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## Quality Assurance Programmes in Kiwifruit Production

### The changing definitions of quality

New Zealand's kiwifruit sector has a history of successful responses to evolving consumer demands in major export markets. For example, in the early 1990s the KiwiGreen programme was introduced as a means to distinguish New Zealand's kiwifruit on the basis of the controlled application of chemical sprays in the orchard and the avoidance of chemical residues on the fruit. ZESPRI also introduced payment schedules rewarding orchardists who grew fruit to meet the size and timing preferences of targeted markets. More recently, increasing consumer awareness of the environmental and social impacts of food production led to an active engagement with the EurepGAP (now GlobalGAP) audit scheme initiated by European retailers; and complaints about the consistency of kiwifruit taste has elicited new pricing schedules (Taste ZESPRI) that reward high dry matter content in kiwifruit. These actions appear to have assuaged the concerns of both consumers and retailers. The orchardists, however, often associate these programmes with constraints on the viability of kiwifruit orcharding. The analysis of the response of the ARGOS kiwifruit orchardists to these quality assurance programmes discussed in this Research Note provides insight to both features that they find objectionable as well as characteristics that contribute to improved compliance with such measures.<sup>1</sup>

### Acceptability of quality regulations

Increasing attention to regulations promoting intangible qualities (including both the social and environmental impacts of management practices) as well as tangible ones (e.g., taste, appearance, etc.) is a common feature of all agriculture sectors. In the New Zealand kiwifruit

sector, for example, orchardists are very aware of the international quality status of their product associated with KiwiGreen and other programmes and the importance of these to the sector's viability. Despite such awareness, many of the orchardists interviewed openly challenged the more recent measures on the basis of their fairness and validity. In discussing the role of EurepGAP and Taste ZESPRI as potential challenges to existing management practice, the extent to which orchardists considered the regulations to be acceptable reflected their perspectives on several features of the programmes:

- their own willingness to include the increased paperwork in their shared understandings of "good farming";
- the level of local/domestic control over and benefit from regulation;
- the value of the intended outcomes of the regulation (and the association between practice and outcome);
- an identifiable reward for compliance, which may include both financial returns and social status.

Typical complaints by orchardists about the measures include:

[They] make rules because one or two do something stupid and everyone else pays for it. Everyone gets on the band wagon and creates these screeds and screeds of stuff and makes it necessary to do this and that and attend educational courses and all the rest of it ...

*Organic*

It's the Europeans that control it. And it's just basically ZESPRI 'sucking up' to the Europeans. [...] And that's going to piss the growers off, you know.

*Gold<sup>2</sup>*

I am struggling to see what EurepGAP could add to the industry. It is purely a means of covering the supermarkets or the retailers for court cases and liable cases.

*Gold*

### **Seeing the value of the programmes**

It is evident from the interviews that some orchardists found the new quality assurance programmes to be more compatible with their existing management approaches than did others. The facility with which an orchardist is able to successfully engage with either measure reflected their appreciation of the potential benefits of regulation (for the sector and themselves) as well as their ability to develop strategies for effectively managing associated constraints. This suggests that regulations designed to promote product qualities require orchardists to reconcile their own capabilities and sense of independence with the efforts of retailers, consumers and ZESPRI to designate appropriate on-farm practice.

Representative responses of orchardists with a more positive perception of EurepGAP and Taste ZESPRI include:

... [EurepGAP] is good because we've got to keep our product at a high standard. We're getting far more competition. The Chilean fruit ... they used to not be such a big competition, but they're getting right up there. Their standards are growing too.

*Organic*

We have to produce better tasting fruit. It's the way the industry should be going. [...] And, if we can't produce good tasting fruit, then we won't be able to sell it. It's the future of the industry.

*Green*

I let my sister organise all the EurepGAP [paperwork]. I've given it all to her and my brother-in-law. I think some of the regulations are a bit pedantic... I choose all the best jobs.

*Green*

### **Successfully raising the bar, again**

The ability to maintain the high quality status of New Zealand kiwifruit in global markets is increasingly determined by definitions of good practice and fruit quality established by retailers and consumers. For the orchardists, this situation foretells an evolving series of measures intended to assure both retailers and consumers that desired characteristics are embodied in the fruit. Where the intent is to promote 'best

practice' in accordance with growing consumer awareness of social and environmental impacts, audit schemes such as EurepGAP are likely to increase the documentation involved in kiwifruit production. By comparison, programmes that attempt to improve tangible fruit qualities will be subject to changes in taste preferences, the capacity to measure the fruit's chemical composition and understandings of vine management. The concentration of retail power in the major export markets further strengthens the reliance on audit schemes as the large corporate entities realise the advantages of shifting responsibility for supplying healthy, safe and sustainable food to the producers.

Analysis of the interviews with orchardists in the ARGOS research programme indicates two aspects of successful quality promotion programmes within New Zealand's kiwifruit sector. First, and to the extent possible, they should be designed such that all stake-holders (from orchardists to consumers) believe that their position is respected, that the regulated practices are seen to achieve the desired outcomes and that the rewards of an improved product are both obvious and equitably distributed. Second, orchardists will need to develop a greater capacity to accept demands for regulation of their management practices and view these as positive targets for improving the quality of their product.

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<sup>1</sup>Data for the analysis is taken from interviews conducted with 36 kiwifruit orchardists from November to December 2005 that focused on management constraints. A more detailed analysis of this topic is available in ARGOS Research Report 07/06 ([www.argos.org.nz](http://www.argos.org.nz)).

<sup>2</sup>These signifiers are used to identify the citations according to the panel membership (Green, Organic Green or Gold) of the speaker.

This Research Note by **Chris Rosin**

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For further information, please contact:

Martin Emanuelsson, Programme Manager  
The AgriBusiness Group, PO Box 4354,  
Christchurch.  
Phone: 03 365 6808  
Email: [martin@agribusinessgroup.com](mailto:martin@agribusinessgroup.com)