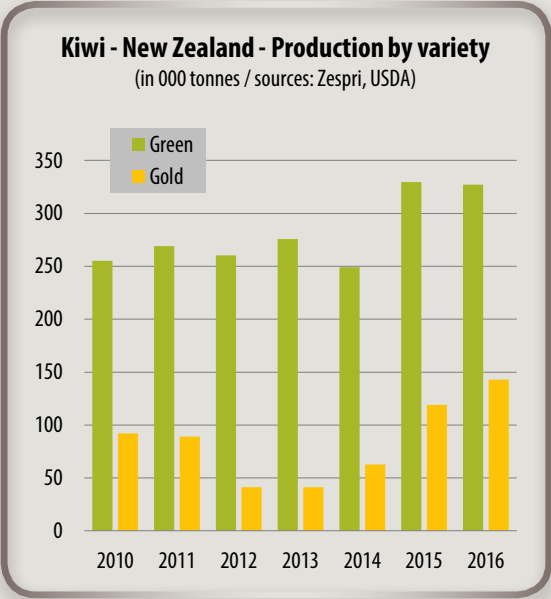
(in 000 hectares / source: USDA)



Kiwi – New Zealand

Varieties

New Zealand’s industry has always been a driving force in terms of varietal selection. Research has already managed to select varieties producing large-sized fruits (more than 100 grams), whereas the wild fruits (*Actinidia chinensis*) weigh just 20 grams. The Hayward variety appeared in the 1960s, and was improved until the 1980s. The New Zealand supply is still very much dominated by the green varieties, primarily Hayward (approximately 70 %), which is middlingly sensitive to Psa. However, although yield levels were slashed in the first years of the epidemic, which spread slowly across the country, now affecting 90 % of orchards, they were very good in 2015 and 2016 thanks to the measures taken, but could fall in 2017 because of climate conditions. Yellow kiwi production, once suspended due to the high sensitivity of the Hort16A variety to Psa, resumed its rise with the more resistant Gold 3. The vines are now reaching full maturity, with 70 % of orchards in their third year or older. The other varieties are much more anecdotal: production of Gold 9 amounted to only 5 000 t, and Green 14 production to just over 3 000 t. Note that there are commercial trials in progress for red-fleshed varieties. The harvest in New Zealand begins in April. The first fruits generally reach Europe in early May/mid-May for a marketing campaign which currently extends to December, depending on the potential.



Kiwi – New Zealand – Marketing calendar

	J	F	M	A	M	J	J	A	S	O	N	D
Green												
Gold												

Source: Zespri

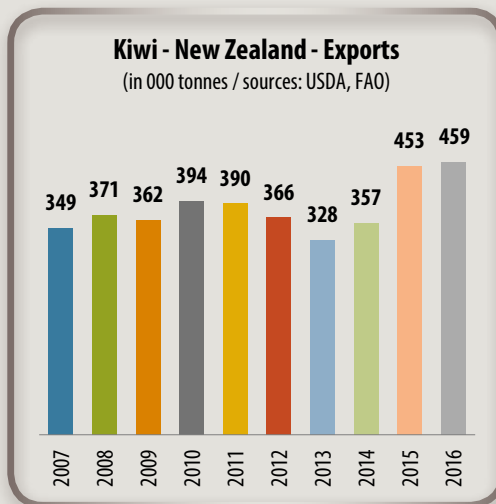
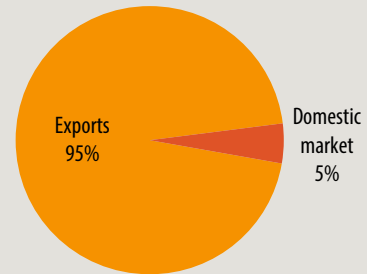
Kiwi – New Zealand

Outlets

The majority of New Zealand's production is of course exported, with just 5 % of tonnages aimed at the domestic market.

Kiwi - New Zealand - Outlets

(source: USDA)

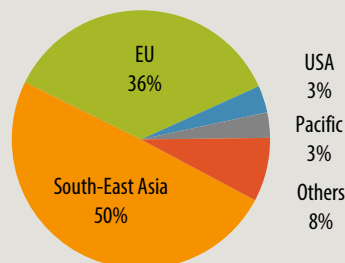


Exports

Exports have bounced back considerably in the past two years in line with the production tempo set, with Sungold proving a big hit on the Asian markets and in Europe, not to mention the big Zespri marketing campaigns which should be renewed in 2017 to celebrate the brand's twenty-year anniversary. The Sungold kiwi is now exported to 56 destinations worldwide. There has been marked development in South-East Asia, where exports across all varieties exceeded 230 000 t (as opposed to 145 000 t in 2010), with a big increase to China, South Korea and Japan. Shipments also picked up to Europe, with more than 180 000 t imported in total by the EU-28 in 2016 (+ 12 % on 2015 and 27 % above the 3-year average).

Kiwi - New Zealand - Exports by destination in 2015

(sources: IKO, USDA, HEA)



Logistics

In total, just under 70 refrigerated ships and 10 500 containers cross the oceans every year to provide the logistics for the New Zealand kiwi. Thirty or so ships are earmarked for Europe, with the first generally arriving toward mid-May, and then on average every ten days until 30 October. Twenty or so ships supply Northern Europe and France via Zeebrugge, while the other ten enter via the port of Tarragona in Spain and Vado in Italy for the South European markets. Zespri works in close collaboration with its service provider Belgian New Fruit Wharf N.V., which manages both the unloading of ships for Northern Europe and the quayside packing station. This can handle up to 850 t of fruits per day, and has a storage capacity of up to 20 000 pallets in the season, enabling it to pack the produce in line with the orders.

Kiwi – New Zealand – Sea freight

Markets	Principales lignes		Transit time
	Port of departure	Port of arrival	
Northern Europe	Tauranga	Zeebrugge	30 days
Southern Europe	Tauranga	Vado	
	Tauranga	Tarragona	

Source: Zespri