

Updated orchard return comparison confirms higher gross surplus from cider apple orchards

Based on 2025 forecast MPI model orchard data and CANZ estimates:

A cider apple orchard would achieve a gross surplus of **\$41,714 per hectare**.

An export apple orchard would achieve a gross surplus of **\$24,734 per hectare**.

MPI Model Orchard Data (2025 Forecast)				CANZ Model Forecast			
	Export Apples Forecast 25		Notes	Cider Apples Estimated		Notes	
	PER	PER		PER	PER		
	PLANTED	Kg		PLANTED	Kg		
	HA			HA			
Production Average	61,002			80,000			
Export Recovery	78.2%			100%			
Total Export Average	47,704			80,000		1	
Total Orchard Returns FAS	\$117,584		2	\$75,200		2	
TCEAv	\$44.37			16.92			
On-orchard expenses							
Orchard management	\$3,000	0.06		\$3,000	0.04		
Hand harvesting	\$11,285	0.24		\$7,500	0.09		
Pruning	\$5,200	0.11		\$2,500	0.03		
Hand thinning	\$6,100	0.13		\$2,650	0.03		
Other wages	\$7,700	0.16		\$3,300	0.04		
ACC- employees	\$240	0.01		\$200	0.00		
Total labour expenses	\$33,525	0.70		\$19,150	0.24		
Disease, weed & pest control products	\$5,370	0.11		\$3,000	0.04		
Pollination	\$180	0.00		\$180	0.00		
Fertiliser and lime	\$320	0.01		\$320	0.00		
Electricity	\$400	0.01		\$400	0.01		
Vehicle	\$930	0.02		\$930	0.01		
Fuel	\$940	0.02		\$940	0.01		
Repairs and maintenance	\$2,700	0.06		\$2,500	0.03		
Orchard redevelopment (expensed)	\$0	0.00		\$0	0.00		
General expenses	\$1,340	0.03		\$1,340	0.02		
Contract machine work	\$200	0.00		\$200	0.00		
Total other orchard expenses	\$12,380	0.26		\$9,810	0.12		
Rates and local government environmental complia	\$770	0.02		\$770	0.01		
General insurance	\$700	0.01		\$700	0.01		
Crop insurance	\$0	0.00		\$0	0.00		
Communications and orchard management system	\$250	0.01		\$250	0.00		
Accountancy	\$270	0.01		\$270	0.00		
Legal and consultancy	\$350	0.01		\$350	0.00		
Other administration	\$1,000	0.02		\$1,000	0.01		
Total overhead expenses	\$3,340	0.07		\$3,340	0.04		
TOTAL ON-ORCHARD WORKING EXPENSES (to orchard gate)	\$51,295	1.03		\$32,300	0.40		
Post-harvest expenses							
Packing and bin cool storage	\$17,964	0.38		\$0	0.00		
Packaging	\$14,132	0.30		\$0	0.00		
Cool storage and freight (coolstore to port)	\$7,530	0.16		\$0	0.00		
Freight (orchard to packhouse or process facility)	\$1,186	0.02		\$1,186	0.01		
Levies	\$743	0.02		\$0	0.00		
Total post-harvest expenses	\$41,555	0.87		\$1,186	0.01		
TOTAL WORKING EXPENSES (to modified FAS)	\$92,850	1.90		\$33,486	0.42		
Gross Surplus (pre depn)	\$24,734			\$41,714			
Notes	1 Data from MPI model 2 Royalties/Fees taken after FAS (not transparent)			Notes	1 Based on a return of \$1.0 per kilo 2 After Royalties		

Roadmap Assumptions

\$1 Billion NZ cider exports by 2039 assumptions

- Average export price \$8 per litre
- 125 million litres of cider (\$1billion/\$8 per litre)
- 179 million kg of cider apples (70% juice yield)
- 2,232 hectares cider orchards (80 tonne per hectare)
- 4.5 million cider apple trees (2,000 trees per hectare)
- Average cider apple sales price \$1 per kg (from Roadmap)



The Next Sauvignon Blanc?

NZ Wine exports peaked at 300 million litres per year.

Premium Cider Roadmap targeting 125 million litres in 15 years

