

Banana Annual Investment Plan 2021/22

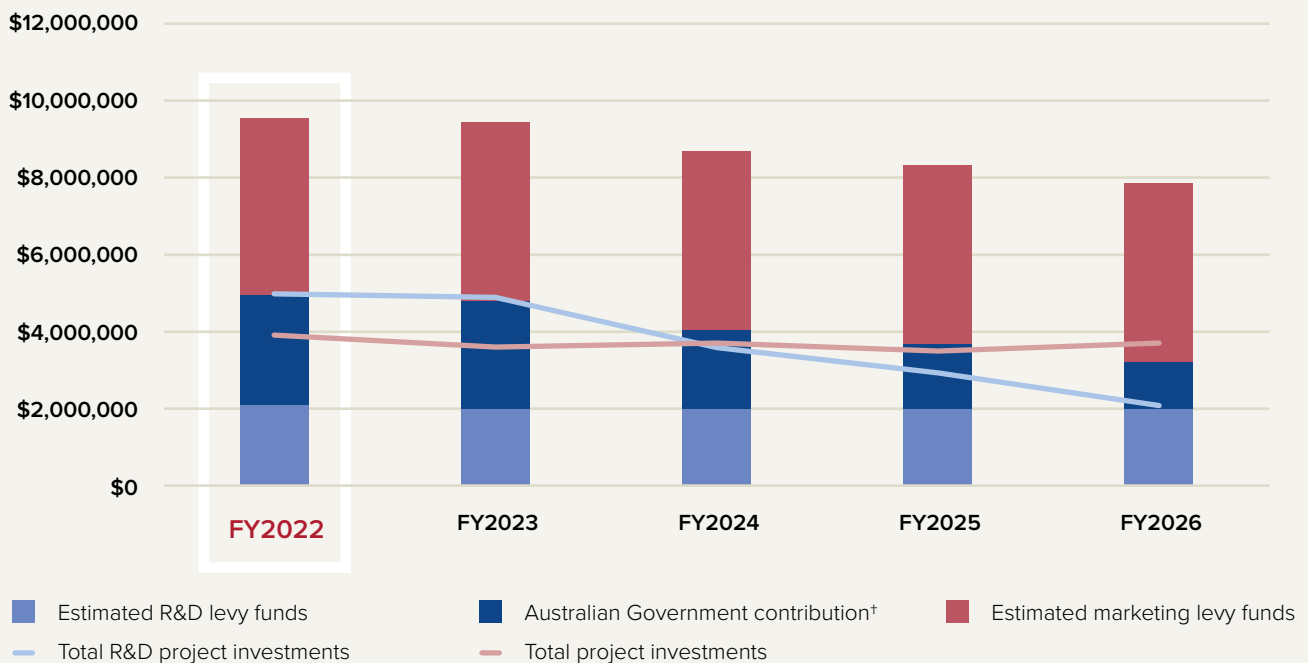


The 5-year Strategic Investment Plan

The banana Strategic Investment Plan (SIP) 2022-2026 provides a roadmap to guide Hort Innovation’s investment of banana industry levies and Australian Government contribution, ensuring investment decisions are aligned with industry priorities.

Figure 1 provides an indicative overview of the Banana Fund’s funding availability over the life of the SIP (FY2022-FY2026).

FIGURE 1. INDICATIVE FUNDING AVAILABILITY FOR THE BANANA FUND’S FIVE-YEAR INVESTMENT PROGRAM



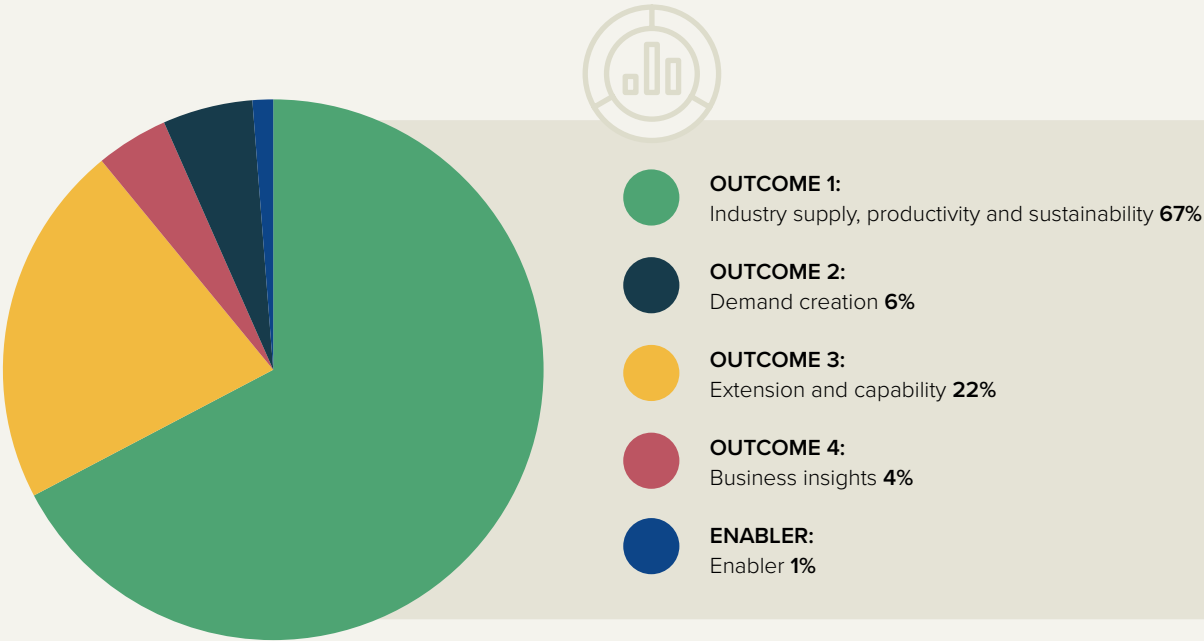
* Australian Government contribution is only applicable to the estimated levy funds for R&D.

About the banana Annual Investment Plan

Investment decisions in the Banana Fund are guided by the banana SIP 2022-2026 and prioritised based on potential industry impact, as well as availability of levy funds each year. Specific investments to address the SIP outcomes and strategies, and how they align with industry strategic priorities are outlined in detail through the banana AIP each year.

Figure 2 summarises how the AIP will invest in the SIP outcome areas for FY2022.

FIGURE 2. BANANA STRATEGIC INVESTMENT PLAN EXPENDITURE ANALYSIS FY2022



\$3,353,216

THE **TOTAL AMOUNT COMMITTED FROM EXISTING INVESTMENT** IN THE BANANA FUND FOR 2021/22

Banana Annual Investment Plan in detail

The financial table on the following pages provides detail on current investments and how new investments will be made in the Banana Fund in FY2022. Outcomes in the banana SIP 2022-2026 are defined below for your reference when reading the financial table.

Outcome 1 – Industry supply, productivity and sustainability

The Australian banana industry has increased profitability, efficiency and sustainability through innovative research and development, sustainable best management practices and varieties.

Outcome 2 – Demand creation

Demand creation supports the Australian banana industry to expand into existing and future markets.

Outcome 3 – Extension and capability

Improved capability and an innovative culture in the Australian banana industry maximises investments in productivity and demand.

Outcome 4 – Business insights

The Australian banana industry is more profitable through informed decision-making using consumer knowledge and tracking, production statistics and independent reviews.

Enabler

Investments that support the delivery of the Strategic Investment Plan.

TABLE 1. INDICATIVE ESTIMATES FOR THE BANANA ANNUAL INVESTMENT PLAN 2021/22 AS AT **1 JULY 2021**

RESEARCH AND DEVELOPMENT

	\$
OPENING FUND BALANCE	1,284,003
Levy income	2,100,000
Levy collection costs	(13,950)
Australian Government contribution	2,852,638
Other income	–
TOTAL INCOME	4,938,688

Contracted R&D projects

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Industry supply, productivity and sustainability	Develop and evaluate new disease-resistant varieties, with a focus on Panama TR4, while maintaining or enhancing consumer and product quality attributes	BA16001 & 16005	Program Reference Group Mid Term Review	–	–	–	20,000	20,000
Industry supply, productivity and sustainability	Provide regulatory support and co-ordination for crop protection regulatory activities with the potential to impact plant protection product access, both in Australia and internationally*	MT20007	Regulatory Support & Response Coordination	–	–	–	5,647	5,647
Industry supply, productivity and sustainability	Develop and evaluate new disease-resistant varieties, with a focus on Panama TR4, while maintaining or enhancing consumer and product quality attributes	BA16001	Improved Plant protection for the Banana Industry	–	1,177,455	–	–	1,177,455
Industry supply, productivity and sustainability	Develop and evaluate new disease-resistant varieties, with a focus on Panama TR4, while maintaining or enhancing consumer and product quality attributes	BA16005	Strengthening the Banana Industry Diagnostic Capacity	–	32,498	–	495,150	527,648

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Contracted R&D projects (continued)

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Industry supply, productivity and sustainability	Develop agronomic practices to improve productivity, quality and environmental outcomes, including automation options and innovative and world-leading industry management practices	BA17005	Management of Banana Pest and Diseases in North Queensland	–	90,473	–	–	90,473
Industry supply, productivity and sustainability	Improve industry preparedness and resilience to biosecurity threats through better on-farm biosecurity practices, increased surveillance and improved diagnostics	BA18000	Banana Bunchy Top Virus Program – National Surveillance, Management and Education	–	–	245,739	–	245,739
Industry supply, productivity and sustainability	Develop agronomic practices to improve productivity, quality and environmental outcomes, including automation options and innovative and world-leading industry management practices	BA19002	Understanding the role of latency in Banana Bunchy Top Virus symptom expression	–	20,546	–	49,994	70,540
Industry supply, productivity and sustainability	Improve industry preparedness and resilience to biosecurity threats through better on-farm biosecurity practices, increased surveillance and improved diagnostics	BA19005	Biosecurity and sustainability in the Banana Industry	56,802	–	56,802	–	113,604
Industry supply, productivity and sustainability	Provide regulatory support and co-ordination for crop protection regulatory activities with the potential to impact plant protection product access, both in Australia and internationally*	MT20007	Regulatory Support & Response Co-ordination	–	5,647	–	–	5,647
Extension and capability	Provide opportunity for engagement between industry, and across industry and other stakeholders regionally, nationally, and internationally to innovate	BA19003	Banana Industry Congress 2021	–	–	–	16,000	16,000
Extension and capability	Deliver communication and extension capability to create positive change in the areas of biosecurity, environmentally sustainable production, pest and disease management and soil health	BA17002	Banana Industry R&D Coordination	101,985	–	–	–	101,985
Extension and capability	Deliver communication and extension capability to create positive change in the areas of biosecurity, environmentally sustainable production, pest and disease management and soil health	BA18001	Australian Banana Industry Communications Program	114,209	–	114,209	–	228,418

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Contracted R&D projects (continued)

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Extension and capability	Deliver communication and extension capability to create positive change in the areas of biosecurity, environmentally sustainable production, pest and disease management and soil health	BA19004	National Banana Development and Extension Program	–	152,315	–	152,315	304,630
Extension and capability	Provide opportunity for engagement between industry, and across industry and other stakeholders regionally, nationally, and internationally to innovate	BA20002	Banana Industry R&D Coordination	–	–	62,478	–	62,478
Extension and capability	Provide opportunity for engagement between industry, and across industry and other stakeholders regionally, nationally, and internationally to innovate	BA19003	Banana Industry Congress 2021	16,000	–	–	–	16,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	BA20001	Australian Bananas Consumer Usage and Attitudes Study	–	–	–	100,000	100,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	MT21003	Consumer Demand Spaces for Horticulture	–	–	–	31,275	31,275
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	BA20000	Australian Bananas Consumer Research and Tracking FY21	–	5,208	–	–	5,208
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	MT17015	Consumer behavioural and retail data for fresh produce ;;Woolworths Raw Data	3,598	3,598	–	–	7,196
Business insights	Use production forecasts and benchmarking to inform long-term and/or in-season market planning and supply strategies	MT19005	Horticulture Trade Data	–	658	–	658	1,317
Enabler	Enabler	MT20003	SIP Development Support	–	–	–	26,261	26,261

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Contracted R&D projects (continued)

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Enabler	Enabler	MT21002	Hort Innovation Annual Fund Reports 2020/21	–	–	–	1,922	1,922
Enabler	Enabler	MT18011	Ex-post impact assessment	7,300	5,840	–	–	13,140
Contracted investment				299,894	1,494,237	479,228	899,222	3,172,581

Uncontracted new R&D investments

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Industry supply, productivity and sustainability	Improve industry preparedness and resilience to biosecurity threats through better on-farm biosecurity practices, increased surveillance and improved diagnostics	TBC	PBRI Program	–	–	–	–	2,647
Industry supply, productivity and sustainability	Provide regulatory support and co-ordination for crop protection regulatory activities with the potential to impact plant protection product access, both in Australia and internationally*	TBC	Minor Use Permits	–	–	–	–	4,050
Industry supply, productivity and sustainability	Provide regulatory support and co-ordination for crop protection regulatory activities with the potential to impact plant protection product access, both in Australia and internationally*	TBC	Data Generation and Efficacy Trials, minor use permits	–	–	–	–	–
Industry supply, productivity and sustainability	Develop and evaluate new disease-resistant varieties, with a focus on Panama TR4, while maintaining or enhancing consumer and product quality attributes	TBC	New Varieties for Australia Banana Growers	–	–	–	–	400,000
Industry supply, productivity and sustainability	Develop and optimise fit-for-purpose pest and disease management strategies	TBC	Banana Integrated Pest & Disease Management System	–	–	–	–	350,000
Industry supply, productivity and sustainability	Develop and evaluate new disease-resistant varieties, with a focus on Panama TR4, while maintaining or enhancing consumer and product quality attributes	BA21000	Identifying New Resistance Genes for Panama Tropical Race 4	–	–	–	–	109,000

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Uncontracted new R&D investments (continued)

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Industry supply, productivity and sustainability	Develop agronomic practices to improve productivity, quality and environmental outcomes, including automation options and innovative and world-leading industry management practices	BA21005	Banana De – handing Automation Research Services	–	–	–	–	16,000
Industry supply, productivity and sustainability	Improve industry preparedness and resilience to biosecurity threats through better on-farm biosecurity practices, increased surveillance and improved diagnostics	BA21001	Banana Industry Diagnostic capacity & Capability Building	–	–	–	–	200,000
Extension and capability	Deliver communication and extension capability to create positive change in the areas of biosecurity, environmentally sustainable production, pest and disease management and soil health	TBC	Multi-pest Surveillance & Grower Education to manage Banana pest & diseases.	–	–	–	–	300,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	MT21200	Usage and attitudes	–	–	–	–	15,950
Business insights	Use production forecasts and benchmarking to inform long-term and/or in-season market planning and supply strategies	TBC	Production Forecasts	–	–	–	–	20,000
Business insights	Use production forecasts and benchmarking to inform long-term and/or in-season market planning and supply strategies	TBC	Industry Benchmarking	–	–	–	–	80,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	MT21004	Behavioural Data	–	–	–	–	40,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	MT21003	Demand Spaces	–	–	–	–	31,275
Enabler	Enabler	TBC	Across Horticulture Impact Assessment	–	–	–	–	8,692

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Uncontracted new R&D investments (continued)

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Uncontracted new investment				-	-	-	-	1,577,615
Available for new investment								73,221
CCR								730,274
Projected end balance								669,000

Disclaimer: All figures are indicative only and may change depending on milestone achievements and actual income and expenditure.

* Foundational investments provide data and information that underpin the delivery of other SIP outcome areas and will be aligned to this strategy. Foundational investment areas include:

- Consumer behavioural data
- Consumer usage and attitudes, and brand health tracking data
- Impact assessments
- Trade data
- Crop protectant data.

MARKETING

	\$
OPENING FUND BALANCE	1,047,689
Levy income	4,600,000
Levy collection costs	(25,000)
Other income	-
TOTAL INCOME	4,575,000

Contracted marketing projects

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Demand creation	Increase domestic consumer demand for Australian bananas through improving knowledge, attitudes and purchase intent	BA20510	Banana Marketing Campaign Monitoring and Evaluation (M&E)	–	5,208	–	–	5,208
Demand creation	Increase domestic consumer demand for Australian bananas through improving knowledge, attitudes and purchase intent	MT20600	Media Strategy, Planning & Buying Services	50,435	37,278	50,435	37,278	175,427
Contracted investment				50,435	42,486	50,435	37,278	180,635

Uncontracted new marketing investments

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Demand creation	Increase domestic consumer demand for Australian bananas through improving knowledge, attitudes and purchase intent	TBC	Marketing program FY22	–	–	–	–	3,500,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities, such as new product development, quality, or product diversification/ value-adding driven by consumer insights*	MT21650	Brand Health Tracking	–	–	–	–	24,000
Uncontracted investment				–	–	–	–	3,524,000

Available for new investment	129,256
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CCR	672,098
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Projected end balance	1,116,700
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* Foundational investments provide data and information that underpin the delivery of other SIP outcome areas and will be aligned to this strategy. Foundational investment areas include:

- Consumer behavioural data
- Consumer usage and attitudes, and brand health tracking data
- Impact assessments
- Trade data
- Crop protectant data.

Financial table definitions:

Opening fund balance: Forecast opening fund balance

Net levy income: Net levy income/revenue that is generated and collected by levy revenue services (LRS)

Australian Government contribution: Amount of contribution from the Australian Government on R&D levy-funded expenditure

Contracted investment: Estimated value of contracted projects

Uncontracted investment: Represents the estimated dollar value that is available for potential new investments for industry subject to industry advice

CCR: Cost to implement and manage R&D and marketing investment programs for each industry

Projected end balance: Forecast of the anticipated final position of each fund

Enabler: Investments that support the delivery of the SIP

Available for new investment: Uncontracted projects and the figure indicated in the SIP as available for new investment

Find out more information on the Banana Fund
at www.horticulture.com.au/banana/