

# Macadamia

## STRATEGIC INVESTMENT PLAN 2017-2021 AT A GLANCE

### POTENTIAL IMPACT OF THIS PLAN



Based on an estimated investment of \$24.2 million over the next five years

OUTCOMES	STRATEGIES
Increased productivity and grower returns through an average yield increase to five tonnes nut-in-shell per hectare by 2021 (equivalent to approximately 1.6 tonnes kernel per hectare – based on a SKR of 32%)	Reduce unsound kernel and nut-in-shell by further enhancing the industry's integrated pest management (IPM)
	Reduce unsound kernel and nut-in-shell by further enhancing the industry's integrated disease management (IDM)
	Complement IPM and IDM with a program of investment in chemical registration and renewal to ensure an appropriate suite of control measures
	Increase grower adoption of IPM and IDM
	Commit to long-term research to improve the understanding of the physiology of the macadamia, an Australian native with a relatively short history of domestication
	Improve harvest efficiency, and resultant nut capture
	Reduce harvest time to free up farm resources that improve farm productivity
	Reduce nut loss along the value chain
	Develop, agree and report objective measures of environmental sustainability

OUTCOMES	STRATEGIES
Improved production systems covering plant breeding, intensive orchards and novel technologies	Leverage past investment and continue to commit to a long-term effort to deliver a radically improved production system
	Develop novel technologies that facilitate improved production systems
	Incubate grower-inspired innovation for wider application in the macadamia industry
Improved capacity to lead and support current and future industry needs	Scan opportunities for novel technologies deployed in other tree crops, agricultural and non-agricultural sectors
	Continue to support adoption of R&D outputs by effective extension
	Deliver meaningful data on production, planting, environmental performance, international supply and demand in a timely manner
Market demand for Australian macadamias has increased and expanded	Ensure industry stakeholders remain engaged through an effective communications program
	Enhance skills and capacity to support current and future industry needs
	Develop a five-year marketing plan supported by annual operating plans with clear reporting criteria that meet Hort Innovation monitoring and evaluation requirements
	Develop a more complete world macadamia production forecast



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OUTCOMES	STRATEGIES
Market demand for Australian macadamias has increased and expanded	Continue to curate, analyse and publish relevant market information and statistics through existing communication channels to support industry and commercial marketer decision making
	Develop and publish a compelling suite of information for food manufacturers that promotes the use of macadamias as an ingredient
	Actively promote and distribute compelling information on the use of macadamias as an ingredient to food manufacturers in key target markets
	Create a culture of innovation by demonstrating new ways to use macadamias
	Support food manufacturers with cost-effective, visible consumer promotion
	Utilise and further build the Australian macadamia brand to deliver all communications
	Facilitate and support connections and engagement with overseas macadamia industries and other nut industries

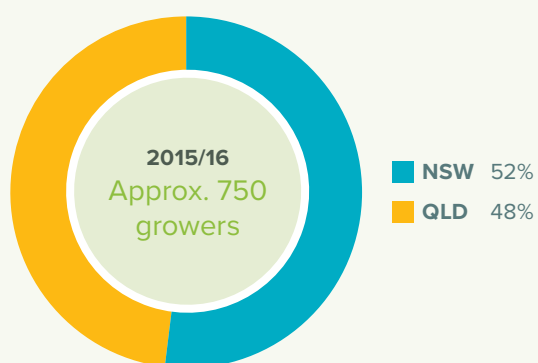
### Major opportunities

- Scope to increase average yields
- An increase in global consumption of macadamias
- Ability to supply consistently
- Achieving a critical mass
- International collaboration
- Technological know-how
- Product innovation
- Demand outstrips supply

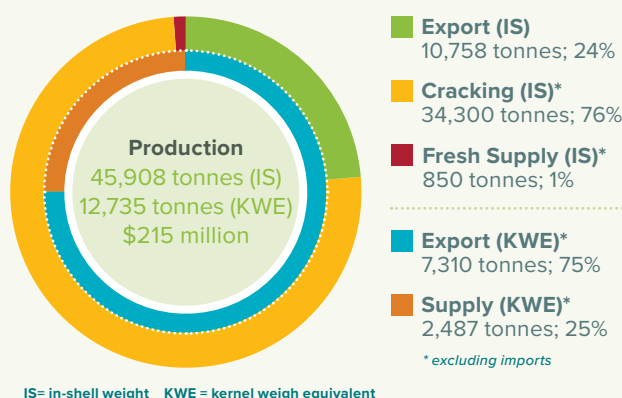
### Major challenges

- High cost of production
- Geographic concentration and resulting climatic and pest incursion vulnerability
- Shortage of production
- Producing in per-urban areas
- Concentration of global macadamia consumption in six key markets
- World production increasing, especially in low-cost countries
- Avoiding the 'commoditisation trap'

### Industry size and production distribution



### Macadamia supply chain and value 2014/15



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