

PLAN OF OPERATIONS 2020-2024

Establishment and Responsible Ministers

The IDC is a statutory organisation established under the *Agricultural Industry Development Act 1990*.

The purpose of the IDC is to collect and expend winegrape grower charges to support the growers of the Murray-Darling and Swan Hill wine regions; to add value, to inform and educate and contribute to growth and profitability.

The responsible Minister is The Hon. Mary-Anne Thomas MP Minister for Agriculture.

Nature of and Range of Services

The IDC's operating structure is defined in the Operations Plan. The Operations Plan is a four-year rolling plan, which is prepared in accordance with the Order. At the end of each year, the Operations Plan is reviewed to monitor progress, evaluate outcomes, modify and refine future projects, and establish priorities for the following year.

The IDC's charter is to develop, in consultation with growers, strategically focussed and prioritised projects that address regional needs, as well as complement national initiatives of the Australian Grape and Wine Authority (Wine Australia). The levy-funded projects and services are required to be regionally specific and targeted for the benefit of wine grape growers.

Plan of Operations

Under Section 45 of the *Agricultural Industry Development Act 1990*, the IDC has several responsibilities to government and growers including:

1. An IDC must, before the first anniversary of the commencement of the Order, submit to the Minister a plan of its intended operations during the term of the Order.
2. Thereafter, with each annual report it submits to the Minister, the IDC must also submit a plan of operations updated to cover the remainder of the term of the Order.
3. Each plan of operations must include indicators against which the performance of the IDC may be measured.
4. The IDC must provide copies of the annual report and plan of operations to a producer on request, or to any other person on payment of the fee determined by the IDC.

Section 23 of the 2020 Order states the plans of operations submitted by the IDC to the Minister must, in addition to requirements under the Act, be developed in consultation with all sectors of the wine grape industry in the production area and be published by the IDC and made available to all wine grape growers.

The IDC & Industry

The IDC is a grower-controlled IDC that oversees the collection of regional grower charges of up to \$1.50 per tonne of wine grapes sold to wineries as prescribed under the 2020 Order (Order). An additional voluntary contribution of \$0.70 cents per tonne is collected by the IDC to assist in the funding of MVW. MVW is a separate body that must apply to the IDC for project funding. The Order charge component enables MVW to undertake grower-approved projects, while income from the voluntary levy funds a substantial portion of MVW's staff, board and office costs, commercial advice for growers and advocacy on matters such as alcohol taxation.

While the IDC works closely with MVW, the functions of the two bodies are distinctly different in that the IDC's focus is to oversee the collection and spending of statutory grower charges, while MVW manages and delivers services that are funded through the grower charges process. MVW is the peak regional wine grape growers' body representing around 286 growers in the Murray-Darling and Swan Hill wine regions of Victoria and NSW. This is Australia's second largest production zone, responsible for around 23% of the national wine grape crush.

To execute the projects in accordance with the Act, it's operational goals, the IDC contracts with a service provider to deliver projects. Annually MVW submit project proposals to the IDC for review and evaluation to provide wine industry projects. The IDC will independently prioritise projects to fit within the budget and the scope of the Order.

Vision, Mission & Values

By 2024, the IDC will have contributed to a more profitable, viable and sustainable wine industry through:

- investment in the development of accurate regional grape yield forecast figures
- better informed and more involved growers
- development of innovative and cutting-edge vineyard management practices.

The IDC will collect grower charges and invest in projects that develop and support a sustainable winegrape industry in the Murray-Darling and Swan Hill regions.

Operational Goals

The Key Goals to achieve this vision are:

- Goal 1:** Encourage and support research, development, extension and adoption of improved viticultural practices for the Murray-Darling and Swan Hill wine regions.
- Goal 2:** Provide growers with accurate supply, demand and cost of production information to enable informed business decisions.
- Goal 3:** Identify and support grower skills improvement programs.
- Goal 4:** Encourage the participation of growers in all industry information forums.
- Goal 5:** Encourage growers to participate in regional industry organisations and support grower representation in state and national industry forums.

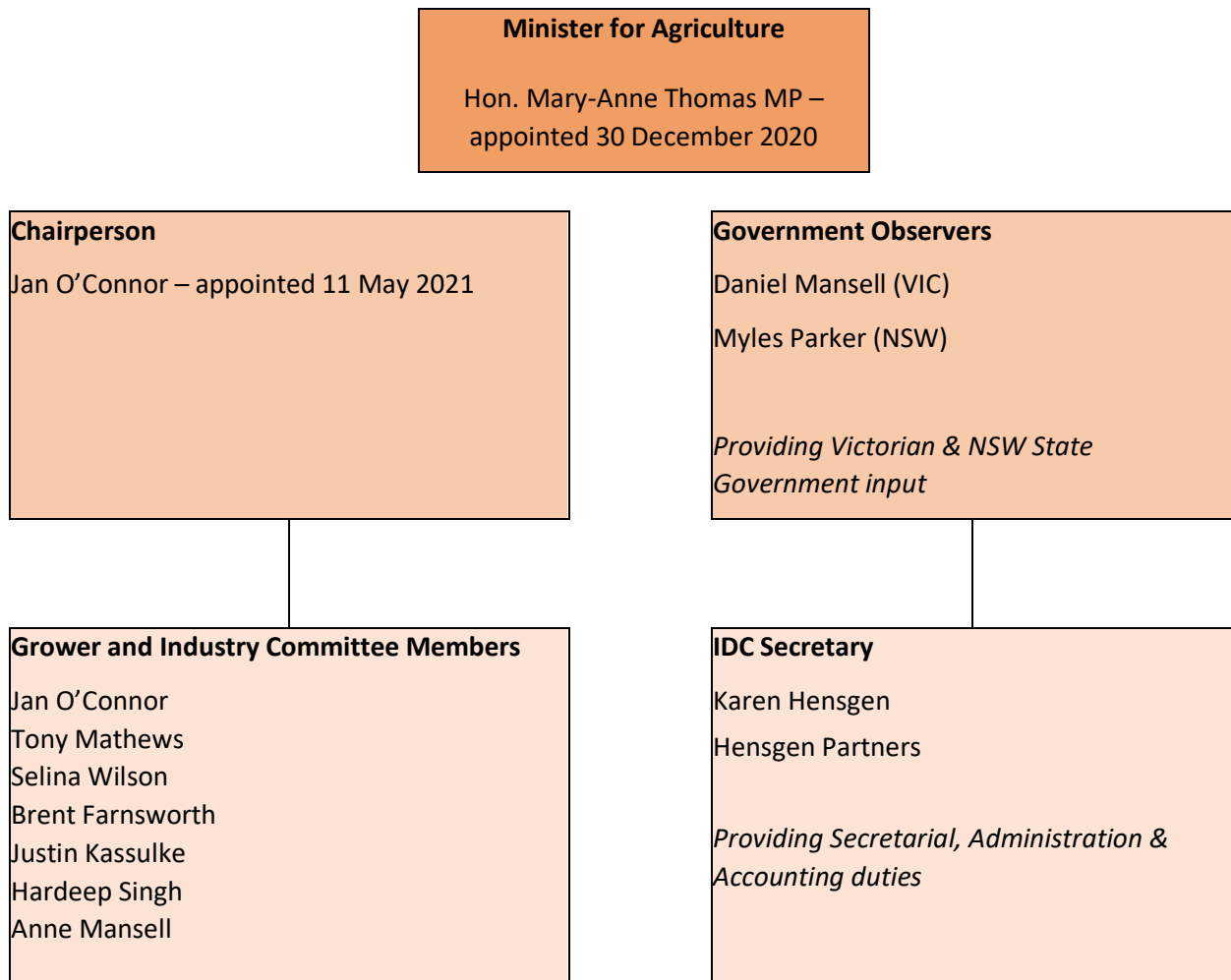
Operational Guidelines & Scope

The IDC will:

- Hold its meetings in Mildura.
 - Meet four times per year (as required).
 - Engage a consultant to provide part-time support to the IDC.
 - Review the Operational Plan and Guidelines annually.
 - Call for winegrape industry project submissions annually.
 - Review and vote on levy projects within budget allocations.
 - Continue to manage its budget responsibility in line with best commercial practices and statutory requirements.
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Organisational Structure

The organisational structure of the IDC provides a framework for the effective management of the organisation.



Names and Area of Responsibility of Senior Officers

The IDC does not employ any staff directly.

To execute the projects in accordance with budget and objectives, the IDC contracts with a service provider. The contract (Service Agreement) outlines appointment conditions, payment terms, property rights, confidentiality, subsequent income, inputs, administration, and termination of projects undertaken.
