

FEBRUARY 2022

Chestnut

Strategic Investment Plan 2017-2021

PERFORMANCE REPORT



Chestnut SIP performance report

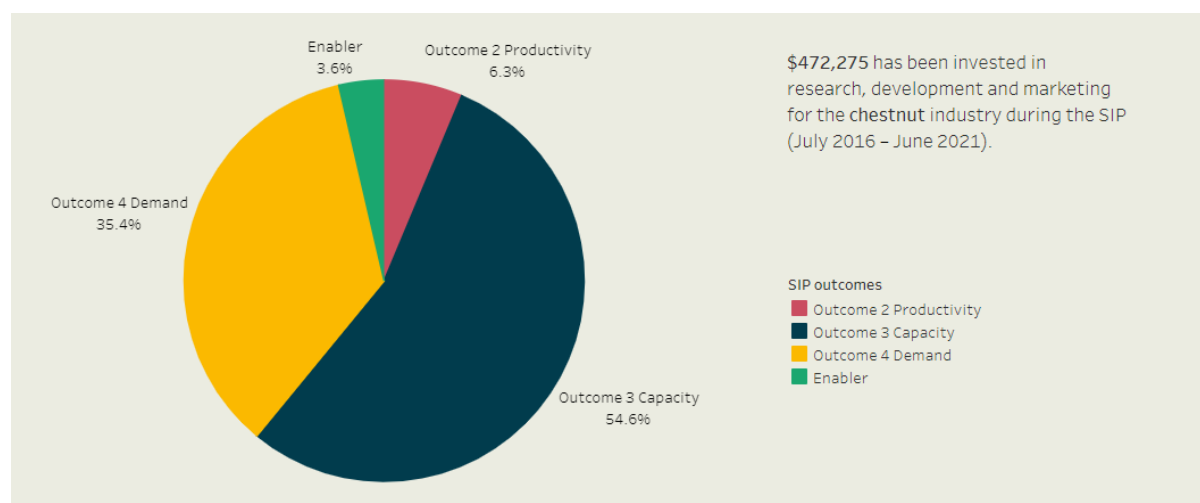
This performance report reviews the performance of levy investments delivered against the chestnut Strategic Investment Plan (SIP), which was active for the 5-year period from 2016/17 to 2020/21. The chestnut SIP was developed to strategically guide research and development (R&D) and marketing levy investment in accordance with core industry priorities. The SIP featured four outcome areas, 12 strategies and 14 key performance areas (KPIs), summarised in Table 1. A total of \$0.5 million was invested into the Chestnut Fund over the 5-year period of the SIP. The total investment expenditure allocated against each outcome is provided in Figure 1.

Table 1: Chestnut SIP outcomes

Outcome	Description	Expenditure allocation*
1. Quality	Improved retail quality of chestnuts that matches consumer expectations	0%
2. Productivity	Average annual yield increased by 10% on mature plantings	6.3%
3. Capacity	Better informed industry and improved adoption of R&D outputs	54.8%
4. Demand	Increased domestic demand and increased on-farm prices	35.4%

*Total investment \$0.5 million as of June 2021. Balance of expenditure comprises of enabler investments, which includes expenditure to support the delivery of the SIP including advisory meeting and publication costs.

Figure 1: Chestnut SIP investment expenditure analysis



SIP performance analysis

This performance report reviews the investment achievements delivered within each outcome area that have generated impact for growers. The overall status of each strategic area, informed through an assessment of KPI performance, is also provided. The evaluation status and criteria were:

Strategic area status	Criteria
Achieved	KPIs for this strategic area were met
In progress	Investment delivery remains ongoing
Not achieved	Investment was not prioritised in this strategic area

The results have been informed from evidence compiled through reviewing investment documentation and engagement with project managers. Outcomes generated through the investments are documented and brief case studies of flagship performance and impact for each outcome area are also provided.

Outcome 1: Quality – Improved retail quality of chestnuts that matches consumer expectations

The chestnut SIP 2017-2021 highlighted the importance of quality in increasing domestic demand for Australian chestnuts. In particular, the SIP noted the difficulty of getting repeat sales when there is variable quality and internal rot, the challenge posed by the requirement of a continuous cool chain, and a lack of agreed product quality standards.

Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support chestnut quality are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Work with growers and the supply chain to research solutions and ensure consumers receive fresh Australian chestnuts that meet their expectations of quality	Not achieved
Research and deliver an industry managed grower accreditation program based on agreed quality and food safety parameters	Not achieved

Investment throughout the period of the SIP was not prioritised into this outcome.

Outcome 2: Productivity – Average annual yield increased by 10% on mature plantings

The chestnut SIP 2017-2021 identified key challenges impacting productivity, including increasing production costs, pests and diseases such as chestnut blight, and the need for increased access to cost effective, environmentally sensitive pest and disease control technology.

Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support chestnut productivity are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Manage nut rot on-farm and in the supply chain	Not achieved
Develop and implement orchard best management practices	Not achieved
Maintain effective industry biosecurity	In progress
Provide the industry with appropriate planting material	Not achieved

KPI callouts:

- A program of investments including *Chestnut industry minor use permit program* (CH16001), supported the submission of applications for new and renewed minor use permits for the chestnut industry, as well as data generation activities to support chemical permits and registrations, and strategic agrichemical reviews. Together these efforts provide chestnut growers with access to safe, relevant and effective chemicals for the management of pests, weeds and diseases.

Outcome 3: Capacity – Better informed industry and improved adoption of R&D outputs

The chestnut SIP 2017-2021 sought to improve the capacity of industry participants through improving skills in producing, marketing and leadership, the effective extension of industry R&D, the collection of production data to inform industry decision making, and by building linkages with the international chestnut industry to facilitate a deeper understanding of industry trends and developments.

Summary of strategic area and achievement status:

The strategies in the SIP that were identified to chestnut capacity are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Support adoption of R&D outcomes with effective extension	Achieved
Deliver meaningful data in a timely manner	Achieved
An effective communications program to engage stakeholders	Achieved
Engage with the international nut industry	Not achieved

KPI callouts:

- The projects *Communication and adoption program for the Australian chestnut industry* (CH16000) and *Chestnut industry communications program* (CH18000) kept the industry up-to-date with the latest news, R&D outputs, industry data, and other key information through a variety of channels including the industry newsletter, magazine, the website, and events.

Outcome 4: Demand – Increased domestic demand and increased on-farm prices

The chestnut SIP 2017-2021 recognised that marketing provides the ‘pull through’ needed for chestnuts. While the nut was thought to be well understood and enjoyed by Australians of European or Asian heritage, it was largely unknown and untested by many in the Australian community. The SIP prioritised the development and execution of a market strategy to rebuild consumer confidence and support growth in Australian chestnut sales, along with a strategy to explore emerging opportunities in value adding and fresh chestnut export

Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support chestnut demand are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Develop and execute a market strategy that grows the Australian chestnut market	In progress
Explore emerging opportunities, including value-added products and export market development	Not achieved

KPI callouts:

- While still ongoing at the conclusion of the SIP, *Nutritional analysis of across horticulture commodities* (ST19036) provided new composition data to improve the ability of the horticulture sector to promote the nutritional benefits of produce and assist consumers and health professionals to identify sources of key nutrients.
- Also ongoing at the end of the SIP, *Nuts for Life – Educating health professionals* (HN19000) aimed to reduce the gap between Australia’s average daily consumption of nuts per person per day. Through research and communication activities focusing on an audience of health professionals, the project positioned tree nuts as an important component of a healthy diet.
- The *Australian Horticulture Statistics Handbook* (HA18002) reported that the supply of Australian chestnuts has remained largely flat over the 5-year term of the SIP whilst the wholesale price has ranged between \$9.00/kg and \$11.50/kg.
- Consumer marketing has focused on social media campaigns and recipe development and distribution to encourage consumer purchase through the chestnut season.