

# Annual Report

## 2024/25



The New Zealand Kiwifruit Board was established by Regulation 32 of the Kiwifruit Export Regulations 1999 and is known as **Kiwifruit New Zealand**



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# Report from the Chair



Samantha Sharif

I am honoured to have been appointed as Chair of Kiwifruit New Zealand in October 2024, and to have the opportunity to build on the successful foundations laid by my predecessors since the introduction of the current regulatory framework and the establishment of Kiwifruit New Zealand in 1999.

I am a full-time Professional Director, with my background in global infrastructure, logistics and finance. I live in the Wairarapa on a lifestyle block in a farming community and am enjoying learning from New Zealand's world leading primary sector.

It is a fascinating and pivotal time to be joining New Zealand's kiwifruit industry - as we celebrate the hugely successful last 25 years – and reflect on what comes next.

What does the next 25 years hold? We know that the industry will continue to deliver an ambitious global growth strategy – and that scale will create larger opportunities and challenges along the way. Here at KNZ we are considering our role in this context.

Zespri was established as a State Trading Enterprise under the WTO rules and operates for the benefit of New Zealand kiwifruit growers and the wider kiwifruit industry. KNZ's role as a strong independent Regulator is fundamental to the success and survival of this single-desk exporter model.

Whilst the operating model is mature and performing well - there are always live issues to work through. Happily, we see the current policy and regulatory framework as broad enough to adapt to support future growth, whilst maintaining appropriate accountability.

A key focus for me since joining has been to meet key industry stakeholders – to hear directly from you about the industry's opportunities and challenges – and just as importantly to build relationships with those responsible for the future of the industry.

It has been a pleasure to work alongside our highly capable and committed KNZ Board and management team. The combination of experienced kiwifruit grower directors combined with the strong commercial and international trade expertise of the rest of the team provides the ideal platform for KNZ to perform its role well.

This year we farewell Peter Ombler from the KNZ Board. Peter is well-known and respected throughout the industry and has been a sage and valuable contributor to the KNZ Board. He will certainly be missed. Happily, we are hoping to attract another strong industry candidate to the KNZ Board for this current election.

Thank you to the many stakeholders I have met for your time and dedication, and to the KNZ Board and team for your wisdom and mahi. I look forward to the next 12 months.

# Chief Executive's Report



Geoff Morgan

The 2024 season brought welcome relief to the kiwifruit industry following two challenging years in 2022 and 2023. Record volumes and excellent fruit quality contributed to strong financial returns for growers.

KNZ's core responsibility—to monitor and enforce the Regulations—remains unchanged year to year. However, high fruit volumes can place pressure on the industry, prompting adjustments in KNZ's monitoring priorities.

One key regulation is the non-discrimination rule, which requires Zespri to purchase fruit from all growers and post-harvest operators on equal terms. KNZ monitors the equitable draw-down system, ensuring Zespri places orders fairly across operators, during both Kiwistart and main pack periods, based on capacity and crop share. In 2024, KNZ monitored this system weekly and maintained regular contact with Zespri and post-harvest operators. The system functioned effectively, with no issues reported.

A significant event in 2024 was the Producer Vote held by Zespri to authorise the expansion of its Zespri Global Supply (ZGS) operations in Europe. KNZ's role in producer votes is to ensure growers are "informed" about the activities Zespri wishes to undertake and that the vote meets the required 75% support threshold from those voting.

Zespri conducted extensive grower meetings and presentations. KNZ reviewed all communications and publications to ensure information was accurate and balanced. The vote passed with 90% support. KNZ has since activated a monitoring plan requiring regular reporting from Zespri to ensure compliance with commitments made during the vote, including adherence to hectare limits and approved countries listed in the ZGS plan.

KNZ also monitored trade activities and negotiations in India throughout 2024 and into 2025. New Zealand is progressing with Free Trade Agreement (FTA) negotiations, which include a kiwifruit initiative aimed at reducing India's 30% import tariff.

Zespri has been actively involved in these efforts. KNZ recognises the strategic importance of this trade opportunity and is working with Zespri to ensure its activities remain within the core business definitions outlined in this report (see page 9).

KNZ works closely with Zespri on its R&D programmes. While "R&D relating to kiwifruit" is a broad definition, it is essential that R&D outcomes align with the core business definitions—specifically, the marketing and market development of New Zealand-grown kiwifruit—or reflect the results of previous producer votes (e.g., ZGS and PVR ownership). This ensures that R&D benefits accrue to New Zealand growers rather than commercial entities.

Collaborative Marketing had a successful year in 2024, with over 5 million trays exported and strong returns. Additionally, Kiwiberry regained access to the Chinese market for the 2025 season, with volumes and prices significantly improved compared to the previous year.

The KNZ team remains committed to engaging with growers and industry stakeholders. Our close working relationship with NZKGI continues to enhance our understanding of key industry issues and supports effective regulatory oversight.

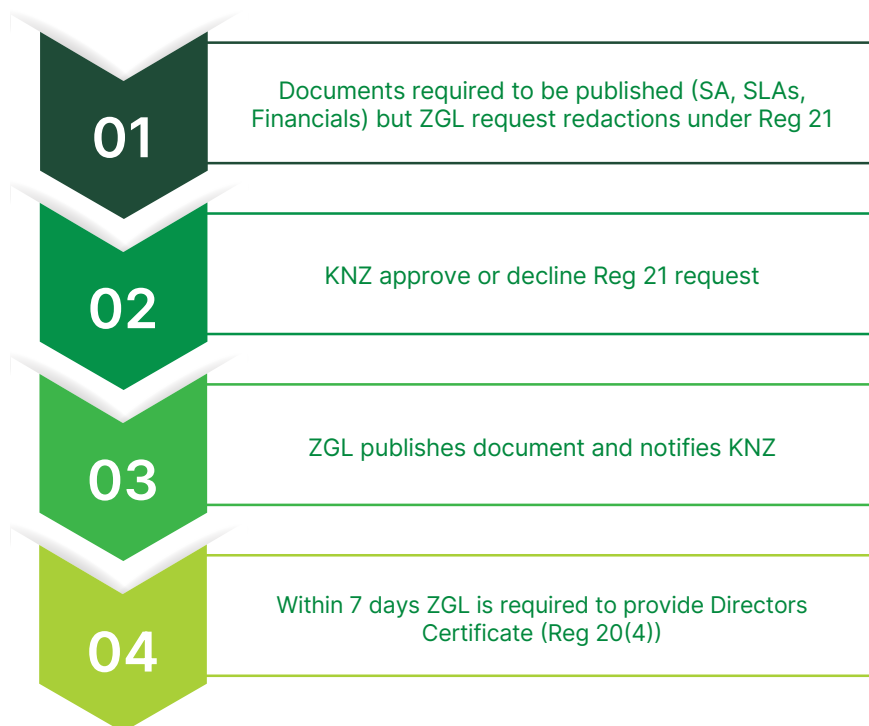
# Information Disclosure

Information Disclosure is one of the primary mitigation measures set out in Part 3 of the Kiwifruit Export Regulations 1999.

Part 3 Information Disclosure sets out obligations for Zespri and the KNZ Board to disclose certain information, including financial statements, kiwifruit purchase conditions and collaborative marketing. This part of the Regulations is the most prescriptive, and it's KNZ's role to ensure full compliance.

Zespri is required to publicly disclose its kiwifruit purchase conditions 1 month before coming into effect or as soon as practicable, and no later than coming into effect. Zespri's purchase terms and conditions have evolved and increased over the years to ensure Zespri's kiwifruit quality is maintained to the highest standard and protects the Zespri brand. As a result of the increase in documentation required to be publicly disclosed, Zespri has put in place new systems and processes to ensure full compliance with the Regulations concerning its information disclosure requirements.

KNZ and Zespri have agreed timeframes and processes for redaction requests under Regulation 21, to ensure that Zespri are able to publish documents in a timely manner and ensure the industry is kept up to date with any in-season changes.



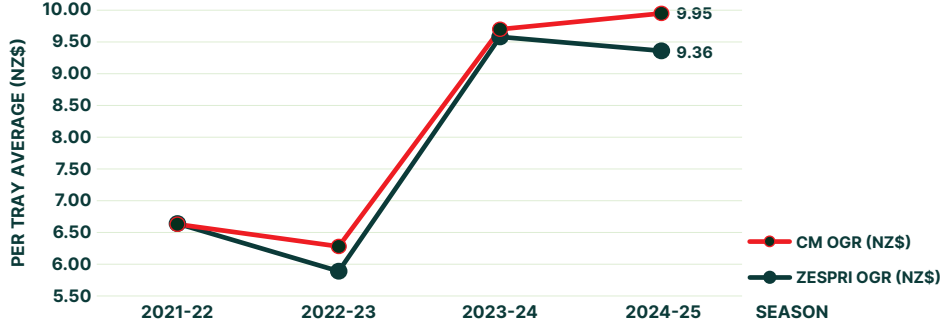
1 April 2024 to 31 March 2025

KNZ Function	Relevant Regulation	KNZ Actions
To authorise the export of kiwifruit by Zespri (except to Australia).	Regulations 4, 5, 6, 7, 33(1)(a) and 42(2)	Reviewed and reissued the Export Authorisation. Monitored all kiwifruit exported from NZ in conjunction with NZ Customs
To monitor and enforce the point of acquisition of title to kiwifruit at FOBS	Regulations 5(c) and 33(1)(b)	Annual Supply Agreement, Additional Documentation and Service Level Agreements were reviewed and monitored.
To monitor and enforce the terms and conditions of Zespri's export authorisation	Regulation 33(1)(b)	Monthly reports from and regular meetings with Zespri, information received as per monitoring plans and agreed reporting, plus specific requests for information.
To monitor and enforce the non-discrimination rule	Regulations 9 and 33(1)(b)	Compliance monitored and an assessment of one complaint was undertaken.
To monitor and enforce the prior notice rule	Regulations 10(a) and 33(1)(b)	Compliance monitored but no prior notices received by KNZ.
To monitor and enforce the non-diversification rule	Regulations 11 and 33(b)(1)	Compliance monitored. KNZ initiated an investigation. Past Producer Vote outcomes.
To monitor and enforce the information disclosure requirements	Regulations 12 to 14 and 33(1)(b)	Compliance monitored.
To monitor and enforce the collaborative marketing requirements	Part 4 and Regulation 33(1)(b)	Compliance monitored and annual review of process completed.
To consider requests for exemption from ZGL from the information disclosure requirements	Regulation 21	Considered Zespri's requests and exempted information where Regulation 21(1) and/or (2) were satisfied

KIWIFRUIT – 2024-25

5.1m CM TRAY EXPORTS

OGR COMPARISON BETWEEN CM & ZESPRI



KIWIFRUIT CM APPLICATIONS COMPARISON

2024-2025		2023-2024	
APPLICATIONS RECEIVED	25	APPLICATIONS RECEIVED	24
APPLICATIONS APPROVED	25	APPLICATIONS APPROVED	24
APPLICATIONS DECLINED	0	APPLICATIONS DECLINED	0

KIWIBERRY - 2025

NET RETURN PER TRAY

\$34.47

(up 8.4%)  
(excluding Australia)

TOTAL CM TRAY EXPORTS

115,610

(up 36.2%)  
(excluding Australia)

# 2024-25 Collaborative Marketing Season Results

- The purpose of collaborative marketing is to increase the overall wealth of New Zealand kiwifruit suppliers
- Kiwifruit collaborative marketing volumes and returns for the last ten years are as follows:

Season	Volume (millions of trays)	Market Return <sup>1</sup> (NZD millions)	TFSP <sup>2</sup> (NZD millions)	Estimated OGR <sup>3</sup> (NZD millions)
2015	1.5	14.2	13.6	8.5
2016	2.7	22.4	21.6	11.7
2017	2.3	19.8	18.9	12.7
2018	3.16	25.4	23.9	13.5
2019	2.9	28.6	27.7	19.7
2020	3.5	36.3	34.7	26.3
2021	4.1	40.1	38.9	27.3
2022	2.8	27.8	28.8	17.7
2023	3.1	42.6	42.7	30.5
2024-25	5.1	68.2	65.7	44.5

Each year a benchmarking exercise is carried out between the kiwifruit collaborative marketing programmes and similar Zespri programmes, on a comparable basis for region, country, market and time.

The results of the benchmarking averaged across all programmes for fruit return is as follows:

Season	CM TFSP Return per TE	Zespri TFSP per TE	CM OGR Return per TE	Zespri OGR per TE
2015	9.22	8.88	5.73	5.42
2016	7.86	7.00	4.26	3.89
2017	8.34	8.71	5.58	5.86
2018	7.70	7.30	4.35	4.15
2019	9.65	9.56	6.86	6.73
2020	9.99	10.05	7.23	7.14
2021	9.45	10.25	6.63	6.64
2022	10.20	9.47	6.28	5.89
2023	13.56	13.23	9.70	9.58
2024-25	13.53	12.99	9.95	9.36

<sup>1</sup> "Market Return" is what is returned to the Grower Pools at "Free on Board" after all in market costs, including freight, insurance, promotional expenditure, in market commissions, and before service costs, service level agreement and onshore costs, service charges and fruit incentives.

<sup>2</sup> "Fruit Return" or Total Fruit and Service Payments ("TFSP") is the Market Return less all commissions, supply costs including costs in respect of service level agreements, onshore direct costs, and the Zespri administration charge, but before service charges, fruit incentives and postharvest costs.

<sup>3</sup> "OGR" is the return to growers at orchard gate after deduction of all downstream packing, distribution and marketing costs.

<sup>4</sup> Benchmarking is the financial assessment made as defined by Regulation 15(c) and reported on our website [www.knz.co.nz](http://www.knz.co.nz)



**Regulation 9    Duty not to discriminate unjustifiably**

*ZGL, and its directors and managers, must not unjustifiably discriminate among suppliers and potential suppliers in respect of –*

- a) a decision on whether to purchase kiwifruit; or*
- b) the terms of the purchase contract.*

**Regulation 10    Justifiable discrimination**

- 1) Discrimination (or the extent of the discrimination) is justifiable if it is on commercial grounds.*
- 2) A commercial ground includes, but is not limited to, matters relating to product features, quality, quantity, timing, location, risk, or potential returns.*

The Regulations give Zespri the status of the single buyer of export kiwifruit (other than to Australia). This means all kiwifruit producers in New Zealand can only sell to:

- 1. the New Zealand local market,
- 2. for export to Australia,
- 3. to Zespri for all other world markets.

The non-discrimination rule seeks to protect all growers and suppliers to ensure all individuals and companies are treated equally, and Zespri provide the same terms and conditions to all suppliers. However, under Regulation 10, discrimination can occur where it is justified on commercial grounds, and that regulation provides some examples of what a commercial ground is.

KNZ monitors Zespri's activities to ensure compliance with the non-discrimination rule. These monitoring activities include reviewing all Zespri's purchase terms and conditions and establishing monitoring plans where necessary to ensure regular reporting is received from Zespri on particular issues.

In addition to regular monitoring, KNZ receives a number of enquiries from growers and suppliers regarding potential discrimination. In all cases, KNZ considers the facts determines if KNZ has jurisdiction under the Regulations and then follows the enforcement regime set out in the Export Authorisation.

# Non-Diversification & Core Business

The Kiwifruit Export Regulations 1999 ('Regulations') prohibit Zespri from carrying out any activities that are not 'core business' unless those activities 'supports the core business' (as defined in Regulation 10A), or are approved by a producer vote under Regulation 11.

Core business is defined in the Regulations as:

"core business—

- (a) means the purchase of New Zealand-grown kiwifruit for export where the point of acquisition of title to fruit is at FOBS and the export of that fruit:
- (ab) includes the following activities:
  - (i) the marketing of New Zealand-grown kiwifruit; and
  - (ii) market development for New Zealand-grown kiwifruit; and
  - (iii) research and development relating to kiwifruit:
- (b) excludes the export at FOBS of kiwifruit for consumption in Australia:
- (c) excludes the sale of kiwifruit in New Zealand"

**Research and development** relating to kiwifruit is not limited to New Zealand grown kiwifruit, so R&D can be undertaken in New Zealand and offshore. Zespri has a large research and development budget that funds the Zespri Innovation Fund, the Kiwifruit Breeding Centre (a joint venture with Plant & Food Research), and sustainability projects. Zespri and the Kiwifruit Breeding Centre have a world class programme that is producing new kiwifruit varieties and researching growing practices.

In 2019, Zespri sought support from the industry to own plant variety rights (PVR) so it could continue to invest with confidence. Upon the success of the 2019 Producer Vote, it has heavily invested in the new cultivar programme. KNZ expects to see new PVRs being released by Zespri in the future. KNZ's role will be to ensure that the commercialisation of a new PVR is in line with the 2019 Producer Vote material.



# Statement of Financial Performance

Revenue	2024-25	2023-24	2022-23
Funding from Zespri Group	703,770	633,625	659,616
Funding from Zespri Corporate (Cost Recovery)	0	35,813	0
Funding from Collaborative Marketing Fees	328,474	322,147	323,377
Other Revenue	50		
<b>Total Revenue</b>	<b>1,032,295</b>	<b>991,585</b>	<b>982,993</b>

Expenses	2024-25	2023-24	2022-23
Board Expenses	220,741	217,230	189,263
Executive Expenses	294,648	282,401	272,171
Collaborative Marketing Expenses	391,348	390,325	381,546
Other Expenses – Operations	48,258	29,706	78,480
Other Expenses – Overheads	77,300	71,923	61,534
<b>Total Expenses</b>	<b>1,032,295</b>	<b>991,585</b>	<b>982,993</b>

<b>Surplus before tax</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Income Tax Expense</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus/(Deficit) for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>

KNZ is funded on a cost-recovery basis and does not make a profit. All funding is from Zespri and Collaborative Marketing applicants, and KNZ applies the following principles to its financial management; equity, efficiency, justifiability and transparency.

Total costs each year are dictated by necessary monitoring activity, enforcement events and Collaborative Marketing applications, which will vary from year to year. However, KNZ strives to control costs wherever possible and achieve productivity gains through the continuous improvement of systems and processes.

A copy of Kiwifruit New Zealand's audited accounts is available on our website [www.knz.co.nz](http://www.knz.co.nz)

# Auditor's Report



17 June 2025

Kiwifruit New Zealand  
PO Box 4683  
Mount Maunganui South, 3149

Dear Board of Directors

We have pleasure in presenting our Audit Completion Report for our audit of Kiwifruit New Zealand's financial statements for the year ended 31 March 2025.

We set out the findings of our audit work for that year in the report attached to this letter.

We take this opportunity to express our appreciation for the assistance and co-operation provided during the audit.

The primary aim of our audit is to form an opinion as to whether your financial statements fairly reflect the results of your organisation's activities for the reporting period and its financial position at balance date. The audit report expresses this opinion.

We would like to emphasise that our audit work involves the review of only those systems and controls in your organisation upon which we rely on for audit purposes. Our examination may not have identified, and should not be relied upon to identify, all control weaknesses that may exist.

We have received full and frank cooperation throughout our audit.  
There is nothing we wish to raise solely with the Board.

Yours faithfully,  
**BDO Tauranga**

A handwritten signature in blue ink that reads 'Donna Taylor'.

**Donna Taylor**  
**Partner**  
Audit & Assurance Services

Email: [donna.taylor@bdo.co.nz](mailto:donna.taylor@bdo.co.nz)

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Audit Completion Report

# KNZ Board & Executive

## KNZ BOARD



From Top Left: Sarah Paterson, Colin Olesen, Jacqui Caine  
From Bottom Left: Peter Ombler, Samantha Sharif, Neil Trebilco

## KNZ EXECUTIVE



**Geoff Morgan**  
Chief Executive



**Nicole Royackers**  
Senior Legal Counsel



**Amy Te Whetu**  
Executive Assistant

## Contact details

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