

**Future Systems**

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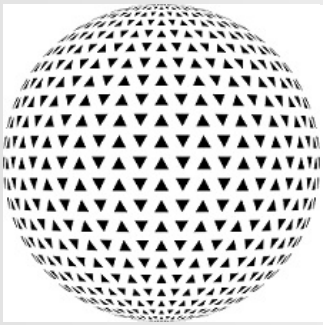
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*Strategic advice on economic development opportunities, technology and infrastructure*

# Regional Agriculture Investment and Innovation and the Role of Grower Groups

Keith Anthonisz, Principal Consultant, Future Systems  
Presentation to Industry Linkages Forum  
Grower Group Alliance, Friday 19 May 2017



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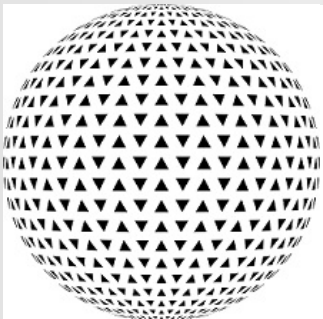
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# Introduction to Future Systems

- Consultancy focussed on strategic advice on economic development opportunities, regional development, technology and infrastructure projects.
- Government background in working on Seizing the Opportunity Agriculture Projects and in the Pilbara.
- In partnership with Novelle Consortium delivering economic and social development solutions for industry, government and community and supporting indigenous land tenure approvals and investment.

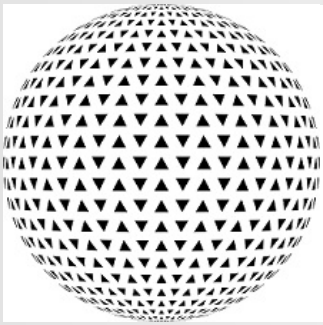




## Opportunities for Grower Groups

- Working with Novelle Consortium on a Risk Management Plan for the Land Tenure Pathway for Irrigated Agriculture.
- Looking for opportunities to work with Grower Groups on playing a role in supporting agriculture investment and innovation.

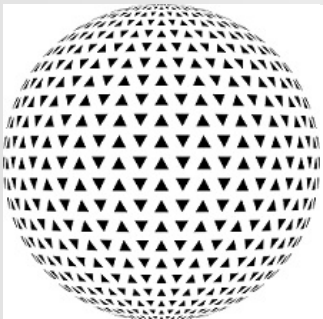




## Agriculture Investment in Western Australia

- The value at the farm gate has risen from \$5.4 billion to \$8.6 billion (2.6 per cent to 3.3 per cent) of the WA economy in four years.
- In 2016 China invested in 12 deals in agribusiness in Australia worth a record \$1.2 billion, up threefold from 2015.
- In WA, Chinese investment of \$333 million accounted for 28% of national investment.
- Japan, other Asian countries and traditional investors like the US and UK also investing.
- New State government looking for jobs and investment opportunities for regional WA.

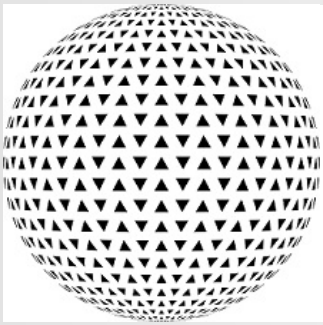




## Agriculture Investment and Community Backing

- Investors are interested in investing in Western Australian agriculture.
- Best outcome for international investors is when they get to know a local community and win their support to invest.
- If it is a greenfield investment on crown land, engagement with traditional owners and indigenous people is required.

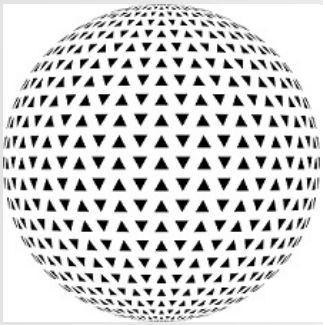




## Case Study - KAI and Shanghai Zhongfu

- In 2012, the State Government announced Kimberley Agricultural Investment (KAI) owned by Shanghai Zhongfu as the preferred proponent to develop 13,400ha in the Ord East Kimberley.
- KAI will lease and develop the Goomig Farm area and progress development of Knox Plain.
- KAI proposes to invest up to \$700 million.
- Developed an Aboriginal Development Package (ADP) worth \$9 million to the Miriwung Gajerrong Corporation.
- Investment in the community gaining local support in Kununurra.



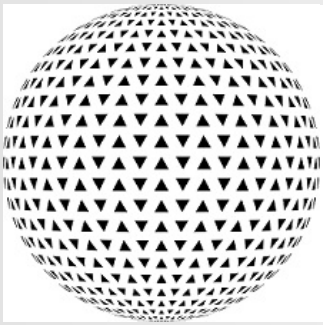


# Case Study - New Hope Group

- Hancock Pastoral has partnered with New Hope Group that is looking to invest \$1bn in Australia's farm, food processing and agribusiness sectors.
- Plan to sell and ship up to 800,000 cattle a year from northern Australia and establish a new cattle feedlot, quarantine and meatworks facility in southern China.
- New Hope Group chairman Liu Yonghao, among China's richest people supports a co-investment investment model in Australia.
- "Australians are very smart. Isn't it better for us to cooperate with them?"



新希望集团  
NEW HOPE GROUP

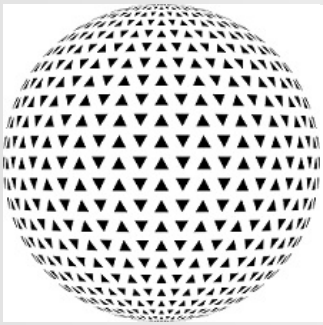


## Case Study - Harvey Beef and KCPA

- Harvey Beef and the Kimberley and Pilbara Cattlemen's Association (KCPA) have partnered to deliver a new Rangelands beef range.
- Focus on Northern cattle that are free range from the Kimberley and Pilbara, where cattle roam and feed on natural grasses.
- Kimberley and Pilbara cattle have no added hormones, are antibiotic free and are subject to accredited animal welfare standards.
- Targeting higher value markets in Asia and beyond.



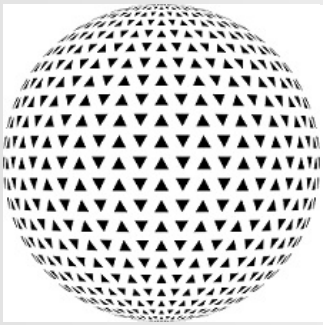




## Aboriginal Community and Agriculture

- Traditional owners and indigenous people have native title rights.
- Aboriginal Corporations are working on businesses that bring economic independence.
- Australia's first Aboriginal grower group, Noongar Land Enterprises (NLE) group has been established with DAFWA support to facilitate investment and international supply opportunities.
- Aboriginal business groups can support investment and growth of agriculture in Western Australia.

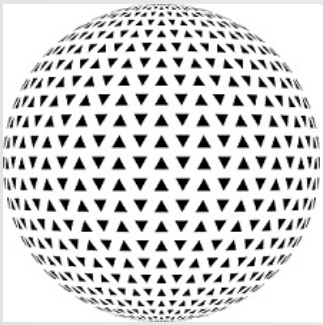




## Innovation and Agriculture

- Innovation and technology are becoming increasingly important drivers in agricultures international competitiveness.
- Future Systems and Novelle Consortium are working on seeking investors for a bioenergy technology for regional areas that originated at Curtin University.
- An Ag Tech Perth Group has been established to support new technologies in agriculture.
- Linked to SproutX, Australia's first agtech focused accelerator program with Venture Capital backing of a \$10m fund managed by Artesian Capital.

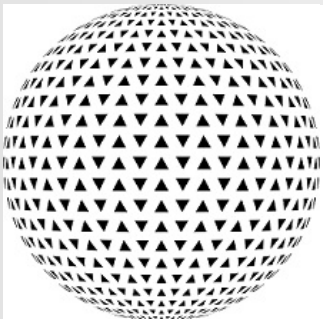




## The Role of Grower Groups

- Grower groups are on the ground representing farmers and broader regional communities.
- Grower Groups are ideally placed to be a conduit between investors and innovators, their projects and the local community.
- Grower Groups can also work with other local groups that have a role in this space including Regional Chambers of Commerce, local government and Regional Development Commissions.
- Future Systems and Novelle Consortium seek to work with Grower Groups to assist them in linking with investors and innovators to support growers and their communities.





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# Discussion