

Chestnut Annual Investment Plan 2021/22

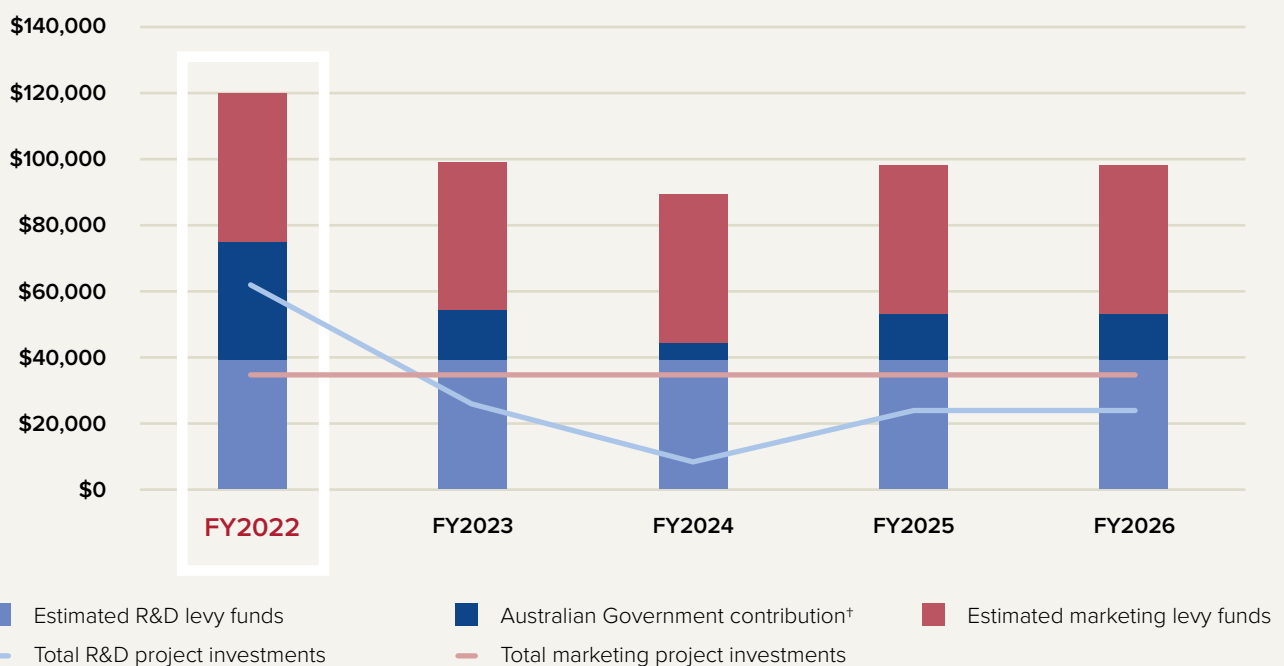


The 5-year Strategic Investment Plan

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

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

FIGURE 1. INDICATIVE FUNDING AVAILABILITY FOR THE CHESTNUT FUND'S FIVE-YEAR INVESTMENT PROGRAM



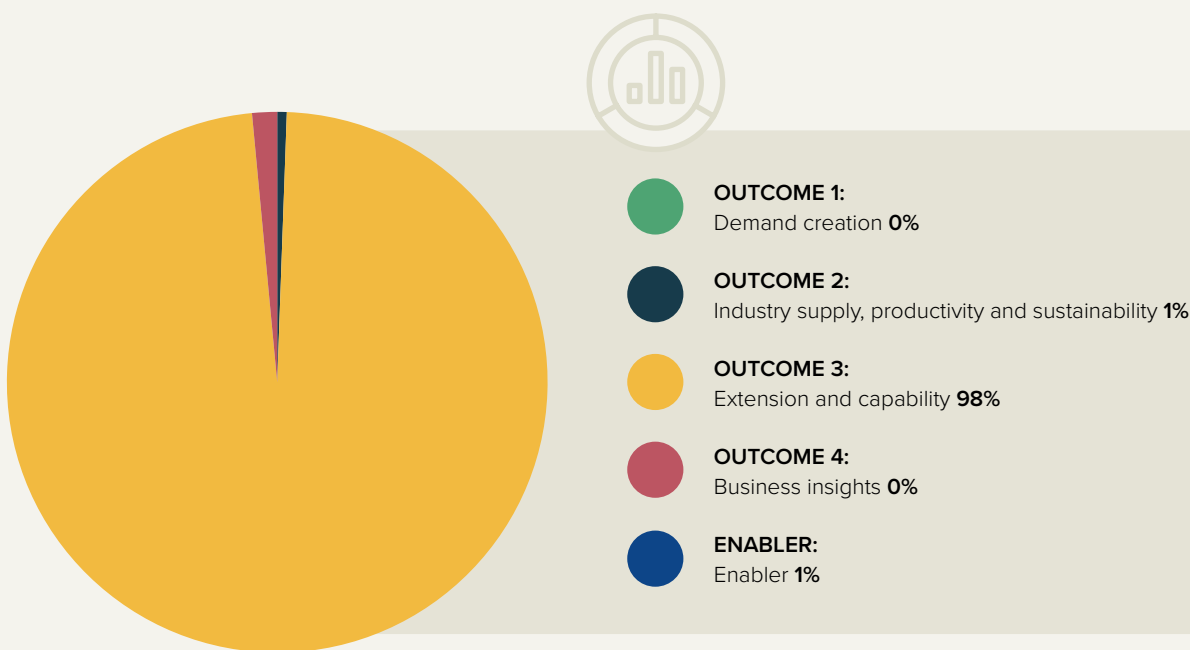
* Australian Government contribution is only applicable to the estimated levy funds for R&D.

About the chestnut Annual Investment Plan

Investment decisions in the Chestnut Fund are guided by the chestnut 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 chestnut AIP each year.

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

FIGURE 2. CHESTNUT STRATEGIC INVESTMENT PLAN EXPENDITURE ANALYSIS FY2022



\$21,977

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

Chestnut 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 Chestnut Fund in FY2022. Outcomes in the chestnut SIP 2022-2026 are defined below for your reference when reading the financial table.

Outcome 1 – Demand creation

Demand creation supports the Australian chestnut industry to expand the domestic market.

Outcome 2 – Industry supply, productivity and sustainability

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

Outcome 3 – Extension and capability

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

Outcome 4 – Business insights

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

Enabler

Investments that support the delivery of the Strategic Investment Plan.

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

RESEARCH AND DEVELOPMENT

	\$
OPENING FUND BALANCE	51,118
Levy income	50,000
Levy collection costs	(5,500)
Australian Government contribution	67,202
Other income	100
TOTAL INCOME	111,802

Contracted R&D projects

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Productivity gains	Prioritise the major crop protection gaps through a SARP*	MT20007	Regulatory Support & Response Co-ordination	–	124	–	–	124
Extension and capability	Deliver communication capability to support positive change in the areas of biosecurity,integrated pest and disease management practices and orchard best management practices	CH18000	Australian Chestnuts – Industry Communications and adoption program	10,763	–	10,763	–	21,525
Enabler	Enabler	MT18011	Ex-post impact assessment	182	146	–	–	328
Contracted investment				10,945	270	10,763	–	21,977

Uncontracted new marketing investments

Outcome	Strategy	Project code	Project title	Quarter 1 \$	Quarter 2 \$	Quarter 3 \$	Quarter 4 \$	Total \$
Business insights	Increase industry alignment with quality and brand-positioning opportunities driven by consumer insights*	MT21004	Behavioural Data	–	–	–	–	6,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities driven by consumer insights*	MT21003	Demand Spaces	–	–	–	–	487
Business insights	Increase industry alignment with quality and brand-positioning opportunities driven by consumer insights*	MT21200	Usage and attitudes	–	–	–	–	249
Uncontracted new investment								6,736
Available for new investment								75,000
CCR								20,161
Projected end balance								39,046

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	39,435
Levy income	45,000
Levy collection costs	(1,127)
Other income	100
TOTAL INCOME	43,973

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 chestnuts through improving knowledge, attitudes and purchase intent	TBC	Chestnut Marketing Program FY22	–	–	–	–	32,000
Business insights	Increase industry alignment with quality and brand-positioning opportunities driven by consumer insights*	MT21650	Brand Health Tracking	–	–	–	–	8,000
Uncontracted investment								40,000
Available for new investment								10,000
CCR								12,035
Projected end balance								21,373

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- 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 Chestnut Fund
at www.horticulture.com.au/chestnut/