

What happened in the Pistachio Fund last year?

Annual Report 2020/21



About Hort Innovation and the Pistachio Fund

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

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

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

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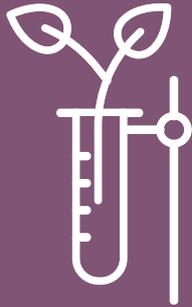
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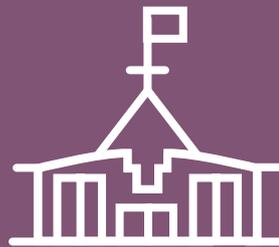
\$204,682

invested in R&D



5

active R&D investments



\$117,651

in levies collected

through the pistachio collective industry fund and passed on to Hort Innovation for investment



7.4%

Pistachio production value has grown at an average annual rate of 7.4 per cent over the five years to 2019/20, reaching \$35.8 million



3

Most pistachio production occurs across three key states: New South Wales (40 per cent of production volume), Victoria (35 per cent) and South Australia (20 per cent)

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

Just some of the things delivered for you during the year



A new investment to support the adoption of best management practices, involving on-farm demonstrations and regional discussion groups – see hortinn.com/ps20000



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



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



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



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

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

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

Here's what your fund invested in over the year

Investments that are specific to the Hort Innovation Pistachio Fund are guided by the pistachio industry's investment plan and advice from the industry's R&D committee.

See below which projects in the Hort Innovation Pistachio Fund were active this year.

Project title and code	2020/21 investment	Status	More information
Understanding and managing insects on pistachio orchards (PS16000)	\$18,410	Completed	hortinn.com/ps16000
Pathogens and other factors contributing to dark staining on pistachio shells (PS16002)	\$21,795	Completed	hortinn.com/ps16002
Technology transfer for pistachio growers (PS17002)	\$14,750	Completed	hortinn.com/ps17002
Pistachio productivity improvement program (PS17003)	\$138,196	Ongoing	hortinn.com/ps17003
Supporting the adoption of best management practices for pistachio growers through on-farm demonstrations and regional discussion groups (PS20000)	\$10,500	Ongoing	hortinn.com/ps20000



Financial operating statement

Pistachio Fund (collective) Financial operating statement 2020/21

	R&D (\$)	Total (\$)
	2020/21 July – June	2020/21 July – June
OPENING BALANCE	122,593	122,593
Voluntary levies from growers	117,651	117,651
Australian Government money	115,795	115,795
Other income*	325	325
TOTAL INCOME	233,771	233,771
Project funding	204,682	204,682
Consultation with and advice from growers	–	–
Service delivery	28,176	28,176
TOTAL EXPENDITURE	232,858	232,858
Levy contribution to across-industry activity	(1,266)	(1,266)
CLOSING BALANCE	124,772	124,772

* Interest, royalties

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

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

Making sure that levy investment decisions align with industry priorities

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



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

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

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

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

What projects will the fund be investing in next year?

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

The AIP is developed by Hort Innovation, and is informed by the SIP and industry consultation, including collaboration with the Pistachio Growers' Association. The AIP is then discussed with the industry R&D committee for feedback and prioritisation.

All investments will need to link to the industry's SIP by addressing a minimum of one KPI against a strategy under one of the four outcomes.

For collective industry funds, Annual Investment Plans will be published each year over the lifespan of the SIP when there is an active project in that financial year. Industry stakeholders will be advised via established communication channels.

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



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

Growing pistachio productivity and profitability

Beginning in July 2018, this investment supports improvements in the cultivation of pistachios and the uptake of new and changing production practices through research, development, and extension activities.

The challenge

To improve pistachio yields through better understanding of orchard management.

Meet Ian

Manager of Mallee Orchard Pistachios, Ian Mau, has watched his operation go from strength to strength with the help of the Pistachio Productivity Improvement program. “Every single aspect of our orchard program has been changed in line with shared information from the program,” says Ian.

“I’ve found this industry very helpful, friendly and supportive and the information supplied to our orchard has seen amazing results.

“Over the last 10 seasons our harvest tonnage has increased by 100 dry processed tonnes biannually. This equates to an amazing increase in profit for our orchard.”

During the same period Ian and his team planted 25,000 new trees, guided by information received through the program. As a result, he expects to grow them to yield at harvest two years earlier than previous plantings.

“As someone relatively new to this industry, I think that one of its greatest strengths is the support and cooperation between growers, which is enabled by programs like this, and other levy R&D work more broadly.

“I’ve been involved in other industries and have experienced cultures of competition and jealousy, rather than cooperation. I’m so happy to be part of a program that promotes success across this industry.”



Ian Mau, Manager of Mallee Orchard Pistachios

“

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Ian Mau, Manager of Mallee Orchard Pistachios



The approach

Following the 2018/19 scoping trial using polymers on selected orchard trees, it was agreed to extend the trial using a larger number of trees. These were undertaken in a block trial and specific shoot trials in laboratory facilities at CMV Farms, plus in research trees at the Irymple Research Station.

The impact

Significant progress has been made into the use of polymers on pistachio trees to enhance chill accumulation and assist with yield by lowering blanks at harvest.

The program is also investigating improved zinc absorption and translocation by using Zircon, with data on zinc content before and after treatments from within the leaves and soil to be assessed at the end of the trial.

In addition, the team is studying the nut quality from four different male tree pollen and assessing the possibility of increasing the yield of young Kerman (related to bud abscission) by understanding the underlying causes of low yield of young Kerman trees aged 6 to 11 years.

For more information, visit hortinn.com/ps17003

Project details

Pistachio productivity improvement program (PS17003)

Key research provider: Pistachio Growers' Association

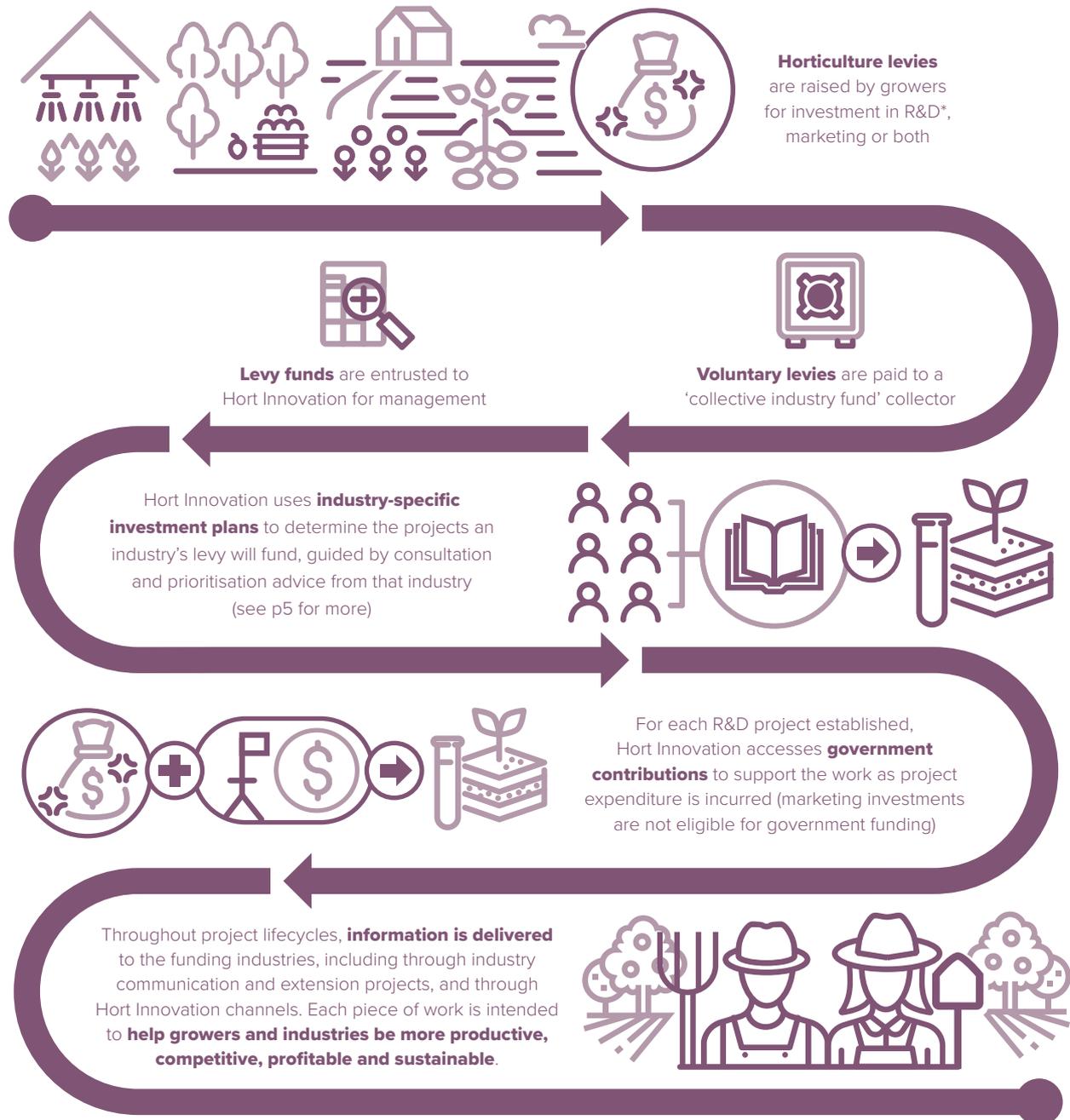
Start date: June 2018

Expected end date: June 2023

Estimated value for life of project: \$847,255

How strategic levy investments are made in the Pistachio Fund

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



* Encapsulating extension and international trade

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

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