



The Hon. David Littleproud MP
Minister for Agriculture and Northern Australia
Deputy Leader of the Nationals
Federal Member for Maranoa

Ref: MS21-009548
17 December 2021

Mrs Kay Hull AO
Chair
AgriFutures Australia

Via email: kay.hull@bigpond.com

Dear Mrs Hull

Please find enclosed key documents that have been developed to support Australia's rural research and development corporations (RDCs) deliver their important work to support our agriculture sector. I extend my thanks to AgriFutures Australia for contributing to their development. RDCs need to demonstrate value to their levy payers and taxpayers and these documents are designed to ensure that you are demonstrating this value.

Guidelines for statutory funding agreements – mandatory

The Guidelines provide key performance indicators (KPIs) for each of the five performance principles in the Statutory Funding Agreement. The indicators provide consistency across the RDCs, while maintaining flexibility for individual RDCs. Importantly, the indicators do not replace any key performance indicators currently in use by your RDC.

These Guidelines take effect from **1 January 2022**. As you would be aware, the Statutory Funding Agreement provides that the Commonwealth may impose new guidelines from time to time. Please consider this letter to be formal notification of the **new Guidelines** under the Statutory Funding Agreement, with which it will be mandatory for you to comply. The Guidelines replace the companion document issued with your Statutory Funding Agreement.

Each RDC has the flexibility to determine how best to demonstrate achievement of the new KPIs. I ask AgriFutures Australia to design its own measurement framework that reflect the intricacies of your RDC. If you require further advice, please reach out to the Department of Agriculture, Water and the Environment.

Knowledge transfer and commercialisation guide

The guide provides RDCs with guidance on what they should consider when planning research and development (R&D) activities, how to approach commercialisation, how to engage with and utilise growAG, and other relevant information.

AgriFutures Australia will need to demonstrate how they are implementing the *Guidelines for statutory funding agreements*, *Knowledge transfer and commercialisation guide* and *Best practice guide to stakeholder consultation* (forthcoming) at annual performance meetings with the Department and independent reviews of performance. These three documents do not replace the Statutory Funding Agreements.

This package of documents is a step change in how RDCs demonstrate value to the levy payer and the taxpayer, undertake meaningful transparent stakeholder engagement and drive commercialisation.

National Agricultural Innovation Policy Statement

The Statement, released in October this year, is another important step in the journey of modernising our R&D system. The statement establishes four long-term priorities for Australia's agricultural innovation system to address by 2030:

1. Australia is a trusted exporter of premium food and agricultural products by 2030.
2. Australia will champion climate resilience to increase the productivity, profitability and sustainability of the agricultural sector by 2030.
3. Australia is a world leader in preventing and rapidly responding to significant pests and diseases through futureproofing our biosecurity system by 2030.
4. Australia is a mature adopter, developer, and exporter of digital agriculture by 2030.

I wish to formally advise that these four National Agricultural Innovation Priorities **replace** the Australian Government's Rural Research, Development and Extension Priorities which are included in the definition of Guidelines in the Statutory Funding Agreement.

I have also sent a copy of this letter to Mr John Harvey, Managing Director, AgriFutures Australia.

I trust that these new resources will be of benefit to RDCs and assist with how RDCs communicate and demonstrate value to levy payers and taxpayers.

Yours sincerely



DAVID LITTLEPROUD MP

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cc: Mr John Harvey, Managing Director, AgriFutures Australia