

The potential for a mango or papaya industry in Te Tai Tokerau-Northland

At present, New Zealand is almost entirely reliant on imported mango and papaya. For Te Tai Tokerau-Northland producers, the question is to what extent these crops can shift from small-scale production to commercial reality.

WHY CONSIDER MANGO OR PAPAYA?

- A warming climate means that it is becoming more feasible to grow sub-tropical crops in Te Tai Tokerau-Northland.
- Consumers are becoming increasingly health focused, and demand for sustainable produce is rising.
- Consumer demand for locally grown, provenance-based produce continues to increase.

SIZE OF MANGO AND PAPAYA INDUSTRIES IN NZ

Currently, New Zealand is almost entirely dependant on imported mango and papaya. There is an emerging opportunity for domestic producers to capture a share of the \$11 million+ NZ mango market or \$2 million+ papaya market.



FY24	IMPORT QUANTITY	INDUSTRY SIZE
MANGO	2,245 tonnes	\$11.5 million
PAPAYA	698 tonnes	\$2.1 million

The key challenges and opportunities for mango or papaya growers in Te Tai Tokerau-Northland, include:

KEY OPPORTUNITIES



Branding and provenance

Crops grown in Te Tai Tokerau-Northland can attract a premium price by promoting sustainability, freshness, and local provenance.



High-value ingredients

Mango and papaya are being increasingly used as inputs into value-add products, such as health supplements and skincare formulations. This allows growers to diversify their income streams.



Locally sourced

Premium food outlets are enthusiastic about supplying locally grown tropical fruit to meet consumer demand, helping to generate a reliable domestic market channel.



Consumer preferences

Papaya's high vitamin content, digestive enzymes, and antioxidant properties align with growing consumer interest in functional foods, and natural health solutions.



Unique cultivars and competitive advantage

Sub-tropical crops grown in Te Tai Tokerau-Northland's cooler climate have a longer maturation period, which may result in richer flavour, sweetness, and a superior nutritional value compared to imported fruit.



Stepped extraction

Papaya, in particular, enables diversified income as the crops fruit, skin, seeds, and leaves can all be utilised.

KEY CHALLENGES



High capital costs

Mango and papaya growing requires the installation of covered cropping systems, which may not be financially achievable for small-scale growers.



Price competition

Imported crops are cheaper, meaning local growers must rely on niche markets where consumers are willing to pay a premium.



Labour constraints

Labour availability in remote areas, and the scarcity of skilled subtropical crop horticulturists based in Te Tai Tokerau-Northland, remains a challenge for the industry.



Limited crop processing infrastructure

Although mango and papaya crops offer high potential for value-add production, there are no regionally accessible facilities for drying, pulping, or packaging at scale.



Cultivar selection

Breeding mango or papaya cultivars that are climate resilient and are developed for optimal taste and yield is challenging.



Investment in R&D

Research and development regarding value-add product opportunities is underfunded and siloed.

To assess the economic potential for either a mango or papaya industry in Te Tai Tokerau-Northland, two hypothetical market scenarios were developed under the assumption of 20 hectares of land available:



SCENARIO 1: MANGO INDUSTRY



SCENARIO: 80% FRESH FRUIT, 10% VALUE-ADD (FREEZE-DRIED), 10% CROP LOSS.

Revenue (fresh fruit): 112 tonnes sold at \$3.50 per kg **\$390K**

Operating expenses (fresh fruit) **\$380K**

Revenue (value-add): 14 tonnes **\$52K**

Operating expenses (value-add) **\$24K**

Total industry revenue \$442K

Total industry operating expenses \$405K

INDICATIVE INDUSTRY RETURN \$39K

KEY MARKET INSIGHTS:

- Relatively low yields per hectare make it difficult to justify land use and upfront capital costs.
- Mango based value-added products exist, but do not have the same commercial and export potential as the value-added products of other crops.
- While a market exists where consumers will be willing to pay a premium for locally grown mangoes, demand is confined to a niche market.



SCENARIO 2: PAPAYA INDUSTRY



SCENARIO: 30% FRESH FRUIT, 60% VALUE-ADD (FREEZE-DRIED), 10% CROP LOSS.

Revenue (fresh fruit): 240 tonnes sold at \$5 per kg **\$1.2M**

Operating expenses (fresh fruit) **\$263K**

Revenue (value-add): 480 tonnes **\$1.5M**

Operating expenses (value-add) **\$1.1M**

Total industry revenue \$2.7M

Total industry operating expenses \$1.4M

INDICATIVE INDUSTRY RETURN \$1.3M

KEY MARKET INSIGHTS:

- Delivers high yields and efficient land use, supporting strong margins.
- Offers multiple usable components (e.g. seeds, pulp, skin) with strong potential for high-value commercial products, justifying premium sale price.
- Product is aligned with rising demand for health-focused products, supporting broader market appeal.

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