

FEBRUARY 2022

Table grape

Strategic Investment Plan 2017-2021

PERFORMANCE REPORT



Table grape SIP performance report

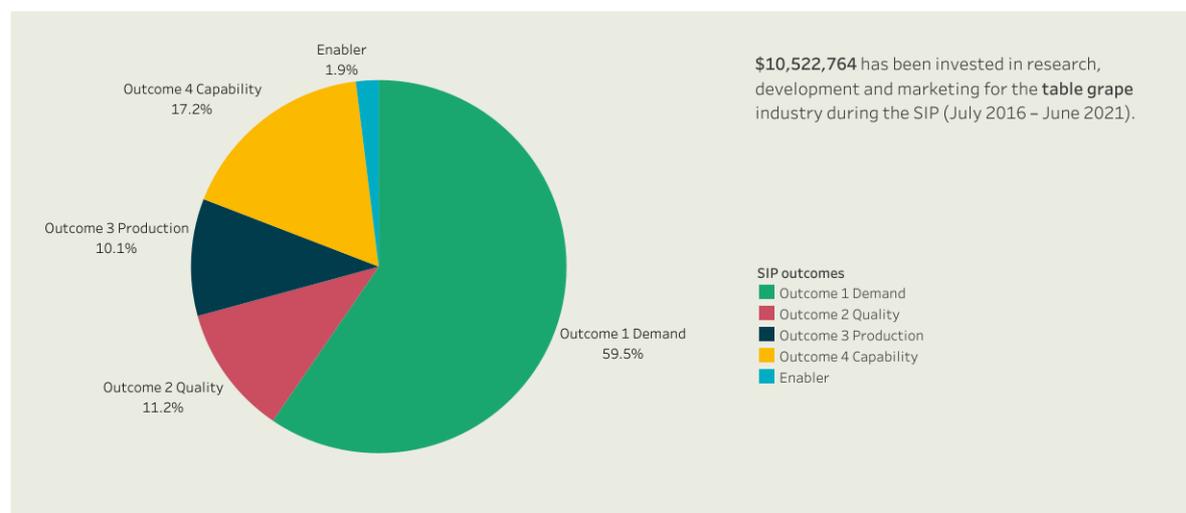
This performance report reviews the performance of levy investments delivered against the table grape Strategic Investment Plan (SIP), which was active for the 5-year period from 2016/17 to 2020/21. The SIP was developed to strategically guide research and development (R&D) and marketing levy investment in accordance with core industry priorities. The SIP featured four outcome areas, 10 strategies and 37 key performance indicators (KPIs), summarised in Table 1. A total of \$10.5 million was invested into the Table Grape Fund over the 5-year period of the SIP. The total investment expenditure allocated against each outcome is provided in Figure 1.

Table 1: Table grape SIP outcomes

Outcome	Description	Expenditure allocation*
1. Demand	Increased demand for Australian table grapes by strengthening and developing domestic and export market opportunities that will improve industry viability and sustainability	59.5%
2. Quality	Demand-building strategies and increased prices for Australian table grapes supported by improvements in product quality	11.2%
3. Production	Production efficiency improved and biosecurity threats mitigated by growers applying knowledge, skills and tools	10.1%
4. Capability	Improved capability across the industry to implement improvements in supply and quality	17.2%

*Total investment \$10.5 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: Table grape 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: Demand – Increased demand for Australian table grapes by strengthening and developing domestic and export market opportunities that will improve industry viability and sustainability

The table grape SIP 2017-2021 noted the critical importance of maintaining, if not increasing, the level of demand, both domestically and in export markets to ensure the prosperity of table grape producers.

Summary of strategic area and achievement status:

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

Strategic area	Status
Identify and develop new and existing export market opportunities	Achieved
Identify and develop new and existing domestic market opportunities	Achieved
Support demand-building activities in export and domestic markets through the provision of accurate and timely market research and strong collaboration with other horticulture products and agencies	In progress

KPI callouts:

- The *Australian Horticulture Statistics Handbook* (HA18002) reported that table grape export grew significantly over the SIP period. Growing from an export value of \$367 million in 2015/16 at the start of the SIP, to reach a peak of \$623 million in 2019/20. However the value of exports dropped to \$461 million in 2020/21 as trade disruptions continued. Export volumes grew over the 5-year period of the SIP from 110,280 tonnes to a peak of 152,180 tonnes in 2019/20. Export volumes as a proportion of production remained high averaging 65% over the past five years.
- Export markets were further developed under the project *Export market access, maintenance, biosecurity and developing export markets for the Australian table grape industry* (TG14000) where a key focus was on direct engagement with growers and exporters to develop export readiness and industry knowledge, and engagement with existing, new and potential markets and importers. Export markets were further supported in the project *Table grape export readiness and market access* (TG17000). (See case study below.)
- Improving domestic market demand was undertaken in numerous marketing programs including *Taste Australia retail program (marketing)* (MT17020), *Australian table grapes – social media* (TG17504), and *Table grapes retailer engagement* (TG17514).
- The project *Table grape export readiness and market access* (TG19513) saw Australian table grapes promoted at trade seminars in Vietnam, Korea, Japan, Indonesia, Philippines and Thailand.

Case study: Table grape export readiness and market access and In market insights and emergency scenario planning (TG17000)

With over 70% of table grape production in terms of tonnage being exported over the past two years to June 2021, export markets play a pivotal role in demand for Australian table grapes. This project was delivered over three years from 2018 to 2020 to develop new and grow existing export markets. The project had two components: table grape export readiness; and in-market insights and emergency scenario planning.

Trade missions, both inbound and outbound were facilitated to build relationships between exporters and purchasers. Outbound trade missions to key export markets, Japan, South Korea, Vietnam, Indonesia, the Philippines and Thailand promoted Australian table grape exports. Inbound trade missions of importers from South Korea, China, Japan, Thailand, Vietnam, and Indonesia were facilitated with delegates visiting farms and meeting with growers and exporters.

The project also supported growers to develop their exports logistics capability, aligning to the Department of Agriculture's registration and audit of export facilities. A number of workshops for growers and industry were conducted to reinforce grower export requirements as well as providing information on the export registration system. The workshops support an increase to export registration by growers of 15% each year, with a total of 245 growers registering for export protocol markets. A 99.5% success rate was achieved when product subject to a physical audit by the Department of Water Resources.

The market insights component of the project produced an in-market intelligence plan and analysis of key export markets for table grapes, including information on regulatory considerations and entry requirements. It also developed information on resources and networks relating to key export markets, and produced an emergency industry response plan for use in the event of market disruption or closure, biosecurity incidents and other scenarios.

Trade development and market access work remains ongoing in the recent project *Table grape market access and trade development* (TG20000).

Outcome 2: Quality – Demand-building strategies and increased prices for Australian table grapes supported by improvements in product quality

The table grape SIP 2017-2021 recognised that product quality plays a key role in driving table grape demand and price. While Australian table grapes are known for their premium quality in global markets, additional opportunity to support consistent quality of table grapes domestically was identified to drive domestic demand.

Summary of strategic area and achievement status:

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

Strategic area	Status
Establish practices to enhance product quality throughout the value chain	Achieved
Examine opportunities to evaluate new and improved varieties	Achieved

KPI callouts:

- The *Australian Horticulture Statistics Handbook* (HA18002) reported that wholesale value of table grapes grew by 60% over the past eight years, from an estimated wholesale value of \$204 million in 2012/13 to \$326 million in 2020/21.
- The ongoing investment *Minimum maturity standards adoption across the table grape supply chain* (TG19004) is working to ensure the new minimum maturing standards, developed in *Table grape supply chain* (TG17002) (see below case study), are fully adopted by the supply chain. Pre-season road shows for growers were held online to present information on the importance of consistent fruit quality for consumers; how minimum maturity standards (MMS) help improve quality; and how retailers manage the grape category.
- The project *Table grape consumer acceptance and attitudes* (TG19003) is providing ongoing measurement of consumer satisfaction for Australian table grapes at retail. Results show that for the 2020/21 season, an average consumer acceptance of 91% was recorded across green, red and black varieties collectively across early, mid and late season.
- New and improved varieties were examined in the multi-industry project *Evaluation of dried and table grape varieties* (MT15026), which worked towards the delivery of new grape varieties for both the dried grape and table grape industries. The project led to the prioritisation of promising selections for future commercialisation.

Case study: Table grape supply chain (TG17002)

The objective of this project project was to increase the consumer acceptability, demand and consumption of Australian table grapes in the domestic market through the consistent supply of high quality, great-tasting fruit that satisfies consumer expectations. It aimed to ensure that consumers had a good eating experience every time they purchased Australian table grapes to support repeat purchases throughout the season, leading to higher demand.

The project was conducted over three years, where the project team worked with key industry stakeholders to agree on a minimum retail acceptability of 80% and the minimum maturity standards required to deliver that.

Analysis of the maturity monitoring data collected during the first two seasons of the project provided science-based evidence to determine the maturity standards needed to ensure consumers will like the majority of Australian table grapes. Minimum maturity standards for public grape varieties including Crimson Seedless, Flame Seedless, Menindee Seedless, Red Globe and Thompson Seedless were developed.

The Australian Table Grape Association formally announced the new Minimum Maturity Standards on 2 October 2019, with the new standards fully adopted by all supply chain participants in the 2020/21 season.

Adoption of the new minimum maturing standards is supported through project TG19004, which will drive consumer satisfaction and ongoing demand for repeat purchase. Consumer satisfaction measures collected through *Table grape consumer acceptance and attitudes* (TG19003) highlighted that for the 2020/21 season all measured grape varieties (green, red, black) exceeded the consumer satisfaction benchmark of 80%, with an average satisfaction of 91%.

Outcome 3: Production – Production efficiency improved and biosecurity threats mitigated by growers applying knowledge, skills and tools

The table grape SIP 2017-2021 recognised that the high cost of production of table grapes in Australia created a disadvantage in a highly competitive global market. To address this, strategies were introduced to create improvements in production efficiency, and biosecurity programs were implemented to safeguard the industry from threats and help facilitate marketing in key markets.

Summary of strategic area and achievement status:

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

Strategic area	Status
Undertake R&D and extension to develop and promulgate improvements in productivity and efficiency across the value chain	Achieved
Safeguard the Australian table grape industry from future biosecurity risks	Achieved
Develop a comprehensive production forecasting system	Not achieved

KPI callouts:

- A range of digital technologies to improve the accuracy of spray placement and dosing in dynamic grapevine environments as well as digital technologies for disease detection, and better management decisions were researched in *Digital technologies for dynamic management of disease, stress and yield* (TG16003). This project fed into a larger Australian Government Rural R&D for profit initiative led by Wine Australia.
- Several biosecurity projects were completed over the period including, *Improving the biosecurity preparedness of Australian horticulture for the exotic spotted wing drosophila (Drosophila suzukii)* (MT17005), *Parasitoids for the management of fruit flies in Australia*, *Xylella insect vectors* (ST19018) as well as two Qfly projects discussed in the case study below.
- The project *Improving the biosecurity preparedness of Australian horticulture for the exotic spotted wing drosophila (Drosophila suzukii)* (MT17005), included a component to build surveillance capacity and management tools and strategies within the growing industries, government and among other relevant stakeholders. It produced a range of materials for growers, including identification information, a fact sheet on spotted wing drosophila hosts, and a webinar detailing preparedness for the pest.
- *Review of the biosecurity plan and manual for the viticulture industry* (TG18000) in collaboration with Wine Australia delivered an updated viticulture biosecurity plan for the grape growing industries.

Case study: Area wide integrated pest management support for Qfly in table grapes (TG18002) supported by the project Building capacity in area wide integrated pest management for Qfly in table grapes (TG18001)

Queensland fruit fly (Qfly) is prevalent in Australia's east (in parts of the Northern Territory, Queensland, New South Wales and Victoria). Qfly is mobile over short distances, able to move within or between vineyards and orchards, or from native or urban hosts into commercial production areas. The wide host range of Qfly, which includes table grapes, makes management over large areas difficult and requires the use of multiple tools and strategies. Given the high proportion of table grapes volume being exported, and the phytosanitary requirements of importing countries regarding Qfly, management is important to the industry.

The two projects, *Area wide integrated pest management support for Qfly in table grapes (TG18002)* and *Building capacity in area wide integrated pest management for Qfly in table grapes (TG18001)* worked together to deliver information on the area wide management of Queensland fruit fly to table grape growers, agronomists, pest scouts and other supply chain stakeholders.

A series of thirteen workshops and field days were delivered to growers and industry in the Sunraysia region over 2018 and 2019. The workshops focused on the biology of Qfly plus hands on demonstrations of identification, baiting and trapping. As a result of attending these workshops, 246 table grape growers, almost all who are registered for export, increased their understanding of the biology of Qfly.

The field days focused on baiting equipment, and some of the practical questions that had been raised in the first seven workshops were addressed. The field days were held in collaboration with the Greater Sunraysia Pest Free Area and opened to all fruit growers. Those that attended indicated that they valued the demonstration of bait sprayers and liked hearing from and learning from other growers.

These events increased the understanding among growers of field practices, towards ownership and self-efficacy in Qfly management, which contributes to continued market access and continuation of export growth.

Outcome 4: Capability – Improved capability across the industry to implement improvements in supply and quality

Outcomes 1, 2 and 3 of the table grape SIP 2017-2021 require complex skills in horticulture and business, along with enhanced confidence to adopt new techniques and technologies. Outcome 4 underpins the other outcomes by focussing on industry development through attracting a new generation of industry participants and retaining existing participants.

Summary of strategic area and achievement status:

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

Strategic area	Status
Enhance skills and capacity to support current future industry needs	Achieved
Ensure growers and other members of the value chain are fully aware of industry developments	Achieved

KPI callouts:

- The investment, *Australian table grape industry communications project* (TG15008) facilitated several forms of communication with growers as well as the other sectors of the industry. Under this project, the quarterly *The Vine* magazine was distributed to by mail to industry stakeholders and growers and made online. The *Pick of the Bunch* e-newsletter was also distributed to growers, exporters, research partners and other stakeholders to provide updates on industry news and developments.
- Numerous production forums, workshops and field days were facilitated by the Australian Table Grape Association under the industry’s communications project *Australian table grape industry communications project* (TG15008) to enhance skill, awareness and capacity. Topics included export registration, R&D updates, fruit fly and fruit fly spraying.