

FEEDBACK ON

Economic Development Strategy Refresh for the Eastern Bay of Plenty

18 October 2024

To: Ōpōtiki, Kawerau and Whakatāne District Councils

Name of Submitter: Horticulture New Zealand

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OVERVIEW

Submission structure

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Our submission

Horticulture New Zealand (HortNZ) thanks Ōpōtiki, Kawerau and Whakatāne District Councils for the opportunity to provide feedback on the Economic Development Strategy Refresh for the Eastern Bay of Plenty and welcomes any opportunity to continue to work with the District Councils and to discuss our feedback.

The details of HortNZ's feedback and decisions we are seeking are set out below.

HortNZ's Role

Background to HortNZ

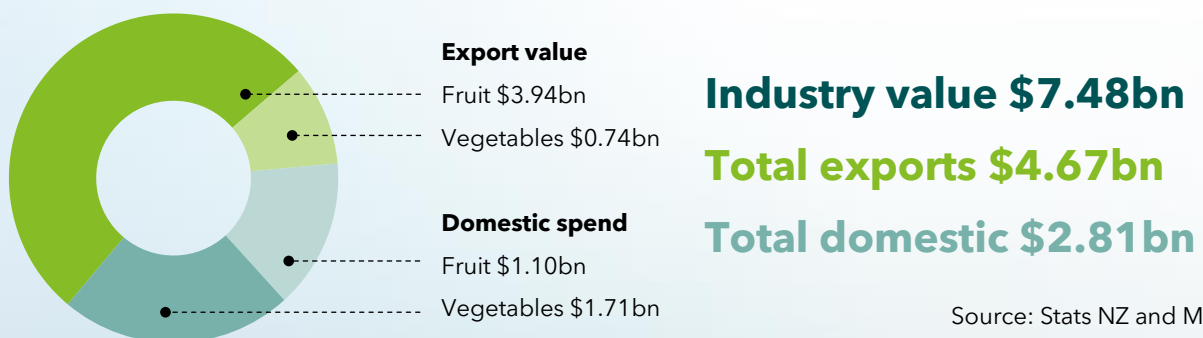
HortNZ represents the interests of approximately 4,200 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

There are approximately 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain, and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

HortNZ's purpose is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand.



Feedback

1. Horticulture in the Eastern Bay of Plenty

There are approximately 1,592 ha of orchards and other perennial crops in Ōpōtiki, 4 ha in Kawerau District, and 1,299 ha in Whakatāne. Ōpōtiki and Whakatāne districts also have a smaller amount of vegetable growing. The districts' crops include kiwifruit, avocados, berries, citrus, feijoas, greenhouse vegetables, passionfruit, tamarillos and sweet corn. The Eastern Bay of Plenty (EBOP) has a climate and environment well-suited to horticultural production, including free draining soils, warm weather and high sunshine hours.

2. Opportunities and Constrains to Growth

The 2018 "Eastern Bay of Plenty: Regional Development Project" report identifies that "EBOP have some of the most productive soils and best growing climates for high value horticulture crops in the country".¹ This fact or similar is worth noting in the 2024 strategy.

The draft Strategy correctly identifies that there is "further development potential in both Kiwifruit [sic] and other horticultural subsectors".

The Coalition Government has committed to double export value by 2035. The Aotearoa Horticulture Action Plan, a strategy jointly owned by Government, industry, the science sector and Māori, also has the goal to double horticultural export value by that date.²

Fruit-growing, in particular, is a low-emissions, high-value export industry. Global demand for New Zealand fruit has not been saturated. For instance, kiwifruit represents less than 1% of the global fruit bowl but is still rising in popularity in key markets.³ Zespri estimates that license for 450-800 hectares of SunGold and RubyRed™ kiwifruit will be released per annum between 2026 and 2028 (including some transition from green kiwifruit).⁴ Overall, the horticulture industry has the highest rate of return per hectare of any primary sector activity, with several of the crops grown in EBOP topping the list in terms of value, particularly kiwifruit.⁵

Given EBOP's suitability for high-value horticulture, the region has an opportunity for regional competitiveness and to make nationally significant contributions to export value and the development of the low-emissions economy.

Horticulture supports the local EBOP economy through employment of orchard and farm staff, agricultural consultants, buying equipment, and staff patronage of local retailers.

¹ [Microsoft Word - EBOP Regional Development Report FINAL DRAFT 06Sept18 UNREDACTED.docx \(odc.govt.nz\)](#) (p. 26)

² [Aotearoa Horticulture Action Plan | Horticulture New Zealand – Ahumāra Kai Aotearoa \(hortnz.co.nz\)](#)

³ Zespri. "Five-Year Outlook", December 2023.

⁴ Zespri. "Five-Year Outlook", December 2023.

⁵ [Situation and Outlook for Primary Industries June 2024 \(mpi.govt.nz\)](#)

Constraints to horticultural growth in EBOP include access to water, the startup cost for new operations (include licensing for kiwifruit, rootstock, equipment and land) and access to skilled labour.

3. Alignment with Success Criteria

3.1. Prosperity

Horticulture contributes to an increased regional GDP and sustainable high-value employment, particularly if supported by horticultural education and training opportunities.

3.2. Resilience

Horticulture is an economically resilient activity with global demand for food only increasing with population growth, and New Zealand's positive overseas reputation for environmentally sustainable, quality products.

3.3. Regional Competitiveness

EBOP can make a significant contribution to national GDP and the development of low emissions industry through fostering horticultural production, especially given the region's well-suited climate and soil conditions.

3.4. Strategic Alignment

As identified in the 2018 EBOP Regional Development Project report, there is potential for further high value horticulture development on Māori land. The development of low-emissions, healthy food aligns with New Zealand's national goals for emissions reductions and doubling export value. It also aligns with numerous United Nations Sustainable Development Goals, including 2. Zero Hunger, 3. Good Health and Well-Being, 8. Decent Work and Economic Growth, 12. Responsible Consumption and Production, and 13. Climate Action.⁶

3.5. Mahi Tahī

Regionally shared benefits from horticultural development include meaningful work opportunities and locally-produced food.

4. Highlighting horticulture and the low-emissions economy in the Strategy

While each district currently has a focus in the draft Strategy - aquaculture for Ōpōtiki, green industry and energy for Kawerau, and commercial, manufacturing and residential centre for Whakatāne. High-value horticulture could be a cross-cutting focus, given the significant growing presence in two out of the three EBOP districts.

⁶ [THE 17 GOALS | Sustainable Development \(un.org\)](https://www.un.org/sustainabledevelopment/)

Horticulture and the potential for low-emissions, high-value production could be specifically highlighted, like in the 2018 strategy. For instance, the vision for the future on page 12 of the draft Strategy could read, “The diversified economy thrives with surge sectors such as aquaculture, green industry, and **low-emissions** primary industries, all contributing to a circular, **low-emissions** economy and reinvesting in the sub-region.” This strategy has the opportunity to highlight the co-benefits of developing a low emissions economy that is both prosperous and better for the environment.