

BUSINESS OPPORTUNITIES BETWEEN MĀORI & THAILAND'S BIO-CIRCULAR-GREEN ECONOMY

A JOINT STUDY TO LOOK AT THE POTENTIAL

Dr Vivienne Hunt and Wayne Mulligan

April 21, 2023



Southeast Asia
Centre of
Asia-Pacific Excellence



Key Points

1. Research Context
2. Methodology
3. Key learnings from the Research
 - Māori Economy Overview
 - Māori business case studies
 - BCG Economy Transformation examples
4. Collaboration Potential: Māori and Thai Businesses
 - Next steps



Executive Summary

- The characteristics of the Māori economy are highlighted by this report demonstrating a growing section of Aotearoa New Zealand
- Examples of Māori approaches to food businesses resonate with the approach being taken by Thai businesses adopting the Bio-Circular-Green Economy Model.
- Analysis of the report 'Thailand BCG Transformation, underpinned by the Sufficiency of Economy Philosophy (SEP) shows there are some fundamental similarities in social, cultural and philosophical approaches to managing business growth.
- This suggest some areas of potential collaboration that could be explored between the Thailand based businesses and Māori led organisations.

Methodology

- Primary and Secondary Research
- Stakeholder interviews with Māori business leaders
- BCG Transformation Report case studies

Data Sources



Te Ōhanga Māori: the Māori economy

Well-established, dynamic, growing
sector of the economy of Aotearoa
New Zealand

Represented by
several different
businesses, not for profit, non-
government (NGOs)
community enterprises

- Skilled workers in production and trading
- Skilled workers in iwi, hapu trusts or in an incorporation providing owner dividends, education, or contributions to retirement savings among other benefits
- Incorporation trusts or runanga enterprises operating
- Managers or trustees of an iwi or trust overseeing multi-million-dollar Enterprises
- Businesses employing others to deliver goods/service for sales in NZ and offshore
- Business and contracted entities delivering health and education services by Māori for Māori
- Unpaid members caring for their whānau, hapu, iwi or community

Māori Networks



- Tribal (iwi, hapu and whanau)
- Post Settlement Governance Entities (PSGE)
- Trusts and Incorporations
- Pan Tribal
- Small to Medium Enterprises (SMEs)
- Māori - Government and Māori - Business Groups



Figure 2: Iwi Tribes of New Zealand (NZTE)



Figure 1: Impact Indigenous (NZ Story, NZTE 2022)

Impact Indigenous - Māori

High Economic Growth
Leaders in Environmental and Social Capital
Increasing five times faster than other NZ sectors
Asset portfolio that is growing

The Māori Economy



\$17B

contributed by
the Māori
economy to
NZ GDP.¹



\$23B

of primary
sector assets
are owned by
Māori.¹



\$68.7B

is the value of
the Māori asset
base.¹

27%

of New Zealand's
Fishing quota is
owned by Māori.³

57%

of Māori
population is under
30 years old.¹

68%

of Māori are
working age.¹



98

iwi across New Zealand.²



Figure 1 (cont): Impact Indigenous (NZ Story, NZTE 2022)

\$68.7B

is the value of
the Māori
Asset Base



The asset base is spread across a range of sectors, with the primary sector, agriculture, forestry and fishing making up \$23B¹ of the Māori asset base.

\$23B

of the Māori
Assets base is the
Primary Sector



Māori are actively involved in the primary sector (agriculture, forestry, and fishing), generating revenue, employment and economic independence.¹

27%

of NZ's fishing
quota is owned
by Maori



Businesses owned by Māori have a significant stake in our seafood industry, continuing a tradition of guardianship handed down over the generations.³

26 yrs

the median
age of Māori



verses 37 years for the total New Zealand population. The Māori population is growing young and becoming more academic.²

Sources:

1. Reserve Bank of New Zealand, Te Ōhanga Māori 2018
2. Statistics New Zealand 2013 Census
3. Seafood New Zealand, 2022

Table 1: Value Added Percentage Change in the Māori Economy - 2013-2018

Sectors	2013 (\$million)	2018 \$million	% Change
Primary	1728	2400	34.7
Manufacturing & Construction	1971	3308	67.8
Other Sectors	7221	11339	57
Māori Economy Total	10975	17047	55.3
Other Enterprises	171154	230318	34.6
TOTAL*	182129	247365	35.8

*Excludes Govt Admin & Defence sector Source: BERL, 2018

Figure 7: Financial Asset Base Te Ōhanga Māori by Sector, 2018.

Source:BERL analysis

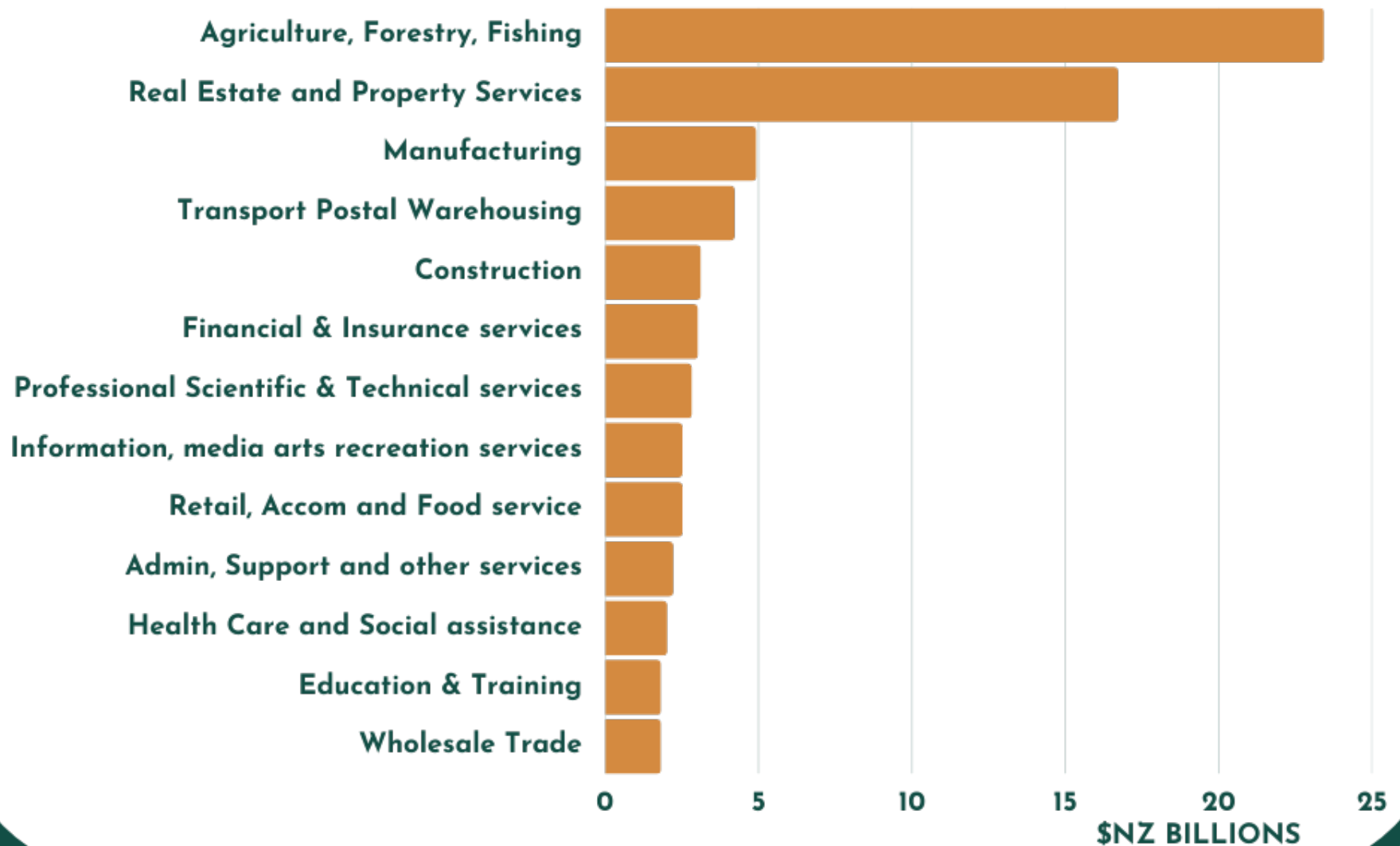


Figure 8: Māori Investment Opportunities by the Numbers: Background for Investors.



\$3.5b

Source: Statistics on Māori businesses: 2019, Statistics NZ

Total income for Māori authorities in 2018, a seven year high



\$755m

Source: Statistics on Māori businesses: 2019, Statistics NZ

Worth of goods was exported by Māori authorities in 2020



44%

Source: Analysis of Top 200 firms and top 10 Māori business; Deloitte Access Economics April 2020

Average profit margin for the top 10 Māori businesses 2014 to 2019



\$69b

Source: Te Ohānga Māori, The Māori Economy 2018, Reserve Bank of NZ

The value of the Māori asset base and Māori economy

Figure 9: Skill Composition of Māori Workforce, 2018.

Source: BERL analysis

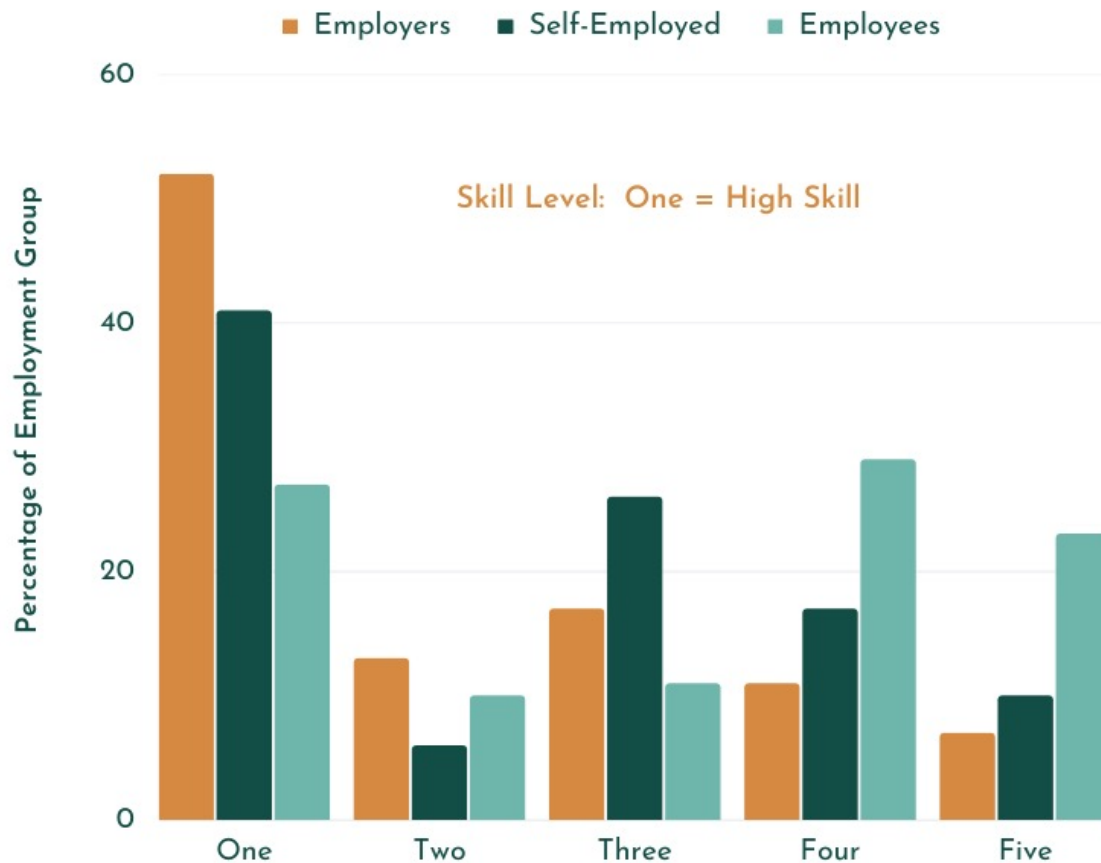
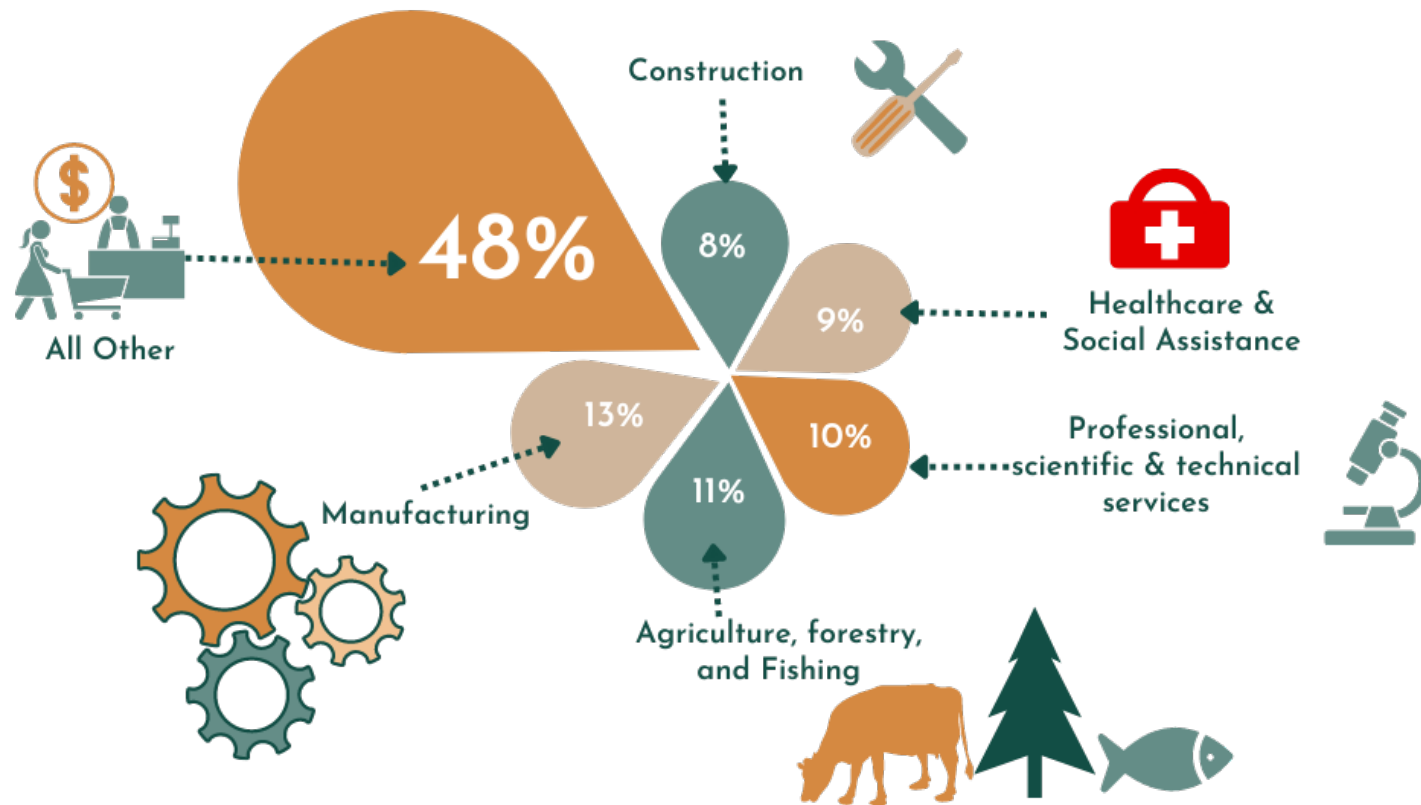
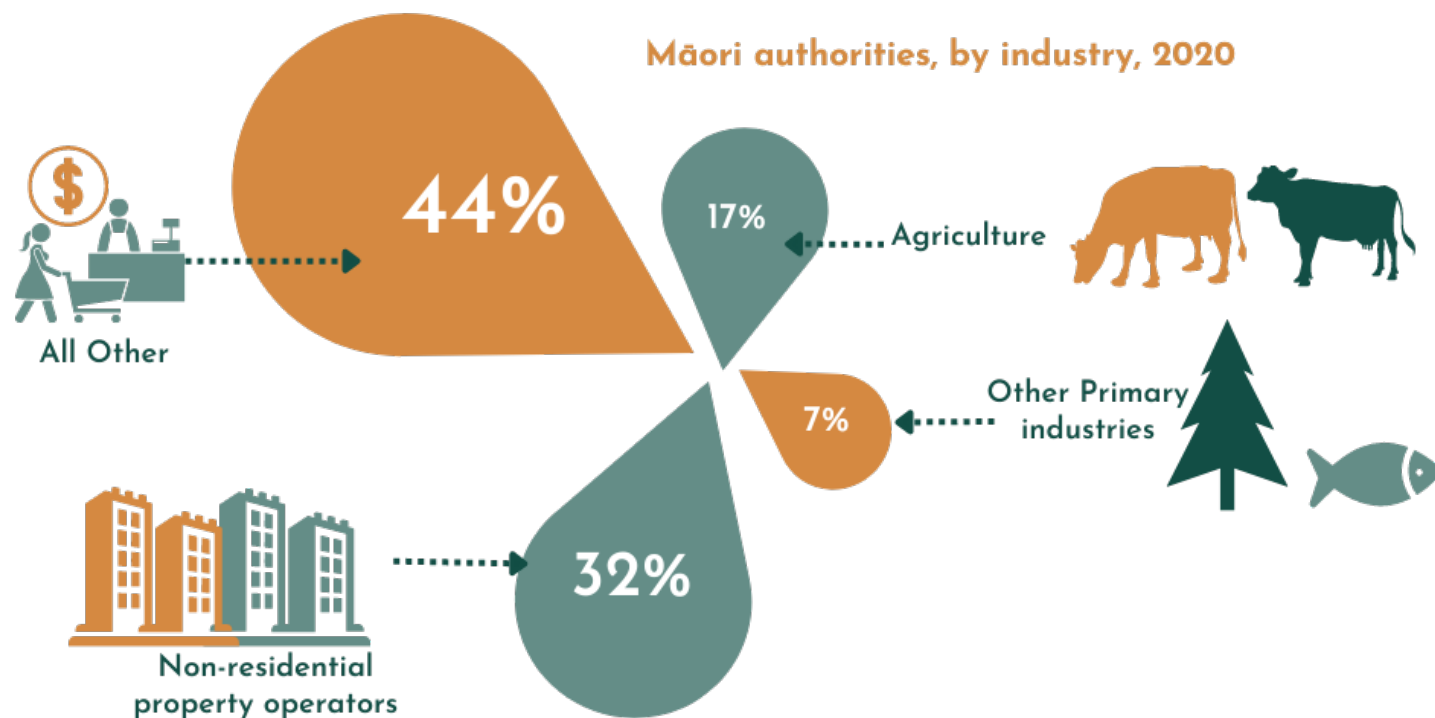


Figure 10: Māori SMEs by Industry (Statistics NZ 2020)



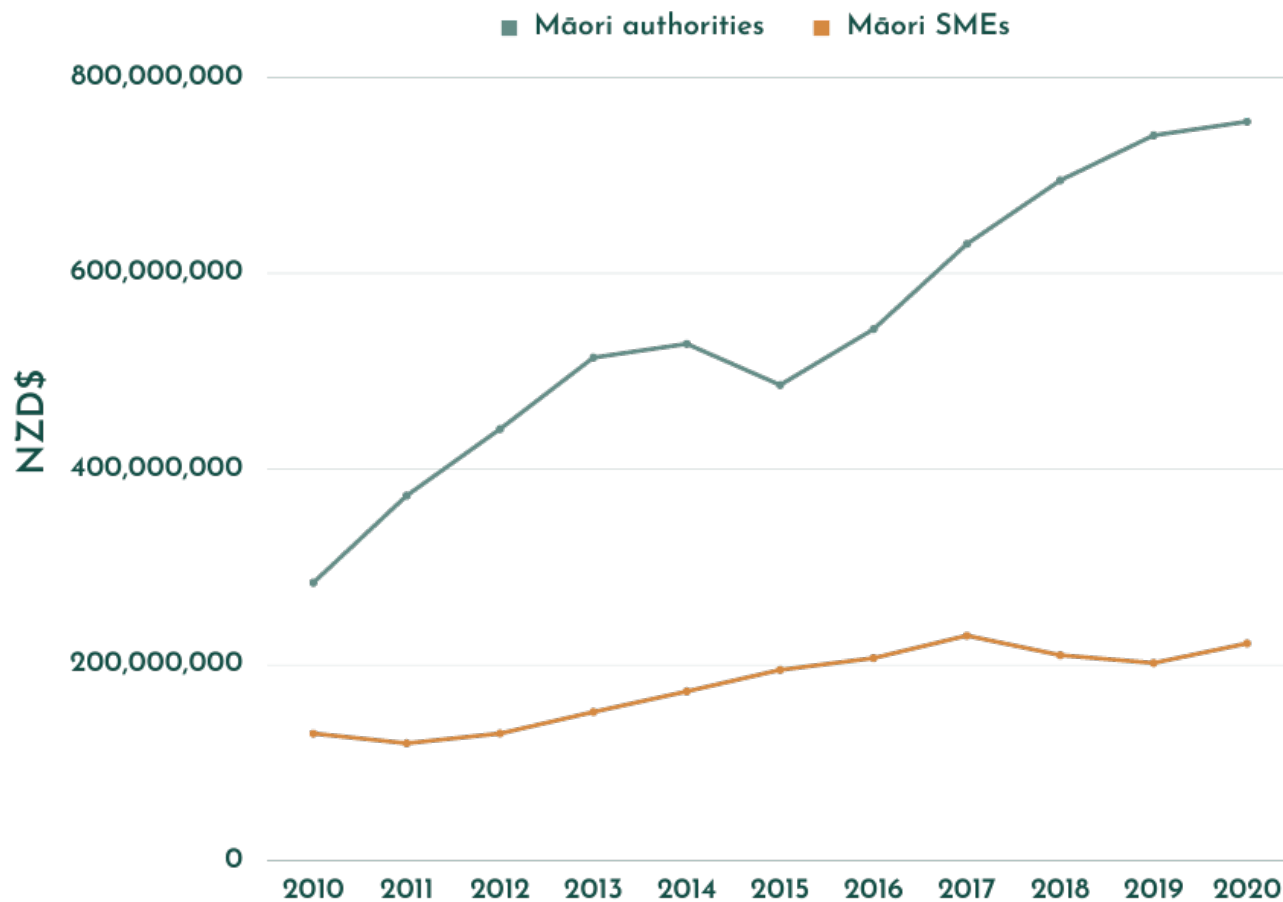
Percentages are based on rounded numbers, and may not sum to 100.

Figure 11: Structure of Māori Business (Statistics NZ 2020)



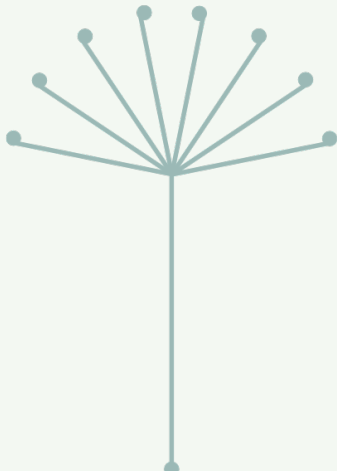
Percentages are based on rounded numbers, and may not sum to 100.

Figure 12: Value of Goods Exported by Māori Business Type (Statistics NZ 2020)



Values Based Approach to Business – Tanga

**Focus on sustainable
business**



Te Ao Māori (The Māori World View)

Kaitiakitanga (guardianship)

Tangata Whenua (people of the land)

Manaakitanga (respect, caring)

Whakawhānaungatanga (relating)

Anagenix



- Established in 2010 Anagenix has developed and trademarked two branded ingredients: Actazin/ ApuraGreen, both derived from New Zealand green kiwifruit.
- Actazin provides ingredients for digestive support as a prebiotics with a unique combination of kiwifruit nutrients and bioactives.
- They have undertaken clinical trials to demonstrate the health benefits for both Actazin and a gold kiwifruit ingredient called Livaux

Miraka



- New Zealand's first Māori-owned milk processing company and the world's first to be powered by renewable 'green' geothermal energy.
- Founded upon a Te Ao Māori world view
- Miraka has a low-carbon manufacturing footprint of 92% less carbon emissions than other traditional coal-powered factories.
- Miraka is one of New Zealand's largest Māori export businesses, +NZD \$300M - premium whole milk powder, UHT milk, frozen cream, milk concentrate and customised milk powders to 17 countries

Table 3: Trade between Thailand and NZ in 2020

(UNCOMTRADE Database, MFAT 2022)

Total Trade	(2020) \$2.94B NZD	Product Mix
New Zealand Exports to Thailand	\$869M	Dairy products; edible fruits and nuts; paper and paperboard
New Zealand Imports from Thailand	\$2.23B	Manufactured goods; Motor vehicles, plastics, tyres, air conditioners and refrigerators

Thailand's Bio-Circular Green Economy

Royal Project Foundation

- Started in 1969 by late King, this sought to improve the quality of life of the hill-tribe people restore forest and water resources. Since then, it has supported +39000 families and 288 villages in the highland through 38 centres.
- Projects have included growing red beans, coffee, wintering trees and cut flowers
- There are 4,710 projects that are part of this Royal initiative

Doi Tung Development Project (DTDP)

- Started by the late Princess Mother, in 1988 in Golden Triangle to lead change from opium cultivation to reforested areas.
- The goal of this was to help the hill communities by marketing their traditional crafts and support the education of more than 400 ethnic minority youth
- The activities of the Project have ranged from rehabilitation for opium addicts, provision of healthcare and education, to creating alternative ways to earn a livelihood.



The Sampran Model



Turned multi-storied resort into a centre of organic produce

Using the SEP approach farmers were encouraged to adopt organic farming principles

Suk Jai Market, 30 million baht/year (US\$848,000) in income for organic vendors

Farmers becoming entrepreneurs, sell direct to consumers at markets

Younger generation sell products online

PlaNeat



- PlaNeat Seafood aims to help Thai fisheries become more sustainable
- addressing issues of waste in the production chain.
- transforming the surplus seafood caught in nets
- creating new foodstuffs and..
- natural fertilizers for farmers



Figure 16 Graph showing NZ export growth to Thailand

\$NZD (UNCOMTRADE Database MFAT 2022)

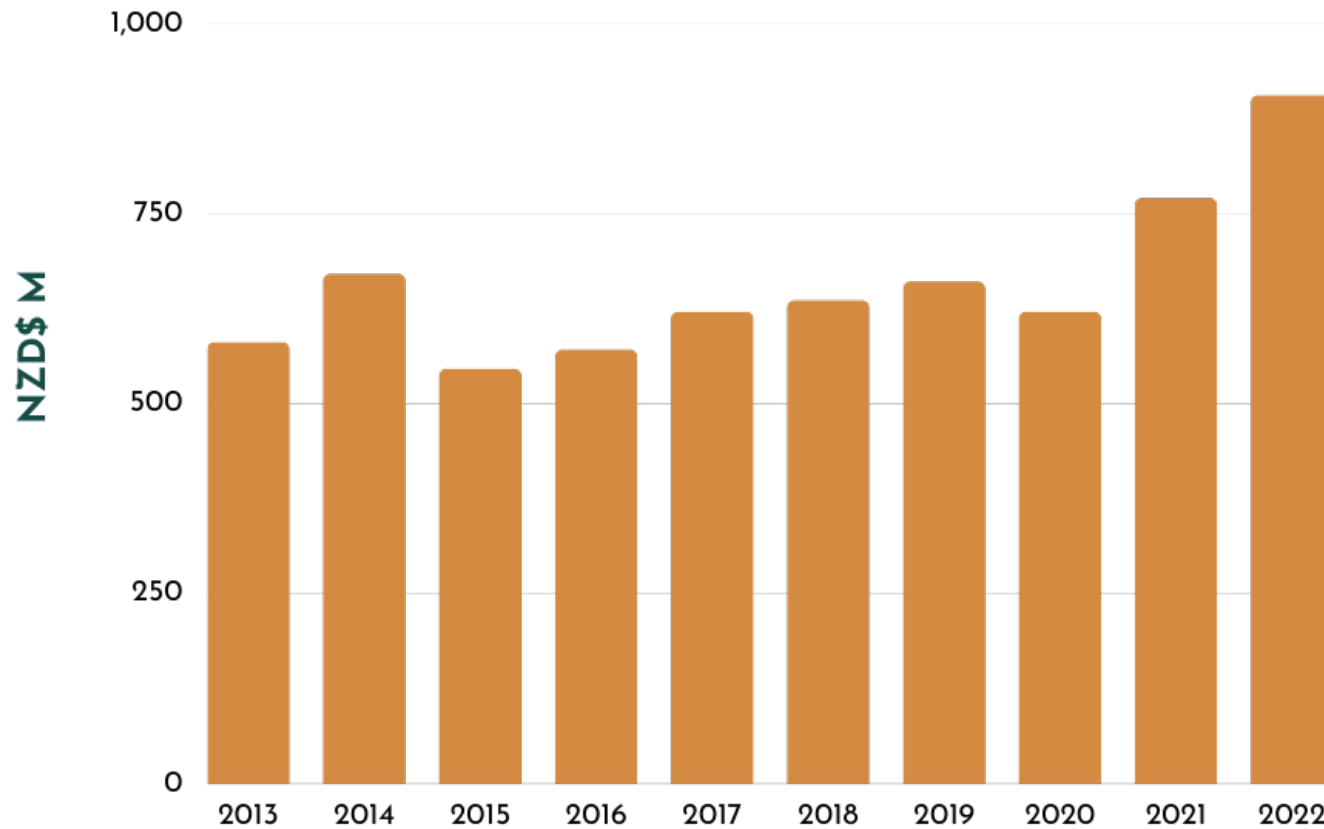


Table 3: Trade between Thailand and NZ in 2020

(UNCOMTRADE Database, MFAT 2022)

Total Trade	(2020) \$2.94B NZD	Product Mix
New Zealand Exports to Thailand	\$869M	Dairy products; edible fruits and nuts; paper and paperboard
New Zealand Imports from Thailand	\$2.23B	Manufactured goods; Motor vehicles, plastics, tyres, air conditioners and refrigerators

Table 4: Breakdown of Exports from New Zealand to Thailand
(NZD) (UNCOMTRADE Database, MFAT 2022)

New Zealand Exports to Thailand	Value NZD	Year
Dairy products, eggs, honey, edible products	\$505.64M	2022
Edible fruits, nuts, peel of citrus fruit, melons	\$49.50M	2022
Mineral fuels, oils, distillation products	\$44.37M	2022
Pulp of wood, fibrous, cellulosic material, waste	\$36.76M	2022
Albuminoids, modified starches, glues, enzymes	\$36.46M	2022
Meat and edible meat offal	\$28.31M	2022
Wood and articles of wood, wood charcoal	\$24.97M	2022
Cereal, flour, starch, milk preparations and products	\$24.94M	2022
Fish, crustaceans, molluscs, aquatic invertebrates	\$18.73M	2022
Products of animal origin	\$16.86M	2022

Opportunities

- Māori enterprises play a key role in the New Zealand fishing, aquaculture dairy and horticulture sectors.
- Opportunities to collaborate with Thai producers include:
 - managing water pollution
 - Aquatic/marine health management
 - geothermal energy
 - food for medicinal purposes
 - organic farming
- Report limited to providing examples of Māori and Thai companies working in the food/farming sectors, highlighting potential opportunities in these markets. Further work needs to be done.

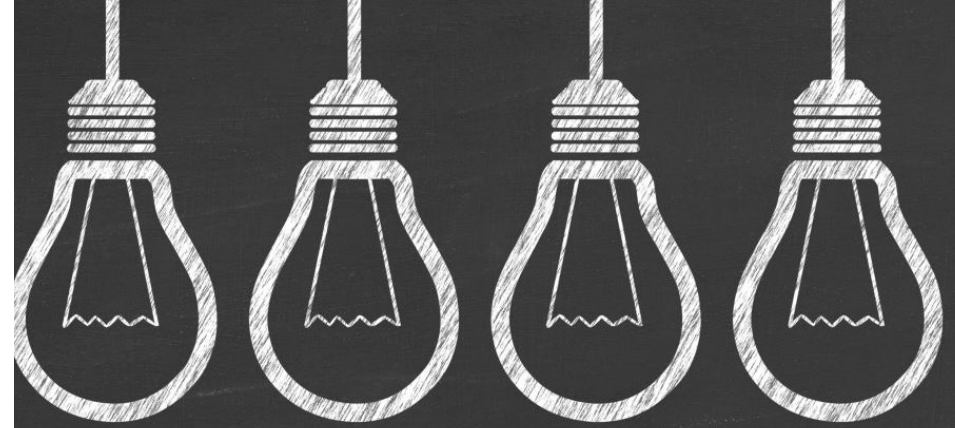


Table 6: Further Research Topics/Themes

Thailand-Māori Research	Research Topics
Research programme or series of topics for engagement meetings	Healthcare/nutraceuticals/pharmaceuticals
	Tourism/ecotourism
	Biotechnology and biomaterials
	Agri-technology/ Regenerative Farming
	Marine/Aquaculture
	Bioenergy/Carbon

Southeast Asia
Centre of
Asia-Pacific Excellence




NUKU **TOI**