

Update on AWA Program



Current Status

- Investment Prospectus has been revised and edited by a professional editor. Next version being prepared for ACA Board approval
- Strategic Marketing Plan has been rewritten following input and feedback from Abalone businesses and stakeholders.
- Major changes to the documentation include:
 - Clarification and confirmation of the data relating to revenue changes and impacts
 - Inclusion of an enterprise marketing support program to support processors/marketers to implement initiatives consistent with the plan
 - Inclusion of a specific domestic market development program to take advantage of the emerging Chinese tourism market
 - Clarification of responsibilities and accountability for governance and reporting
 - Additional explanation of the key performance indicators and targets

Key issues

- Proposed collection point – AAA and others have identified some potential issues with the proposed collection point (levy to be withheld by the processors at the first point of sale)
 - detailed discussions commenced with processors and the Department to better understand and resolve these issues
 - Expect to have an update to discuss with processors by end October
- Levy calculation – cents/kg or percentage of sale price
 - Key issue for DAWR is the amount must be equitable and we have difficulties due to significantly different prices across species and States
 - We are seeking advice from the Department regarding whether different levies can be struck for different species
 - Also expect to have an update on this for discussion by all stakeholders shortly
- Decision will need to be made by the ACA Board (based on input from stakeholders) before the investment prospectus is finalised

Timetable and Next Steps – Investment Prospectus

- End October – submitted to ACA Board for review and approval
- Mid November – submitted to FRDC for review and input
- Early December – submitted to DAWR for review and approval
- End December – submitted to AEC for approval for voting package

Note: the No case will be included in the voting package and is to be submitted to the same approval process and timetable

Timetable and Next Steps – Strategic Marketing Plan

- October - Plan being edited and revised
- End October – Plan sent to independent marketing expert (Australian Pork Limited) for review and feedback
- Mid November – Plan sent to ACA, AAA and FRDC for review and feedback
- Early December – Finalised Plan sent to ACA for approval
- Mid December – Plan sent to DAWR for approval (with the Prospectus)
- End December – Plan sent to AEC with voting pack

Note re timetable and next steps

- At any stage the timetable can be changed if there are significant issues or changes required to the documentation
- We need to make sure that we have consulted widely and incorporated feedback from that consultation into the documentation
- The aim is to get a positive result that benefits all Australian wild – caught businesses and supports the ongoing viability and strength of those businesses
- The levy approval process is complex and it is important that we follow the steps and achieve approval at each of those steps.



Update on Seafood Trade Advisory Group



Current Status

- The Australian Seafood Trade Agenda and Action Plan has identified five priorities for resolution
 - Approval for the use of SO₂ in canned and preserved Abalone is one of those priorities
- The Program Assisting Small Exporters has funded a range of activities to support the Australian Seafood Trade Agenda and Action plan.
 - The program managed by the ACA and undertaken by Honey & Fox P/L and other contractors is nearing completion with the final project report due to be submitted at the end of October 2017



Key issues

- The STAG is funded by ACA and SRL through their agreements with FRDC (FRDC provides matched funds) and is due to be completed by February 2018
 - The funding via SRL, ACA and FRDC during 2016 and 2017 has been minimal as the PASE funded project paid for most of the activities of the STAG since the closure of the Australian Seafood CRC
 - A draft funding and governance proposal has been developed and is being considered by the ACA and SRL. The funding proposal, if approved, will ensure ongoing funding for the STAG to continue to pursue resolution of trade and market access issues in partnership with the Australian government.



Achievements and Progress

- A progress report detailing achievements against the Seafood Trade Agenda and Action plan has been prepared and is available to download at the website www.seafoodtradeadvisory.com
- Signing up for newsletters and market intelligence reports is free for ACA and its members. Go to the website and register www.seafoodtradeadvisory.com
- Other achievements under the STAG are detailed on the website – these include copies of all newsletters, food safety fact sheets (in English and Simplified Chinese) and a food safety video (translated into 3 other languages)
- Four technical visits, in partnership with SafeFish, have been undertaken to build relationships with technical expertise to help resolve and respond to technical trade issues
 - The issue with naming Roei as Abalone in Japan has largely been resolved
 - Relationships with industry and government in China to support an application for use of SO₂ in canned and preserved Abalone have been built and we have a clear pathway forward. Still at a critical point in negotiations we are hopeful of a breakthrough within the next 12 months



Timetable and Next Steps

- October – Governance and Funding Plan considered by ACA and SRL
- November – If agreed by ACA and SRL approaches to be made to other potential investors and to FRD
- December – Revised plan (following consultation) sent to ACA, SRL and FRDC for review and feedback
- January/February – Application prepared and submitted
- February/March – If STAG funding approved activities will continue