

What happened in the **Chestnut Fund** last year?

Annual Report 2020/21



About Hort Innovation and the Chestnut 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 chestnut R&D and marketing levies, together with Australian Government contributions, into key initiatives for growers, through the Chestnut Fund. We're extremely proud of the work we do to help drive productivity, profitability and demand for chestnut growers, and for the horticulture sector at large.

Throughout another challenging year for the horticulture sector, activity in the Chestnut 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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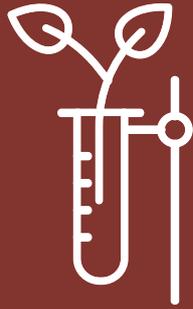
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\$20,526

invested in R&D



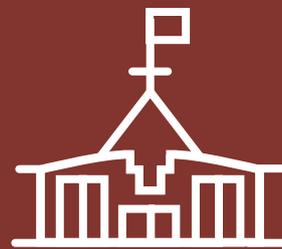
\$22,900

invested in marketing



4

active R&D investments



\$128,921

in levies collected

by the Government and passed on to
Hort Innovation for investment



1,250t

Australia's chestnut production volume remained steady over the five years to 2019/20, with an average of 1000 tonnes produced a year but a peak of 1,250 tonnes in 2019/20



70%

Victoria is the main producer of chestnuts in Australia, delivering some 70 per cent of production volume in 2019/20, followed by New South Wales (15 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



The industry's communication program, delivering the *Chestnut Industry News* publication, quarterly updates via the *Australian Nutgrower* magazine, industry events and the www.chestnutsaustraliainc.com.au website



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



A domestic marketing campaign and **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*



hort
frontiers

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*

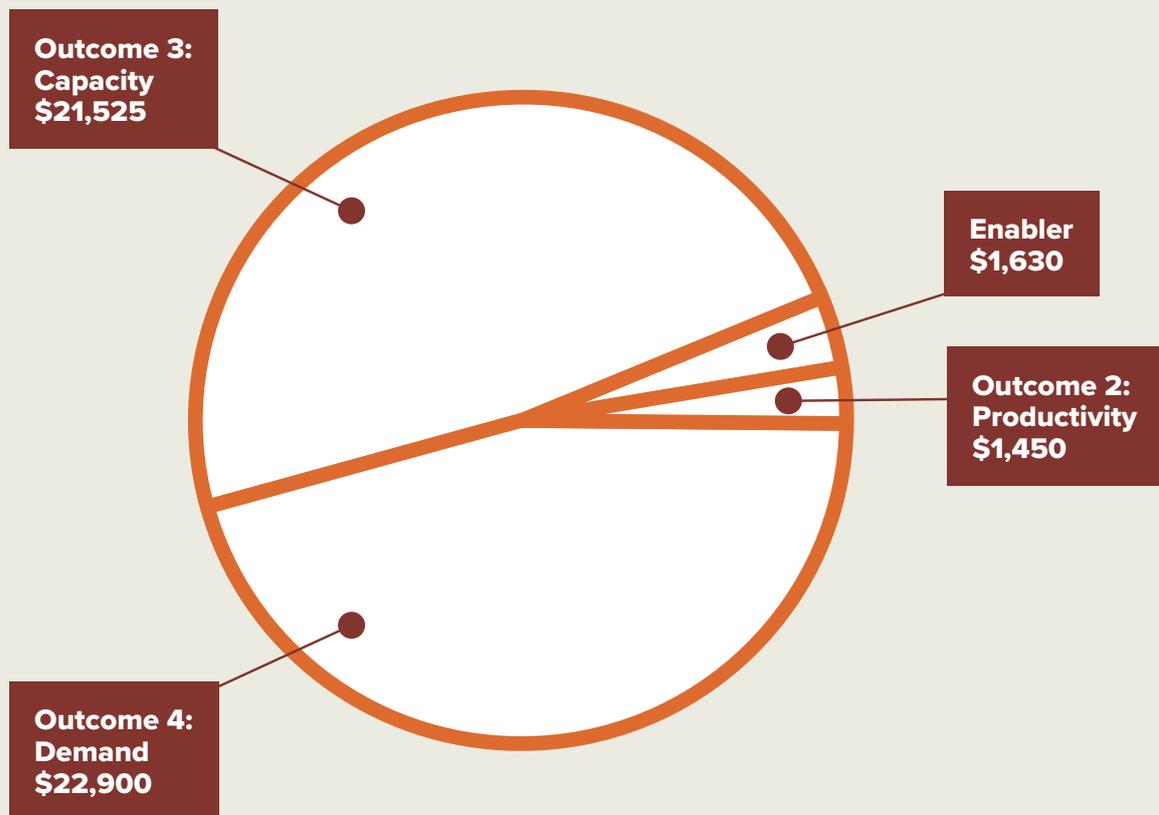


Projects supported by grants secured by Hort Innovation, ranging from cross-sector Rural R&D for Profit initiatives to horticulture-specific work to aid in access to crop protection products – see the Hort Innovation Annual Report 2020/21 for more*

You can visit www.horticulture.com.au/chestnut 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 Chestnut 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 Chestnut Fund are guided by the chestnut Strategic Investment Plan (SIP). The SIP features priority outcome areas that have been identified and agreed upon by the industry, and Hort Innovation works to invest in R&D and marketing initiatives that are aligned to these.

In the above chart, you can see how project expenditure in the Chestnut Fund during 2020/21 was aligned to the SIP. Each project has been allocated to a SIP outcome based on its primary objective.

There was no activity during 2020/21 under Outcome 1: Quality.

Expenditure on projects classified as 'enabler' support the broader delivery of the industry's strategic investment plan, such as impact assessments.

Which projects were in each of the SIP outcome areas?

Outcome 2: Productivity

Average industry yield increased by 10 per cent on mature plantings

Project title and code	2020/21 investment	Status	More information
Chestnut industry minor use permit program (CH16001)	\$1,450	Ongoing	hortinn.com/ch16001

Outcome 3: Capacity

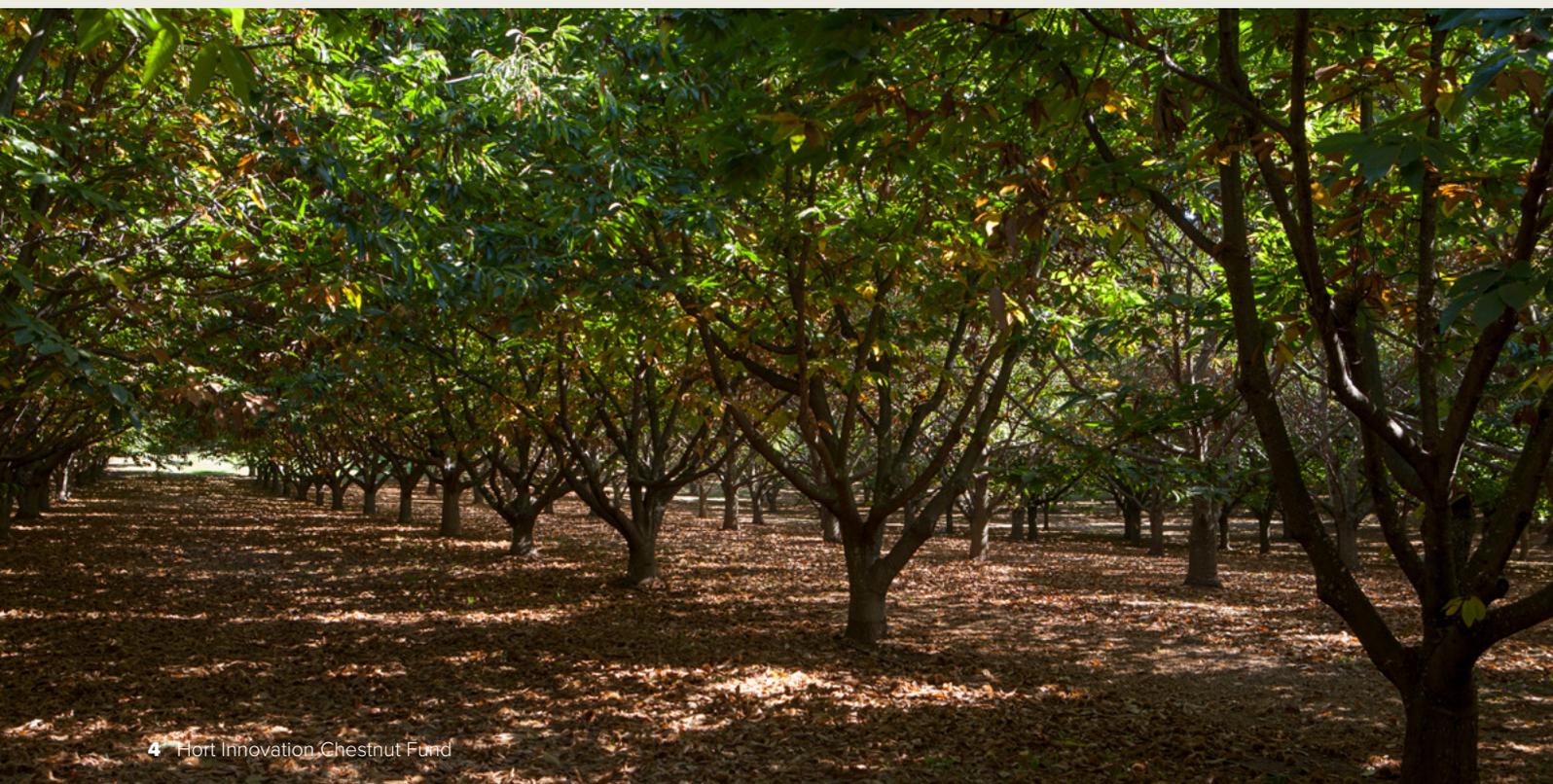
Average industry yield increased by 10 per cent on mature plantings

Project title and code	2020/21 investment	Status	More information
Chestnut industry communications program (CH18000)	\$21,525	Ongoing	hortinn.com/ch18000

Outcome 4: Demand

Increased domestic demand and increased on-farm prices

Marketing activities during 2020/21 contributed to demand-related outcomes in the SIP. You can read more about the chestnut marketing campaign on p9.



Financial operating statement

Chestnut Fund Financial operating statement 2020/21

	R&D (\$)	Marketing (\$)	Total (\$)
	2020/21 July – June	2020/21 July – June	2020/21 July – June
OPENING BALANCE	(308)	2,169	1,861
Levies from growers (net of collection costs)	63,367	65,554	128,921
Australian Government money	12,074	–	12,074
Other income*	133	134	267
TOTAL INCOME	75,574	65,688	141,262
Project funding	20,526	22,900	43,426
Consultation with and advice from growers	–	–	–
Service delivery	3,622	5,522	9,144
TOTAL EXPENDITURE	24,148	28,422	52,570
Levy contribution to across-industry activity	–	–	–
CLOSING BALANCE	51,118	39,435	90,553
Levy collection costs	1,267	1,105	2,372

* 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 Chestnut Fund's focus over the next five years?



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

The chestnut 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 chestnut SIP identifies four outcome areas that will contribute to the productivity and profitability of the chestnut 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 chestnut 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 Chestnuts Australia. The AIP is then discussed with the industry SIAP 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.

Annual Investment Plans will be published each year over the lifespan of the SIP and 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/chestnut-fund-management to view both documents and get a full picture of how your levy will be invested over the next five years.

Overcoming the challenges of chestnut communication

This project keeps the industry up to date with the latest news, research and development outputs and other key information through a variety of channels.

The challenge

Strong communication and technical support is vital for chestnut growers and other industry participants to be able to make informed decisions when facing future challenges and opportunities.

Meet Tom and Judy

Tom and Judy Robertson run a chestnut farm in Tumbarumba, NSW. While their operation was damaged in the 2019-2020 bushfires, their operation wasn't hit as hard as others.

"Our property came away relatively unscathed with only a few repairs required but we are very conscious that others didn't fare so well," says Tom. "Ours is a small industry and we are all working together to help get everyone back on their feet."

This program aims to do precisely that by keeping growers informed and allowing them to work collaboratively. According to Tom, "This project provides a network which connects chestnut growers from Victoria, as well as interstate."

"The program's responsible for the organising of meetings and field days. Without it, there would be no regular educational opportunities for growers and processors. It produces industry specific newsletters, as well as being a regular contributor to the tree nut industry magazine, *The Australian Nutgrower*. This also helps keep growers connected."

Despite the impact of COVID restrictions in some areas, the field days remain in integral part of the program, giving growers hands-on exposure to the latest technology and developments. "The field days showcase innovations and products, which keep chestnut growers informed of new technology and advancements in management techniques," says Tom.

"In a nutshell, the chestnut industry would be a less successful and far more fragmented industry without this comms project."



Chestnut regional field day, February 2020

Continued



The approach

Under this program, growers receive the information they need through a variety of channels. Twice a year they receive a copy of *Chestnut Industry News* – a print and digital newsletter with the latest industry research, events, technology and news. In between editions, regular emails and mini e-newsletters keep growers informed.

Quarterly industry updates are also distributed to growers via the *Australian Nutgrower* magazine, and the Chestnuts Australia website and social channels are continually updated, including information about upcoming workshops and events (which are also funded under this program). Industry statistics, detailing national planting and production information for the industry, can also be accessed in a new section in the levy payers' area of the industry website.

For more information, visit hortinn.com/ch18000



“Ours is a small industry and we are all working together to help get everyone back on their feet.”

**Tom and Judy Robertson, chestnut growers,
Tumbarumba, NSW**

The impact

As a result of this national communications program, Australian chestnut growers are kept up to date with the latest industry advancements, no matter where in the world they take place.

By keeping Australian chestnut growers informed, they are well placed to grow the industry both domestically and internationally, increasing productivity, and ultimately, profitability.

Project details

Chestnut industry communications program (CH18000)

Key research provider: Chestnuts Australia

Start date: October 2019

Expected end date: August 2022

Estimated value for life of project: \$88,659

Getting more Aussies to “Give chestnuts a go!” and make their everyday meals special

The 2020/21 chestnut marketing program was designed to generate awareness around Australian chestnuts, backed by compelling content and strong social media activity.

The opportunity

Chestnuts are quite different from other nuts, both nutritionally and in a culinary sense – something most Australians aren’t aware of. By educating consumers about their high nutritional value, and other delicious dietary properties, there was an opportunity to increase demand, particularly in the vegan and gluten-free market.

The approach

Running from January to June 2021, the campaign featured 20 social media influencers, with a combined audience of more than 100,000. Content created by the influencers, including recipes, generated high levels of engagement, showcasing a range of chestnut veggie burgers, stir fries, and nourish bowls.

High profile chefs Jason Roberts and Luca Ciano promoted the 2021 chestnut season via Instagram Live, and social media followers were given the chance to win one of ten specialist chestnut cutting knives, receiving more than 200 entries via Facebook and Instagram.

In May 2021 the team showcased Australian chestnuts at consumer events, including the La Fiera Food & Wine Festival and an accredited Farmers Market in Myrtleford, Victoria. As well as demonstrating the many delicious and nutritional traits of chestnuts, consumers were shown how to select, store, and cook chestnuts, with content from the events leveraged across social media.

To coincide with the launch of the season, an electronic newsletter was distributed to consumers and retailers, packed with recipes, practical storage tips and various content, all demonstrating the nut’s versatility. In addition, 30,000 recipe and education brochures were distributed to wholesalers, retailers and growers, upon request.



Plant-Based Chestnut Burgers

Plant-Based Chestnut Burgers

Prep time 25 mins - Cooking time 15 mins - Serves 6

Ingredients

- 500g chestnuts, **cooked and peeled***
- 200g brown mushrooms, chopped
- 2 tablespoons olive oil
- 1 small onion, chopped
- 1 teaspoon dried thyme
- 2 cloves garlic, crushed
- 2 tablespoons soy sauce
- 6 brischoe buns
- 1/2 onion / tomato relish
- lettuce
- Red onion
- Seed tomatoes
- Plant-based cheese
- Plant-based mayonnaise

Method

1. Heat 1 tablespoon of olive oil in a frying pan on high.
2. Add the mushrooms and continue stirring regularly until browned.
3. Turn heat down to medium, add the onion and chestnuts. Sauté for 5 minutes, stirring.
4. Add the garlic, soy sauce and chestnuts. Sauté for a further minute, stirring.
5. Turn off the heat and allow to cool slightly.
6. Place contents into a food processor. Season with salt and pepper, then process until mixture comes together but still has a slightly coarse texture.
7. Form the mixture into patties approximately 2cm thick. Refrigerate for 30 minutes or until firm.
8. Heat frying pan and add the remaining olive oil.
9. Cook patties for 5-7 minutes on one side then flip for a further 5-7 minutes on the other side, or until cooked through and browned on the outside.
10. Serve on a brischoe bun with relish, lettuce, red onion and sliced tomato. Add plant-based cheese and mayonnaise if desired.

*For more information about chestnuts, including how to select, store at home, cooking tips and other recipes visit chestnutsaustralia.com.au

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Plant-Based Chestnut Dumplings

Ingredients

- 500g chestnuts, **cooked and peeled***
- 2cm piece ginger
- 2 cloves garlic
- 1 tablespoon sesame oil
- 1 tablespoon oyster sauce
- 3 shallots, finely chopped (reserve some for garnish)
- 1 teaspoon cornflour
- 1/2 teaspoon Chinese five-spice powder
- 275g cooked round dumpling wrappers (approx 30)
- Soy sauce, chilli oil, black & white sesame seeds, fresh chilli and fried shallots for serving

Method

1. Place chestnuts, ginger, garlic, oyster sauce and sesame oil into a food processor. Pulse for two minutes or until the mixture starts coming together.
2. Add the shallots, cornflour and Chinese five-spice powder. Stir.
3. Lay dumpling wrappers on a board, eight at a time. Using a pastry brush dipped in water, lightly moisten the edges of each wrapper.
4. Place a heaped teaspoon of the filling onto each wrapper and fold in half using your fingers to seal the damp edges.
5. Bring the two corners of the dumpling together and press to complete the dumpling.
6. Meanwhile, prepare a bamboo or stainless steel steamer by lining it with baking paper that has had several holes cut into it for the steam to pass through. Place steamer over boiling water.
7. Steam the first batch of dumplings for ten minutes, while preparing the next.
8. Continue until all dumplings have been made and steamed.
9. Serve with soy sauce, black & white sesame seeds, fresh chilli, chilli oil and fried shallots. Use reserved shallots as garnish.

*For more information about chestnuts, including how to select, store at home, cooking tips and other recipes visit chestnutsaustralia.com.au

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Plant-Based Chestnut Dumplings

Prep time 35 mins - Cooking time 25 mins - Serves 6

Ingredients

- 500g chestnuts, **cooked and peeled***
- 2cm piece ginger
- 2 cloves garlic
- 1 tablespoon sesame oil
- 1 tablespoon oyster sauce
- 3 shallots, finely chopped (reserve some for garnish)
- 1 teaspoon cornflour
- 1/2 teaspoon Chinese five-spice powder
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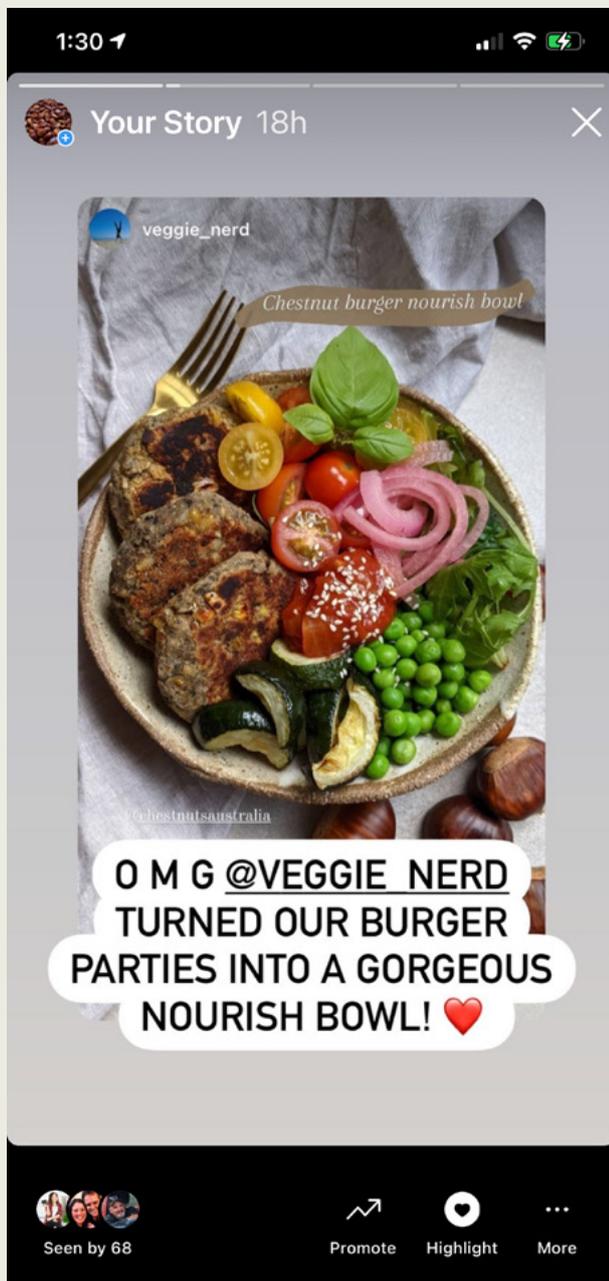
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*For more information about chestnuts, including how to select, store at home, cooking tips and other recipes visit chestnutsaustralia.com.au

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Continued



The outcome

Through compelling content, a social media influencer network, and event engagement, hundreds of thousands of Australian consumers have been urged to “Give chestnuts a go,” confident they’ll be eating a quality product, packed with nutritional and healthy benefits.

“

Thanks to COVID, the usual events, like festivals, where people roast the chestnuts, weren’t happening. The focus of the marketing shifted to social media to promote the product, but it worked. Agents were telling me that the chestnuts were selling really well, even as far north as Queensland. I even had people tell me they didn’t know how many uses there are for chestnuts until they saw them on social media.”

Luciano Cester,
Chestnut grower, Victoria

Read more about the campaign at hortinn.com/chestnut-marketing-snapshot

Project details

These marketing activities are strategic levy investments in the Hort Innovation Chestnut Fund

Minor use permits

The Hort Innovation Chestnut Fund supports the submission of applications for new and renewed minor use permits for the industry, as well as data generation activities to support chemical permits and registrations, and strategic agrichemical reviews.

Together these efforts provide industry access to safe, relevant and effective chemicals for the management of pests, weeds and diseases.

For full details on these activities and links to relevant information, visit hortinn.com/chestnut-minor-use.

Permits in 2020/21

During the 2020/21 financial year, a successful new permit application was issued for PER90388 and a successful renewal for PER12507 (issued as PER91058) were prepared by Hort Innovation and submitted to the APVMA, facilitated through the *Chestnut industry minor use program* (CH16001).

Details for these and all other permits can be found in the following table.



Minor use permits

Current permits

Below is a list of minor use permits for the chestnut industry, current as of 24 August 2021.

Permit ID	Description	Date issued	Expiry date	Permit holder
PER15259 Version 2	Phosphorous acid / Chestnuts / Suppression of Phomopsis nut rot and Phtophthora trunk and Root canker	27-Feb-15	30-Apr-25	Hort Innovation
PER91058 (Replaces PER12507)	Peroxyacetic acid and hydrogen peroxide (Tsunami or Adoxysan) / Chestnuts (postharvest spray or dipping treatment only) / Surface moulds	30-Jun-21	30-Jun-26	Hort Innovation
PER84607	Copper present as cupric hydroxide / Chestnuts / Chestnut blight	15-May-17	31-Mar-22	Chestnuts Australia Inc. (CAI)
PER13640 Version 2	Sodium Hypochlorite / Chestnut / Surface moulds	01-Nov-12	31-Oct-22	CAI
PER13642 Version 2	Chlorpyrifos and Maldison / Tree nuts / Australian plague locust	01-Sep-12	30-Jun-25	Australian Nut Industry Council (ANIC) C/Hort Innovation
PER83636	Iprodione (Rovral) / Chestnuts /Suppression of surface moulds and fungal rots	31-Mar-17	31-Mar-22	CAI
PER89353 Version 2	Chlorantraniliprole (Altacor Hort Insecticide / Coragen) / Tree Nuts: Tree nuts (except almonds) / Fall armyworm (<i>Spodoptera frugiperda</i>)	5-May-20	31-May-23	Hort Innovation
PER90388	Metalaxyl-M (Ridomil Gold 480 SL) / Chestnuts / Root and collar rot	8-Jun-21	30-Jun-24	Hort Innovation

All efforts have been made to provide the most current, complete and accurate information on these permits, however you should always confirm all details on the APVMA website at portal.apvma.gov.au/permits. Details of the conditions of use associated with these permits can also be found on the APVMA site.

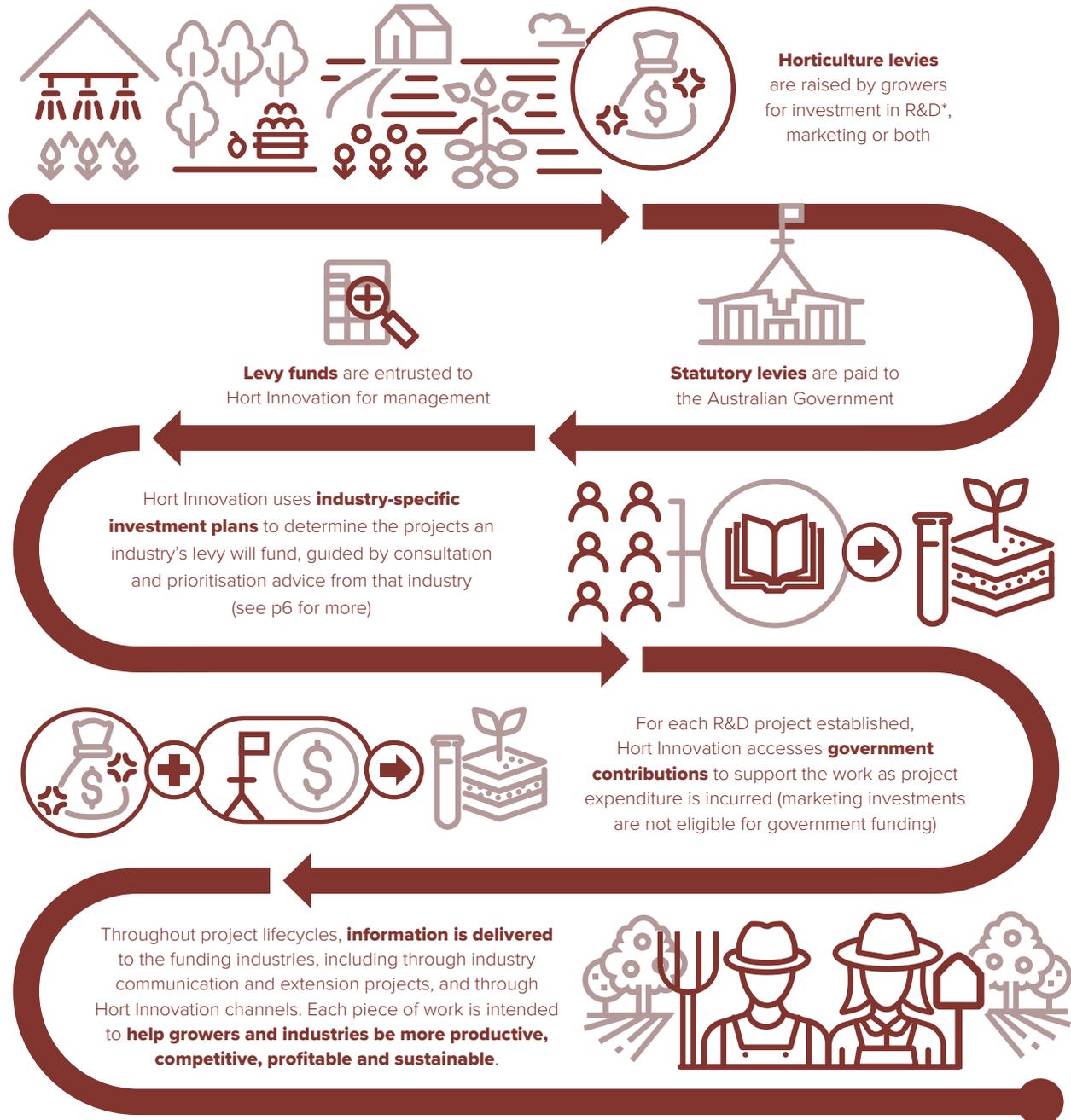
Keep up to date!

Find monthly minor use permit updates in our *Growing Innovation* e-newsletter.

Sign up for free at www.horticulture.com.au/sign-up.

How strategic levy investments are made in the Chestnut Fund

The below diagram shows how Hort Innovation makes strategic levy investments on behalf of horticulture industries. The chestnut R&D and marketing levies were invested this way during the year, guided by the chestnut 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 Chestnut Fund, visit www.horticulture.com.au/chestnut. 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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