

Emerging Agricultural Industries

The strategy of the Emerging Agricultural Industries Program (2002-2005) was building new industries through collaboration and it was very successful.

This report was produced by the Mid North Coast Regional Development Board and Mid North Coast Area Consultative Committee with funding from the NSW Department of State and Regional Development and the Federal Department of Transport and Regional Services.

The overarching objective of the Emerging Industry Development Program (EIDP) was to “assist the developing Aquaculture, Organics, (including Organic Dairying) and Herbs industries on the NSW Mid North Coast to a higher and sustainable growth path. This objective was achieved by employing an Industry Development Officer who, in concert with the three tiers of government, formally established networking and cluster groups for the industries and actively addressed the key impediments and opportunities for growth”

The industry development opportunities presented through the EIDP were received with enthusiasm by a range of emerging agricultural industries on the NSW Mid North Coast. As a result, several industry landscapes are, in many instances, dramatically different to that confronted at the beginning of the program. Most industries were highly fragmented with no established (formal or informal) plan for growth or development. There was little or no industry level discussions concerning growth and development and little or no attempt at working together as an industry to achieve common goals.

We are pleased to report the EIDP objective/approach has been successfully implemented in several of the target industries. The most dramatic change has occurred in the Organics Sector. This sector comprises multiple industries. Of particular note, are the Livestock industries of Organic Beef, Chicken and Dairy; the Citrus and Avocados industries; the Vegetable industry; the Nut industries and Garlic industry.

After working through a strategic industry development process, which included three major phases these industries have successfully established four very active “soft” networks (responsible for industry development through information sharing, skills and supply chain development and product scheduling to improve the regionally available product mix). Several networks have also commenced commercial collaborative trials, which have improved their market relationships and financial return. The Organic Nut Producers Network has identified substantial value from this commercial networking and has established a formal partnership structure that will enable that network to trade in the interim period until the marketing entity is up and running. This structure is currently in place and is being used for commercial network trading during this current season.

The Organic Garlic Producers network confirmed that as a result of the informal network formation that occurred through the EIDP, “industry understanding of the organic garlic market has been improved to the point where marketing efficiency and economic return has maintained throughout the year for the first time in the last 5 years”.

The Organic Vegetable Producers network also states that their “income has already improved through better marketing strategies in just over six months, due to industry collaboration initiated by the EIDP”.

The Organic Livestock Network is in discussion with a regional meat processor concerning organic certification of their facility to fill a regional supply chain gap.

In addition, these four networks came together in a sector wide approach in stage 3, to establish one overarching industry body. This organisation is an Incorporated Association (called MNC Organics Inc). MNC Organics Inc was established with the express purpose of championing the industry’s commercial development, post EIDP facilitation. Through the EIDP this group undertook business and feasibility planning for the formation of an industry owned marketing entity. The Organic Marketing Company has now been established with premises in Coffs Harbour and 40 members using its facilities to sell their produce.

The program’s approach was to assist industry to put in place processes and structures that will be self-sustaining and provide the basis for continued industry development after cessation of the EIDP. Through the formation of the above “soft” and “hard” networks it is believed that this has been achieved.

In addition to the above established structures and processes that have direct and current commercial benefit, the EIDP leaves the industry with several important communication and training mechanisms and an industry support network which will be central to their continued development ability.

- An industry survey was undertaken and documented into a report titled “Profile of the MNC Organics Industry”. This has proven to be a valuable tool as it quantifies current industry capability and attitudes (current production levels, physical farm characteristics, demographic profiles of producers and their views of industry prospects). This assists the industry communicate with Government, buyers and other partners on further development and commercial opportunities. It also provides crucial information to assist marketing company investigations and development.
- As a result of network formation, industry collaboration and the above profile, the State Government agriculture department adapted one of its traditional agricultural training programs to meet the needs of the organics industry – the result is the State’s first Organic Prograze. This was an important step as it recognised the importance of this emerging industry and opened the door for additional collaborations.
- An industry Needs Analysis was undertaken. This documents the industry’s agreed development needs and desires. This approach formed the basis for initial and ongoing collaboration, as it assisted the industry to identify and coalesce around common needs and opportunity.
- The industry also underwent considerable skill development. Over the duration of the program the industry participated in over 31 different farm visits, field days and training events. These events assisted the development of mentoring relationships and sharing of hard found production and marketing knowledge. This process was

highly valued by producers. MNC Organics Inc is committed to continuing these activities.

- One of the most pleasing outcomes was a clear indication of the organics industry commitment and capacity to continue with the development process started by the Emerging Industry Development Program.
- The response and level of involvement from the organics (and also to a lesser extent the herbs) sectors was exceptionally strong. The response from the aquaculture sector was much more limited. On this basis, the program directed its resources in phases 2 & 3 towards industry demand and response. The process analysis in section 3 of this report comments on this outcome. This analysis (supported by recent QLD DPI research) suggests that it is an industry's biographical and psychological attributes which often determine its level of innovation and ability to thrive. It is also recommended that this form of response analysis is a crucial part of ensuring a program spends Government funds judiciously.

Actions, performance indicators and objectives as stated in EIDP project application

Action to be taken	Performance Indicators	Objective(s)	Program Outputs/Outcomes Achieved that Meet Stated Performance Indicators
<ul style="list-style-type: none"> Undertake a strategic review of the industries the mid North Coast of NSW 	<ol style="list-style-type: none"> Document that outlines the current industry's capacities (number of growers, products, production capacity, marketing and transport. Development of a set of overview statistics regarding income, costs and economics of the Industries. Document the current market and potential market size and location; Outline an implementation plan to remove the impediments, increase industry scale and capacity and realise the market potential. 	<p>Establish an Industry Audit , benchmark and the way forward.</p>	<ul style="list-style-type: none"> Surveyed MNC organics Industry and prepared a MNC Organics industry Profile. Profile outlines current production levels, physical farm characteristics, industry income and economics, market penetration, demographic profiles of producers and their views of industry prospects. This includes industry views regarding a recent proposal for the formation of an industry owned marketing company. (Achieves PI 1, 2 & 3). The MNC organics Industry Needs Analysis completed in phase one provided a much needed industry action plan – to focus and direct industry activity and implementation throughout the program. This process and resulting document lead directly to the following more specific development planning. (Achieves PI4). The draft MNC Organics Industry Marketing Entity Business Plan provides an action plan for company establishment and operation. This is a major development for the industry as it will address the major industry impediments highlighted and documented in the above mentioned, earlier program research. Once implemented it will substantially enhance the region's capacity to access new markets, create market power and streamline industry marketing. (Achieves PI 4 & 5). The North Coast Native Foods Cooperative Business Plan outlines the cooperatives status and production capacity of the native herb industry (Achieves PI 1 & 2). A prawn industry fact sheet quantifies the current market, its size and location and the suitability of the region as an aquacultural production location (Achieves PI 3).

<p>Develop a detailed Industry Development Plan for the Aquaculture, Organics and Herb Industries on the Mid North Coast of NSW</p> <ul style="list-style-type: none"> • Production of Plan • Commitment by all key stakeholders, private enterprise and public sectors - local, state and federal. 	<p>5. The production of a Business Plan</p> <p>6. Relevant Local, State and Federal Govt depts and agencies to have developed formal strategies to support the Industry Development Plan</p> <p>7. Industry Development plan to have formal commitment of the Aquaculture industries.</p>	<p>Structured approach developed to create growth and employment in the Industry.</p>	<ul style="list-style-type: none"> • The draft MNC Organics Marketing Company Business Plan (Achieves PI 5). • North Coast Native Foods Business Development Plan Terms of Reference (Achieves PI 4 & 5). • North Coast Native Foods Kempsey Agribusiness Park Summary (4) • NSW's First Organic Prograze course. NSW DPI has responded to the Organic livestock's need for targeted production assistance by adapting and delivering NSW's first organic prograze course (Achieves PI 6 & 14). • NSW DPI has recognised the MNC Organics industry need and circumstance by providing specialist departmental staff from Yanco to undertake two separate visits to the MNC to conduct industry skill development activities. This has greatly assisted industry ability and is the first time these industry specialist staff have visited the MNC (achieves PI 6) • Contact has been established with other production regions of Australia to ensure all industry joint ventures are explored. • Additionally, NSW DPI is currently considering how they can assist the region's growing and unmet organics production extension needs (Achieves PI 6) • Established sound industry relationships with State and Federal Gov. agencies evidenced by subsequent & additional \$ support to the organics industry i.e DSRD additional funding to run an industry strategic planning workshop in program Stage 2 and the National Food Industry Strategy (federal gov) providing funding assistance for MNC organics industry development supply chain work, in stage 3. (Achieves PI 6, 7, 14). • The organics industry is also currently working towards submitting an application for assistance under the federal governments Regional Partnerships program for implementation of future elements of the business plan (achieves PI 6).
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<p>Expand the existing Aquaculture, Organic and Herb Industry Clusters in the region</p> <ul style="list-style-type: none"> • Documentation, promotion and brokering new business opportunities • Establishment of new business • Retention of existing business • Facilitate the Development and delivery of Management Education Programs for the Industries • Facilitate appropriate grants and assistance programs. 	<p>8. Niche markets identified 9. Business opportunities documented and promoted 10. New Agribusinesses attracted to the region 11. Existing businesses expanded 12. Number of existing industry retained 13. Attendance by industry at Education Programs 14. Other programs and assistance provided 15. Number of new jobs created. 16. Financial and industry outcome enhancement</p>	<p>Maintain and expand sustainable Agri businesses in the region</p>	<ul style="list-style-type: none"> • Sydney organics buyer invited and attended a MNC organics meeting to enhance mutual industry and buyer understanding. And Meetings with regional markets and buyers (8). • Research undertaken for the North Coast Bush Food Cooperative into lemon myrtle tea bags and other products (PI 8) • Organics Industry electronic Discussion Group established and operational – provides a forum for information exchange and contact between producers and buyers. Active discussion between the two has been recorded (9) • Industry owned Marketing company feasibility study and business plan (9) • Presentations at numerous regional meetings and conference outlining the three emerging sectors (PI 9) • 220 plus enquiries for industry information received and addressed (8 & 10). • A variety of industry fact and information sheets prepared and distributed to assist new agribusiness to the region (PI 10) • 32 farm visits, field days and industry training sessions delivered over the duration of the Program – average attendance at each event 22 plus people (PI 13). • Organic Vegetable producers working together in a variety of commercial collaborations – Group coordinator stated this has improved their economic outcome and market access (16) • Organic Garlic network coordinator states that collaboration has improved financial outcome by maintaining \$ return and opened up new markets (16) • Organic Nut network marketing product under a partnership agreement. Opened up markets and increased \$ per kilo.(16) • 220 producers including potential new industry entrants linked to existing growers for information sharing to assist their industry pathway (10, 11 & 16) • Organics industry Electronic Discussion Group established for information sharing (16) • \$16,000 in additional government funding attracted to assist emerging industries through specific assistance opportunities (14)
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<p>Promote export of existing and new Industry products and services</p> <ul style="list-style-type: none"> • Produce an AHC Agribusiness Brand • Develop an Export Plan for the AHC Agribusiness Clusters • Obtain Industry commitment to fund the implementation of the Export Plan and ongoing IDO activities.. 	<p>17. Acceptance and use by AHC Agribusiness Industries of a regional brand</p> <p>18. Funding of an Export Plan and IDO by the industries</p>	<p>Industry growth, sustainability and employment outcomes realised.</p> <p>Industries are now self sufficient.</p>	<ul style="list-style-type: none"> • Preparation of a regional brand for regional producers to sell through the organics industry owned marketing entity is a key component of the vision for the industry owned marketing entity. The Business Plan documents this intent and provides for an action plan that will move industry towards this outcome (17) • Employment of an industry marketing manager and an admin assistant to operate the industry owned marketing company is a key component of the vision for the industry owned marketing entity. The Business Plan documents this intent and provides for an action plan that will move industry towards this outcome. An industry nomination for a volunteer admin assistant has already been received by industry. The industry committee is also currently developing a position description for the industry marketing manager. This position will be funded by industry through product commission and company shares. (17).
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2. PROJECT CHRONOLOGY

Through the facilitation activities of the Emerging Industries Development Program several target industries progressed through an industry development continuum that can be categorised into three distinct, but overlapping stages.

Stage 1 – Industry review, consultation, engagement and education

The program and industry involvement began with an assessment of industries' need and status; industry discussion and recognition of a range of development impediments; education and engagement with industry development opportunities and techniques and finally industry commitment and demonstration of intent for industry level action.

Stage 2 – Network establishment, consolidation, rapport building and individual benefit

During stage two, target industries refined their development needs to form an initial action plan and progressed to implementing priority development needs including the establishment of four producer networks. Network establishment and consolidation progressed throughout stage 2 and into stage 3. During this period, industry began to achieve gains through information sharing derived from farm visits and meetings. Producers began to build relationships around common needs and explore commercial collaboration. Industry nominated network coordinators also began to take on an industry liaison role.

Stage 3 – Transforming informal networks into formal commercial collaboration

To provide a formal structure to enable the various networking, skill development and company feasibility/business planning investigations to continue, the industry established an incorporated association in stage 3 (called MNC organics Inc) as a step towards a marketing company.

The industry nominated coordinators and a steering committee embraced the industry liaison role. Industry undertook formal business and industry planning to establish an industry-owned marketing company. Industry also began implementing some initial commercial collaborations.

Chronology of Actions Emerging Industry Development Program

Reporting period 1

All Sectors

- Convened a project steering committee of funding partners.
- Prepared program literature i.e Program Synopsis, educational industry development case studies; and PowerPoint presentations.
- Attended industry conferences, review industry literature and familiarise with industry status across the three sectors at regional, state, national and international level.
- Identified and established relationships with regional and state based industry groups;
- Consulted widely with the regional industry on a one on one basis to identify industry interest in development approaches, needs and hopes and identify potential industry champions.
- Placed advertisements and releases in local press advertising commencement of the Program and inviting industry participants to register interest
- Developed a brief EOI form that provides industry with an opportunity to register interest and outline industry needs.
- Identify any existing industry databases and commence building sector databases.
- Developed broad project approach based on specific sector status and need. Employed an iterative Participative Planning Approach.
- Xmas Break (industry contact not possible)

Reporting period 2

All Sectors

- Commence sector specific development activities; industry engagement and industry development education strategies.
- Continue identifying, consulting and educating industry participants on potential industry development techniques.

Organics Sector

- Prepared industry specific literature to support industry growth and development (i.e fact and information sheets)
- Received a strong response and indication of interest from the organics industry. 65 Expressions of interest received and over thirty completed EOI surveys.
- As an engagement strategy, developed
 1. An Organics Industry Development Discussion Paper. This paper was based on industry consultation and industry research conducted to date. This document was used as a foundation for further engagement and formed the basis of formal group discussions and consideration of the way forward with the organics industry; and
 2. Convened a series of four regional industry networking/consultation meetings. Meeting format (presentation from Project Manager based around successful development strategies and industry needs, meeting brainstorm of additional industry needs and possible way forward on a whiteboard. Meeting closes with networking, coffee/tea etc. The opportunity to develop mutually beneficial relationships with other commercial organic growers struck a chord with almost all involved.
- Advertised proposed meetings widely and generate media comment to attract further participants. Screen attendance to ensure numbers remain manageable and representative of industry/commodity group. Invite media to attend.
- A short Industry Needs Survey delivered to meeting participants and all EOIs received to date formed initial industry research. Survey results were used to supplement data obtained during meeting brainstorms and together were used in development of an Industry needs report to assist industry to recognise and coalesce around priority industry needs.
- Arrange follow up media promoting meeting attendance and outcomes.

Herbs Sector

- Ten expressions of interest received from the Herbs sector.
- Commence industry development with an established industry group - the North Coast Native Foods Cooperative. Discussions focus on building the capacity of the Cooperative to evolve from an information-sharing network to their original vision of operating a viable business cooperative.
- Attend cooperative meetings to discuss development options
- As a further engagement tool prepare industry specific literature to support industry growth and development (i.e product and market research)
- Assist NCF to consider their potential to participate in a regional agribusiness facility ie attend meetings, prepare and distribute summary information
- Forward Correspondence

Aquaculture Sector

- Minimal response from the Aquaculture sector to media and industry contact.
- Produced "Prawn Farming on the Mid North Coast Fact Sheet"
- Produced "Developing the MNC Sydney Rock Oyster Industry Fact Sheet"
- Maintain industry consultation to try and identify industry interest.
- Gain agreement on an initial three step development plan.

Reporting period 3

Organics Sector

- Results of industry meetings and issues identification documented and distributed in an "Industry needs of the Mid North Coast Organics Sector". This includes results of the Industry needs survey undertaken at time of registering interest in the Program. Report highlighted the top ten industry development needs and fulfils an initial development plan for industry. This highlighted the next development steps including a proposed region wide industry meeting.
- Industry feedback sought on the content and direction contained in this report via personal communication and a one page feedback form.
- Marketing entity concept floated at industry forum and Industry steering committee nominated to advance the concept.

Herbs Sector

- Cooperative expressed interest in advancing their ability to participate in the proposed agribusiness centre.
- Cooperative production status documented in a business plan prepared by industry.
- TOR to prepare a NCF Cooperative Business Development Plan drafted and distributed to industry for comment.

Aquaculture

- Developed and Convened a Collective Marketing Afternoon seminar for the aquaculture industry.
- Invite industry group to participate in a wider industry forum to discuss development opportunities – nil response.

Reporting period 4

Organics Sector

- Convened a region wide organic industry forum. Forum gains agreement on establishment of four "soft" commodity networks and commodity specific needs.
- Network coordinators nominated at forum.
- Forum outcomes documented and distributed in a Forum Report. Report contains action plans for each commodity group.
- Marketing entity concept floated at the Industry forum. Industry Steering Committee nominated to advance the concept.

- Process to build networks commences; regular farm visits and skill development meetings held for each network. This builds trust and a common sense of purpose plus expands industry database.

Herbs Sector

- Program advised that North Coast Native Foods Cooperative folds.

Reporting period 5

- Organic Industry Steering Committee convenes and participates in a two day strategic planning exercise to scope potential for an industry marketing entity. Strategic advice sought from a specialist consultant. An initial action plan developed to progress marketing entity formation. Action Plan distributed to industry for comment.
- Organic Network farm visits and group meetings continue
- Favourable industry comment received at farm visits and industry meetings on steering committee investigations. Industry comment gives Steering committee confidence to continue.

Reporting period 6

- Network farm visits and meetings continue. Network coordinators increasingly responsible for organising events.
- Two organic networks trial collaborating on a commercial basis.
- Email discussion group forum established.
- Industry agrees a detailed industry audit is required.
- Detailed industry audit developed and delivered to industry.
- Industry starts implementing Marketing Entity Formation Action Plan by formalising the four soft producer networks into a formal structure called MNC Organics Inc.

Reporting period 7

- Industry survey results analysed and documented in a MNC Organic Industry Profile. Profile distributed to industry and other stakeholders.
- MNC Organics Inc. continues to advance marketing entity consideration.
- As the EIDP draws to a close, program facilitator encourages industry to switch development modes for longevity and self sustaining.
- Group facilitation and empowerment model is now replaced with an individual consultant/mentor model.
- MNC Organics Inc. commences activity
- National Food Industry Strategy assistance sought and received to achieve above. This enables the industry to access a consultant who helps the group prepare a draft business plan for the marketing entity. This process builds team work and industry skill working with government.
- Business plan development commences.

Future self-directed industry activities

- MNC Organics Inc. will complete the business/feasibility plan and convene a region wide forum in September 2005 to engage industry and invite shareholding.
- MNC Organics Inc is also gearing up to submit a funding application to the federal government through either Regional Partnerships or the National Food Industry Strategy to assist the establishment of the Industry owned marketing company.
- MNC Organics has also produced its first newsletter and is currently inviting membership and planning a calendar of events to continue industry networking and skill development.
- Individual commodity networks (now sub-groups of MNC organics Inc.) to develop product QA systems to underpin Company brand and quality systems.

See also the Future Directions Table in section 5 of this report.

PROCESS ANALYSIS (*what worked & why*)

- Maintaining adequate flexibility in program delivery to ensure that the program is responsive to the needs of an evolving industry has proven crucial. This means that delivery modes (timeframes, services delivered and even performance indicators) may require amendment from an original project proposal. Being responsive to these and other elements means that a program is able to work with industry interest, intent and its changing needs rather than impose a pre-determined approach onto industry. The former ensures self-direction and ownership by industry.
- Programs that cover multiple sectors and industries (in this case 3 sectors and over 18 different industries across eight Local Government Areas) will need to carefully assess industry response and commitment to program objectives. This is important to ensure that industry response is sufficient to justify the expenditure of scarce project funding. Without some form of response analysis, limited program resources could be expended on industries or sectors that may not have the capacity for developing self reliance. If care is not taken, this could reduce the ability of a program to achieve outcomes with industries that do demonstrate capacity and willingness to develop. It is recommended that programs direct activities and resources to areas of demonstrated industry effort unless the program has resources adequate for an extended industry development effort.
- Industry involvement in the design of program parameters is essential. It is recommended that this occurs prior to funding approval and in conjunction with establishment of an initial industry steering committee prior to program commencement.
- Industry development outcomes agreed to in funding proposals need to be representative of a project's duration and industry starting point. Creation of employment, whilst an ultimate aim, is not a suitable performance indicator for a short-term program aimed at industry-wide action and development. Intermediate steps that build industry confidence, structures and processes that pave the way for a profitable industry are more accurate indicators of a program's delivery.

- An extended program period, at a lowered intensity, may provide industry with the time to become involved in a development program and to consider and adopt behaviour changes. This is crucial as industry development is all about people. The EIDP has found that producers often manage farming with (sometime considerable) off-farm employment and the many and varied family and life commitments that we all must juggle – this however, is not a negative as it may be this diversity of life experience that helps an industry to be innovative and open and able to flourish in a changing industry and market environment. It is unrealistic to expect an industry to be able to meet a Government imposed timeframe for development. Rather the successful programs are those that build in adequate time for relationship building, consideration of issues and associated attitude change and also considerable down times such as Christmas, school holidays, busy harvesting and planting periods etc. Producers tend to exhibit a repetitive pattern of engaging, disengaging and re-engaging with a process depending on time availability and commitments. This does not reflect a lack of commitment – but is reflective of busy lives and businesses. Adequate program time to help industry through several of these cycles and to establish comfort with this cyclical process is crucial.
- This program has demonstrated that industry response to a development program depends to a large degree on the attitudes of the target group i.e their biographical and psychological characteristics; diversity of life and income producing experiences, level of education, attitude to sharing information, etc. These attributes provide for an innovative and open approach to operating farm businesses and involvement in industry development. Outsiders to an industry bring diversity of ideas and experience. Hence, industries with these characteristics are often innovative and open to new industry development techniques. Research by Ian Plowman (QLD DPI) confirms “The least innovative industries have great depths of experience which may stifle the very creativity and innovation they seek and which resides unknowingly in their midst. The more innovative industries are also differentiated by greater social cohesion, investment in personal and group development, the depth of membership involvement, and technological sophistication”.
- Finding and generating industry champions and drivers is crucial.
- The development process employed with the organics industry has been particularly fluid and responsive to an evolving industry response, need and knowledge. Planning and implementation has been achieved on the same basis through the use of a series of short-term action plans that have been produced with industry involvement after the previous action plan has been achieved. This has effectively broken the development process into a series of small “bite sized chunks” and has enabled the industry to change and direct each subsequent planning and implementation cycle. This is an effective, iterative, planning-action-review cycle. This has worked well for this industry, as it is a true participatory planning and implementation process that advances only as industry members gain confidence and knowledge and the ability to provide direction to future developments. An alternative strategy is the development of a more substantial and detailed Industry Development Plan that has a predicted life span of 2-5 years and sits with “industry” for future implementation.

- In this instance, industry has chosen to establish a living structure that “owns” the development process and will have a commercial imperative to keep planning and developing.
- Providing adequate opportunity for producers to interact with each other and discuss issues relevant to them has provided significant value to the industry and the development process.
- These interactions by necessity have to have a strong on-farm and farm production focus to encourage producer perception that they will gain value from the event.
- Benchmarking and measuring industry change as a result of a program is crucial for continued access to Government support. But this is difficult to achieve in a short-term (12-18 month) project when the project may be the first opportunity industry has had to measure its status. This is also complicated by the fact that successful benchmarking requires industry cooperation, which in turn, requires rapport building and trust. This takes time and in a new industry may only occur in the latter part of a program. Hence, benchmarking may fulfil a future industry need – rather than an ability to measure industry change over the life of an initial program.

- Enabling industry to direct the process they are involved in (i.e speed, direction, type of activity) is confronting for Government and the facilitator who reports to Government – but produces the best long term results. This responsive and fluid approach is however not always embraced by all participants, particularly where producers are accustomed to a more external-directed style of agricultural extension. The facilitator needs to be cognisant of differing styles and expectations and also the need to fit a participatory planning and action research approach into Government reporting needs and timeframes.

4. PROGRAM EVALUATION

A three fold process has been used to evaluate the EIDP;

1. Evaluation of major activities and activity participation rate;
2. Evaluation of impacts i.e Has the industry operating environment or industry landscape changed as a result of activities?; and
3. Has the program met the tangible and measurable performance indicators?

1/ Evaluation of three major activities has been reported and included in previous quarterly progress report. Participants were asked to complete a short evaluation survey of; the series of four regional industry forums held in early 2004; a Collective Marketing Seminar held in mid 2004; and an industry strategic planning workshop held in late 2004. Highly positive responses were recorded from 97% of participants in the first evaluated activity. The second evaluated activity achieved highly positive response rates from 80% to 94% of respondents. Positive to highly positive responses were achieved in over 98% of responses in the third evaluation activity.

In addition to this formal activity evaluation, the delivery of industry skill development activities can also be evaluated as being very successful from the continued high participation rate of the 31 farm visits and industry meetings. Farm visits on average have maintained average participation levels at over 22 participants. Some farm visits regularly attract up to 40 participants. Participation rates have maintained at level throughout the duration of the program. Participation of the Industry Steering Committee, has also maintained with an 80% participation rate achieved.

2/ The operating landscape has undergone considerable change. All industries were fragmented with little or no industry wide action or discussion. The major EIDP development strategy to be employed was to facilitate the establishment of networks, clusters and other industry groups. Through the EIDP a range of self-formed groups have emerged. Four active and ongoing informal produce networks are now operational, one producer network has established a formal partnership to assist commercial trading collaborations, a formal industry body has been established and is driving further industry development and the industry are further collaborating on development of a commercial industry body. This is a substantial change to what was a fragmented industry, competing against the wrong competitors. Producers have stated that these collaborations have already improved their marketing efficiency.

3/ As outlined, in the Performance Indicator/Outputs & Outcomes Table in Section 1, the program has met most of its pre-determined performance indicators. In most cases these are measurable performance indicators and demonstrated evidence of attainment is available i.e copies of reports produced, number of information requests included, attendance at training events, number of networks established etc.

In addition to the above, the program's development approach can be measured against the Cooperative Venture for Capacity Building Best Practice Extension Fact Sheet (<http://www.rirdc.gov.au/capacitybuilding/cvcb-factsheet-2-04.pdf>) which lists six best practice guidelines for delivering program under the Group Facilitation/Empowerment Model. They are;

- Self formed groups are best
- Groups should have guidelines and boundaries and then select their own facilitator

- Groups should follow a planning, action and review cycle
- Provide support and training for facilitators
- Provide opportunities for groups and representatives to meet and interact with each other
- Encourage groups to become self funding (and self reliant).

As is evident from this final report, these themes have successfully formed the basis of the EIDP Program.

5. FUTURE DIRECTIONS (where to from here)

The Organics Sector

The various groups within the organics sector are actively involved in current industry developments. There are also many individual organics business ventures within the region with their own business development plans. These are all important elements that combine to make a robust and resilient industry and are worthy of relevant support.

The current collaborative industry developments are progressing well and are expected to continue – provided that industry commitment and capacity are maintained and that the proposed marketing company can rise over the initial establishment hurdle. This is expected to be both a financial and a behavioural hurdle.

The MNC Organics Inc committee is responsible for finalising and promulgating the company feasibility study/business plan at a region wide forum to be convened in September/October 2005. The objective of the forum is to advance industry consideration and shareholding of the proposed company.

This industry association also plans on submitting an application for further assistance (matched by industry \$) to the Federal Government's NFIS or Regional Partnerships Program to assist the group with seed funding for various aspects of their development plan. Consideration of this proposal is encouraged.

The industry is intent on launching a regional line of organic (packaged and fresh) products onto the domestic and eventually international market. This line-up is to be backed by a sound brand, QA system, clever marketing and ability to provide a quantity and quality of produce that provides them with market power and access. This vision includes regional processing of organic products and access to sufficient facilities.

To achieve this aim, the industry is committed to pooling resources to enable employment of a company marketing manager to professionally represent regional products in the market place and guide implementation of their vision.

Each of the commodity groups also have a role to play in this vision and are busy developing suitable QA systems for regional produce and developing their product specific supply chains partnerships.

These industries have made rapid development over the life of the Emerging Industry Development Program and are to be applauded for their willingness and capacity to

develop their industry for the benefit of all industry members and ultimately the community as a whole.

The Herbs Sector

With the demise of the North Coast Native Foods Cooperative the bush foods sector on the MNC has reverted to pursuing individual business development opportunities. Several regional bush food producers are exploring their ability to access government funding to assist them to provide on-farm processing facilities. Processing facilities for bush food oils and leaf are currently inadequate for large scale market access and these facilities would make a valuable contribution to the industry supply chain. The EIDP has assisted these individual ventures where possible.

With adequate time, the industry may be able to re-establish some form of collaboration that will assist them in providing product critical mass – which current individual producers are unable to provide. Alternatively, individual producers may expand their business model to create critical mass by acting as a buyer of raw material to process and market under their own label.

The Aquaculture Sector

The region's oyster industry is working with the NSW Farmers Federation and the Department of State and Regional Development to develop oyster QA specifications and promotional materials.

There are also some smaller industry collaborations at the local LGA level which are worthy industry development additions. The aquacultural sector on the MNC is a particularly diverse group of industries.

For further information on the Mid North Coast Organics Industry contact:

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Mid North Coast Organic Garlic Network	Susan Harwood 6653 4578
Mid North Coast Organic Vegetable Network	Joanna Rogers 6556b 7726
Mid North Coast Organic Fruit & Nut Network	Rick Sharpe 02 6587 6065

and other associated **Organics** organisations:

Coffs Regional Organic Producers Organisation Inc.
Desnee McCosker
bes.bunyip@bigpond.com
02 6651 6880

Hastings Organic Group Inc.
Lyn Richardson
02 6585 3143

Department of Primary Industry NSW
Organic Farming Liaison Officer, Yanco NSW
Tel: 02 6951 2735
Email: robyn.neeson@dpi.nsw.gov.au

Organic Federation of Australia
Website: www.ofa.org.au
Address: PO Box 369 Bellingen NSW 2454
Telephone: 1300 657 435
Email: info@ofa.org.au

Australian Certified Organic Pty Ltd
Website: www.australianorganic.com.au
Address: PO Box 530 Chermside Q. 4032
Telephone: 07 3350 5716
Email: info@bfa.com.au

Biological Farmers of Australia Co-op Ltd
Website: www.bfa.com.au
Telephone: 07 3350 5706

Biodynamic Agriculture Australia
Website: www.biodynamics.net.au
Address: PO Box 54 Bellingen NSW 2454
Telephone: 02 6655 0566
Email: bdoffice@biodynamics.net.au

Organic Food Chain
Website: www.organicfoodchain.com.au
Telephone: 07 4637 2600
Email: ofc@organicfoodchain.com.au

Biodynamic Research Institute
Telephone: 03 5966 7333

National Association for Sustainable Agriculture Australia
Website: www.nsa.com.au
Telephone: 08 8370 8455
Email: enquiries@nsaa.com.au

Other Agricultural resources:

New Australian crops

Dr. Rob Fletcher, School of Agriculture & Horticulture, University of Queensland

Website: www.newcrops.uq.edu.au

Telephone: 07 5460 1311

Email: r.fletcher@mailbox.uq.edu.au

Agriculture, Forestry, Fisheries & Aquaculture NSW

Website: www.dpi.nsw.gov.au

Rural Industries Research and Development Corporation

Website: www.rirdc.gov.au

Telephone: 02 6272 4539

Email: rirdc@rirdc.gov.au

Agriculture, Fisheries and Forestry Australia

Website: www.daff.gov.au

Mid North Coast Farm Foresters Network

Terry Bates or Dawn Thornton

Website: www.mncff.org.au

Telephone: 02 6564 7916

Email: mncff@tsn.cc

NSW Aquaculture Association North Coast Branch

Margaret Grose

Telephone: 02 6561 5204

Native Flower Growers Association Inc.

Brian Sundin

Telephone: 02 6567 4666

North Coast Bushfoods Group Cooperative

Barbara Barlin

Telephone: 02 6556 9656

The Produce Shop

Website: www.produceshop.com.au