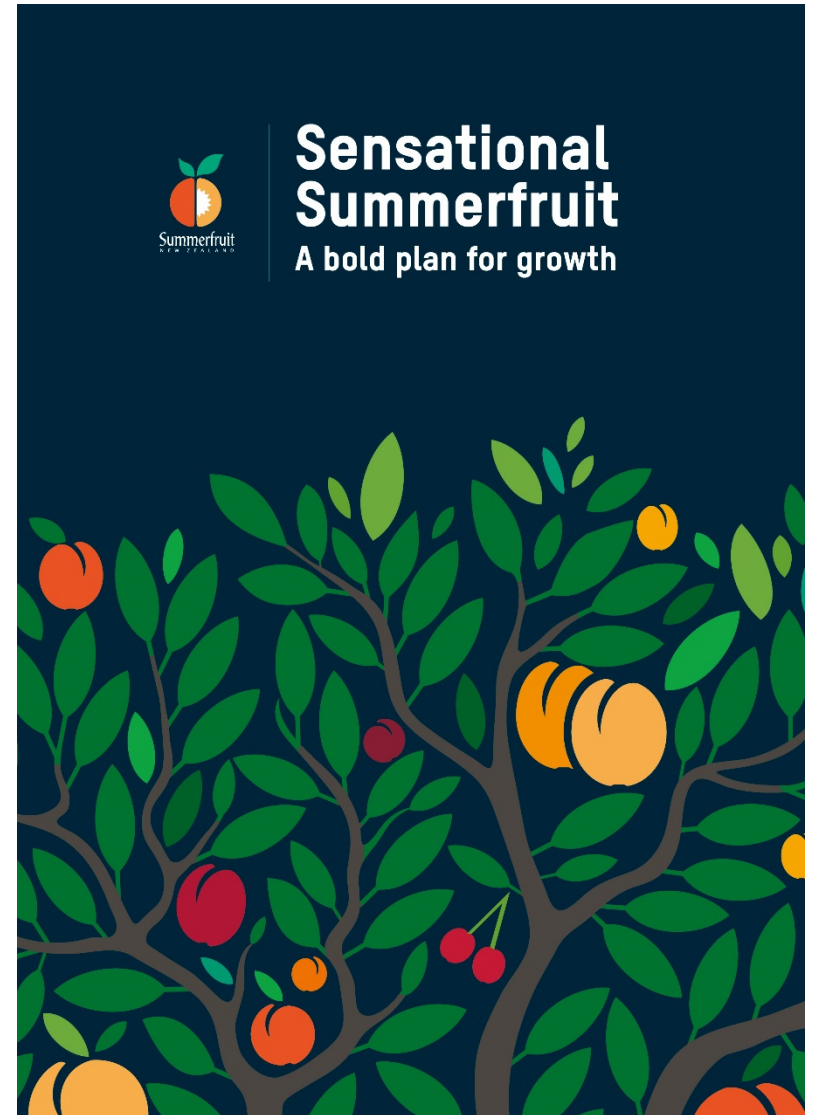


# Primary Growth Partnerships

- What is PGP?
- How did we get to a PGP application?
- PGP philosophy
- Sensational Summerfruit Programme
  - Funding
  - Governance
  - How will it be delivered?
  - Programme management



# Primary Growth Partnership - what is it?

- a joint venture between government and industry;
  - long-term investment in innovation programmes to increase the market success of the primary industries.
- primarily business-led and market-driven innovation programmes;
  - to boost productivity and value across the primary industry value chain – from producer to consumer.
- current PGPs in beekeeping, dairy, fishing & aquaculture, forestry, horticulture, meat, pastoral, wine & beer and wool.
  - Horticulture example Avocados Go Global – Brad Siebert
- now replaced with the Sustainable Food & Fibres (SFF) Futures fund

# How did we get to a PGP application?

- NZIER report - industry needs to do things significantly different.
- It must be a paradigm shift.
- Achieving this will challenge the industry's current practices on every level.
- Access to standard government funds:
  - less available
  - no longer available for Business as Usual activities
  - expensive to apply and manage reporting over short time periods
- Lack of an industry strategy to secure more substantial funding.
- Ability to leverage all of industry value to secure longer term funding.
- An industry good organization so programme must be beneficial and accessible to all.



# PGP - Investment Advisory Panel

IAP role is to;

- provide independent and objective advice to the Director General MPI on the investment of Crown funds for investment programmes;
- assess and determine which proposals are to be progressed to business plans;
- monitor investment programmes and recommend adjustments to existing investment programmes to MPI.

IAP:

- reviewed our initial proposal in November 2017
- assessed our full business case in September 2018
- re-assessed our updated business case in November 2018
- recommended funding approval to Director General in December 2018
- will continue to monitor and review our programme during duration of programme

# PGP Philosophy

- Paradigm shift and transformational change to the benefit of whole industry.
- Providing all industry participants with access to new ideas and the latest international thinking on key issues, without pre-empting outcomes.
- Success will be measured by industry uptake of new concepts and the resulting overall industry growth.
- Not about specific individuals, companies or groups within the industry.
- Learnings from one project will often set direction for other projects.
- Opportunities for industry involvement in areas of the project as it progresses.

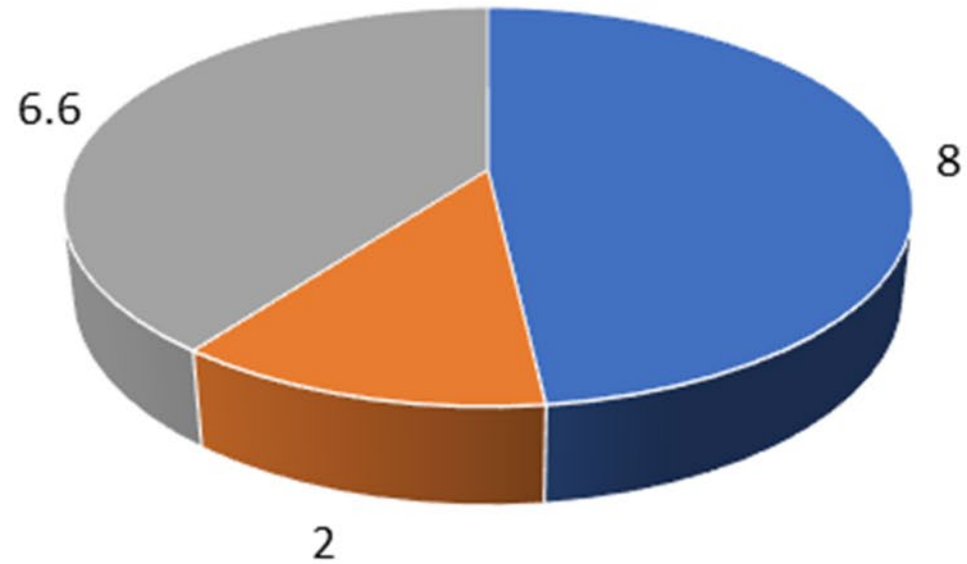


# Sensational Summerfruit Programme

- The programme will cover seven years and all five summerfruit
- The initiatives are delivered through five projects with strong linkages and interdependencies
- Investment: \$16.6 million over seven years
- The budget for each project allows for sourcing additional resources as required
  - professional project manager to oversee and coordinate all activities.
  - use of new technology to ensure funding and activity management is transparent for reporting purposes.
  - external organisations to carry out specific work activities such as consumer research, managing field research and trials.
- Stop/Go and re-estimate points allow for flexibility to modify future activities to ensure the best outcomes

# Total Sensational Summerfruit Investment Over 7 Years (\$ millions)

■ Industry Funding   ■ In-kind Activities   ■ MPI Funding (PGP grant)



# Sensational Summerfruit - governance

## Programme steering group:

- Independent chair
- Short list nominated by Summerfruit NZ, appointed by MPI.
- Summerfruit NZ directors x 2
- PGP representative x 2 – appointed by MPI
- Summerfruit CE

## Industry advisory panel/forum:

- To act as a reference group for the programme steering group and the programme managers.
- Mix of industry members and independent experts relevant to programmes.

## Programme managers:

- Appointed or contracted to manage key project streams within programme.

## Summerfruit NZ staff:

- R & D Manager, administration, finance

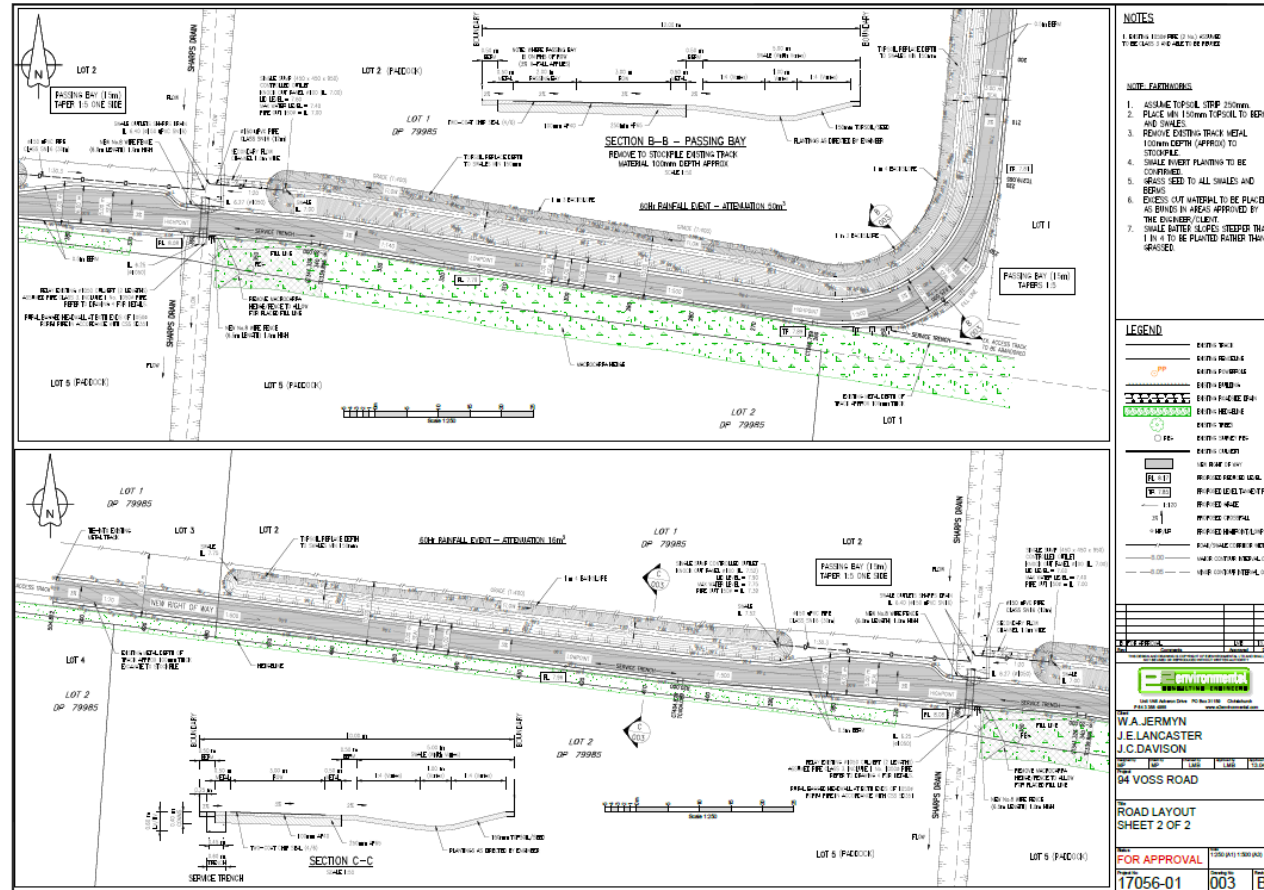


# Programme management - executive

- Regular reporting to the Governance Steering Group and quarterly reporting to the IAP.
- Annual work plans for all project activities including costs and milestones/KPIs.
- IAP approve each annual work plan.
- Up to 20% of the project spend can be diverted from one year to another by approval of the IAP.
- Variation of projects based on findings from work to date allows flexibility to achieve best outcomes.



# Programme management – operational



# Programme management – operational

- The activities are interactive and iterative for the duration of the PGP and interact strongly
- Responsive to results
  - Do more of what works
  - Don't do what doesn't
- Flexible
  - Stop/go points
- Enabling for industry
  - Industry co-design of work as it progresses
  - Private investment opportunities
- Good business management processes
  - Work stream planning
  - Tight budgeting
  - Reporting

