

QUARTERLY PROGRESS SUMMARY: January – March 2018

New Zealand Avocados Go Global

Background

The New Zealand Avocados Go Global programme began in June 2014 with five key objectives: market entry and growth; consistent and sustainable supply; efficient supply chain; products from waste; and Information transfer and adoption. This is a five year programme with a vision that by 2023 an integrated New Zealand avocado industry will deliver NZ\$ 280m annually in net sales and have tripled productivity to 12 tonnes per hectare.

Summary of progress

Market entry and growth

- Access for avocados from New Zealand into China was approved in February 2018 following the successful audit of the industry’s systems. An official event was facilitated by MFAT, MPI and NZTE in Shanghai to celebrate the successful market entry process and to thank the officials in China for their contribution to this process.
- Significant growth has occurred on NZ Avocado social media platforms this season in our key export markets Australia, South Korea, Japan, Singapore and Thailand. NZ Avocado now has 84,000 combined followers on social media across all markets.
- South Korea’s considerable growth in avocado consumption has now made it the largest export market in Asia for avocados from New Zealand.
- The New Zealand market consumed 38% of the total avocado production volume in 2017-18 and is seeing considerable growth in demand.
- The New Zealand Avocados Amazing Anytime television commercials ran nationwide throughout January, showing in primetime shows including Newshub and The Project.



A television news item from Shanghai radio and television network Kanka News covered the event and access for New Zealand avocados into China

Consistent and sustainable supply

- Pruning strategies were captured by a film crew to accompany text and photo document and have been sent for final editing.
- New cultivar profiles updated to industry website.
- Four trial orchards (Opotiki, Te Puna, Mangawhai and Tabora) have been established to look at rootstock nutrient uptake differences between seedling and clonal rootstocks. Trials are examining the nutrient inputs, cultural practices and climatic conditions specific to each orchard and the effect on nutrient levels within the soil and leaves.



Efficient supply chain

- Alternative fungicide research work continues with a range of novel chemistries being trailed to investigate the efficacy of various fungicides on avocados with NZ Avocado involvement.

- Fruit quality project TOR has been written with working group members identified and an inaugural meeting planned for early June.
- Following the completion of the Official Assurance Programme (OAP), the AvoGreen programme has been updated with the new market access requirements.
- China market access requirements has led to NZ Avocado working towards becoming the recognised training organisation for AvoGreen with the addition of Freshlearn as an online training tool for the program.

Products from waste

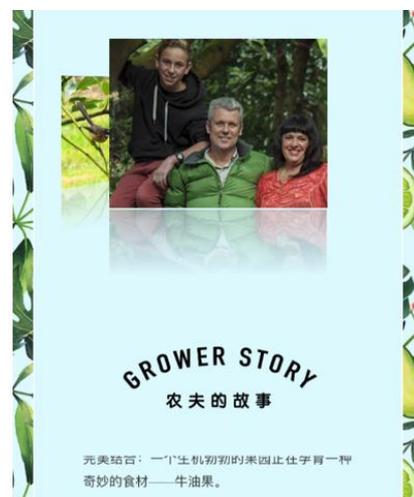
- NZ Avocado has maintained limited communication with Callaghan Institute and Plant and Food Research to stay informed of related projects to progress value from waste research.
- Although a defined project is not confirmed at this date the 2018-19 PGP annual plan sets out the ability to capitalise on any future projects if they arise in the value add space of fruit processing.

Information transfer and adoption

- Design work continues directed by feedback from industry stakeholders as NZ Avocado develops a new Industry Relationship Management system and data management software to provide an online solution for growers and the post-harvest sectors commercial interactions and compliance requirements.
- The requirements for the new industry spray diary (including AvoGreen reporting) have been agreed between industry and The build process of this software has started.

Key highlights and achievements

- Values have remained very strong with global demand driving sales across our export markets
- New Zealand now has access to export avocados to China in the 2018-19 season under an Official Assurance Programme (OAP)
- The emergence of growth at value across North Asia, and the recent opening of the China market in particular, underpins the PGP strategy of market diversification.
- New Zealand Avocados Amazing Anytime promotions in New Zealand included stories of amazing avocado growers and a more targeted approach to communicating the benefits of avocado nutrients.
- The New Zealand International Avocado Growers’ Conference will be held 29-31 August 2018 in Tauranga. The conference will bring together over 250 delegates from across the New Zealand and Australian avocado industries and speakers from around the world.



China WeChat grower story

Upcoming

- NZ Avocado is using the Chinese social media application WeChat to test which existing category story images and messages for avocados from New Zealand resonate most strongly with Chinese consumers.
- NZ Avocado is currently reviewing proposals from marketing agencies to develop a category story for New Zealand avocados in China and implement a promotions programme in the 2018-19 season.
- A script for another pruning resource is being developed. This will focus on the two year phenology cycle of the avocado tree and will highlight key time points throughout that cycle where intervention is most effective to reduce irregular bearing.
- Developing a tool/chart for growers to use when identifying factors contributing to tree decline and actions that can be taken to mitigate decline or improve orchard health.
- Fruit quality discussion group to identify and prioritise issues and develop a project plan moving forward.

Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$298,218	\$298,218	\$596,436
Programme To Date	\$2,798,638	\$2,798,638	\$5,597,276