

What happened in the Prune Fund last year?

Annual Report 2020/21



About Hort Innovation and the Prune Fund

Hort Innovation is the grower-owned, not-for-profit research and development corporation for Australia's horticulture sector. We work closely with industry to invest the prune R&D levy, together with Australian Government contributions, into key initiatives for growers, through the Prune Fund. We're extremely proud of the work we do to help drive productivity, profitability and demand for prune growers, and for the horticulture sector at large.

Throughout another challenging year for the horticulture sector, activity in the Prune Fund remained strong. Read on for an overview of what was delivered.

We also encourage you to download a copy of the overarching Hort Innovation Annual Report 2020/21 at www.horticulture.com.au/annual-report-portal to better understand how Hort Innovation worked for the benefit of the horticulture sector during the year.

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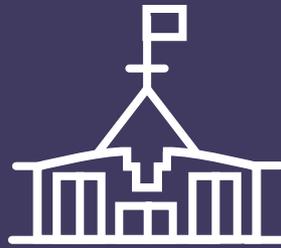
\$22,579

invested in R&D



4

active R&D investments



\$26,107

in levies collected

by the Government and passed on to
Hort Innovation for investment



2,632t

Australia's prune production
volume in 2019/20 was
2,632 tonnes



96%

New South Wales accounts
for 96 per cent of Australia's
prune production, taking place
primarily around Griffith

These facts and more can be found in the Australian Horticulture Statistics Handbook, which is delivered by Hort Innovation each year. The handbook is packed with horticulture statistical information and analysis for some 75 categories, for use by individual industries and the wider sector. The 2019/20 edition was released in early 2021 and features an interactive dashboard format for desktop users. See www.horticulture.com.au/horticulture-statistics-handbook.

Just some of the things delivered for you during the year



An industry communication and extension program, delivering articles for *The Vine* magazine, *Ausprunes* e-newsletters and events



Ongoing biosecurity initiatives, allowing the prune industry to join forces with other industries to prepare for and protect against potential threats



Preparation support for pest incursions such as fall armyworm and serpentine leafminer, including emergency minor use permits and longer-term investments to bolster the horticulture sector's response



The Good Mood Food across-horticulture campaign to support industries through the effects of another challenging year – see www.horticulture.com.au/the-good-mood-food*



Investments in the Hort Frontiers strategic partnership initiative to address longer-term and often complex issues and opportunities critical to the future of Australian horticulture – see www.horticulture.com.au/hort-frontiers*

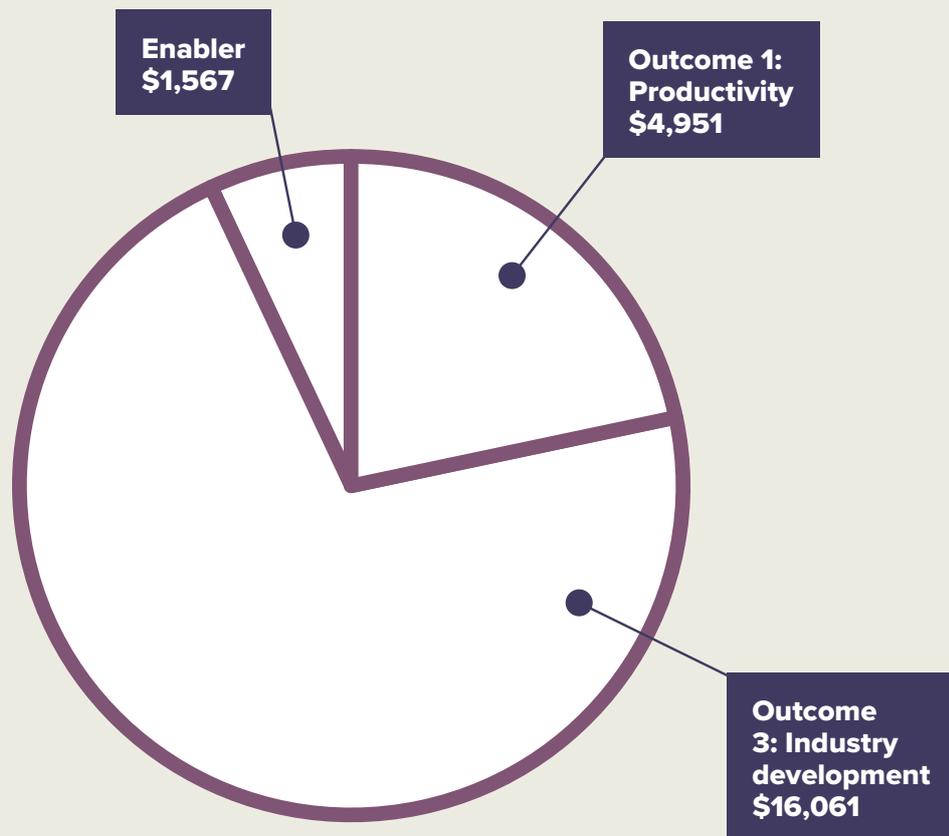


Projects supported by grants secured by Hort Innovation, ranging from cross-sector Rural R&D for Profit initiatives to horticulture-specific work to aid in access to crop protection products – see the Hort Innovation Annual Report 2020/21 for more*

You can visit www.horticulture.com.au/prune at any time to access information on new, ongoing and completed projects, and to download resources produced by levy investments such as fact sheets and guides.

*These initiatives were delivered outside of the Hort Innovation Prune Fund and, in most instances, did not involve the industry levy

Here's what your fund invested in over the year



Investments that are specific to the Hort Innovation Prune Fund are guided by the prune Strategic Investment Plan (SIP). The SIP features priority outcome areas that have been identified and agreed upon by the industry, and Hort Innovation works to invest in R&D initiatives that are aligned to these.

In the above chart, you can see how project expenditure in the Prune Fund during 2020/21 was aligned to the SIP. Each project has been allocated to a SIP outcome based on its primary objective.

There was no activity under Outcome 2: Demand during this financial year

Expenditure on projects classified as 'enabler' support the broader delivery of the industry's strategic investment plan, such as impact assessments.

Which projects were in each of the SIP outcome areas?

Outcome 1: Productivity

Industry profitability is significantly improved by increasing the value of product sold on the domestic market

Project title and code	2020/21 investment	Status	More information
Enhanced National Bee Pest Surveillance Program 2016–2021 (MT16005)	\$250	Ongoing	hortinn.com/mt16005
Improving preparedness of the Australian horticultural sector to the threat potentially posed by <i>Xylella fastidiosa</i> (a severe biosecurity risk) (MT17006)	\$4,701	Ongoing	hortinn.com/mt17006

Outcome 3: Industry development

Build skills, capacity and knowledge in the industry, both in existing and new industry participants, so that the capability exists to implement R&D outcomes and deliver the supply and quality improvements needed by the industry

Project title and code	2020/21 investment	Status	More information
Dried prune industry communication and extension program (DP19000)	\$16,061	Ongoing	hortinn.com/dp19000



Financial operating statement

Prune Fund Financial operating statement 2020/21

	R&D (\$)	Total (\$)
	2020/21 July – June	2020/21 July – June
OPENING BALANCE	30,606	30,606
Levies from growers (net of collection costs)	26,107	26,107
Australian Government money	29,123	29,123
Other income*	127	127
TOTAL INCOME	55,357	55,357
Project funding	22,579	22,579
Consultation with and advice from growers	–	–
Service delivery	3,985	3,985
TOTAL EXPENDITURE	26,564	26,564
Levy contribution to across-industry activity	–	–
CLOSING BALANCE	59,399	59,399
Levy collection costs	1,416	1,416

* Interest, royalties

Levy collection costs – These are the costs associated with the collection of levies from industry charged by Levy Revenue Services (LRS)

Service delivery – Also known as Corporate Cost Recovery (CCR), this is the total cost of managing the investment portfolio charged by Hort Innovation

Making sure that levy investment decisions align with industry priorities

What will be the Prune Fund's focus over the next five years?



The prune Strategic Investment Plan (SIP) was created in 2021 to reflect current priorities for the prune industry. This involved extensive consultation with prune growers and industry stakeholders, including the Australian Prune Industry Association. The SIP is the roadmap that helps guide Hort Innovation's oversight and management of individual levy industry investment programs.

The prune SIP lays the foundation for decision making in levy investments and represents the balanced interest of the particular industry from which the levy is collected. The most important function of the SIP is to make sure that levy investment decisions align with industry priorities.

The prune SIP identifies four outcome areas that will contribute to the productivity and profitability of the prune sector. They are:

- Industry supply, productivity and sustainability
- Demand creation
- Extension and capability
- Business insights.

What projects will the fund be investing in next year?

The prune Annual Investment Plan (AIP) 2021/22 will detail how levy funds will be spent over the 12-month period. Investment decisions will be guided by the industry SIP and prioritised based on potential industry impact, as well as availability of levy funds.

The AIP is developed by Hort Innovation, and is informed by the SIP and industry consultation, including collaboration with the Australian Prune Industry Association.

The AIP is then discussed with the industry SIAP for feedback and prioritisation. All investments will need to link to the industry's SIP by addressing a minimum of one KPI against a strategy under one of the four outcomes.

Annual Investment Plans will be published each year over the lifespan of the SIP and industry stakeholders will be advised via established communication channels.

Hort Innovation will continue to report on fund performance regularly, with more focus on reporting on outcomes and the impact of investments.



When available, you can visit www.horticulture.com.au/prune-fund-management to view both documents and get a full picture of how your levy will be invested over the next five years.

Providing the prune industry with the latest news to drive productivity

Established in 2019, this project keeps the industry up to date with the latest news, research and development outputs and other key information through a variety of channels.

The challenge

Strong communication and technical support is vital for prune growers and other industry participants to be able to make informed decisions when facing future challenges and opportunities.

The approach

By keeping the industry up to date on R&D, news, events and other critical information, the program facilitates the uptake of R&D by the industry and supports decision-making in prune businesses.

Under this program, growers receive the information they need through a variety of channels. These include the production of prune industry articles for *The Vine* magazine, which is the joint magazine for the dried fruit, dried prune and table grape industries.

The program also produces and delivers the Ausprunes e-newsletters to industry contacts and manages a range of events, including field days and the annual grower forum, with details circulated in Ausprunes channels as they become available.

The impact

As a result of this national communications program, Australian prune growers are kept up to date with the latest industry advancements, no matter where in the world they take place.

By keeping Australian prune growers informed, they are well placed to grow the industry, increasing productivity, and ultimately, profitability.



For more information, visit hortinn.com/dp19000

Project details

Prune industry communications and extension program (DP19000)

Key research provider: Ausprunes

Start date: December 2019

Expected end date: December 2022

Estimated value for life of project: \$65,190

How strategic levy investments are made in the Prune Fund

The below diagram shows how Hort Innovation makes strategic levy investments on behalf of horticulture industries. The prune R&D levy was invested this way during the year, guided by the prune Strategic Investment Plan 2017-2021 and advice from the industry’s investment advisory panel.



* Encapsulating extension and international trade

To learn more about funding specific to the Hort Innovation Prune Fund, visit www.horticulture.com.au/prune. During the year, other sources of funding were also used to support activities for the benefit of Australian horticulture, including grant funding secured by Hort Innovation, co-investment dollars brokered through our Hort Frontiers initiative and centralised strategic levy reserve.

Hort Innovation

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