POTATOES
SOUTH AUSTRALIA
the voice of the potato industry value chain

Strategic Plan

2018'21

March 2018

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TABLE OF CONTENTS

Executive Summary

Potatoes South Australia Incorporated is the peak body representing all sectors of the South Australian Potato Industry. The development of this Strategic Plan is essential for the organisation's continued long term viability which is dependent upon the relevance, timeliness and quality of the services the organisation provides to the industry it serves.

The Strategic Plan (2014'17) put the building blocks in place to guide the industry towards the future achievement of the goals of sustainability, profitability and competitiveness. The Plan emphasised the twin objectives of uniting the industry through stakeholder engagement and becoming financially self-sufficient; both were achieved.

It also stressed the need to achieve real outcomes for all stakeholders as well as be the conduit between the industry and local, state and federal policy makers.

Industry ownership of the Plan through extensive consultation was critical to its successful implementation. Industry endorsement of both the Strategic and Funding Plans resulted in the introduction of a voluntary levy paid across all sectors and the appointment of an Independent Chair and broader Board membership. The levy continues to constitute a high risk strategy; there is increasing leakage and some sectors (crisping and exports) are not contributing. However, it remains a highly accountable model as the Association is wholly funded by the industry it represents.

A prominent and unique characteristic of the Association is its capacity to reserve resources for unexpected issues and events which require immediate action. Past examples include federal industrial relations and local government matters. This capacity and capability will continue.

This new Plan which will be supported by annual budgets, has been developed following informal regional stakeholder discussion and is largely a revision of the Strategic Plan 2014'17.

It is clear from those discussions that a major focus must be on **Biosecurity Management** and the uptake of improved **Agronomic Practices** (particularly precision agriculture) to increase productivity. The **Reduction of Pre-farm Gate Loss** and its **Transformation to High Value Products** is an over-arching and critical theme.

The Association's vision remains as:

"To be a whole-of-value chain, financially-independent, relevant and highly effective representative organisation focused on growing demand, competitiveness, sustainability and profitability for all stakeholders in the potato industry".

This shorter but concise Plan outlines a realistic strategic pathway for the next three years enabling structured guidance for the Association both in the achievement of its objectives and in the mitigation of risks. There is a large emphasis on partnerships within and external to the industry. There is no doubt that central to the past success of the Association has been its collaborative efforts and its strong R&D focus funded by the South Australian industry, South Australian Government agencies (PIRSA, DSD, DEWNR) and the Federal Government's DoAWR through Landcare. Collaboration, particularly with the Victorian Government, ViCSPA and the DoAWR and on the ground internationally has enabled the achievement of market access for seed potatoes into Indonesia; a protocol which has been under negotiation for the life of the Association.

Consideration has been given to existing sector production and it is closely linked and generally complementary to Australian Fresh and Processing Potato Industry Strategic Investment Plans 2017-2021. The Victorian Potato Industry Strategic Plan 2015-2020 was also consulted.

The key non sector-specific strategic priorities which must be addressed in this period are:

- ***Valorising potato loss and waste[1];***
- ***Managing biosecurity challenges through a partnership approach; and***
- ***Accessing the world's best agronomic R&D.***

A longer term priority is:

- ***Building financial capability to pursue other major objectives including generic marketing and positioning of the potato to increase consumption.***

There remains a requirement to promote the industry and the relevance of potato in the human diet; the significant research achieved under the last Strategic Plan will be the basis for potential future awareness-raising in this area.

Accessing new markets across all industry sectors continues to hold significance and is covered largely by managing biosecurity challenges to satisfy importing country protocols.

Revenue-raising continues to be critical; consistent and adequate funding will drive the successful delivery of these priority objectives. Importantly, resources will be quarantined for reactive advocacy and lobbying (industrial relations (IR), water allocation planning (WAP), local government matters etc). These examples exemplify vital use of resources in the past.

In an environment flush with competing industry bodies, the significance of relevant value-adding by Potatoes South Australia is critical to ensuring its longer term viability. Its role must be differentiated.

It is envisaged that this Plan will be reviewed annually and/or as required.

Introduction

Potatoes South Australia Incorporated is a whole of value chain, representative, not-for-profit body for the South Australian potato industry and it is financially supported by the industry. It receives no direct Government financial assistance.

Following the introduction of an industry-endorsed Funding Plan on 1 July 2013, the Association is supported by a voluntary levy applicable to all sectors; seed, fresh and processing. The funding is used to cover all operational expenses.

Specific project funding is acquired in a competitive process from the South Australian Potato Industry Trust (SAPIT) and State and Federal Governments. The funding of projects through the RDC; Horticulture Innovation Australia (HIA) has been negligible.

Due to substantial vertical integration and amalgamation in the industry, the organisation's focus is not restricted by state borders and it seeks to unify the industry both at a state and national level as appropriate, for the betterment of its stakeholders and the industry.

Representing the state's and nation's largest horticultural sector, Potatoes South Australia is currently supported by a Board of Directors who are industry or independent business leaders who have the capacity to engage at the highest political levels. This is of major benefit to the industry. The current

[1] The activities associated with valorising potato waste and loss have been largely transferred to the Association's wholly-owned subsidiary, Puree Australia Pty Ltd.

Board of Directors is guided by the Association's second Independent Chair, Dr Andrew MacDonald who was elected on 1 July 2017. His appointment reinforces the Association's continuing governance and commercial priorities.

Following industry consultation, this represents the third Strategic Plan for the Association. Developed to guide the Association over the next three years, it will be annually reviewed and updated to reflect change, during this period.

The Strategic Plan was ratified by the Board of Directors on 14 February 2018.

Planning Framework

The strategic plans of relevant state and federal industry bodies have been researched for relevant incorporation into this document.

There is a high degree of crossover between the current national plans for 2017'21 for both the processed and fresh sectors of the industry. Without seeking to reproduce these plans in any way, it is important to list their key strategies in order for possible alignment with this plan to maximise national collaboration. These plans summarise priorities as follows:

Potato-Fresh Industry Strategic Investment Plan 2017'21[2]

1. Improve industry profitability by increasing the value of the product sold on the domestic market
2. Grow export markets to increase average returns to growers
3. Improve average yields significantly resulting in a lower cost of production
4. Increase innovation and agility in potato businesses resulting in a sustainable industry that can adapt to highly dynamic markets

Potato-Processed Strategic Investment Plan 2017'21[3]

1. Industry has access to the world's best agronomic information and networks, resulting in increased productivity
2. Growers are serviced by professional agronomists with best practice potato expertise, resulting in improved industry skills and knowledge
3. Losses from pest and disease are reduced, resulting in improved quality and increased marketable yield
4. Precision agriculture and related technologies/ systems become standard practice, resulting in reduced cost of production
5. Collaboration across the supply chain to achieve cultural change has resulted in improved economic sustainability

Consideration was also given to the six strategic initiatives developed by the Victorian Potato Industry in its Strategic Plan to help achieve its goals:

Victorian Potato Industry Strategic Plan 2016'20 [4]

1. Enhance the demand for Victorian grown fresh, seed and processed potatoes
2. Increase the productivity (and profitability) of the Victorian potato industry
3. Gain market access opportunities
4. Build industry partnerships and further engage with growers

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[2] Horticulture Innovation Australia Potato-Fresh Strategic Investment Plan 2017'21 (2016) Prepared by David McKinna, McKinna et al

[3] Horticulture Innovation Australia Potato-Processed Potato Annual Investment Plan 2017'21 (2016) Prepared by David McKinna, McKinna et al

[4] Victorian Potato Industry Strategic Plan 2015-2020, (2015) Prepared by Russell Pattinson Miracle Dog Pty Ltd.

5. Increase resources available to industry and undertake programs
6. Increase the capacity and perceptions of the Victorian potato industry

Situational Analysis

Global Statistics

- Third largest food crop globally;
- The total world potato production is estimated at 381,682,000 tonnes in 2014[5];
- The world potato sector is undergoing major changes; until the early 1990s, most potatoes were grown and consumed in Europe, North America and countries of the former Soviet Union;
- There has been a dramatic increase in potato production and demand in Asia, Africa and Latin America, where output rose from less than 30 million tonnes in the early 1960s to more than 165 million tonnes in 2007; In 2005, for the first time, the developing world's potato production exceeded that of the developed world; and
- China is now the biggest potato producer at 95,987,500 tonnes and almost a third of all potatoes is harvested in China and India.

National Statistics (year ending 30 June 2016)

- Nationally, potatoes are by far the largest horticultural crop, in both volume and contribution to GDP, accounting for 20% of total vegetable production and worth $659.7m;
- Australian potato production was 1.343 m tonnes: 452,951 tonnes of fresh supply (34%) with a wholesale value of $440 million, and 64% or 852, 856 tonnes entered processing;6
- Australian fresh potato exports were 37,212 tonnes (3%) worth $25.9m. Exported processed product was worth $14.8m;
- The main export markets are South Korea (65%), UAE, Malaysia, Indonesia and Singapore;
- 29,414 hectares are under production (2015);7
- Average yield for all potatoes (fresh and processing) in 2013'14 was 40 tonnes per hectare;
- Average yield for processing potatoes was 55 tonnes per hectare8;
- 880 producers;
- Potato imports were 146,218 tonnes of frozen product; 266 tonnes dried;
- Potato exports were 32,212 tonnes (excl seed);
- The current domestic retail market value of fresh potato purchased by consumers is $773 million per annum;
- 88% of Australian households purchase potatoes; 1.5kg/shopping trip; and
- Total Australia fresh and processed potato consumption per capita per year ending June 2016 was 18.79 kg, a decrease of 4% since 2014.

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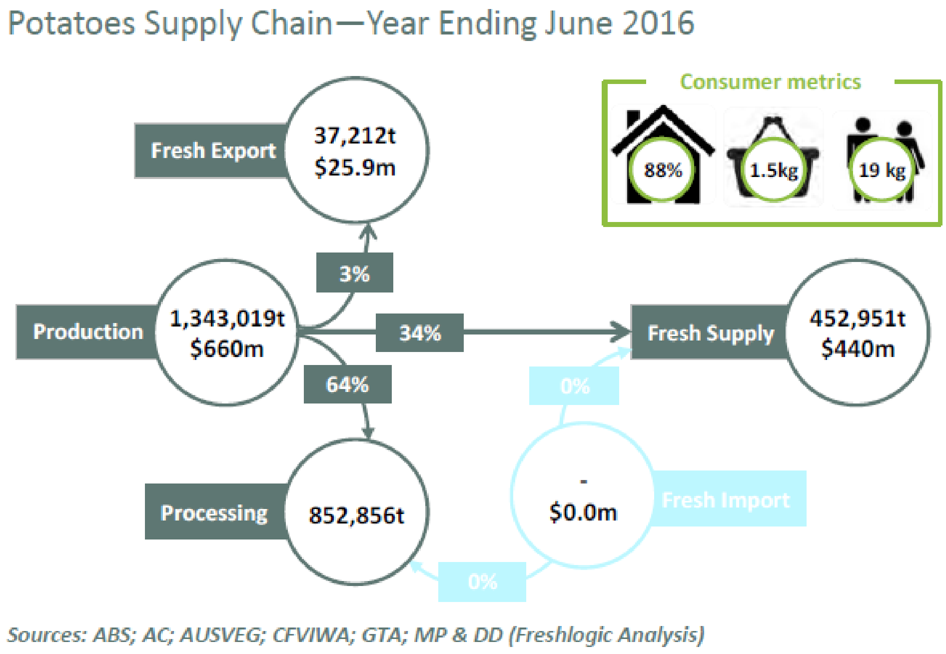
[5] FAOSTAT, 2017
[6] Horticulture Statistics Handbook 2015'16 Vegetables, Horticulture Australia Ltd 2017
[7] ABS (2015). 71210DO001_201314 Agricultural Commodities, Australia, states and territories–2013-14
[8] ibid



[9]

South Australian Statistics (year ending 30 June 2016)

- South Australia produced 441,323 tonnes of potatoes, 33% of national production. Tasmania led production with 469,459 tonnes (35%);
- Total Farm Gate Value for South Australia in 2013'14 was $202.2 million ($440 million value-added);
- The state produces 80% of Australia's fresh washed potatoes;
- Production is all year round;
- South Australia exported 14,953 tonnes worth $11 million;
- Approximately 11,900 hectares are under potato production;
- Regional growing areas are Murraylands/Riverland 41%, LLC 45%, Adelaide Hills 1.5%, Fleurieu 5%, Barossa Light and Lower North 2.5%, NAP 5%; and
- Export remains low at 2% of production (fresh to Middle East/Singapore/Malaysia, processing to Thailand/Indonesia/South Korea, seed to Thailand)

Key Challenges for the Australian Industry

The issues documented in the 2014'17 Strategic Plan have been revised and additional issues have been added. They include the following:

Input Costs and Pricing

- Growing costs have risen at an average of 3% per annum with packing costs increasing by nearly 5% per annum in the last ten years;
- Cost of production of potatoes falls within a range of between $12,000 to $14,000 per hectare; more than double Europe and USA;
- Declining price trend;
- The duopolistic pressure from supermarkets is forcing suppliers to become lower price-takers and supply specified varieties on demand all year round;
- The production trend in the fresh market is moving steadily downward over the longer term;
- Higher input costs in all categories relative to competing countries;

[9] Horticulture Statistics Handbook 2015'16 Vegetables, Horticulture Australia Ltd 2017

- Smaller growers and processors are leaving the industry with many others under financial pressure due to falling profit margins and lack of market power;
- Processing costs for potatoes in Australia are the highest cost in the world[10]; and
- Lack of profitability constraining re-investment.

Market Structure

- There remains a lack of communication, collaboration and engagement in the value chain;
- There is a general rationalisation of the industry with fewer producers and greater corporatisation along the entire value chain; and
- Generally, there is market oversupply (fresh sector) resulting in greatly reduced prices in most supply periods.

Production

- On average, Australian yields are lower and more variable than comparable producing nations; and
- The production trend in the fresh market is moving steadily downward over the longer term.

Exports

Fresh sector

- There is poor national export coordination exacerbated by inconsistent biosecurity protocols across states and an unsophisticated and/or negligible export culture, resulting in unrealised capacity and capability;
- Market access is often complicated by Government intervention at both ends of the value chain;
- The costs associated with export seed and fresh potatoes (phytosanitary requirements/market access) are high;
- The value and benefits of certified seed to the commercial grower have not been sufficiently promoted to the wider industry (disease management, biosecurity, variety integrity, risk management); and
- Despite comprehensive whole-of-industry plans the export market is under-developed, currently representing only 2% of production and limited to SE Asia, South Korea and the Middle East.

Processing sector

- Pressure from imports mainly from New Zealand, USA and Europe continue to be a cause for great concern across the sector; and
- The processed potato sector in Australia remains focussed on the domestic market due to its global un-competitiveness.

Workforce

- There is currently poor attraction and retention of skilled workers including professionals, particularly in regional areas, resulting in increasing skills shortages;
- The workforce is dominated by an ageing population (average age exceeds 50 years);
- There is some resistance by producers to better position themselves for the developing realities of all sectors;
- Challenges securing 457 visas;

[10] McKinna et al 2010

- Reliance on backpackers in the absence of local (regional) casual labour;
- High burden of compliance on OH&S and other labour issues;
- Poor marketing of the agricultural and horticultural sectors is resulting in little interest by young people to enter the sector or participate in succession planning; and
- Food producers are under-valued by the general public and governments; there is a lack of recognition of the economic importance of the sector.

National Collaboration

- There is a duplication of services, and industry division due to the plethora of industry bodies;
- Some industry bodies are self-serving and unable to collaborate for 'whole-of-industry good'; and
- Despite potatoes representing the largest horticulture contribution to gross food revenue (>$440 million) there is no national dedicated potato industry association covering all sectors and geographical locations with the capacity to effectively service the domestic industry in a global economy.

Consumption and Marketing

- Overall potato consumption is decreasing from a rate per capita of 63 kilograms in 1996, 55 kilograms in 2002, 38 kg in 2013 and to 18.79 kg in 2016[11]
- Fresh potatoes will become irrelevant in the product mix and will be overtaken by processed potatoes, pasta and rice if the industry does not take steps to arrest the decline in consumer demand;
- Most consumers have been conditioned, primarily by the supermarkets, to purchase on price and visual characteristics, not value;
- There is no national potato industry marketing levy in place to fund a generic campaign. There has been no dedicated potato market-led promotion in South Australia or nationally for at least thirty years;
- Historically there has been a lack of differentiation between varieties with the potato considered as a commodity;
- There is generally poor marketing of specific individual varietal qualities at point of sale. The majority of potato shelving displays in retail outlets are dull and unimaginative and fail to cultivate an emotional factor;
- Demand for fresh retail in South Australian and interstate markets is unlikely to be maintained or grow significantly without product innovation and promotion;
- There has been a decade of supermarket demand for clean, polished, evenly shaped potatoes with a long shelf-life, irrespective of taste;
- There is confusion and a lack of consumer education and awareness, particularly at point of sale, concerning the health benefits of potatoes. The potato is generally falsely perceived as a fattening unhealthy food;
- The potato is perceived as a staple, boring, unsophisticated food; and
- There is no strategy for stimulating and meeting consumer preferences for Australian products in domestic and global markets.

Research, Development & Extension

- Current national R&D levy managed by Horticulture Innovation Australia (HIA) Ltd, a Research and Development Corporation (RDC) is generally poorly administered and invested;

[11] Horticulture Statistics Handbook 2015'16 Vegetables, Horticulture Australia Ltd 2017

- Much of the research being undertaken for the industry is not driven by the real ideas of the end-users and levy payers;
- Gaining funds for R&D projects is cumbersome, lengthy, arduous, time-consuming and process-driven;
- Many levy-payers, research institutions and representative bodies are choosing not to apply for funding from HIA (often their own levy) as the process of concept provision is resulting in loss of IP and execution of projects by inappropriate consultants;
- The Federal Government requirement for transparency has resulted in micro-managed projects with emphasis on 'box-ticking' not industry productivity gains;
- There is inadequate human capital for government research;
- There has been limited progress with value-adding;
- There is inadequate extension of research and development (R&D) outcomes to growers and the wider industry;
- There is insufficient consultation with industry concerning R&D; and
- The reform of HIA to a 'grower-owned' body has resulted in a less efficient, more onerous and bureaucratic funding model which is not results-driven.

Waste and Loss Transformation

- Agricultural food loss (pre farm-gate) is valued at $3 billion per annum, of which $1.8 billion is in the horticulture sector;
- Potatoes are the largest contributor to food loss in Australia; 20-40% of all potatoes in the fresh sector do not meet retail specifications and are discarded as stockfeed of nil or negligible value, or dumped;
- There is also waste in the processing sector (5-10%);
- The industry considers this food loss 'acceptable';
- Valorisation of waste is the only significant way in which productivity can be increased but it is not being addressed as a whole-of-industry solution; and
- The Federal Government has been slow in showing leadership despite developed world commitment. The National Food Waste Strategy and the Fight Food Waste CRC (SDG 12.3) will address this.

Biosecurity Management

- No establishment of a preparedness blueprint as the backbone of a pest and disease management program to reduce impacts of quarantine pests and diseases;
- Reactive, not proactive in overall management;
- Importance of facilitating business continuity along the value chain has not been a priority;
- Science not always used to underpin the development of protocols to gain or improve market access;
- Under-estimation of immediate market access and business continuity consequences;
- Industry not directly represented on Plant Health Committee; and
- Generally inadequate communication by industry with biosecurity agencies which prevents proper understanding and address of the issues.

SWOT of the South Australian Potato Industry and Association

After a period of strong industry growth, which has positioned South Australia as the premier potato growing state, particularly in the fresh market sector, the industry continues to face many difficulties which have the potential to undermine future growth. However, these difficulties also provide opportunities for innovation and a 'different' way forward. The analysis below provides a clear picture of the Association and the industry it represents.

Strengths

Industry

- Established, pronounced economies of scale and capital utilisation in the fresh sector
- Vertically integrated value chains to retailers
- Largest contributor to fresh sector (80%) which is largely exported nationally to an over-supplied competitive market
- Largest producer of potatoes by volume
- Leader in potato loss/waste valorisation R&D

Association

- Strong sustained relationships with all levels of Government, RDA networks, research institutions, universities, sector stakeholders, industry (state and national) e.g. Blok of 4 approach to market access re TPP incursion
- Respected by and in agriculture/horticulture/industry both nationally and internationally e.g. WPC 2021 Bid
- Ability to react quickly to unexpected issues due to structure and access to high level contacts and intellect
- Voluntary industry levy maintained without public assistance
- Lean, accountable operations
- Independent Chair and skills-based Board (3 independent Directors)
- Expertise in project management and the formation of nationally recognised project teams
- Expertise in project funding application development
- Inclusion in nationally/internationally significant bids/reference groups/meetings e.g. Fight Food Waste and Fraud CRC, G20, UN Championing SDG 12.3
- Leader in potato loss/waste valorisation R&D
- Strong and continued corporate partnerships
- Leadership in biosecurity management e.g. ‘Blok of 4’ approach

Weaknesses

Industry

- Poor attraction and retention strategies for the necessary skilled and unskilled workforce
- Resistance by smaller producers to better position themselves for the global marketplace
- Inconsistency in the quality and availability of agronomic advice
- Smaller producers have poor business and whole-of-farm management skills
- Poor cross-industry collaboration leading to a highly competitive environment
- High cost of compliance and regulation (government and retailers)
- Plethora of industry bodies nationally; no single representative voice
- Few relevant industry-led R&D projects funded by the levy and managed by HIA
- Poor extension of research outcomes

Association

- Reliance on CEO
- No succession planning
- Reliance on unenforceable voluntary levy
- Strong R&D focus at possible expense of other activities
- Not all producers are contributing to the voluntary levy (considerable leakage)
- Not represented on PIB; AUSVEG Board
- Under developed use of social media

Opportunities

Industry

- Innovation in fresh market offerings and increase demand
- Innovation in packaging to increase shelf life and appeal to consumers
- Pursue on-going R&D to improve genetics, agronomy, new technology including precision agriculture and identify gaps
- International academic sabbatical exchanges of key researchers/fellows
- Conduct specific training workshops for consulting agronomists to create uniformity of expert advice to industry
- Re-position the industry to attract future employees through dedicated career initiatives and targeted preparatory training programs especially in the Agricultural Science fields
- Increase production and use of certified seed
- Negotiate lower product specifications with retailers
- **National leadership in waste transformation to increase productivity**
- **National leadership in biosecurity management**
- **National leadership in agronomic innovation uptake**

Association

- Commercialisation of products through Puree Australia Pty Ltd
- Maintained sophisticated use of social media network facilitated by industry experts and professional advisors
- Transformation into a major consulting firm dedicated to the industry
- Increased influence on use of national levy funding administered by HIA to ensure levy payers receive benefits commensurate with their investments

Threats

Industry

- Continued decreasing consumption due to poor perception of actual health benefits
- Poorly nationally-managed exotic incursion (e.g. Tomato Potato Psyllid (TPP), Candidatus Liberibacter solanacearum (CLso), Dickeya dianthicola) due to lack of nationally-coordinated preparedness
- Global oversupply and processed product dumping in the Australian market eroding prices
- Even higher input costs (water, power, labour) further eroding competitiveness
- Lower or more variable yield than international competitors
- Lack of profitability constraining investment
- Lack of nationally-led industry cohesion resulting in poor representation to government
- Poor uptake of waste transformation opportunities

Association

- Lack of differentiation/relevance
- No succession plan development
- Funding restraints

PRINCIPLES OF THE STRATEGIC PLAN

It is critical that the Association focus on realistically achievable strategic imperatives which will provide the most significant positive outcomes for the industry it represents within the life of this Plan. It must also focus on areas in which it has accumulated expertise or has genuine access to this expertise.

The Vision, below, remains unchanged, however, the Objectives are highly refined and focus solely on increased productivity and profitability.

Vision

"To be a whole-of-value chain, financially-independent, relevant and highly effective representative organisation focused on growing demand, competitiveness, sustainability and profitability for all stakeholders in the potato industry".

Objectives

The following objectives will enable the realisation of this vision:
1. Valorising potato loss and waste
2. Managing biosecurity challenges through a partnership approach
3. Accessing the world's best agronomic R&D

Objective 1: Valorising potato loss and waste

The Issue

Food loss and waste is a global issue that most of the developed world has now recognised and is committed to the United Nations Sustainable Development Goal 12.3: By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including postharvest losses.

Australia committed cautiously ($1.3 million) to this goal through the National Food Waste Strategy launched on 20 November 2017, despite food loss and waste costing the country over $20 billion per annum. Following this, in March 2018, the Federal Government agreed to fund ($30m) the Fight Food Waste Cooperative Research Centre (CRC) which will commence operations on 1 July 2018.

PIRSA estimates that 42% of all food produced for human consumption in Australia is lost during primary production. Agricultural food loss (pre farm-gate) is valued at $3 billion per annum, of which $1.8 billion is in the horticulture sector. Potatoes are the largest contributor to food loss in Australia; 20-40% of all potatoes in the fresh sector do not meet retail specifications and are discarded as stockfeed of nil or negligible value or is dumped. In South Australia alone, this loss could be 100,000 tonnes (>$3 million).

Amplifying the value of this waste and creating new post farm-gate industries is worth upwards of $50 million annually.

Activities

- Drive smart public-private collaborative projects to determine realistic premium value-added products which can be manufactured from potato waste/loss and marketed profitably;
- Position and strengthen Puree Australia Pty Ltd through private equity funding;
- Determine what missing technology and infrastructure could be developed or acquired;
- Analyse and convert organic components in potato waste into high-value products for multiple end-users; e.g. nutraceuticals and bioactives with antioxidant, anti-cancer and anti-microbial properties, carbohydrates for renewable materials and energy;

- Participate, with individual companies, in the Fight Food Waste CRC;
- Continue to participate in Department of State Development (DSD) Research Consortium Program (RCP) for Agricultural Product Development Bids;
- Collaborate with international researchers and experts; WRAP (UK), Sicca Dania (Denmark), OECD (France), Wageningen University and Research (WUR) Centre for Development Innovation-REFRESH and Lamb Weston Meijer (The Netherlands), European Commission (Belgium); and
- Promote industry-lobbying of Government to commit financially and through legislation.

Goals/Outcomes/KPIs

- Creation and launch of innovative value-added high-end applications including processed food, pharmaceutical, nutraceutical, cosmeceuticals and other biotechnological applications;
- Innovative potato products (food and other high value products) are identified and sold into SE Asian markets health, taste and convenience;
- The South Australian/Australian industry is the leader in transforming food loss to support its green, clean credentials for domestic and export markets, attracting premium value for its food products and reducing its environmental footprint;
- Higher profit margins for primary producers and increased sector productivity;
- Prominence at the Association or personnel level in the Fight Food Waste CRC;
- Development of a highly technologically-skilled world-class future workforce; and
- Food security is enhanced.

Potential Partners/Roles/Responsibilities

- South Australian Government Departments (PIRSA, DSD)
- University of Adelaide
- Flinders University
- University of South Australia
- Interstate universities (RMIT, UQ, UCQ)
- Federal Government Department of Science and Innovation
- Industry/private companies
- International private companies and research bodies

Objective 2: Managing biosecurity challenges through a partnership approach

The Issue

Protection of the Australian Potato Industry from internal and external biosecurity risks

Activities

- Monitor on-going biosecurity regulations and requests;
- Maintain close relationships with PIRSA (Biosecurity SA), Plant Health Australia (PHA), Plant Health Committee (PHC) and Department of Agriculture and Water Resources (Biosecurity Australia) enabling a thorough understanding of industry issues;
- Work with the Biosecurity agencies to develop industry action plans for incursions within South Australia and nationally, and extend action plans to the industry;

- Actively develop submissions to Department of Agriculture as requested e.g. importation of Potatoes from New Zealand, Examination of the Import Risk Analysis (IRA);
- With Biosecurity SA, develop a Property Identification Code (PIC) system for horticulture using the Australian livestock code where possible;
- Advocate for uniform national management plans for business continuity along the value chain;
- Improve R&D knowledge to better manage diseases of national significance (e.g. powdery scab, PVY, PSTVd, TPP, CLso; and
- Continue to lobby for deregulation of TPP (Blok of 4).

Goals/Outcomes/KPIs

- Key pest and disease preparedness framework developed in collaboration with all state authorities and industry bodies with shared responsibility and ratified by federal authorities (Plant Health Australia (PHA), Plant Health Committee (PHC));
- Development of a 'best practice' government/industry model for preparedness engagement, particularly post-incursion;
- Improved ability for early pest detection and reduced risk of spread;
- Collaborative response planning;
- Management strategies for key pest and diseases are documented and are aligned to meet national/international requirements;
- Science is used to underpin the development of protocols to gain or improve market access; and
- Market access opportunities are gained and not lost.

Potential Partners/Roles/Responsibilities

- Government of South Australia's One Biosecurity
- Other State Governments' Biosecurity agencies
- Plant Health Australia (PHA)
- Plant Health Committee (PHC)
- National Biosecurity Committee
- Plant Biosecurity CRC
- ViCSPA
- AUSVEG
- PPAA
- Horticulture Coalition
- Industry representative bodies (especially all Solanaceae)

Objective 3: Accessing the world's best agronomic R&D

The Issue

Assurance that the South Australian/Australian Potato Industry utilises global best practice agronomy

Activities

- Determine and implement funding opportunities in the private and public sectors (Governments, universities, research institutes, ARC, CRCs, philanthropic sources)
- Take advantage of the world's and nation's best scientific knowledge in potato agronomy

- Leverage Australia's potato levy system to grow skills through technology uptake
- Progress the understanding and uptake of precision agriculture
- Conduct 'future farming' workshops
- Engage with precision agriculture programs e.g. University of Sydney robotics program
- Undertake long term collaborative projects demonstrating the economic benefits
- Progress the uptake of existing best management practice across the industry including Integrated Pest Management (IPM), soil health and sustainable resource management;
- Improve quality and scope of extension programs; and
- Influence for a more efficient, equitable and results-driven process of funding allocation to smart R&D projects through HIA.

Goals/Outcomes/KPIs

- Clearly identified investment opportunities for Government and industry
- Clearly identified, understanding of, and access to international research
- Identification of research gaps
- Cross sector, cross state, cross country collaboration in significant research
- Increased productivity

Potential Partners/Roles/Responsibilities

- Research institutes, government agencies/departments, private companies nationally and internationally
- AUSVEG
- PPAA
- HIA
- ViCSPA

Risk Management and Mitigation

Risks to the Association are associated with the achievement of the three core objectives listed above. Key risks to the Association identified to date include the following:

- The continued funding of Potatoes South Australia;
- The single person dependency of the current CEO; and
- Inadequate restructure and reform of Horticulture Australia Ltd (HAL), now HIA to allow access to levy funds for R&D for industry good.

Without effective reform, there will continue to be restricted funding opportunities for relevant R&D projects managed by the Association. There is inadequate setting of R&D priorities due to inadequate consultation, coordination and collaboration with industry at the production level.

Conclusion

This Strategic Plan provides the pathway for Potatoes South Australia for the next three years. The importance of having this Plan, which reflects current industry issues and clear directions for growth, cannot be under-estimated. The outcomes of industry consultation with workshops convened in the Lower South East and Northern Adelaide Plains in late 2017, and at Board level in early 2018, has informed the development of this Strategic Plan. The focus of the workshops was to work collaboratively to raise issues and develop opportunities enabling future growth of the potato industry.

With limited resources, some of the strategies may be implemented by outsourcing the actions to other expert organisations. Potatoes South Australia can then adopt more of a project management role.

While providing the Association with key objectives and strategic priorities to chart a course to meet the longer term challenges of relevant representation for the industry, the strategic goals of improving industry competitiveness must continue to be central to the organisation's subsequent strategic planning.