

March 3, 2023

Subject: Grower Group Alliance/South-West WA Drought Resilience Adoption and Innovation Hub submission to the Productivity Commission: Inquiry into the effectiveness of Part 3 of the *Future Drought Fund Act 2019*

Introduction:

The Grower Group Alliance (GGA) and the South-West WA Drought Resilience Adoption and Innovation Hub (SW WA Hub) are responding to this Productivity Commission inquiry in the context of a program funded by the Future Drought Fund (FDF).

The GGA was announced as the lead of the South-West WA Drought Resilience Adoption and Innovation Hub (SW WA Hub) in April 2021. In this relatively short period, the GGA has contributed significantly to the effectiveness of Part 3 of the *Future Drought Fund Act 2019* (the Act) through its delivery of successful and collaborative SW WA Hub activities. This has been facilitated through the Hub's leveraging of the GGA's unique grower group network structure and strong governance framework. More information about how this structure and governance framework have strengthened SW WA Hub activities (to deliver on elements of the Drought Resilience Funding Plan) is provided further below in this submission.

During its initial stages, GGA/SW WA Hub resources were directed to onboarding new staff and establishing operating infrastructure. This includes the appointment of Regional Advisory Committees and Regional Node Leads. The GGA/SW WA Hub also applied for FDF funding opportunities including funding for the 'innovation expansion' of the Hub (enabling it to expand its remit to include important areas such as biosecurity); 'combined Hub' projects; Adoption Officers; 'Innovation Broker role' funding (with investment from AgriFutures and the Hub's 'innovation expansion'); and a Regional Soil Coordinator.

The GGA/SW WA Hub assisted multiple stakeholders with their applications to FDF grant rounds including the Drought Resilience Innovation Grants program; Soil and Landscapes grants; the Extension and Adoption of Drought Resilience Farming Practices Grants Program; and the Long-term Trials of Drought Resilient Farming Practices. This significantly strengthened applications.

The SW WA Hub now has 18 months left in its current FDF funding arrangements and encourages the continuation of funding beyond October 2024 to enable it to further deliver on its objectives aimed at increasing farmers' drought resilience and to achieve a sustainable agricultural sector.

Are the funding principles, vision, aim, strategic priorities, and objectives of the Funding Plan (attachment B) appropriate and effective?

The SW WA Hub believes the funding principles, vision, aim, strategic priorities, and objectives of the Funding Plan (the Plan) are broadly appropriate and effective. However, it supports the scope of the Fund being broadened to support resilience to climate change (see more detailed response further below in this submission).

Importantly, the SW WA Hub has delivered strongly on the Funding Plan due to the sound governance, structures and frameworks provided through the Hub's lead organisation – the Grower Group Alliance (GGA).

This has enhanced alignment to the Plan and its components, including the Plan's funding principle of 'arrangements and grants that are consistent with the Plan's vision, aim, strategic priorities and objectives'.

The SW WA Hub is unique among Australia's eight Drought Resilience Adoption and Innovation Hubs (seven are led by universities) in being led by the GGA's producer-led network comprising more than 60 grower group members. As a trusted member of this extensive network the SW WA Hub plays a strongly collaborative role in WA, being a conduit to bring growers, grower groups and industry players together.

The Hub leverages the GGA network to work collaboratively and efficiently across the agricultural and innovation supply chain.

The GGA's grower group 'hub and spoke' model has facilitated direct, agile and efficient two-way communication with end users (including growers) and industry from the commencement of the SW WA Hub.

Activities delivered by the Hub have been aligned with the strategic priority 'economic resilience for an innovative and profitable agriculture sector'.

GGA has also been accountable in its delivery of SW WA Hub activities due to its sound governance structures, including its eight-person Board and four-person Steering Committee comprising two GGA Board members and two skills-based industry representatives.

The Board and the Steering Committee, combined with a skilled GGA/Hub team, have ensured adherence to the Plan's funding principles including arrangements and grants that 'are delivered in accordance with Commonwealth guidelines'.

Sub-contracts entered into by the GGA to deliver on Hub activities – including Regional Node Lead sub-contracts – have included appropriate terms of reference to ensure that stakeholders have clear expectations of deliverables.

In 2022, the GGA demonstrated strong governance when allocating funding for projects made possible by \$2.5 million provided by the Australian Government to enable the Hub to expand its remit to include agricultural innovation.

The GGA/SW WA Hub received 26 'innovation project' applications from Hub Consortium Partners. Applications were then assessed by an independent, skills-based panel engaged by the Hub.

From these applications, 10 projects were awarded and professionally sub-contracted, with payment on achievement of milestones and dedicated project support resourcing provided.

Do the programs, arrangements and grants focus on the right priorities to support drought resilience? If not, what should the programs, arrangements and grants focus on and why?

The SW WA Hub has developed, through comprehensive consultation, priorities to support drought resilient practices and outcomes for the SW WA region. A situation analysis describes the industries of each of the SW WA Hub's four sub regions; the climate change that has occurred and the most likely change into the future; the research development and extension projects that have been successfully undertaken in the region over the past five to 10 years; and priorities for the next suite of projects required to improve drought resilience. The priorities were augmented and ranked by the Hub's Regional Advisory Committees. Highly ranked priorities were then ground truthed with end users through Regional Node Leads.

The development of these priorities and how they are reflected in future programs, arrangements and grants needs to be considered. The SW WA Hub undertook an extensive process to engage partners, working with industry, growers, government and research institutions to understand the scope of work needed to support the WA agricultural industry through drought and future climate scenarios.

These priorities have been reflected in Future Drought Fund grant opportunities requiring applications to align with regional drought resilience priorities. The SW WA Hub has responded by assigning staff to support applicants with advice about alignment with priorities; interpretation of grant guidelines; best practice monitoring, evaluation and learning (MEL); and adoption and extension. The SW WA Hub links applicants with similar project ideas who are applying for grants. This results in fewer and richer applications to the FDF, and a higher success rate.

The SW WA Hub's focus on drought resilience will be supported going forward by overall business resilience, agile decision-making, best practice research and sustainable approaches made available to farmers, communities and industry.

The scope of funding delivered to date through the FDF is a starting point to deliver a significant number of drought resilience tools and technologies.

The timing of the funding and delivery of projects to date, with the limited time that has passed since projects were started, means it is premature to determine the success of the funding. However, it is essential that ongoing grant rounds be made available to industry to support continual improvement and ensure best practice science, research and extension is available to industry when needed.

Previous FDF grant rounds have also generated many applications which could not be funded and cannot be accessed by Drought Resilience Adoption and Innovation Hubs yet are potentially rich sources of information that project proponents may be willing to share with the Hubs. It is recommended DAFF engage in a process with proponents of failed bids that puts them in touch with relevant Hubs.

A significant challenge in supporting drought resilience and wider climate resilience in WA is the scope of agricultural sectors, and the potential challenges and impacts climate change will have on their communities.

Ongoing funding is essential to ensure that challenges and how they can be addressed are being considered at all levels, in order to help achieve a sustainable agricultural sector.

The SW WA Hub is about more than drought resilience. It is working collaboratively with growers, grower groups, researchers, government agencies, industry, service providers and businesses on strategies for business resilience, innovation and biosecurity. The innovation system in Australia arguably has had sub-optimal links between ecosystem partners. The SW WA Hub facilitates a consensus list of priorities and well-developed projects by combining end users, academics, agribusiness, government, NRM and indigenous representatives in a shared process.

Should the scope of the Fund be broadened to support resilience to climate change? Why or why not?

The GGA/SW WA Hub supports broadening the scope of the Fund from drought to climate resilience, and potentially for the scope to be widened even further to include greenhouse gas abatement.

In WA, 'drought' does not always resonate with WA end users including growers. The arguably narrow Federal Government definition of drought has also meant that WA's periodic dry periods often have not qualified as 'drought'.

Drought (by its Federal Government definition) has never been the sole focus of the SW WA Hub's activities, which rather are focused on helping farmers increase their resilience to the significant climate change occurring in the South-West WA region.

As reported in the Bureau of Meteorology 'State of the Climate Report 2022', the drying trend in southern Australia has been most evident in the south-west and south-east of the country.

The trend is particularly strong for the period from May to July over south-west WA, with rainfall since 1970 around 19 per cent less than the average from 1900–69. Over the full April to October season the decline over the same period is around 15 per cent. Since 2000, this decline has increased to around 27 per cent, despite relatively high cool season rainfall during 2021.

The report states that south-western WA is projected to experience continued drying, especially during winter and spring. Continued warming in Australia is also projected, with more extremely hot days and fewer extremely cool days. There is also an increased risk of natural disasters from extreme weather.

The activities and projects facilitated by the SW WA Hub centre on how to increase resilience to these climate scenarios. For example, long-term trials that the SW WA Hub proposes to lead would focus on improved capture of summer rainfall to be utilised in the winter grain cropping growing period. Methods to improve this capture would include practices such as soil amelioration and weed control. The later and less consistent 'breaks' to the growing season also require technologies that are better suited to these seasonal conditions.

How could the Fund enhance engagement with and benefits for Aboriginal and Torres Strait Islander people?

The GGA has developed a targeted strategy to engage with traditional landowners and managers that are currently involved in active agricultural production or land management systems, of various scales. The outcome will be to support the use of drought, climate and business resilience practices.

The GGA has achieved Aboriginal engagement within its Regional Advisory Committees (RACs) and Aboriginal organisation (Noongar Land Enterprise Group - NLE) is a Consortium Partner of the SW WA Hub. Proactive engagement with Aboriginal partners and organisations is also achieved within the Hub's Regional Node Lead network. In addition, the Hub innovation project 'Avondale First People's Traditional Produce Innovation and Manufacturing Hub – Wattle Seed Enterprise' is currently underway, led by NLE.

The GGA and SW WA Hub team believes engagement with and benefits for Aboriginal and Torres Strait Islander people could be enhanced through a dedicated grant round that focuses on climate resilience practices and methods of indigenous people. Such a grant round would generate applications that identify key indigenous partners that Hubs could work with, providing privacy and intellectual property issues are addressed. With the

permission of applicants, it is recommended that the Australian Government advise Hubs of submissions made.

To date, FDF grant rounds have included criteria for Aboriginal and Torres Strait engagement, but this has not been the core focus.

What opportunities are there to enhance collaboration in planning and delivering drought resilience initiatives, including with state and territory governments?

The SW WA Hub, and its lead organisation the GGA, have solid structures and systems in place that already support collaboration in planning and delivering drought resilience initiatives, including with the WA State Government.

These include the Hub's more than 50 Hub Consortium Partners – representing grower groups and a broad cross section of the agricultural and innovation system supply chain.

The GGA is in a collaboration agreement with the Department of Primary Industries and Regional Development which has facilitated collaboration with initiatives such as the Regional Drought Resilience Planning (RDRP) program.

The GGA grower group network 'hub and spoke' model facilitates innovation from 'the ground up' with more than 60 grower group members.

Collaboration is further strengthened through the Hub's four Regional Advisory Committees and its eight Regional Node Leads.

The SW WA Hub collaborates across Hub borders with other Drought Resilience Adoption and Innovation Hubs such as through 'cross-Hub projects' including 'Modern soil moisture monitoring to improve irrigation management'. This project is led by the SW WA Hub and involves collaboration with the Victoria and Northern Drought Resilience Adoption and Innovation Hubs, with demonstration sites being hosted in all three regions.

The SW WA Hub is also involved with two additional 'cross-Hub projects' including 'Managing Rangelands for Drought Resilience' – supported by six Hubs and involving multiple sites across Australia. The Hubs' successful application for this project was compiled in a short period of time and demonstrates the Hubs' effectiveness. The other 'cross-Hub' project that has SW WA Hub involvement is 'Fast tracking WA and NT to align with nutritional feed base mapping technology advancements at a national level'.

Going forward, the GGA/SW WA Hub will achieve even greater collaboration with the WA Government, WA universities and CSIRO through its newly announced membership of the WA Agricultural Research Collaboration. This Collaboration is working with industry to build applied research programs focused on emerging industry issues.

The GGA/SW WA Hub is working with the WA Government's \$15 million Agriculture Climate Resilience Fund. The GGA/SW WA Hub is also collaborating with existing, climate resilience-related projects funded by the WA Government and Research and Development Corporations – augmenting and building on project findings. These projects include the \$20.4 million WA Farming Systems project, that has investment from the WA Government and the Grains Research and Development Corporation (GRDC), the WA Government's long-term Future Farming Systems project and the FEED365 project under the DPIRD and MLA SheepLinks program. The GGA/SW WA Hub is also collaborating on FDF-funded initiatives such as the CSIRO-led projects 'Sowing opportunities for farm resilience in a changing climate' and 'Drought resilience with profitable natives and legumes'. The GGA/SW WA Hub provided significant assistance to CSIRO in its grant applications for these projects, in addition to assisting a number of other successful grant applicants.

Are there any other changes needed to improve the effectiveness of Part 3 of the Act?

Who needs to do what to make those changes happen?

The function of the SW WA Hub is to support the WA agricultural community in delivering on drought resilience and innovation. It plays an essential role in bringing together all parts of the agricultural sector and developing climate and business resilience through scientifically supported practices. It should maintain this role.

The continuation of the program and expansion into climate resilience will deliver on the economic, social and environmental outcomes that underpin the rationale for the establishment of the FDF. It will also meet the Australian Government's requirements to improve climate resilience and preparedness, and to achieve a sustainable future for agriculture in a drying, warming climate.

Overview of GGA and Hub structure



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The South-West WA Drought Resilience Adoption and Innovation Hub (SW WA Hub) works collaboratively to enhance drought resilient practices and accelerate innovation and adoption.

Funded by the Australian Government's Future Drought Fund, the SW WA Hub is utilising and leveraging the power of the GGA grower group network 'hub and spoke' model to facilitate greater innovation from 'the ground up'.

Grower groups are among the Hub's more than 50 consortium Partners, which represent all sectors of the WA agricultural supply chain and are providing cash and in-kind co-contributions.

The SW WA Hub is linked to end users, including farmers, through eight Regional Node Leads aligned with Department of Primary Industries and Regional Development office locations.

The Hub is guided by four Regional Advisory Committees which comprise skills-based representatives of agricultural industries for each of four agro-ecological zones covered by the Hub.

A steering committee, comprising two GGA representatives and two industry representatives, oversees the SW WA Hub governance.

More information about the SW WA Hub is available at <https://www.gga.org.au/activity/drought-hub>.