

Prune

Strategic Investment Plan

2022-2026



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EXECUTIVE SUMMARY

The overarching strategic intent of this Strategic Investment Plan (SIP) is to maintain profitability and grow the total value of the Australian prune industry by sustainably accelerating the application of best production practices.

The prune SIP 2022-2026 provides a roadmap to guide Hort Innovation's investment of prune industry levies and Australian Government contributions, ensuring investment decisions are aligned with industry priorities.

The Australian prune industry situation in 2019/20 is described on **page 4** with further information provided in **Appendix 1**. The Australian prune industry is small with approximately 26 growers. Prune production in Australia is volatile depending on seasonal conditions and plantings. Over the last decade, Australian production has varied between lows of roughly 1,500 tons and a high of 4,000 tons, post-drying.

The strategic intent of the prune SIP provides a summary of how the prune industry will drive change over the life of the SIP which will ultimately come about by growers having access to the tools required to increase their productivity and meet the demands of consumers, both domestically and internationally.

The financial estimates give an indicative overview of the funding availability for the period of FY2022-2026. Currently the prune R&D fund is heavily invested until FY2024, with

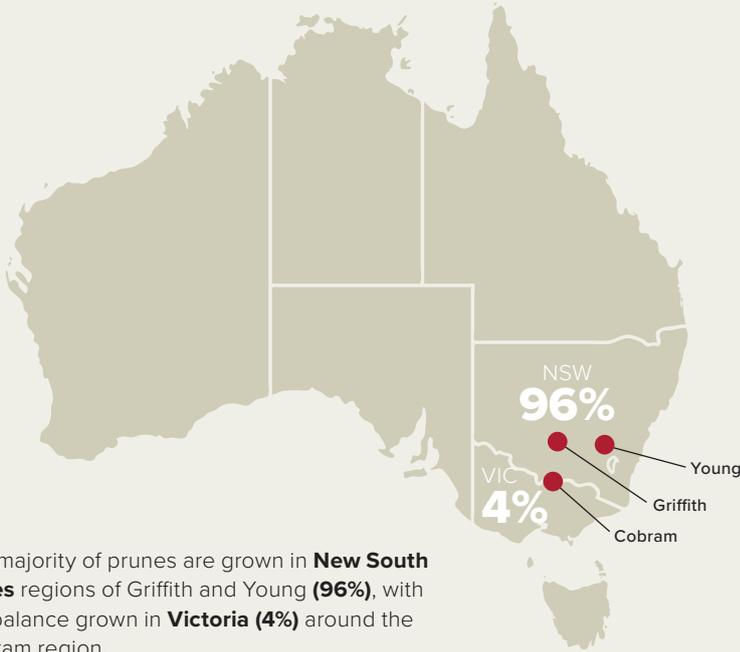
limited opportunity for any significant investments. Careful prioritisation of investment needs will be required by the industry in the final two years of the SIP.

The four outcome areas of this SIP cover significant themes under which programs and investments will be focused. These are listed in priority order for the prune industry. Industry supply, productivity and sustainability continues to be a high priority for the industry as it continues to focus on productive working relationships between Australia and international researchers to access and leverage world-class knowledge. Demand creation focuses on increasing awareness of prunes to remain more top of mind and purchased more frequently. Extension and capability priorities are focused on change knowledge, attitude and skills.

The key performance indicators (KPIs) detail how we measure the impact of each strategy, for example, delivering communication and extension capability to create positive change in the areas of best practice, biosecurity and pollination by establishment of a baseline and then increased share of industry (hectares) with positive change in knowledge, attitude, skills and aspiration (KASA) concerning targeted high priority areas.

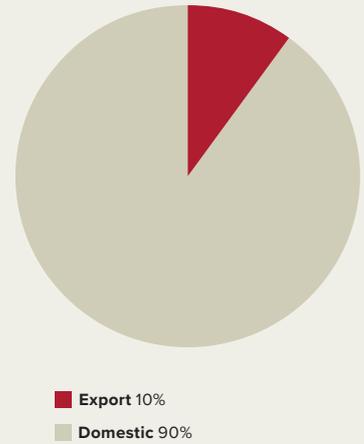


PRODUCTION AREAS:



The majority of prunes are grown in **New South Wales** regions of Griffith and Young (**96%**), with the balance grown in **Victoria (4%)** around the Cobram region.

EXPORT/DOMESTIC:



PRODUCTION WINDOW:



NUMBER OF GROWERS:



26
GROWERS

PRODUCTION VOLUMES:



2,632
tonnes
of dried prunes in 2019/20

FARMGATE VALUE OF PRODUCT:



\$5.8
million
in 2019/20



3
MAJOR
PROCESSORS

PER CAPITA CONSUMPTION:



0.18 kg
in 2019/20

THE PRUNE STRATEGIC INVESTMENT PLAN

The prune SIP 2022-2026 is the roadmap that will guide Hort Innovation's oversight and management of the prune industry's investment programs. It lays the foundation for decision-making in investments and represents the balanced interest of the whole industry. The important function of the SIP is to ensure that the investment decisions align with prune industry priorities.

Hort Innovation has led the process for preparing the refresh of the prune SIP, listening and engaging with levy payers and key stakeholders, including the Industry Representative Bodies (IRBs), and expertise available through advisory mechanisms and delivery partners. The refresh process involved consultation with and input from a wide range of levy payers, objective analysis of performance and learning from the previous SIP, as well as environmental scanning to identify emergent trends and issues that could impact on future industry profitability and sustainability.

Hort Innovation has valued the support, advice, time and commitment of all stakeholders that contributed to producing the SIP, especially prune producers.

The whole-of-company approach taken by Hort Innovation to produce this SIP has harnessed existing external and internal knowledge, learning, partnerships and relationships. The output is a tailored plan with which the prune industry can be confident of its strategic intent, including visibility on how investment impacts will be identified. Specific investments to address the SIP strategies and align with industry strategic priorities will be outlined in detail via the prune Annual Investment Plan (AIP). The AIP will be published each year over the lifespan of the SIP and detail the investments that will be prioritised based on potential industry impact, as well as the availability of levy funds. Hort Innovation will advise industry stakeholders when the AIP has been published via established communication channels each year. The AIP will be developed with input from the prune Strategic Investment Advisory Panel (SIAP), IRBs and other key stakeholders.

Producers in the prune industry pay levies to the Department of Agriculture, Water and the Environment, which is responsible for the collection, administration and disbursement of levies and charges on behalf of Australian agricultural industries.

Agricultural levies and charges are imposed on primary producers by government at the request of industry to collectively fund research and development (R&D), marketing, biosecurity and residue testing programs.

Levy is payable on prunes that are produced in Australia and either sold by the producer or used by the producer in the production of other goods. The R&D levy rate on prunes is set at \$13 per tonne.

Hort Innovation has developed this SIP for the prune industry to strategically invest the collected prune levy funds into the priority areas identified and agreed by the prune industry.

This SIP represents the Australian prune industry's collective view of its R&D needs over the next five years (2022-2026). Learning, achievements and analysis of the previous SIP, consultation with Australian prune levy payers, and synthesis of various strategic documents have been incorporated into the development of this SIP. **Appendix 3** acknowledges the people who were consulted in the preparation and validation of this SIP. Statistics and data within this publication are sourced from the Australian Horticulture Statistic Handbook 2019/20 and other documents unless stated otherwise and are listed in **Appendix 4**. A list of acronyms used within the document is available in **Appendix 5**.

Financial estimates

The annual revenue from levy income and Australian Government contributions for eligible R&D set the overall budget parameters for the SIP. Importantly, a portion of these funds is already committed, as the industry has current multi-year projects for R&D activities. In addition, the levy income from year to year will vary due to changes in seasonal and market conditions.

The financial estimates used for the purpose of developing this SIP are presented in **Table 1** below and are indicative. The intention of the table is to offer a strategic overview of the industry fund at a specific point in time, and the figures will be regularly reviewed to reflect the latest information for the industry and any changes in investment priority. Further details will be available within the AIP each year.

TABLE 1. Indicative financial estimates for the prune SIP over the life of the SIP

	2022 \$	2023 \$	2024 \$	2025 \$	2026 \$
R&D					
Balance end FY2021	59,399				
Estimated levy funds (growers)	19,500	19,500	19,500	19,500	19,500
Australian Government contribution	15,412	14,353	27,353	26,588	26,765
Current investments	26,200	24,400	1,500	5,200	5,500
New investments	–	–	45,000	40,000	40,000
Total project investments	26,200	24,400	46,500	45,200	45,500
CCR	4,624	4,306	8,206	7,976	8,029
Projected end balance	67,000	76,600	60,282	45,400	30,300

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

Balance end FY2021 – The closing balance of the fund as at 30 June 2021

Estimated levy funds – 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

Current investments – Current estimated value of contracted projects

New investments – The estimated dollar value that is available for potential new investments for industry subject to industry advice

CCR – Corporate cost recovery: the cost to implement and manage R&D and marketing investment programs for each industry

Projected end balance – Forecast of the anticipated final position of the fund





PRUNE INDUSTRY OUTCOMES

The overarching strategic intent of this SIP is to maintain profitability and grow the total value of the Australian prune industry by sustainably accelerating the application of best production practices.

Industry outcomes

Outcome statements as identified and prioritised by the prune industry have been prepared under four key outcome areas: demand creation; industry supply, productivity and sustainability; extension and capability; and business insights.

OUTCOME 1: Demand creation

Contribute to improving consumer knowledge, attitudes, and purchase intent to drive volume growth.

Demand creation will support industry to develop existing and future markets. This will contribute to improved consumer knowledge and attitudes, in addition to encouraging purchase intent to drive category volume growth.

The strategic intent of this outcome is to maintain and strengthen consumer demand as the foundation for sustainable expansion of production and consumption in the domestic markets. It means the industry is investing to:

- Broaden consumer awareness so that prunes are more top of mind and purchased more frequently
- Support product positioning with consistent quality, evidence of beneficial product health attributes and responsible industry production practices.

OUTCOME 2: Extension and capability

Building capability and innovative culture.

Building capability and an innovative culture will support industry to make use of the investment outputs across the supply and demand initiatives to better manage risk and create positive change.

The strategic intent of this outcome is to manage knowledge, relationships, systems and processes required to communicate effectively with internal and external stakeholders. Achieving the outcome will involve:

- A change/progression in awareness, knowledge and attitudes for grower profitability and sustainability which support the adoption of best practice and on-farm innovations
- Increasing on-farm adoption of R&D outcomes to build a stronger, more resilient industry, in addition to improved networks and cross-industry collaboration
- Assisting industry in the communication of industry best management practices (BMPs) and outputs from research, development and extension (RD&E) projects that build the knowledge and skills of growers and their advisers.

OUTCOME 3: Business insights

Measure industry supply (production) and demand (consumer behaviour) data and insights to inform decision-making.

Business insights will support the industry to remain aware of market and industry trends to drive informed decision-making.

The strategic intent of this outcome is to deliver data and insights which is foundational to achieving success in the other three outcome areas of demand creation; industry supply, productivity and sustainability; and extension and capability.

Achieving the outcome will involve reliable baseline data and analysis to provide insights and understand current and emerging trends. Key investments will support the provision of consumer knowledge and tracking to enable better decision-making process at industry level and individual businesses.

These investments underpin and are complementary to the delivery of the other outcome areas as decisions informed by high-quality information and analysis are likely to lead to better outcomes.

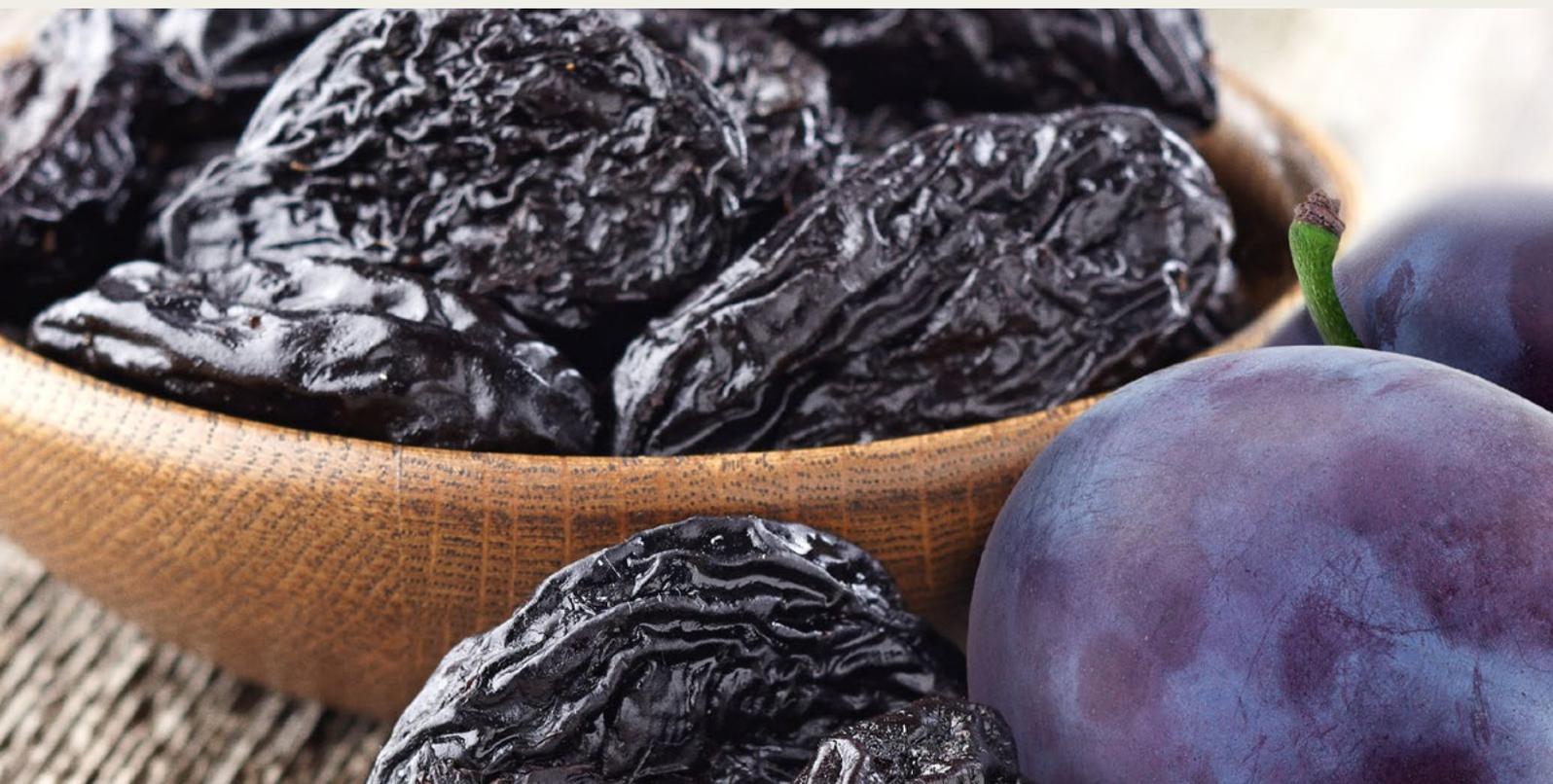
OUTCOME 4: Industry supply, productivity and sustainability

Improve industry productivity (inputs/outputs) to maintain competitiveness and viability of supply.

Supply and productivity will be supported through improvements to production efficiencies which will drive profitability outcomes, while ensuring long-term sustainability outcomes.

The strategic intent of this outcome is to accelerate the application of production practices that optimise returns and reduce risk to growers. Achieving the outcome will involve:

- Productive working relationships between Australian and international researchers to access and leverage world-class know-how and BMPs on production
- Improving pollination productivity through enhanced surveillance techniques to maintain honey bee health
- Proactively monitoring potential crop protection regulatory threats and having access to a broader suite of effective, socially acceptable and environmentally sound crop protection solutions.





PRUNE INDUSTRY STRATEGIES

Strategies to address industry investment priorities

The strategies and identified impacts for each of the key outcome areas are described in the tables below. The highest priority investments lay the foundation for the SIP, and its implementation will require a balanced approach to ensure the industry has a high likelihood of success over the short term (0-3 years), medium term (3-5 years) and long term (5-10 years).

The ability to deliver on these strategies (and subsequent investments) will be determined by the ability of the statutory levy to provide adequate or sufficient resources. Further resources and efficiencies may become available through alternative funding sources such as Hort Frontiers strategic partnership initiative, external grants and/or cross-industry initiatives.

OUTCOME 1: Demand creation

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

STRATEGIES	POTENTIAL BENEFIT OR IMPACT
1. Increase domestic consumer demand for quality Australian prunes through knowledge, attitudes and purchase intent	<ul style="list-style-type: none"> Increased consumer demand for Australian prunes Increased awareness of health benefits of prunes

OUTCOME 2: Extension and capability

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

STRATEGIES	POTENTIAL BENEFIT OR IMPACT
1. Deliver communication capability to support positive change in the areas of best practice crop production improvement, biosecurity and pollination	<ul style="list-style-type: none"> A change/progression in awareness, knowledge and attitudes for grower profitability and sustainability which support the adoption of best practice and on-farm innovations
2. Facilitate innovation by providing opportunities for business engagement between and across similar industries, across industry members and relevant stakeholders	<ul style="list-style-type: none"> Achievement of effective networks, and cross-industry collaboration, coordination and cohesion for shared learnings, ownership to contribute to an innovative culture and build a stronger, more resilient industry
3. Facilitate productive working relationships between Australian and international researchers to access and leverage world-class know-how and BMPs on production	<ul style="list-style-type: none"> National and international RD&E networks providing the source of new technologies and catalyst for driving innovation

OUTCOME 3: Business insights

The Australian prune industry is more profitable through informed decision-making using consumer knowledge and tracking.

STRATEGIES	POTENTIAL BENEFIT OR IMPACT
1. Increase industry alignment with quality and brand-positioning opportunities driven by consumer insights*	<ul style="list-style-type: none"> Provision of business insights that delivers against demand, supply and extension outcomes

OUTCOME 4: Industry supply, productivity and sustainability

The Australian prune industry has increased profitability, efficiency and sustainability through innovative R&D, sustainable BMPs, preparedness for biosecurity risks and better pollination management.

STRATEGIES	POTENTIAL BENEFIT OR IMPACT
1. Review prune BMPs to maximise pollination success	<ul style="list-style-type: none"> Development of industry pollination BMPs
2. Enhance crop pollination and resilience through improved pollination security	<ul style="list-style-type: none"> Improved management of honey bee hives for pollination events Availability of healthy honey bees for pollination Impact of honey bee endemic and exotic pests and diseases are minimised
3. Prioritise the major crop protection gaps through a Strategic Agrichemical Review Process (SARP)*	<ul style="list-style-type: none"> Available registered or permitted pesticides are evaluated for overall suitability against major disease, insect pests and weed threats. The SARP aims to identify potential future solutions where tools are unavailable or unsuitable
4. Support and co-ordinate crop protection regulatory activities with the potential to impact plant protection product access, both in Australia and internationally*	<ul style="list-style-type: none"> Regulatory Risk Assessments have informed proactive strategic priority setting to avoid pest management gaps in the event access or use is negatively impacted
5. Generate residue, efficacy and crop safety data to support applications to the Australian Pesticides and Veterinary Medicines Authority (APVMA) that seeks to gain, maintain or broaden access to priority uses for label registrations and/or minor use permits for crop protection needs*	<ul style="list-style-type: none"> Crop protection solutions to meet industry priority needs as identified in the industry SARP or biosecurity plan

* 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.





PRUNE SIP MONITORING AND EVALUATION

The prune SIP Monitoring and Evaluation (M&E) Framework development has been informed by Hort Innovation’s Organisational Evaluation Framework.

Progress against the SIP will be reported in Hort Innovation publications and through industry communication channels. The SIP outcomes and strategies are used to inform KPIs, which in turn drive the investments and individual projects to deliver on the SIP. Projects responsible for delivering the strategy aligned with each KPI will collect the data.

An M&E and reporting framework is shown below. The framework shows what will be measured to demonstrate progress against the plan and how metrics will be tracked. Reporting on KPIs will be processed through various formal channels to inform industry and government investors of progress, performance, and impact. Data sources to support M&E will be identified and collected as part of the requirements for each levy investment.

Hort Innovation will facilitate the regular review of SIPs to ensure they remain relevant to industry.

Prune SIP Monitoring and Evaluation Framework

The prune SIP M&E Framework is shown below. It includes KPIs and data collection methods both at a macro/industry (trend) level and at more specific SIP strategic level/s.

OUTCOME	STRATEGIES	KPIs
Demand creation		
Outcome 1: Demand creation supports the Australian prune industry to expand into existing and future domestic markets.	1. Increase domestic consumer demand for quality Australian prunes through knowledge, attitudes and purchase intent	<ul style="list-style-type: none"> • Positive influence on consumer preference • Use of nutritional information to support consumer demand



OUTCOME	STRATEGIES	KPIs
Extension and capability		
<p>Outcome 2: Improved capability and an innovative culture in the Australian prune industry maximises investments in productivity and demand.</p>	<p>1. Deliver communication capability to support positive change in the areas of best practice crop production improvement, biosecurity and pollination</p>	<ul style="list-style-type: none"> • An increase in engagement, awareness and knowledge of R&D project outputs especially in relation to best practice, biosecurity and pollination
	<p>2. Facilitate innovation by providing opportunities for business engagement between and across similar industries, across industry members and relevant stakeholders</p>	<ul style="list-style-type: none"> • Communication channels available for growers to share knowledge and experiences that can be adapted and transferred between different industries that support on-farm adoption of BMPs and new technologies/innovations
	<p>3. Facilitate productive working relationships between Australian and international researchers to access and leverage world-class know-how and best practices on production</p>	<ul style="list-style-type: none"> • Development of an effective network across national and international RD&E networks that provide the source of new technologies and innovations that are developed for the industry
Business insights		
<p>Outcome 3: The Australian prune industry is more profitable through informed decision-making using consumer knowledge and tracking.</p>	<p>Increase industry alignment with quality and brand-positioning opportunities driven by consumer insights*</p>	<ul style="list-style-type: none"> • Delivery of consumer insights strategy • Evidence that consumer insights inform strategic market engagement • New consumer knowledge available for growers



OUTCOME	STRATEGIES	KPIs
Industry supply, productivity and sustainability		
<p>Outcome 4: The Australian prune industry has increased profitability, efficiency and sustainability through innovative R&D, sustainable BMPs, and better pollination management.</p>	<ol style="list-style-type: none"> 1. Review best practice prune production to maximise pollination success 2. Enhance crop pollination and resilience through improved pollination security 3. Prioritise the major crop protection gaps through a SARP* 4. Support and co-ordinate crop protection regulatory activities with the potential to impact plant protection product access, both in Australia and internationally* 5. Generate residue, efficacy and crop safety data to support applications to the APVMA that seeks to gain, maintain or broaden access to priority uses for label registrations and/or minor use permits for crop protection needs* 	<ul style="list-style-type: none"> • Best practice knowledge underpins pollination success • Evidence of sustainable honeybee health through surveillance data • Coordinated industry priority-setting with a clear outlook of gaps and risks in existing pest control options • Industry priority needs published and shared with stakeholders, including registrants • Regulatory Risk Assessments maintained • Data to support applications to the APVMA and the establishment of Maximum Residue Limits (MRLs)

* 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.

Reporting framework

Hort Innovation will use dynamic reporting aligned to the Organisational Evaluation Framework to report regularly on progress and performance. Reporting will be processed through formal channels to inform industry and government investors.

A review of investment performance against the respective industry outcome and/or strategy-level KPIs for the prune SIP will be completed annually as the primary reporting mechanism. The SIP performance report will provide:

- Evidence of progress towards achieving the industry-specific outcomes and strategies through an assessment of the KPIs identified in the SIP
- Evidence of progress towards cross-industry investment strategies and outcomes. It will involve Hort Innovation's whole-of-horticulture reporting obligations and corporate plan and involve annual reports and Hort Innovation's Annual Operating Plan.

SIP performance reports will also inform the Australian Government of progress towards achieving government priorities. In particular, reporting will support Hort Innovation to meet the Performance Principles and requirements contained in the [Deed of Agreement 2020-2030](#).



COLLABORATION AND CROSS-INDUSTRY INVESTMENT

Based on advice from industry throughout the engagement process, Hort Innovation understands that Australian horticulture industries have common issues, and in turn we have identified prospective areas for collaboration and cross-industry or regional investment.

These opportunities have been included as strategies across multiple industry SIPs where relevant and required. By delivering targeted multi-industry collaboration in RD&E, marketing and international trade, Hort Innovation aims to support more effective and efficient outcomes for growers and the wider horticulture sector. Where cross-sectoral priorities are identified Hort Innovation will seek to work with other Research and Development Corporations (RDCs) and cross-RDC initiatives such as the Plant Biosecurity Research Initiative. This includes driving investment through the Hort Frontiers strategic partnership initiative. Importantly, while this approach acknowledges there is value in solving issues across industries and regions, it does not reduce the importance of industry-specific initiatives.

Cross industry/regional opportunities identified for the prune industry include leveraging opportunities within the summerfruit (plum) industry.

Cross-industry areas of collaboration for demand-driving outcomes provide the opportunity to advance the prosperity of the sector through gaining efficiencies in the delivery of the program and contributing to stronger overall outcomes. By collaborating as one sector to win the hearts and minds of the consumers, in addition to individual demand-driving programs, there is the potential to enhance the total category value proposition, contributing to driving returns for Australian growers.

Areas of consideration for collaboration for demand driving outcomes across the lifespan of the prune SIP 2022-2026 include:

- All-of-horticulture consumer marketing campaigns designed to drive awareness, consideration, and purchase behaviour change

- Communications to bring horticulture to top of mind (saliency) and reposition the benefits they provide to Australian and international consumers
- Retail partnerships to advance total category and shopper demand driving programs
- A global brand platform to reinforce the unique selling proposition of Australian-grown horticultural produce and drive preference with international consumers.

Strategic science and research focus

Collaboration across the agriculture research community is essential, including with IRBs and organisations such as the CSIRO, universities, private enterprise and state government agencies. Hort Innovation is a member of the National Horticulture Research Network (NHRN) together with other senior horticultural R&D representatives from state and Australian Government agricultural agencies. The NHRN is responsible for the development and implementation of the broader Horticulture RD&E Strategy under the National Primary Industries RD&E Framework.

During the engagement process, key delivery partners were contacted including lead agencies within the NHRN Framework as well as specific delivery partners for each industry. The lead agency involved with the prune industry investment program, CSIRO, was engaged during the development of this SIP to ensure consideration and strategic alignment of priorities for the prune industry. In addition, strategic priorities and opportunities identified by the Australian Prune Industry Association have been considered in the development of the prune SIP where applicable.

TABLE 2. Government and key agency priorities

Australian Prune Industry Association	CSIRO priorities	Rural RD&E for Profit priorities	Australian Government Science and Research priorities
Promotion of new varieties	Automation	Advanced technology	Food
Training	Better systems	Biosecurity	Soil and water
Sustainable management practices	Rapid breeding techniques	Soil, water	Advanced manufacturing
Mechanisation	Rootstocks and varieties	Managing natural resources	Environmental change
Peer-to-peer learning	Education and training	Adoption of R&D	Health

This SIP has been developed alongside the government and key agency priorities listed in **Table 2**, with consideration of issues faced by the prune industry. These strategic areas further emphasise the opportunity and importance of cross-industry and regional collaboration. All the priority areas are of importance to Australian horticulture, and these will play a role in driving the efficiency and effectiveness of investment across the sector.

Annual investment planning

Specific investments to address the SIP strategies and align with industry strategic priorities will be outlined in detail each year via the prune AIP. Investment decisions are guided by the SIP and prioritised based on potential industry impact, as well as the availability of levy funds each year. The AIP will be developed with input from the prune SIAP, which is made up of growers and other industry representatives as well as IRBs and other key stakeholders. Wherever possible, investments will be aligned to form multi-industry projects to increase the efficiency of funding availability. Details of the SIAP can be found on the Hort Innovation website [here](#), and the AIP will be published on the same page each year.

Investment opportunities through Hort Frontiers

Innovation is key to the future success of Australian horticulture. The next evolution of the long-range, higher risk and transformational R&D that has the potential to make a significant impact will be possible through Hort Innovation's Hort Frontiers strategic partnership initiative.

Hort Frontiers is a strategic partnership initiative that facilitates collaborative, cross-industry investments focused on the longer term and more complex themes identified as critical for Australian horticulture by 2030. The partnership framework is currently being established and will include a number of key investment themes for potential investment to guide the initiative and drive transformational R&D across horticulture. Key investment themes will include:

- Environmental sustainability (water, soil and climate)
- Pollination
- Green cities
- Biosecurity
- Health, nutrition and food safety
- Advanced production systems
- International markets
- Leadership
- Novel food and alternate uses (waste reduction).

The development of these areas for investment will benefit all of horticulture, with support from partners with aligned priorities to co-invest in deliverables identified that require alternative funds available outside the levy. Hort Frontiers is being developed to align with the Australian-grown Horticulture Sustainability Framework and invest in specific impact areas to drive innovation and sustainability initiative.

The prune industry views a number of these investment areas as opportunities for success into the future, including:

- Advanced production systems
- Health, nutrition and food safety
- Leadership.

Partnering with Hort Frontiers on these areas would provide the prune industry with opportunities for access to world-class research, specialised project management teams and large-scale R&D.

Australian-grown Horticulture Sustainability Framework

Hort Innovation has developed the Australian-grown Horticulture Sustainability Framework, aiming to strengthen the horticulture industry's sustainability to meet the changing expectations and needs of growers, consumers, the community, investors and governments. The framework applies across the whole of Australian horticulture, including fruits, vegetables, nuts, nursery stock and turf. Through widespread consultation with industry and external groups, proposed sustainability goals and indicators were identified and are detailed within the framework. The framework is aligned to the UN Sustainable Development Goals.

Four key pillars were identified in the framework (*Figure 1*).

FIGURE 1. Four key pillars of the Australian-grown Horticulture Sustainability Framework



The framework should be cross-referenced when undertaking prioritisation of investments. At the time of publication, Hort Innovation is working with industry groups regarding the overall responsibility for the framework, setting and reporting progress against the framework targets and performance measures.

View the Australian-grown Horticulture Sustainability Framework on the Hort Innovation website [here](#).

Table 3 provides an example of a prune SIP strategy that illustrates how the industry is already aligning to the framework.

TABLE 3. A prune SIP strategy example showing how the industry is already aligning to the Australian-grown Horticulture Sustainability Framework

Strategy	Impact	Sustainability goal
Enhance crop pollination and resilience through improved pollination security	<ul style="list-style-type: none"> • Improved management of honey bee hives for pollination events • Availability of healthy honey bees for pollination • Impact of honey bee endemic and exotic pests and diseases are minimised 	Planet & Resources



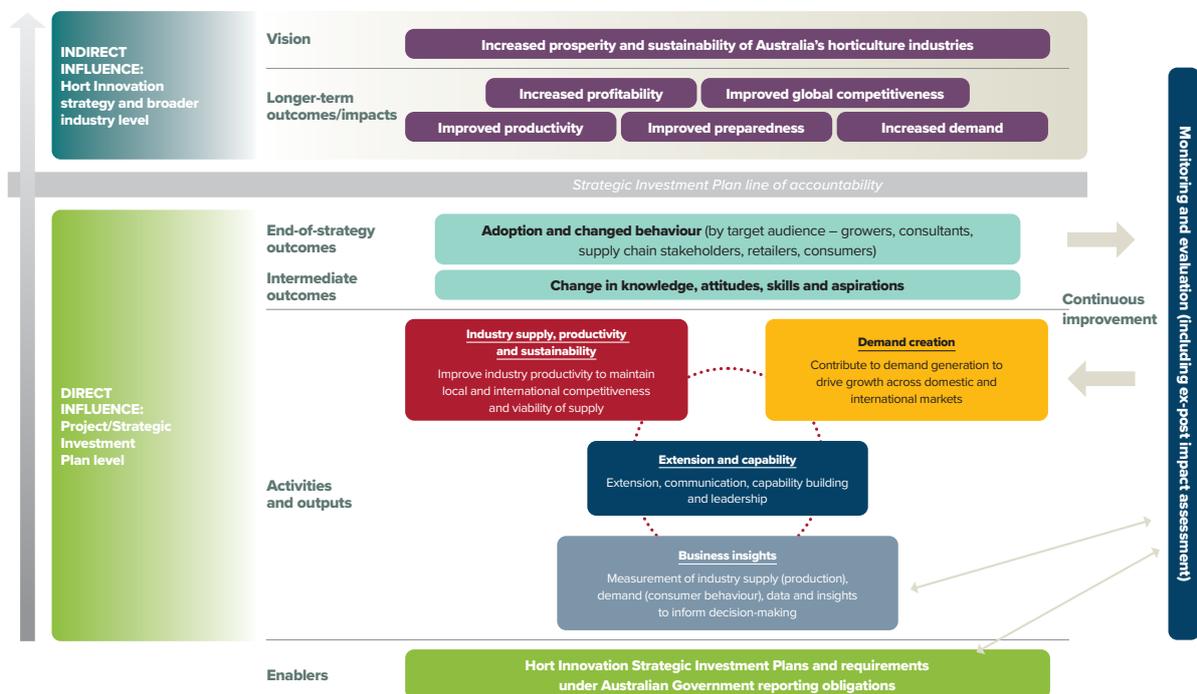
HORT INNOVATION



Strategic Investment Plan logic

The SIP logic (Figure 2) identifies how investment activities and outputs (delivered through each SIP outcome area) will support changes in industry KASA, which drive adoption and behaviour change. Beyond the SIP, investment will contribute to driving longer-term impacts for the sector like increased preparedness, demand, productivity, global competitiveness and profitability. Realising these impacts will support Hort Innovation’s vision of increased prosperity and sustainability of Australia’s horticulture industries.

FIGURE 2. Strategic Investment Plan logic



Aligning to Hort Innovation investment priorities

Hort Innovation is committed to sustainable growth in horticulture, with the overarching aim of increasing the sector’s value to \$20 billion by 2030. We will do this through implementing the SIP and investments against the three core pillars, committed to:

1. Drive knowledge and innovation into horticulture industries
2. Deliver the highest value R&D, marketing and international trade investments across industries now and into the future
3. Enable activities that drive all strategic imperatives.

Hort Innovation is governed by a Deed of Agreement with the Australian Government, which allows for the transfer and

investment of levies and Australian Government contributions. As a Research and Development Corporation, Hort Innovation is able to leverage industry levy investments in RD&E with Australian Government contributions up to a value of 0.5% of the industry’s gross value of production. All investments made by Hort Innovation are thoroughly considered to ensure they contribute to the guiding performance principles:

- Productivity
- Profitability
- Preparedness for future opportunities and challenges
- Competitiveness
- Demand: demonstrates how productivity, preparedness and demand lead to profitability and competitiveness and sustainability.



APPENDICES

APPENDIX 1: Industry context

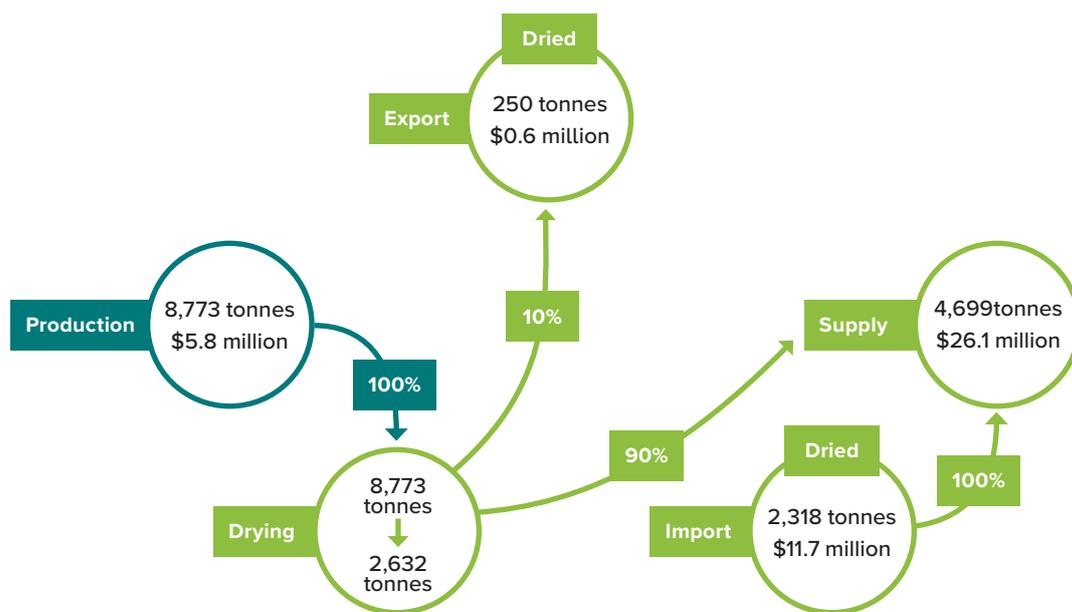
Industry supply chain

The Australian prune industry is small and concentrated with approximately 30 growers and producers. In addition, the prune supply chain is supported by agronomists and processing and marketing companies that grade, clean, pack, and market the product.

Prunes are produced from fresh plums which are then dried. The fresh plums are grown for drying and are harvested over the summer months, particularly in January and February.

The industry has invested significantly in an extension and communications project in order to ensure that the industry remains connected and up to date on news, events and other critical information. This has helped prevent a decline of participants from the industry, and a culture of shared learning amongst the growers.

FIGURE 3. Prune supply chain, 2019/20



Source: Australian Horticulture Statistics Handbook (2019/20)

The domestic market is the main destination for prunes, with 90% destined for this market, and only 10% being sent to exports. There is an even split in the domestic market between imports and locally produced prunes, with domestic production making up 51% of supply (Figure 3).

Domestic consumers and drivers of demand

The domestic market is the most important channel for the Australian prune industry which accounted for 90% of total dried production volume in 2019/20. The supply of prunes in Australia is supported by imports (primarily from Chile and USA) which accounted for 49% of the volume of supply to Australia in 2019/20.

Whilst the domestic supply per capita has stabilised below 0.20 kilograms in over the last three years, the unit wholesale value of prunes has been increasing. The average prune unit value of wholesale supply was 90 cents per kilogram in 2018/19, compared to 57 cents per kilogram in 2012/13, which indicates increasing demand in the domestic market.

Export markets

FIGURE 4. Prune exports, 2012/13 to 2019/20

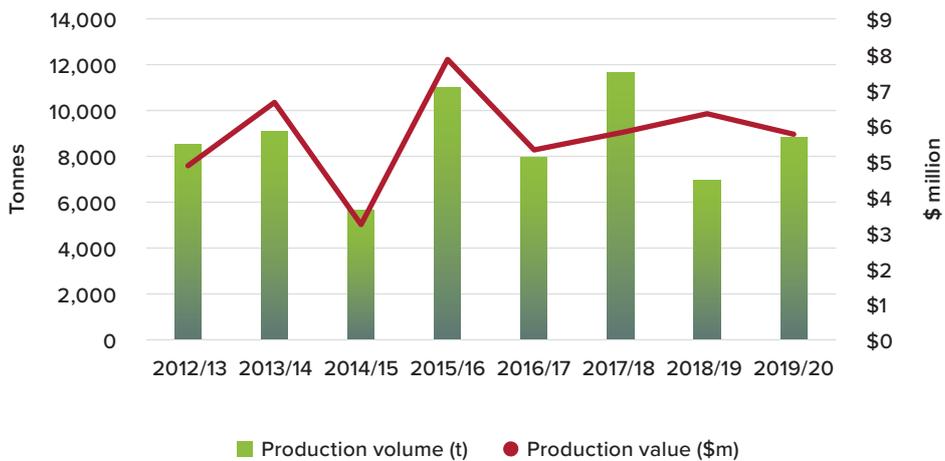


Source: Australian Horticulture Statistics Handbook (2019/20)

Prune exports have decreased significantly since their peak of over 1,200 tonnes in 2014/15 to only 250 tonnes in 2019/20 (Figure 4). This shows that the Australian prune industry is now focused on domestic supply and on competing with imports in the domestic market.

Industry production

FIGURE 5. Prune production, 2012/13 to 2019/20



Source: Australian Horticulture Statistics Handbook (2019/20)

In Australia, prunes are predominately grown in southern New South Wales (96%), with a small proportion grown in Victoria (4%). The temperate regions of Griffith, in the Riverina, and Young on the south-west slopes are the major production areas.

Prune production in Australia is volatile depending on seasonal conditions and plantings. Over the last decade, Australian production has varied between lows of roughly 1,500 tonnes and a high of 4,000 tonnes. Production of fresh plums for drying was 8,773 tonnes in 2019/20. Post-drying, 2,632 tonnes of prunes were produced nationally with 90% going to the domestic market and 10% directed to exports (*Figure 5*).

TABLE 4. Seasonal availability of Australian prunes

STATE	19/20 TONNES	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
New South Wales	8,422												
Victoria	351												
Fresh production legend			High			Medium		Low					None

Source: Australian Horticulture Statistics Handbook (2019/20)



APPENDIX 2: Prune industry situation analysis

At the time of refreshing the SIP in 2021, the global coronavirus (COVID-19) pandemic continues to affect horticulture industries to varying degrees. Although the outcome and ultimate impact of the pandemic are unknown, areas of investment across horticulture that may be influenced over the period of this SIP include export and trade relationships, domestic and international demand, logistics and supply chain, labour supply – all having potential impacts on grower profitability.

Environmental, economic and social sustainability are vitally important to Australian horticultural growers and industries. Customers, consumers, and investors also seek information about the sustainability and ethics of how their food is produced. Sustainability is particularly crucial as topics such as climate variability, health and ethics continue to shape the social, environmental, and political landscape for agricultural industries. The impact of these issues may have influence on a whole range of investment areas for horticulture from production practices and land management, demand and reputation of products, quality expectations and cultural/community engagement.

Strengths, weaknesses, opportunities and threats

Table 5 has been used to analyse the prune industry's strengths, weaknesses, opportunities, and threats (SWOT). The SWOT tool assists the industry to build on what works, observe what is lacking, minimise risks, and take the greatest possible advantage of chances for success.

TABLE 5. Prune SWOT analysis

The prune industry	
Strengths	<ul style="list-style-type: none"> • Packer rationalisation/amalgamation to build competitiveness • Australia's 'clean and green' image • Producers are becoming larger and more efficient • Unified industry and an active peak body • Low disease status of the Australian industry • Greater understanding of premium market position of Australian prunes • Industry strongly supports and is actively engaged in R&D • Nutritional benefits – prunes are high in antioxidants and other compounds • Ease of storage
Weaknesses	<ul style="list-style-type: none"> • High costs of production (including energy prices, compliance and regulatory costs, wages and fertiliser) • Difficult to attract new entrants to the industry • Climatic conditions have questioned the viability of dry land production • Low grower confidence due to droughts and variable prices • Supermarket dominance reducing opportunities to increase price • Imports, sometimes at lower cost than Australian product • Difficulty attracting new entrants to the industry

The prune industry	
Opportunities	<ul style="list-style-type: none"> • Growth in export markets • Opportunity for the industry to look beyond traditional product ranges and seek to value-add • Greater understanding of premium market position of Australian prunes nutritional benefits – prunes are high in antioxidants and other compounds • Pitted prunes are an increasing segment of the category and the expanding wider dried fruit category is growing • Technological advances from R&D such as reduced costs of dehydration and new varieties • Centralised drying facilities due to expansion or collaboration • Underproduction in Australia means that packers need to import prunes to supplement supply
Threats	<ul style="list-style-type: none"> • Further imports, especially other larger producers seeking to offload product during times of over-production • Climate change variability negatively impacting production • Droughts and variable prices • Further dominance of a small number of retail outlets • Underproduction in Australia means that packers need to import prunes to supplement supplies • Potential emergence of new diseases and pests such as varroa destructor and plum pox virus (sharka)



APPENDIX 3: People consulted

The following people are acknowledged for their contribution to the prune SIP development process.

NAME	INDUSTRY ROLE	REGION
Tony Toscan	Grower; Chairman, Aus Prunes	New South Wales
Peter Cremasco	Grower	New South Wales
Thomas Cheung	Processor	Victoria
Michael Zalunardo	Grower; Deputy Chair, Australian Prune Industry Association	New South Wales
David Swain	Processor	Victoria
Peter Calabria	Grower	New South Wales
Phil Chidgzey	Executive, Aus Prunes; Secretary, Australian Prune Industry Association	National
Jeff Granger	Grower	New South Wales
Malcolm Taylor	Grower	Victoria
Grant Delves	Grower; Executive, Aus Prunes	New South Wales

APPENDIX 4: Reference material

Australian Prune Industry Association, 2021, Aus Prunes, <https://ausprunes.org.au/>

Horticulture Innovation Australia Limited, 2012, Prune Strategic Investment Plan 2012-17

Horticulture Innovation Australia Limited, 2019, Growing into the Future: Strategy 2019-2023

Horticulture Innovation Australia Limited, 2020, Australian Horticulture Statistics Handbook 2019/20

Horticulture Innovation Australia Limited, 2021, Australian-grown Horticulture Sustainability Framework



APPENDIX 5: List of acronyms

AIP	Annual Investment Plan
APIA	Australian Prune Industry Association
APVMA	Australian Pesticides and Veterinary Medicines Authority
BMP	best management practice
CSIRO	Commonwealth Scientific and Industrial Research Organisation
FY	financial year
IPDM	integrated pest and disease management
IRB	Industry Representative Body
KASA	knowledge, attitudes, skills and aspirations
KPI	key performance indicator
M&E	monitoring and evaluation
MRL	Maximum Residue Limit
NHRN	National Horticulture Research Network
R&D	research and development
RDC	Research and Development Corporation
RD&E	research, development and extension
SARP	Strategic Agrichemical Review Process
SIAP	Strategic Investment Advisory Panel
SIP	Strategic Investment Plan
SWOT	strengths, weaknesses, opportunities, and threats



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