Final Report
Wild Harvest Abalone National RD&E Planning, Management and Oversight

Dean Lisson
August 2018

FRDC Project No: 2012-404
Wild Harvest Abalone National RD&E Planning, Management and Oversight
FRDC Project 2012/404
May 2018

Ownership of Intellectual property rights
Unless otherwise noted, copyright (and any other intellectual property rights, if any) in this publication is owned by the Fisheries Research and Development Corporation and Abalone Council Australia Ltd. This publication (and any information sourced from it) should be attributed to Lisson, D.M. Wild Harvest Abalone National RD&E Planning, Management and Oversight, FRDC Project 2012 – 404 Final Report

Creative Commons licence
All material in this publication is licensed under a Creative Commons Attribution 3.0 Australia Licence, save for content supplied by third parties, logos and the Commonwealth Coat of Arms.

Creative Commons Attribution 3.0 Australia Licence is a standard form licence agreement that allows you to copy, distribute, transmit and adapt this publication provided you attribute the work. A summary of the licence terms is available from creativecommons.org/licenses/by/3.0/au/deed.en. The full licence terms are available from creativecommons.org/licenses/by/3.0/au/legalcode.

Inquiries regarding the licence and any use of this document should be sent to: frdc@frdc.com.au

Disclaimer
The authors do not warrant that the information in this document is free from errors or omissions. The authors do not accept any form of liability, be it contractual, tortious, or otherwise, for the contents of this document or for any consequences arising from its use or any reliance placed upon it. The information, opinions and advice contained in this document may not relate, or be relevant, to a reader’s particular circumstances. Opinions expressed by the authors are the individual opinions expressed by those persons and are not necessarily those of the publisher, research provider or the FRDC.

The Fisheries Research and Development Corporation plans, invests in and manages fisheries research and development throughout Australia. It is a statutory authority within the portfolio of the federal Minister for Agriculture, Fisheries and Forestry, jointly funded by the Australian Government and the fishing industry.

Researcher Contact Details
Name: Dean Lisson
Address: 108 Blowhole Road
Eaglehawk Neck, Tasmania, 7179
Phone: +61 419 599 954
Email: deanlisson@tassie.net.au

FRDC Contact Details
Address: 25 Geils Court
Deakin ACT 2600
Phone: 02 6285 0400
Fax: 02 6285 0499
Email: frdc@frdc.com.au
Web: www.frdc.com.au

In submitting this report, the researcher has agreed to FRDC publishing this material in its edited form.
Foreword

In February of 2012, the Board of Abalone Council Australia (ACA) voted unanimously to establish a formal Industry Partnership Agreement (IPA) directly with the FRDC. ACA directors reached an in-principle agreement to establish an IPA to consolidate activity in relation to the planning, funding and execution of RD&E activity within the Australian wild harvest abalone industry.

The overarching objective of establishing a Partnership Agreement was to provide a more coordinated approach to RD&E and to ensure that research funds were utilised in a more cost effective and strategic manner. The Australian wild capture abalone industry is structured around approximately 850 small business entities scattered along the southern coastline of Australia.

ACA is the peak national body with the leadership and capacity to direct RD&E investment on behalf of Australia’s abalone related businesses via strategic priority setting, development and approval of project applications and the monitoring and evaluation of project outcomes.
Contents

Foreword ......................................................................................................................... iii
Acknowledgments ....................................................................................................... v
Abbreviations ................................................................................................................. vi
Executive Summary ...................................................................................................... vii
Introduction .................................................................................................................. 1
Objectives .................................................................................................................... 4
Method ............................................................................................................................ 5
  ACA Governance structure ......................................................................................... 5
  RDE Prioritisation ......................................................................................................... 7
  RDE Project Management ........................................................................................... 8
  Communication and Extension Activities ................................................................. 8
Results ............................................................................................................................ 10
Discussion and Conclusion .......................................................................................... 13
Implications ................................................................................................................... 14
Recommendations .......................................................................................................... 15
  Further development .................................................................................................. 15
Extension and Adoption ................................................................................................. 16
Appendices ..................................................................................................................... 22
  Appendix 1: Inaugural ACA Strategic Plan (2007 to 2017) ..................................... 22
  Appendix 2: ACA Chairman’s Annual Reports from 2013 to 2017 ......................... 28
FRDC FINAL REPORT CHECKLIST .............................................................................. Error! Bookmark not defined.
Acknowledgments

Abalone Council Australia Ltd (ACA) would like to acknowledge the support of both the FRDC and the Australian Seafood CRC. Having R&D investment from these two funding streams allowed ACA to consider and approve a broader scope of research activities including post harvest/market research initiatives. The regular representation by FRDC and Seafood CRC representatives at ACA Board meetings and the support and guidance they have consistently provided is greatly appreciated.

During the timeframe of this project the ACA Board members listed below provided advice to FRDC and the Seafood CRC on RD&E matters relevant to the Australian wild harvest abalone industry:

John Smythe	Abalone Association of NSW
Greg Finn	Abalone Association of NSW
Duncan Worthington	Abalone Council NSW
Jonas Woolford	Abalone Industry Association of South Australia
Kane Williams	Abalone Industry Association of South Australia
Bob Pennington	Abalone Industry Association of South Australia
Nathan Adams	Abalone Industry Association of Western Australia
Kerry Rowe	Abalone Industry Association of Western Australia
Ian Taylor	Abalone Industry Association of Western Australia
Dean Lisson	Tasmanian Abalone Council Ltd
John Hoult	Tasmanian Abalone Council Ltd
Joey McKibben	Tasmanian Abalone Council Ltd

ACA would also like to acknowledge the work of the various research organisations that assisted in delivering the R&D projects across the duration of this project. Of particular note are the Institute of Marine and Antarctic Studies (IMAS), South Australian Research and Development Institute (SARDI), University of the Sunshine Coast, Curtin University, Adelaide University and University of Tasmania.
### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACA</td>
<td>Abalone Council Australia Ltd</td>
</tr>
<tr>
<td>FRDC</td>
<td>Fisheries Research and Development Corporation</td>
</tr>
<tr>
<td>SCRC</td>
<td>Seafood Cooperative Research Centre</td>
</tr>
<tr>
<td>IPA</td>
<td>Industry Partnership Agreement</td>
</tr>
<tr>
<td>TACL</td>
<td>Tasmanian Abalone Council Ltd</td>
</tr>
<tr>
<td>AIASA</td>
<td>Abalone Industry Association of South Australia</td>
</tr>
<tr>
<td>AIAWA</td>
<td>Abalone Industry Association of Western Australia</td>
</tr>
<tr>
<td>ACNSW</td>
<td>Abalone Council of New South Wales</td>
</tr>
<tr>
<td>AANSW</td>
<td>Abalone Association of New South Wales</td>
</tr>
<tr>
<td>AIC</td>
<td>Abalone Industry Committee of Seafood Industry Victoria</td>
</tr>
<tr>
<td>AWA</td>
<td>Australian Wild Abalone</td>
</tr>
<tr>
<td>AAA</td>
<td>Abalone Association of Australasia</td>
</tr>
</tbody>
</table>
Executive Summary

Abalone Council Australia Ltd (ACA) was incorporated in 2004 and since then has been the peak industry body representing the wild-harvest abalone industry. ACA provided the services and organisational structure to support and deliver FRDC project 2012-404: Wild Harvest Abalone National RD&E Planning, Management and Oversight. Within this Planning and Oversight Project, various abalone related RD&E projects were conducted across the five abalone producing states as well as market research in China and government focused trade and market access in Canberra.

During the 5 year term of FRDC Project 2012-404, the ACA was the recognised Abalone National body with its Board membership consisting of four of the five abalone peak State bodies: TACL, AIAWA, AIASA, ACNSW/AANSW, representing abalone stakeholders in Tasmania, WA, SA, and NSW (respectively). NSW has recently formed a second peak body called the Abalone Association of NSW. It is envisaged that ACNSW will shortly “wind up” leaving AANSW as the peak body and “nominee entity” responsible for nominating its two ACA directors.

Victoria was not a part of the ACA during this period but has since formally re-joined the ACA (in March 2018) with two new directors having been nominated by the Abalone Industry Committee of Victoria. These nominations have been formally ratified at the March 2018 ACA meeting.

Despite the established and highly effective working relationship that had developed between the FRDC and the ACA between 2004 and 2011, there was a view that ACA input into the RD&E priority setting process could be moved beyond merely providing “ancillary” input alongside the established State based Research Advisory Committee (RAC) process. With this view in mind, at its 2012 AGM, ACA Board members voted unanimously to establish a formal Industry Partnership Agreement (IPA) directly with the FRDC to consolidate activity in relation to the planning, funding and execution of RD&E activity within the Australian wild harvest abalone industry.

FRDC Project 2012-404 was the management project for the inaugural ACA IPA.

Implementing an IPA was needed to provide a more coordinated approach to RD&E and ensure that research funds were utilised in a more cost effective and strategic manner. It ensured that 50% of abalone related RD&E investment was to be overseen by the ACA - thus ensuring minimal “sector leakage” from the abalone industry to other seafood sector groups which was prone to happen via the State based RAC process. ACA Directors and Staff monitored the various projects funded under the IPA and met on average two times each year to review project progress. Principal Investigators for each project were invited to attend these meetings and provide a “first hand” project update. The ACA Strategic Plan was reviewed in 2013, progress against objectives was measured and reports to stakeholders were provided by directors and also via the ACA website.

The benefits of the ACA IPA accrued to Fishery Managers, Research Partners and members of the Australian commercial wild harvest abalone industry – FRDC project 2012/404 provided the resources, framework and processes to deliver the following outcomes:

1. cost effective RD&E planning and priority setting
2. cost effective consultation and engagement with relevant stakeholders
3. focused and timely investment in RD&E projects that addressed the priorities outlined in the ACA Strategic Plan 2007 to 2017
4. continual improvement in the quality and coordination of all abalone related RD&E projects with the ACA providing a “one stop shop” for planning, managing, funding, review, monitoring and project oversight.

Communication of project progress and outcomes to stakeholders was further enhanced by:

- The design and establishment of the ACA website www.abalonecouncil.com.au
- ACA hosting National and Trans-Tasman Abalone Conventions on Hamilton Island (in 2011) and in Queenstown, New Zealand (in 2014)
Introduction

Australian abalone (*Haliotis* spp.) supports major commercial fisheries in Tasmania, Victoria, South Australia, Western Australia and New South Wales; with total catches from these States being around 2890 tonnes in 2017/2018 down from 4,450 tonnes in 2011/2012.

The table below details the state based Total Allowable Commercial Catches:

<table>
<thead>
<tr>
<th>State</th>
<th>TACC in tonnes 2011/2012</th>
<th>TACC in tonnes 2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tasmania</td>
<td>2366.00</td>
<td>1333.50</td>
</tr>
<tr>
<td>South Australia</td>
<td>834.40</td>
<td>717.50</td>
</tr>
<tr>
<td>Victoria</td>
<td>806.40</td>
<td>595.30</td>
</tr>
<tr>
<td>Western Australia</td>
<td>349.40</td>
<td>143.40</td>
</tr>
<tr>
<td>New South Wales</td>
<td>94.00</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4450.20</strong></td>
<td><strong>2889.70</strong></td>
</tr>
</tbody>
</table>

The abalone fishery, being based primarily in regional areas, is also a major contributor to the economies of regional, coastal areas in all southern States. Studies in South Australia (Seafood CRC Project 2009/714.3: Economic management guidance for Australian Abalone Fisheries) have shown that indirect economic impacts of abalone harvesting and diving operations on regional economies is greater than the direct impacts.

Abalone Council Australia Ltd (ACA) is the peak industry body representing the wild-harvest abalone Industry. The creation of ACA was first mooted during the inaugural National Abalone Convention held in Adelaide in 2001. The Fisheries Research and Development Corporation (FRDC) sponsored the Convention and it was made clear at this forum that the FRDC was concerned that Australia’s abalone industry did not have a national abalone research and development (R&D) plan – resulting in potential duplication of abalone related research and a general lack of strategic direction. One of the key action items from this Convention was the establishment of a National Abalone Committee to meet every 6 months, with the primary purpose of overseeing and reviewing abalone related R&D investment.

Victoria agreed to host the 2nd National Abalone Convention in Melbourne in 2003 and there was further discussion about forming ACA. Prominent Marketing Consultant David McKinna addressed the Convention and commented on the lack of any national strategic planning. He went on to declare that the Australian abalone industry was stuck in a “time warp” and was critical of its apparent lack of industry development. McKinna recommended a shared vision for the future and the establishment of a well-funded national peak body – its first task being to develop a National Strategic R&D Plan. He also recommended that the body be funded by an industry levy and that the key activities should be market research and development, industry development, bio-security and industry communications.

Following the 2nd Convention, a meeting in Melbourne of State abalone industry leaders confirmed the formation of ACA and it was formally incorporated in February 2004. Tasmania hosted the 3rd National Abalone Convention in Hobart in April 2005.

The first major task of ACA was to appoint a consultant to conduct an analysis of the Australian abalone industry with particular emphasis on the post-harvest sector – this project was funded by the FRDC in 2005 and resulted in the McKinna Report (December 2005) entitled; “Development Of A Marketing And Market Development Strategy For The Australian Abalone Industry” (FRDC Project 2005/231). This seminal and comprehensive study investigated the whole of supply chain and the threats faced by industry in its traditional markets. In the report, McKinna described the industry as “reaching a crossroad in its history. Despite the fact that it is one of the most valuable fisheries in the world, and despite its market leadership position, it is not realising the true potential of the resource.”

The second major task of ACA was the development of a National R&D plan that was released in late 2006. Following on from this, the FRDC then funded the development of the inaugural ACA Strategic Plan. Both
the ACA R&D Plan and the ACA Strategic Plan were influenced by the findings of the McKinna Report (December 2005).

Released in September 2007, the ACA Strategic Plan provided a cohesive strategic direction for the next 10 years, aimed at building value and strengthening the industry. The plan threw down the challenge to the industry as follows: “remain disorganised and become victims of globalisation of the food industry and price takers offering a generic product to buyers who control the market,” or “become organised and develop markets and new value added products thereby creating upward price pressure and further growth for our industry.”

In addition to working with the FRDC, ACA became a member of the Australian Seafood Cooperative Research Centre (SCRC) from 2007 to 2015. As part of the SCRC, ACA effectively managed $3.8 million worth of abalone related R&D projects. These projects addressed a range of industry specific research needs identified within the ACA Strategic Plan (more information below).

The ACA hosted National Abalone Conventions in Port Lincoln in 2008 and again at Hamilton Island in 2011.

Formal consultation regarding the establishment of the ACA IPA occurred in earnest during and following the 5th National Abalone Convention at Hamilton Island in July of 2011. ACA directors consulted with their respective peak abalone organisations as well as with State fishery Managers and State R&D entities. Additionally, there was plenty of informal consideration/consultation since the ACA was initially created in 2004 - it was always the intention to establish some form of MOU or IPA between the ACA and the FRDC to better coordinate and manage RD&E activities within the abalone industry.

FRDC Project 2012–404 Wild Harvest Abalone National RD&E Planning, Management and Oversight was implemented in 2012 with the following Objectives:

1. To coordinate the planning, implementation, and reporting of abalone related R&D projects conducted by the FRDC & SCRC to achieve the outcomes specified in the ACA Strategic Plan 2007 to 2017.
2. To facilitate the abalone industry participation in FRDC and SCRC projects and the extension and utilization of the project results,
3. To deliver resources and processes that consolidates and coordinates Abalone related RD&E planning and funding so that overall RD&E outcomes are delivered in an efficient and cost effective manner

The ACA continued to host National Abalone Conventions (co-funded by FRDC) about every three years: the 6th National Abalone Convention took place in Queenstown, New Zealand in August 2014.

The 2014 Convention in New Zealand was significant because it was the first time that this event was hosted outside Australia. Because of a burgeoning relationship between the ACA and the New Zealand Paua Industry Council (PIC-NZ), it was decided that a joint abalone/paua event was “in order”. This event was deemed hugely successful by all whom attended and it was agreed that whenever possible, future Conventions would be “Trans-Tasman” in nature.

The ACA has diligently worked towards addressing the issues identified in its first Strategic Plan. The ACA has been successful in generating an additional investment of $3.8 million (via the FRDC and SCRC) for abalone related research, development and extension (RD&E). “Breakthrough” projects in the areas of market RD&E, quality assurance via improved product handling and supply chain management, bio-security (Abalone virus and algal bio-toxins), market access, product provenance technology (Nano Tag), compositional and nutritional profiling and economic optimisation (future harvest strategies) have all been initiated through a coordinated national approach led by ACA in partnership with the FRDC and SCRC.

Despite the established and highly effective working relationship that had developed between the FRDC and ACA between 2004 and 2012, there was a view that ACA input into the RD&E priority setting process could be moved beyond merely providing “ancillary” input alongside the established State based Research Advisory Committee (RAC) process. With this view in mind, at its 2012 AGM, ACA Board members
elected unanimously to establish a formal Industry Partnership Agreement (IPA) directly with the FRDC to consolidate activity in relation to the planning, funding and execution of RD&E activity within the Australian wild harvest abalone industry.

Implementing an IPA was needed to provide a more coordinated approach to RD&E and ensure that research funds were utilised in a more cost effective and strategic manner. It also ensured that 50% of abalone related RD&E investment (funded from the FRDC levy) was overseen by ACA – thus ensuring minimal “sector leakage” from the abalone industry to other seafood sector groups, which was prone to happen via the State based RAC process.

This inaugural IPA commenced in 2012 and expired in late 2017, and the ACA Board is now seeking to establish a second IPA for the period 2018 to 2023.

The second IPA will be tasked with many objectives, some of which must be focussed on rebuilding of abalone stocks across each State abalone fishery (as the result of AVG, climate change etc.) as well as ensuring that Australian abalone products are differentiated and properly marketed into an increasingly better informed and discerning international and national marketplace.

The current Australian abalone industry structure comprises around 850 small owner operator businesses scattered amongst the southern Australian States, with little or no capacity to coordinate investment in and manage industry development. Recovering lost industry value – both social and economic – and delivering future economic and resource growth is contingent upon coordinated investment in development at the whole of industry level. This is the primary purpose of ACA and its ongoing R&D partnership with the FRDC.

The ACA is now well established and well positioned with the FRDC to implement its second strategic plan (2018 to 2023) and to integrate RD&E investment and outcomes to benefit all industry stakeholders.
Objectives

The objectives for this project were:

1. Deliver resources and processes that consolidate and coordinate Abalone RD&E planning and funding so that overall RD&E outcomes are delivered in an efficient and cost-effective way.

2. Develop a corporate structure, resources and processes for ACA Ltd that ensures:
   - a strategic focus on maximizing profitability across the value chain within the limits of sustainability of the resource
   - a high level governance at the operational, planning and strategic level
   - effective engagement of all stakeholders in identifying and achieving strategic goals.

These objectives remained unchanged throughout the project although the strategies used to address the objectives were modified as a result of periodic reviews of the ACA Strategic Plan.
Method

**ACA Governance structure**

During the timeframe of this project the ACA Directors listed below provided advice to FRDC and the Seafood CRC on RD&E matters relevant to the Australian wild harvest abalone industry:

John Smythe  
Abalone Association of NSW

Greg Finn  
Abalone Association of NSW

Duncan Worthington  
Abalone Council NSW

Jonas Woolford  
Abalone Industry Association of South Australia

Kane Williams  
Abalone Industry Association of South Australia

Bob Pennington  
Abalone Industry Association of South Australia

Nathan Adams  
Abalone Industry Association of Western Australia

Kerry Rowe  
Abalone Industry Association of Western Australia

Ian Taylor  
Abalone Industry Association of Western Australia

Dean Lisson  
Tasmanian Abalone Council Ltd

John Hoult  
Tasmanian Abalone Council Ltd

Joey McKibben  
Tasmanian Abalone Council Ltd

Abalone Council Australia Ltd was incorporated in February of 2004 and is a “Not for Profit” Public Company Limited by Guarantee.

The overarching principles, practices and strategies governing and influencing the activities of Abalone Council Australia Ltd are contained in the following principal documents;

a. **Corporations Act 2001**

b. The Abalone Council Australia Ltd Constitution

c. The ACA Strategic Plan

The Abalone Council Australia Board has up to ten (10) director positions - i.e. 2 directors from each of the five abalone producing states of Australia – NSW, Tasmania, Victoria, South Australia and Western Australia.

Observers may attend ACA meetings by invitation from the Board or by “external” request to be confirmed and accepted by the ACA Board in advance of the meeting.

Two (2) observers from the other national abalone body, the Abalone Association of Australasia Inc (AAAI) may also attend ACA meetings – these are appointed from within and on behalf of the AAAI.

Observers do not have any voting rights at ACA meetings.

Two (2) ACA directors are welcome as observers at AAAI meetings. Observers do not have voting rights at AAAI meetings.

Current roles within the ACA Board are as follows; Chairman, Vice Chairman, Treasurer and seven general members.

The management of the administrative and financial affairs of ACA is undertaken by a contracted Administration Officer.

The management of the operational and industrial advocacy affairs of ACA is undertaken by a contracted Executive Officer.

The ACA Board has recently decided to appoint an independent Chair to manage and facilitate ACA meetings - this position has been funded within the second ACA IPA (2018 to 2023) with FRDC approval.
The Abalone Council Australia Board is responsible for:
- ensuring enduring value is created within Abalone Council Australia and within the Australian Abalone Industry.
- improving the performance of the Council through strategy formulation and policy making,
- appointing, contracting and overseeing any officers/employees of the Council.
- ensuring there are adequate processes in place to comply with all the relevant legal and accounting requirements.
- ensuring that the risks to which the Council are exposed are clearly identified and that suitable processes are in place to manage those risks.
- ensuring that the Council can meet the challenges of the present without compromising its ability to meet the challenges of the future – to do this the Board must strike a balance between the short and long term as well as between the social, environmental and economic results of the organisation.
- advising on National Research and Development Priorities.
- reviewing the ACA Strategic Plan and ensuring adequate and timely progress is being made in achieving the stated objectives within the Plan.

During the term of the inaugural IPA, ACA Directors attended RD&E planning meetings which were usually held twice per annum. Project EOI’s were assessed and existing projects were reviewed for progress. Research providers were invited to submit EOI’s that addressed RD&E priorities. Directors reported back to their peak State organisations regularly regarding project progress.

During the term of the IPA, the Executive Officer of ACA was responsible for the following tasks:

1. Coordinate the planning, implementation, and reporting of Abalone R&D projects conducted via the FRDC and/or SCRC to achieve the outcomes specified in the ACA Strategic Plan
2. Facilitate abalone industry participation in FRDC and SCRC projects and the extension and utilization of the project results
3. Liaise with researchers regarding design of projects suitable for ACA/FRDC/SCRC portfolio and in line with the ACA Strategic plan
4. Ongoing liaison with FRDC and SCRC Managers re project design issues and progress of current ACA/FRDC/SCRC projects in terms of key project milestones and project outcomes
5. Liaison with abalone project Principal Investigators re ongoing project management in terms of project timelines and project outcomes.
6. Monitoring of FRDC/SCRC portfolio budget, assisting PI’s with project management and milestone payment issues that arise from time to time
7. Reporting of ACA/FRDC/CRC project progress to ACA board as well as at other forums such as state abalone organizations and the Abalone Association of Australasia Inc.
8. Attendance at CRC Member Meetings and the CRC Annual General Meeting
9. Attendance at any relevant FRDC forum
10. In conjunction with the Administration Officer, provide governance and oversight for all activities of the ACA (i.e. provision of regular financial reports and reconciliations to the ACA/FRDC/SCRC Boards, monitor invoicing and disbursements, drafting of operational and project budgets, preparation of Board papers, ASIC filings and any associated governance/regulatory requirements

During the term of the IPA, the Administration Officer of the ACA conducted the following tasks:

1. Provide administrative support to the operational activities of the ACA Ltd
2. In conjunction with the EO, support the Board in achieving the goals set out in the ACA Strategic Plan and in the “Objects” section of the Council’s Constitution and/or other strategic goals as determined from time to time by the members of the ACA Ltd
3. Support the EO in fulfilling the oversight and management functions of the ACA including the provision of regular financial reports and reconciliations, invoicing and disbursements, operational
and project budgets, preparation of Board papers, ASIC filings and any associated governance/regulatory requirements

RDE Prioritisation

Over the life of project 2012-404, investment in abalone related RD&E was guided by the ACA Strategic Plan 2007 to 2017. A copy of the Plan is included in this report as Appendix 1. The named RDE priorities of the ACA as detailed from page 5 to page 11 of the Plan are as follows:

Investment Platform 1: Product Development and Market Management
1. Develop a whole of chain approach to market development
2. Develop an ACA Ltd Quality Assurance and Product Integrity Program as a basis for brand differentiation and a higher selling price for abalone
3. Establish an Australian abalone Mark or Brand
4. Create new products for increasingly wealthy Asian consumers
5. Complete in-market research regarding live abalone markets
6. Establish a pilot promotional program

Investment Platform 2: Fishery Access
1. Establish a national high value seafood task force to address illegal harvesting and trade

Investment Platform 3: Harvest Optimisation
1. All harvest operators complying with ACA Ltd QA Code of Practice
2. Establish management tools that enable targeted harvesting of fish to optimise market returns
3. Develop techniques to increase marketable yield per fish
4. Benchmark industry performance

Investment Platform 4: Human Capacity and Communication
1. Conduct industry and human resource audit as basis for an industry training plan
2. Develop options for greater integration of information technologies across stakeholders and the supply chain
3. Establish an ACA Ltd Communication Plan that integrates information and data from all operators and communicates with stakeholders
4. Develop a national industry skills exchange and mentoring program
5. Establish an ACA Ltd Governance/directors skills program

Investment Platform 5: Sustainability and Environment
1. Promote compliance with Environmental Protection and Biodiversity Compliance Act (EPBC) guidelines
2. Develop a risk management plan that mitigates the introduction of pests and diseases into the marine environment
3. Develop a pest and disease outbreak response plan in collaboration with other stakeholders
4. Identify and communicate impact of land based industries and aquaculture on the marine/fishery environment
5. Collaborate with relevant parties to understand the impact of climate change on the fishery environment

Investment Platform 6: Running the ACA Ltd Business
1. Ensure effective national wild industry planning
2. Maintain good corporate governance practices
3. Build mutually beneficial relations with key agencies to build industry investment and research efficiency
   - Establish and ACA Ltd Business Plan that promotes growth through commercial business development initiatives
A full copy of the ACA Strategic Plan can be downloaded at the following web-link: 

During the term of the inaugural IPA (2012 to 2017), ACA organised the planning and specification of the RD&E projects as prioritised in the ACA Strategic Plan in conjunction with SCRC and FRDC, State based Abalone Research Managers, State based Abalone Fishery managers and stakeholders from within the abalone industry.

The weblink version of the Plan as well as the version attached as Appendix 1 in this report includes a listing of projects that address each of the above RD&E priorities. These projects are listed in the “Status” column and the project outcomes are listed in the “Outcomes” column.

**RDE Project Management**

Expressions of interest (EOI) from various R&D providers were presented from time to time to the ACA in response to Strategic challenges and opportunities outlined in the ACA Strategic Plan 2007 to 2017. Preferred research providers were invited to submit proposals for delivery of the projects.

Project EOI’s were scrutinised and assessed by the ACA Board and either rejected, accepted or accepted subject to certain terms and conditions. All projects were subjected to ongoing monitoring by the ACA Executive Officer and the ACA Board. Project principle investigators (PIs) were regularly invited to attend ACA meetings to provide progress updates. ACA Directors regularly invited project PI’s to present at a range of industry forums across all States.

The projects were implemented through separate project funding agreements between the FRDC and/or SCRC and the selected research provider.

The research providers were under a contractual obligation to work with the ACA to ensure the projects were delivered in a manner acceptable to the industry to achieve maximum uptake and optimal outcomes.

The ACA conducted regular reviews of the ACA Strategic Plan and monitored progress towards the RD&E objectives specified within the Plan.

The ACA consulted regularly with fishers, consumers, supply chain participants, researchers and agencies to ensure that the Strategic Plan remained relevant and industry focused.

**Communication and Extension Activities**

The ACA recognises that disclosure and transparency is an integral part of maintaining the integrity of the organisation. The ACA ensured the timeliness, quality and clarity of communication to members and other stakeholders via;

- Regular written/verbal updates to relevant state abalone bodies via their serving directors
- Broadcast emails to abalone stakeholders when appropriate
- Hosting a dedicated ACA website
- Hosting a National Abalone Conference once every three years
- Any other means as deemed appropriate by the Board

The ACA facilitated industry participation in the projects by encouraging/facilitating communication and extension activities with the nominated R&D providers as well as providing regular project updates via the ACA website (www.abalonecouncil.com.au) and via ACA Directors communicating with their respective State based stakeholders (via their own industry groups and forums).
The ACA also provided a forum for communication between the five abalone producing States within Australia making representations on their behalf to a wide range of people and authorities including but not limited to:

- State and Federal Fisheries Ministers
- Commonwealth Department of Agriculture and Water Resources
- Commonwealth Department of Foreign Affairs and Trade
- State Departments of Primary Industry (i.e. State based Fisheries Researchers and Managers)
- Fisheries Research and Development Corporation
- Seafood Cooperative Research Centre
- Austrade
- Australian Customs
- Biosecurity Australia
- Abalone Association of Australasia Inc.
- Local, regional, State and Commonwealth Seafood sector organisations.

In addition, the ACA hosted National Abalone Conventions on Hamilton Island (2011) and Queenstown, New Zealand (2014).

These forums provided an invaluable opportunity for stakeholders to come and hear first-hand the results and outcomes of various industry projects.
Results

During the term of the inaugural IPA, the ACA Strategic Plan was the platform for the prioritisation of RDE activities and the allocation/investment of funds into a range of industry development projects – these projects are detailed in Table One below. A number of projects were commenced prior to the establishment of the inaugural ACA IPA and were not completed until after 2012 when the ACA IPA commenced.

Note that projects were funded through both the FRDC and/or SCRC (which the ACA became a member of in 2007). When the SCRC ceased operations in June 2015, any unfinished abalone projects were “repatriated” to the FRDC. This fact is reflected in the below table listing of abalone related projects which includes all SCRC and FRDC projects that were active, initiated or completed during the term of the ACA IPA from 2012 to 2018.

The following RD&E projects were reviewed and commenced and/or completed – please note that web-links have been provided for those finalised project reports made available on-line.

Table 1. RDE projects initiated between 2008 and 2017 that involved (co)funding from the ACA.

<table>
<thead>
<tr>
<th>Funding Entity and project number</th>
<th>Project Title</th>
<th>Principal Investigator</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seafood CRC 2009/723</td>
<td>Analysis of product differentiation opportunities for Australian wild caught abalone in China</td>
<td>Dean Lisson</td>
<td>ACA</td>
</tr>
<tr>
<td>Funding Entity and project number</td>
<td>Project Title</td>
<td>Principal Investigator</td>
<td>Organisation</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------</td>
<td>------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Seafood CRC 2010/704</td>
<td>Maximising the value by minimising stress in abalone – Optimising harvesting strategies</td>
<td>Natalie Moltchaniwskyj</td>
<td>IMAS</td>
</tr>
<tr>
<td>Seafood CRC 2010/737</td>
<td>Marine Bio-toxins and Market Access for abalone</td>
<td>Catherine McLeod</td>
<td>SARDI</td>
</tr>
<tr>
<td>Seafood CRC 2010/776</td>
<td>Research, develop and trial new Australian wild caught abalone products in China</td>
<td>Karen McNaughton</td>
<td>SARDI</td>
</tr>
<tr>
<td>FRDC 2011/232</td>
<td>Novel treatments without sulphites for the prevention of bluing in abalone during canning</td>
<td>Tom Madigan</td>
<td>SARDI</td>
</tr>
<tr>
<td>FRDC 2012/404</td>
<td>ACA IPA: Wild Harvest Abalone National RD&amp;E Planning, Management and Oversight</td>
<td>Dean Lisson</td>
<td>ACA</td>
</tr>
<tr>
<td>Seafood CRC 2012/704</td>
<td>Improving trade and market access to the People's Republic of China for Australian rock lobster and abalone industries</td>
<td>Sam Guthrie</td>
<td>CRC</td>
</tr>
<tr>
<td>Seafood CRC 2013/714</td>
<td>Establishing improved trade access and market development for Australia's Abalone and Rock lobster to China</td>
<td>Jayne Gallagher</td>
<td>CRC</td>
</tr>
<tr>
<td>FRDC 2013/240</td>
<td>2014 Trans Tasman Abalone Convention</td>
<td>Dean Lisson</td>
<td>ACA</td>
</tr>
<tr>
<td>Seafood CRC 2014/713</td>
<td>Supply chain research and analysis to support the future commercial roll out of the Australian Wild Abalone program</td>
<td>Jayne Gallagher</td>
<td>CRC</td>
</tr>
<tr>
<td>FRDC 2015/017</td>
<td>Maximise yield or minimise risk in the Blacklip Abalone fishery: using biological data to direct harvest strategies</td>
<td>Ben Stobbart</td>
<td>SARDI</td>
</tr>
<tr>
<td>FRDC 2015/212</td>
<td>SafeFish - research to support food safety, trade and market access</td>
<td>Alison Turnbull</td>
<td>SARDI</td>
</tr>
<tr>
<td>Seafood CRC 2015/710</td>
<td>Securing the legacy from the Seafood CRC investment in market research and development</td>
<td>Jayne Gallagher</td>
<td>Honey &amp; Fox</td>
</tr>
<tr>
<td>FRDC 2016/208</td>
<td>Waste to profit in urchin fisheries: developing business opportunities to ensure fishery sustainability and safeguard reef dependent fisheries from destructive urchin grazing</td>
<td>John Keane</td>
<td>IMAS</td>
</tr>
<tr>
<td>Funding Entity and project number</td>
<td>Project Title</td>
<td>Principal Investigator</td>
<td>Organisation</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td></td>
<td><a href="https://www.seafoodtradeadvisory.com">https://www.seafoodtradeadvisory.com</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FRDC 2017/124</td>
<td>Developing a new five year Strategic Plan for RD&amp;E Investment in the Australian wild harvest abalone industry</td>
<td>Dean Lisson</td>
<td>ACA</td>
</tr>
</tbody>
</table>

There were also a number of SCRC “Communal” projects that are relevant to the Australian Wild Caught abalone industry:

- Seafood Market Intelligence (SCRC Project 2008/795)
- Seafood Access Forum (SAF) and Seafood Trade Expert Panel (STEP) (SCRC Projects: 2008/907 and 2009/752)
- Market Access Database (SCRC project 2008/906)
- Australian Seafood Diagnostic Capability Map (SCRC Project 2008/799)
- Compositional Profiles for Seafood products sold by CRC participants (including abalone) (SCRC Project 2008/905)

In addition to the above projects funded via the FRDC and/or the SCRC, ACA sought and successfully obtained funds for two additional projects - one via the Farming Together Program (FTP) and the other via the Program Assisting Small Exporters (PASE). Both of these projects were funded via Commonwealth Government Grant Schemes via the Department of Agriculture and Water Resources (DAWR).

The Farming Together project focussed on the domestic market for abalone - desktop research identified a number of trends in Asian visitation to Australia that the Australian Wild Abalone industry could capitalise upon to build a domestic market for their product which is currently primarily exported. Surveys were conducted with Asian visitors in Adelaide, Melbourne and Tasmania about their intentions and observations about access to Australian seafood generally and Australian Wild Abalone specifically. Surveys were also undertaken with consumers in China who were planning to visit Australia within the next two years. In depth interviews were held with supply chain partners (chefs, retailers) in Australia to better understand the barriers and opportunities for developing a domestic market for Australian wild Abalone. Two promotion trials were conducted and evaluated. On the basis of all of this work guidelines have been developed for all Australian Wild Abalone producers and processors to help develop the domestic market for their product. The final project reports are available for download from [www.awadomestic.com](http://www.awadomestic.com).

The primary objective of the PASE project was to prevent and/or resolve emerging behind-the-border trade issues relating to seafood in Asia, by developing market intelligence and avenues of communication.

These objectives were achieved with the following outcomes:

1. A market intelligence service has been developed and is ongoing.
2. Communication resources were developed and are being used by industry and businesses to help resolve trade and market access issues.
3. One market access issue with Japan has been largely resolved and significant progress has been made with other priority issues including China market access for preserved Abalone (canned and pouch) with SO₂.
4. Industry technical collaboration visits have resulted in the development of relationships with key industry and technical organisations in China and Japan that will support ongoing negotiations to resolve outstanding trade and market access issues.

All communication resources and project outputs are available for download from [www.seafoodtradeadvisory.com](http://www.seafoodtradeadvisory.com). Seafood exporters can also register on the website to receive regular newsletter and market intelligence reports.

Draft Final Report FRDC 2012/404 - Wild Harvest RDE Planning, Management and Oversight July 2018


Discussion and Conclusion

Project 2012-404 ACA IPA: Wild Harvest Abalone National RD&E Planning, Management and Oversight ensured that industry investment in RD&E was undertaken strategically and aligned with agreed goals, with the industry itself taking a greater role in the prioritisation and approval of research projects. It was a project that required a lot of organisation, consultation, communication and stakeholder involvement to deliver a successful result.

ACA is confident that the objectives of this project have each been fully delivered – namely:

- Abalone Industry National RD&E priorities established through the development of a new 2018-2023 Strategic Plan and the establishment of the second ACA IPA.
- RD&E priorities set to maximise investment, avoid duplication and achieve the greatest potential return capitalizing on leveraging opportunities wherever possible.
- Projects that have delivered tangible outcomes with clear evidence of industry adoption including new and innovative technology.
- Clear messages to researchers about RD&E needs and priorities.
- A more efficient process for planning, managing, funding, undertaking and monitoring research projects linked to the national R&D strategy and the opportunity to maximise collaboration between researchers, fisheries managers and fishing industry interests.
- Continuous improvement in the quality and co-ordination of research undertaken in support of a national R&D strategy.
- Planned extension activities around the Strategic Plan.
- A significant contribution to addressing market access and trade barriers with the countries that buy Australian wild caught abalone - go to https://www.seafoodtradeadvisory.com

In addition to fully meeting all the objectives, ACA has been able to provide additional support and services that have contributed to increased industry development that would otherwise not have been achieved. These additional achievements make ACA and the abalone industry well placed to build on these achievements to ensure a sustainable, profitable and community supported industry in the future.

Overall, this project has served industry well for the past 5 years and will be remembered as a successful stakeholder driven initiative. The project has also resulted in a significant increase in support for ACA and its role in bringing the key stakeholders in the national fishery together for mutual benefit. It has established and provided a successful framework which can be built upon in the future, via new mechanisms such as the second Industry Partnership Agreement (2018 to 2023), to further improve engagement and coordination of RD&E initiatives into the future within the five abalone producing States as well as with the Paua industry in New Zealand.

While the ACA IPA framework is a flexible one, the basic concept behind it remains the same. That is; industry, government, researchers and funding agencies moving forward on an agreed and common path will better utilise available RD&E funds and know-how to achieve real and beneficial outcomes for the whole-of-industry.
Implications

This project has provided an ACA IPA framework to ensure the investment in abalone related RD&E delivered outcomes that will provide benefits along the supply chain and for the management of the state abalone fisheries.

The focus of this project was to ensure that the RD&E investment delivered projects that aligned with the objectives and priorities of the ACA RD&E Strategic Plan. All applications were reviewed and where necessary feedback was provided on required changes before being approved and delivered. In some instances, projects were not approved as there was a lack of alignment with the strategic plan and/or there was a lack of perceived benefits to industry.

The projects managed under the umbrella of the inaugural ACA IPA will support and assist the Australian wild harvest abalone industry to deal with the challenges and the opportunities that lay ahead.

The inaugural ACA IPA focussed on biosecurity, biotoxin management, trade & market access, quality assurance and provenance, brand protection, market research, promotion and branding and food safety. These were the key challenges and opportunities identified when the inaugural ACA Strategic Plan was developed in 2007. These were in turn, the focus of RD&E investment from then until 2018.

The ACA Planning Workshop conducted in August 2017 identified some new strategic priorities going forward – these will form the basis of the second ACA IPA and the new ACA Strategic Plan 2018 to 2023.

A percentage increase in RD&E expenditure in line with gross value of production (GVP) growth may be required if the momentum of industry growth in value is to be maintained. However, the priorities for RD&E expenditure will inevitably change as new opportunities and innovations are recognised that can improve industry long term profitability without compromising stock sustainability. It is anticipated that such new opportunities will be increasingly found in managing external drivers such as Bio-toxin events, better supply chain management, the development of new products and packaging and in-market promotion and research that builds on the product’s current reputation. These are common issues to all abalone producing states and ACA is best placed to drive the prioritisation and establishment of RD&E priorities and make them into opportunities for industry.
Recommendations

As this project has provided the overarching planning and management for a number of projects there are always opportunities being identified to build on the outcomes of projects that have been undertaken, it is therefore recommended that consideration be given to:

- Continuing to support the work of the Seafood Trade Advisory Group and SafeFish in market access issues.
- Identifying opportunities for joint market research/development and promotional projects with other export sectors such as Agriculture, Wine and Tourism.
- Encouraging greater involvement of processors/exporters in RD&E planning and management.
- Initiating discussions with industry on a better formula for contributing to RD&E activities, given the (hopefully) increasing GVP and capitalisation of the industry, and the opportunities provided by the China Free Trade Agreement and other Free Trade Agreements.
- Continuing to build on the reputation of the Australian Wild Abalone (AWA® Program having recognition as the premium/fine dining abalone in Asia.
- Building ongoing collaboration between abalone producing states and enhancing the relationship with the New Zealand Paua industry.
- Addressing people development across the industry – identifying and encouraging “young” leaders to become engaged in the future of the industry and identifying the particular skill sets required to take the industry to where it needs to be.

The ACA 2018 to 2023 Strategic Plan, which is currently being developed, will provide additional details on these and other priorities.

Further development

Being an industry based on a wild caught live export product managed in a highly regulated environment over five jurisdictions that has continual ecological and biological challenges (e.g. algal blooms and stock sustainability) will always require appropriate RD&E investment. Therefore, ongoing RD&E investment that targets the strategically planned goals and priorities of industry should always be the focus of ACA.

Keeping up with the challenges and also having the capacity and resources to address emerging and/or emergency situations and opportunities can only continue to be managed through a well-resource body to manage not just the RD&E but also the general development of industry.
Extension and Adoption

There have been plenty of examples of adoption by industry of R&D outcomes from projects managed/overseen during the inaugural ACA IPA.

These include the following:

- **SCRC Project 2008/799 “Marine biotoxin diagnostic capability and capacity in Australia”**
  The establishment of biotoxin testing facilities (Advanced Analytical Ltd - now Symbio Laboratories) in Sydney, Australia in 2012/13. Prior to AAL being established, the availability of diagnostic services for marine bio-toxin analyses was limited in Australia and various government and industry stakeholders identified this as a critical gap in national capability. The lack of these services in Australia prior to 2012 meant that shellfish have to be tested at offshore facilities (principally at Cawthron – [www.cawthron.org.nz](http://www.cawthron.org.nz) – in New Zealand) to ensure the compliance of shellfish with marine toxin regulatory limits. Sending samples to New Zealand for testing imposes unnecessary costs on the industry and government through heightened transportation and customs charges.

- **SCRC Project 2008/905 “Australian Seafood Compositional Profiles”**
  Whilst most abalone exporters already have nutritional information/panels included on their product packaging/labelling, this project has provided a scientifically robust and independent assessment of the compositional profile of abalone that will withstand scrutiny from any source – commercial or government. In early August 2012, the final report for SCRC project 2008/905 “Australian Seafood Compositional Profiles” was made available to the ACA Ltd. By late September 2012, another “sister” project was completed and made available to the ACA Ltd – this project was conducted by Flinders University and involved a Nutrition and Dietetics expert taking the abalone specific nutritional data from project 2008/905 and turning it into a nutritional information panel suitable for use by the Abalone industry to satisfy labelling requirements and to assist with product marketing:

  - Australian Wild Abalone is a good source of Protein – protein is a nutrient needed by the human body for growth and maintenance – proteins are one of the building blocks of body tissue and can also serve as a fuel source.
  - Australian Wild Abalone is a good source of Docosahexaenoic acid (DHA) which is an OMEGA 3 fatty acid that is a primary structural component of human brain tissue, sperm, testicles and the retina (eye). Dietary DHA may reduce the risk of heart disease by reducing the level of blood triglycerides in humans. DHA has also been found to inhibit growth of human colon cancer cells.
  - Australian Wild Abalone is a source of Phosphorous - Phosphate helps to protect blood systemic acid/base balance, acts as a temporary store and transport mechanism for energy and helps in activating catalytic proteins. 85% of the body’s phosphorus is in bone and the remainder is distributed through soft tissues.
  - Australian Wild Abalone is a good source of Iodine - Iodine is an integral part of the thyroid hormone and helps normal growth and metabolism. Thyroid hormones are required for normal growth and development of tissues such as the central nervous system and have a broader role in maturation of the body as a whole.
  - Australian Wild Abalone is a source of Iron - Iron is important in transporting oxygen in the blood, which is essential in providing energy for everyday life. Iron deficiency is common, especially in female sub groups (menstruating women, pregnant women, teenagers and athletes) as well as babies and toddlers.
  - Australian Wild Abalone is a source of Vitamin E - Vitamin E is a fat-soluble vitamin, mainly found in fats and oils and foods such as fish as well as some vegetables, and in the fat of meat and poultry. Vitamin E acts as an antioxidant, thereby protecting the membrane of polyunsaturated fatty acids from free radical damage.
  - Australian Wild Abalone is a source of Magnesium - Magnesium is a mineral and about 50% is found in bone. It is needed for many reactions in the body and helps maintain normal
muscle and nerve function, keeps heart rhythm steady, supports a healthy immune system, and keeps bones strong.

- Australian Wild Abalone is a source of Selenium - Selenium acts as an antioxidant and assists in the activity of the thyroid hormone. Selenium is also beneficial for the immune system.
- Australian Wild Abalone is very low in Saturated fat – consumption of saturated fat may increase the risk of heart disease. Health authorities recommend a diet low in saturated fat.
- Australian Wild Abalone contains zero trans-fat – consumption of trans-fat may increase the risk of heart disease. Health authorities recommend a diet low in trans-fat.
- This nutritional information about Australian Wild Abalone was sourced from the “Australian Seafood Compositional Profile Study” which was conducted by the South Australian Research and Development Institute (SARDI – www.sardi.sa.gov.au) on behalf of the Australian Seafood Cooperative Research Centre.

The above information has been uploaded to the AWA - Australian Wild Abalone website at www.australianwildabalone.com.au This important nutritional information may now be utilised to assist exporters to comply with product labelling requirements and to assist with product marketing and promotion activities. This information is increasingly important to Chinese and Hong Kong based consumers – at Australian Wild Abalone® Program events in Hong Kong in November 2013 and Shanghai in April 2014, the nutritional value of wild caught abalone was highlighted.

- SCRC project 2009/723 “Analysis of product differentiation opportunities for Australian Wild Caught Abalone in China—Stage 2”
- FRDC project 2015/710 “Securing the legacy from the Seafood CRC investment in market research and development”

These projects were established following industry concerns regarding:

- Declining returns to industry during the last decade
- Stagnating beach prices
- The massive proliferation of farmed abalone product now available in the market
- place and
- The lack of any coordinated, industry-wide strategic focus in the marketplace

These projects culminated in the establishment of the Australian Wild Abalone® Program and the development of a business case supporting industry wide investment in generic marketing and promotion of Australian wild caught abalone products in key export markets.

This business case for an abalone marketing levy has been articulated to industry stakeholders via a new website at: www.abalonepal.com.au

Abalone stakeholders will be asked to vote during 2018 in a ballot in support of a national abalone marketing levy. The ballot will be conducted via the Australian Electoral Commission.

The main learning’s and conclusions from the above market research projects are outlined in reports available on the abalonepal website: www.abalonepal.com

The form and function of the Australian Wild Abalone® Program may be viewed at the following Australian and China based websites: www.australianwildabalone.com.au & www.awachina.com.cn

The AWA website (www.australianwildabalone.com.au) has been established as an educational tool for purchasers (and potential) purchasers of AWA® products. This website is a source of relevant information regarding Australian Wild Abalone, the products and the companies that export abalone under the AWA® industry standard. It has been designed primarily to provide relevant information to any business interested in sourcing and utilising AWA product – focusing initially on the Hong Kong and China market and expanding later to include other markets. The website has four language

In addition to the establishment of the website, print media files for AWA brochures, posters and banners have been developed. These media files have been developed to have the same “look and feel” as the AWA® website and will be used “on the ground” in China and Hong Kong to help promote the new AWA© Brand.

An AWA® Code of Conduct describing the terms of engagement for any exporter wishing to utilize the AWA® logo and associated promotional activities has been finalised. Australian Abalone exporters must sign on to the Code in order to co-brand their products with the AWA Certification Mark.

The presence of the AWA® logo on product packaging will indicate the following:
- That the product is wild harvest Australian Abalone
- That the supplier has conformed with the AWA© Quality Assurance Code of Practice and
- That product provenance is genuine due to the presence of Nano-Tag© labelling technology

The NanoTag® Brand Protection System consists of two main components: Covert protection and Overt protection.
- Covert Protection – this component consists of tiny metallic tags (NanoTags) that are applied to the surface of the abalone product – the tags are suspended in a UV sensitive adhesive. The Nanotags are smaller than a grain of sand but contain on their surface the AWA® Certification logo and the individual Export Establishment Number (EEN) of the Abalone Processing company. Purchasers of AWA® product can verify that it is genuine by shining an ultraviolet light over the product – the UV sensitive adhesive will react with the light and confirm the presence of NanoTags. Examination of the individual tags via a magnifying glass will reveal the AWA® logo and the unique EEN which confirms that the product is genuine AWA® product and identifies the particular Australian Abalone Export company that supplied the product.
- Overt Protection – this component consists of specially branded AWA© High Security stickers, labels, seals and packaging tape attached to the product and/or its packaging that identifies that it is protected by the NanoTag® Brand Protection system – the AWA® stickers, labels, seals and tape are embedded with NanoTags that have the AWA® Logo printed on them. All shipments of AWA© products can be readily identified by the presence of AWA® stickers, labels, seals and packaging tape.

The project team travelled to China and Hong Kong in June and September 2013 to conduct a series of AWA® Importer Seminars which were well attended and highly successful in showcasing the AWA® Platform to key abalone importers across China and Hong Kong. Nine import companies attended the Beijing Supply Chain Education Seminar, eleven import companies attended the Shanghai briefing and 20 import companies attended the Shenzhen/Hong Kong briefings. All in all, 40 different abalone import companies attended the briefing sessions and were awarded AWA® Foundation Partner Certificates”.

The first “full scale” AWA® Program event took place on the 19th November 2013 - the Australian Wild Abalone® program was introduced at the VIP event 'Discover Australian Wild Abalone’ held in Hong Kong. The event was supported by ten AWA® exporting companies who provided product displays and provided detailed information to the attendees on the attributes of Australian wild harvested abalone. Over 150 people attended this event held at the Four Seasons hotel - a fantastic turnout! Attendees included AWA® importing companies and their customers, chefs and food and beverage managers from Hong Kong, Macau and Southern China, government and industry representatives as well as the Hong Kong media.

The sustainability and environmental credentials of the fishery and its expert management through collaboration between the government and industry was summarised in a video of interviews with
Australian scientists Dr Patrick Hone and Professor Colin Buxton. This video is also available to watch on the AWA® YouTube channel.

These presentations were concluded with words of support for the program from Dan Tebbutt from AUSTRADE Hong Kong and Mr Shi Who from the Chinese Cuisine Association, Beijing.

Guests were then invited to sample several abalone dishes from a menu designed especially for the event, and watch the Head Chef of the Four Seasons Hotel prepare and cook dishes at a cooking station set up in the event hall. The VIP guests then had time to speak with the Australian exporters, have a closer look at some of their products, make new contacts and build up business relationships. The Hong Kong Discover Wild Abalone event was a great success; we received very positive feedback from the attendees and those involved in the program. Moreover, the guests left with a better understanding of our wild caught product (sustainability, catch methods, environmental integrity and health benefits) and why this program is so important for the industry, supply chain and the consumers.

Not only did we receive positive feedback from the attendees of the Discover Australian Wild Abalone trade seminar, but it stirred up the Hong Kong and Chinese media also. The positive media coverage received after the launch provided advertising with a value estimated at HK$400,000, (AUD$60,000)! This included articles in 'The Peak Hong Kong' magazine – with a circulation of 20,000, the Grocery Trade Magazine (with a readership of over 26,000) and a feature in the Southern China Morning Post with a circulation of an impressive 102,000, combined with a string of online food blog posts and social media updates.

The above event was followed by AWA® Program Launch Event – held in Shanghai in April 2014 at the Shangri-La Pudong Hotel once again focussing on attracting influential Food and Beverage representatives from the Shanghai hotel and restaurant sector. Timing of this event coincided with the Prime Ministers Australia Week in China Trade Mission.

One hundred and fifty importers, exporters, media reps, politicians and their advisers and Managers from Hotels and Restaurants attended the three hour event. The event was formally opened by the Hon William Hodgman MP, Premier of Tasmania. His opening speech was followed by the formal presentation (PPT and video) presented by Dean Lisson - Executive Chair, Abalone Council Australia Ltd and Jayne Gallagher - General Manager Trade and Market Development, Australian Seafood CRC. A new video featuring several processors describing the food safety protocols adopted at their factories was launched at this event. Two prominent Shanghai chefs gave speeches promoting the virtues of using Australian Wild Abalone based on their own experience with the product. Mr Bian Jiang of the China Cuisine Association also gave a speech supporting AWA® products and describing how the CCA is keen to work with the AWA® Team in the future.

The Honorable Bruce Bilson MP, Federal Minister for Small Business delivered the closing remarks and ended the formal part of the event. This was followed by a special abalone tasting “salon” where Executive Chefs Pasquo King and Steven Zheng of the Shangri-La Hotel prepared several abalone dishes for the 150 invited guests. These were matched with Australian wines selected for the event by the Head Sommelier of the Shangri-La Hotel.

Guests were then able to meet AWA® Suppliers and view their products on display.

The AWA® Platform has accrued a growing inventory of “assets” that will underpin the success of future AWA® activities – these assets are as follows:
   o AWA® Website – www.australianwildabalone.com.au - 4 languages
   o AWA® Brochures – in 4 languages
   o AWA® Banners – in 4 languages
   o AWA® QA Code of Practice
   o AWA® Industry Certification Mark – Registered in Australia
   o NanoTag® Brand Provenance system custom designed for AWA® project
   o AWA® Monthly newsletters
- Support of 14 Australian Exporters
- Support of 40 China/Hong Kong Importers
- AWA® Merchandising – boots, jacket, wallet, scarf plus merchandising display stand
- Affiliation with China Cuisine Association – MOU signed in Shanghai – (April 2014)
- Restaurant Database in China
- Media Database (in Australia and China/Hong Kong)
- AWA® Videos featuring food safety, fishery sustainability and nutrition/health

**SCRC project 2009/708 “An Abalone Quality Assurance program for the Australian Wild Caught Abalone Industry”**

The Australian Wild Abalone Quality Assurance Code of Practice Master Manual has been nationalised – i.e. it is now truly a “National” document suitable for use in all five abalone producing States. The format was improved following recommendations from a stakeholder review. Legislative and regulatory summaries have been provided for each State and there have been a number of State specific protocols added to the document to reflect the fact that there are some operational differences between states.


Seafood Training Tasmania has developed a Training package that may be used to “roll out” the QA Code of Practice across all abalone fisheries. This package was released to peak abalone organizations in each of the five abalone producing states in June 2013 – it is now up to each state body to provide these documents to a Registered Training provider to rollout the Code and conduct the training.

The target audience is Divers, Deckhands, Mother-boat Skippers, Processors and Transporters across all abalone producing States within Australia. Training will be non-accredited allowing for maximum customisation and to minimise course length and (therefore) the cost to deliver. In its initial iteration, the Training Package is to be contained within a 3-4 hour format (half day).

There will be strong linkages between the Abalone Master CoP Manual and associated Abalone Training Package and the CRC project 2010/704 “Maximising the value by minimising stressing abalone – Optimising harvesting strategies”: by Dr Craig Mundy and Dr Natalie Molschanwiskyj (see below). The stress minimization strategies developed as an outcome of this CRC project will be progressively adopted within the Abalone Master CoP Manual and associated Training materials. This CRC project is expected to deliver outcomes in the years ahead which will provide research based advice regarding improvements in fish handling, transport and live storage practices within the Australian wild harvest abalone industry.

**SCRC project 2010/737 “Marine Bio-toxins and Market Access for abalone”**

This project aimed to produce comprehensive risk assessments for marine bio-toxins in abalone to assist the Australian and New Zealand abalone industries meet market access requirements. These risk assessments have been used to mitigate market access risks for the Australian wild abalone industry.

**SCRC Project 2010/704 “Maximising the value by minimising stressing abalone – Optimising harvesting strategies”**

Harvesting, handling and transportation of abalone are stressful events and influence the capacity of the animals to recover from harvesting and their post-harvest survival. Having a better understanding of the stress profile during these phases will enable divers, transport drivers and processors to better manage the supply chain and will maximise the condition and survival rates of abalone and ensure that the maximum value of the harvest quota is retained.
Stress profiles were developed for a range of harvesting and transport scenarios including day fishing from runabouts and extended stay fishing from abalone mother-boats. Based on the understanding gained from the stress profiles, the project made a series of recommendations regarding improved harvesting, handling and transportation methods as well as how to minimise stress (and spawning) of abalone whilst in the tank holding phase prior to export and/or processing.

- **FRDC project 2015/017 “Maximise yield or minimise risk in the Blacklip Abalone fishery: using biological data to direct harvest strategies”**
  This project will provide an analysis of meat recoveries throughout the year with recommendations regarding the optimal harvest strategy for blacklip abalone.

- **FRDC project 2015/212: SafeFish - research to support food safety, trade and market access**
  This project deals with various trade and market access related issues that impact abalone exports.

- **FRDC project 2016/208: Waste to profit in urchin fisheries: developing business opportunities to ensure fishery sustainability and safeguard reef dependent fisheries from destructive urchin grazing.**
  This project will advise on utilisation of sea urchin waste - viscera, spines and test. Research will be conducted to determine the commercial aspects of utilising these urchin processing waste products for fertiliser and bioactive chemicals.

- **FRDC project 2016/257: Implementing and evaluating the Australian Seafood Trade Agenda 2016 - 2018 - Seafood Trade Advisory Group (STAG) and…**
  These projects were the forerunner to the establishment of the Seafood Trade Advisory Group (STAG) which will continues to assist the abalone industry to manage trade and market issues as they arise in a timely and efficient manner.

- **FRDC project 2017/124: Developing a new five year Strategic Plan for RD&E Investment in the Australian wild harvest abalone industry**
  This project enabled the ACA to host two industry workshops to develop the new ACA Strategic Plan 2018 to 2023 - this document will inform and prioritise RD&E investment for the second ACA IPA.

- **Farming Together Project: Guidelines for developing the Australian Domestic Market for abalone**
  Based on research conducted locally and in China, this project focussed on developing guidelines to assist abalone processors to capitalise on the opportunities available within the Australian domestic market. The focus was on inbound Asian tourists and their desire to source quality seafood including abalone whilst visiting Australia. The recommended approach was trialled by the NSW abalone industry association via development of marketing materials designed to assist in sales of NSW abalone at the NSW Fish Market. A series of reports are available to assist processors with their domestic abalone sales are available at [www.awadomestic.com](http://www.awadomestic.com).
Appendices

Appendix 1: Inaugural ACA Strategic Plan (2007 to 2017)

Abalone Council Australia Ltd:
Strategic Plan
2007-2017

Managing the Future of the Australian Wildcatch Abalone Industry

THE FUTURE OF THE INDUSTRY:

In 2005, the Abalone Council Australia Limited commissioned an analysis of the industry and its market environment. In that comprehensive study David McKenna described the industry as "reaching a crossroad in its history. Despite the fact that it is one of the most valuable fisheries in the world, and despite its market leadership position, it is not realising the true potential of the resource."

In the last 4 years the individual State Abalone Associations have united in a joint effort to address the significant challenges faced and opportunities available to the wild capture abalone industry. Together industry leaders have launched the Abalone Council Australia Ltd as the national peak industry body for the wild catch industry.

The ACA presents this Strategic Plan as the first national approach to investing in the industry's future. Through dedicated market research and promotion, continuing investment in R&D projects, open communication channels and collaboration of industry knowledge, the Association aims to achieve its Mission: to create a healthy fishery resource managed for the benefit of the industry and the Australian community.
Foreword
The Fisheries Research and Development Corporation congratulates the Abalone Council of Australia on taking this significant initiative to develop a Strategic Plan through to 2017. We believe the plan is a critical step in focussing investment on the areas of most benefit to the industry. Together with the new Seafood CRC we will be pleased to work with the industry to establish a solid and predictable funding base for collaborative investment in innovative Research & Development into the next decade.
Dr Patrick Hone

Acknowledgements
The Abalone Council Australia Ltd wishes to acknowledge and thank the following who contributed funding, time and resources to the strategic planning process:

Funding:
The Fisheries Research and Development Corporation

Project Manager:
Michael Tokley

Time and Resources:
Numerous organisations contributed at the planning workshops, and/or made written and verbal contributions to the plan.
- Tasmanian Abalone Council
- Tasmanian Seafoods
- Abalone Industry Association of SA Inc.
- Victorian Abalone Processors Association
- WA Abalone Industry Association
- Abalone Association of Australia Inc
- Abalone Council of NSW Ltd

We also thank industry members Dean Lisson, John Hoult, Tony Johnston, Kerry Rowe, Bob Pennington, David Torren, Duncan Worthington, John Smythe, Harry Peeters, Ian Taylor, Dr Patrick Hone and Jayne Gallagher.

The ACA thanks Ewan Colquhoun and Alice Cameron of Ridge Partners for leading the planning process and producing the plan.

Industry Goals: 2017
- An Australian national wild abalone Brand driven by a national Quality Assurance and Product Integrity Program
- Increased industry GVP (in real terms):
  - 2012 - by 25% to $268 million
  - 2017 - by 50% to $321 million
- Reduction in illegal harvest (real terms):
  - 2012 - by 50% in value to $11 million
  - 2017 - by 75% in value to $5 million
- A National Biosecurity Code of Practice adopted by all wild and aquaculture abalone operators
- All wild fishers are members of the ACA Ltd.

Catch and Trade

Figure 1. Historical Abalone Figures

GVP, Estimated Illegal Trade & Export Figures

<table>
<thead>
<tr>
<th>(Sml)</th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
</tr>
</thead>
<tbody>
<tr>
<td>GVP</td>
<td>216.2</td>
<td>196.2</td>
<td>229.6</td>
</tr>
<tr>
<td>Est. Illegal Trade*</td>
<td>21.6</td>
<td>19.6</td>
<td>22.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exports</th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>3.1</td>
<td>1.5</td>
<td>16.0</td>
</tr>
<tr>
<td>Chinese Taipei</td>
<td>16.9</td>
<td>22.4</td>
<td>16.9</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>100.8</td>
<td>140.2</td>
<td>146.5</td>
</tr>
<tr>
<td>Japan</td>
<td>52.2</td>
<td>45.2</td>
<td>51.7</td>
</tr>
<tr>
<td>Singapore</td>
<td>20.5</td>
<td>17.5</td>
<td>23.0</td>
</tr>
<tr>
<td>United States</td>
<td>3.9</td>
<td>4.1</td>
<td>2.8</td>
</tr>
<tr>
<td>Other</td>
<td>8.4</td>
<td>5.4</td>
<td>6.0</td>
</tr>
<tr>
<td>Total Export</td>
<td>216.1</td>
<td>237.3</td>
<td>263.1</td>
</tr>
</tbody>
</table>

* The exact value of illegal abalone trade is unknown. In FRDC Project 1998/170 – Wild Abalone Fisheries Research and Development Needs Review, it was estimated that illegal trade equated to 10% of the GVP.

The Market in 2007

Australia is currently the dominant player in the world abalone market, supplying around half of wild catch product and 30% of global product. Australian product is well regarded. Despite this dominance Australian industry remains largely unbranded in the volatile spot market, exposed to global trade vagaries with little control of its own destiny.

China, Japan and Taiwan remain the largest consumers of Australian abalone. Research indicates growth in the Chinese market will continue for the foreseeable future, driven by rising living standards. Limited sales occur in the Australian domestic market, and the impact of illegal catch on this market is not quantified.

Industry has a poor understanding of its consumers and what rising incomes mean for consumption and prices. Research also confirms that prices are constrained and volatile, product integrity is variable and manipulated, and little is known about the value-adding preferences and options. Harvesters and quota holders treat abalone as a commodity with product being ‘pushed’ into the market with no strategic approach.

As a consequence margins are low and uncontrollable for most chain participants.

Drivers for Change
- Poor returns to industry
- Illegal harvesting
- Increased competition from aquaculture, 38% of supply
- Expanding Marine Parks
- Biosecurity
- Supply chain manipulation
- Strong Asian market demand
- Overseas wild catch competitors
- Aging fisher population
- Marine environmental sustainability

Challenges facing the industry
- Fragmentation, in managing the industry, in sustaining the resource and in servicing supply chains.
- Limited understanding of consumers’ preferences and the socio-economic drivers impacting traditional markets.
- Poor planning and complacency in dealing with issues leads to limited agronomic influence.
- Limited brand recognition for Australian products in markets.
- Low levels of investment in innovation and industry development.
- No uniform Codes of Practice, Environmental Management Systems (EMS) or product standards.
- Increased market penetration of competitively priced high quality aquaculture products.
- Strategy and policy dominated by resource managers and technologists rather than those with commercial and market experience.
- An estimated $23 million (10%) of the total Australian wild catch is illegally caught and traded.
- Increasing constraints to industry accessing the resource.
- Low margins and price volatility for most supply chain members.
- Product manipulation mid-chain.
Strategic Issues

Industry Organisation and Management
- Lack of commitment by state and zonal fishers to a strong single national Abalone Council Australia has impeded communication, representation and agency engagement, and supply chain management.
- Fragmented and poor engagement with governments and fishery managers limits opportunity for harmonization of environmental and biosecurity matters, fishery access and cost effective co-investment for research.
- Different levels of state development with Tasmania leading in the regional unity and industry commitment.

Sustainability
- Biosecurity risks are significant and demand joint management by the wild catch and farming sectors.
- Industry will increasingly face challenges to its access to the resource. Competing uses (Marine Parks) will continue to gain favour with the community. To ensure its access industry must respond to these challenges with comprehensive stewardship programs that demonstrate compliance, and clear measures that preserve its access rights.

Market Planning and Development
- Abalone is the most highly revered luxury food in Chinese culture. Australian industry has little knowledge of consumer preferences or segments, and must continue to sell abalone as a commodity - they are weak sellers and price takers.
- No Australian brand has a strong franchise with consumers or customers in key Asian markets. Industry does not differentiate its product from competitors through promotion or branding. There is little active market segmentation (species, regions, wild catch, farmed, live, frozen, dried, etc.).
- Fishers have no control over product in the supply chain and lose margin through product manipulation - product weight, repackaging and labelling, freezing, etc. The reputation of Australian product has suffered.
- The dominance of the export market means Australian fishers and processors are greatly exposed to currency fluctuations.
- Beach pricing mechanisms and currency exposure add to price volatility and investment risk. Many importers and wholesalers will not trade in Australian product or will switch to more stable alternatives.

Fishery Access and Harvest
- Illegal access to the fishery is a major cost to the industry and risk to the wild resource. Industry must join with other legal users of the marine waters to establish effective measures to greatly reduce or eliminate illegal harvest and trade.
- Industry lacks a standard product trading language that links to Codes of Practice and Environmental Management Systems. It is not able to effectively manage harvest yield and the integrity of product going to market.
- While industry has made some investment in improved fishery management it has made little investment in the commercial optimisation of the yield from the wild resource.

Human Resources
- The industry’s ongoing access to the fishery demands a greater investment in the skills and professional capacity of operators in the fishery.
- Industry skills, practices and training must be harmonised across fishery jurisdictions to reduce cost, promote skills portability and retention, and provide the capacity for industry to grow.

Investment Platform 1: PRODUCT DEVELOPMENT & MARKET MANAGEMENT

OBJECTIVES
1. Develop a whole-of-chain approach to market development
   a. ACA Ltd to work with fishers, processors and value adders to establish a whole-of-chain approach to creating premium Australian products and servicing consumers

2. Develop an ACA Ltd QA and Product Integrity Program as a basis for brand differentiation and a higher selling price for Australian abalone
   b. Establish an ACA Ltd Quality Assurance and Product Integrity Program through the supply chain that is applied to all legally harvested Australian abalone. Program to involve fishers, processors, exporters/importers, and handlers.
   c. Define objective measures for each quality and integrity parameter
   d. Establish an audit process to ensure compliance by all parties along the legal-harvest supply chain with the QA and Product Integrity program
   e. Where possible use the quality assurance scheme as a tool to identify and limit illegal access, harvest and trade in abalone

3. Establish an Australian Abalone Mark or Brand
   f. Establish a domestic and international brand / mark for Australian abalone based on world leading environmental practice, sustainable fisheries, guaranteed quality, and high product integrity underpinned by traceability
   g. Establish an ACA Ltd owned company to service supply chain with access to industry Intellectual Property held by ACA Ltd (e.g. integrity mark or brand, Code of Practice, QA and Product Integrity Program, EMS Certification, etc.)
   h. New entity to establish a standard license agreement and fee scale for access to its intellectual property
   i. New entity to support and promote industry alliances and service delivery with accredited resellers in key markets

4. Create new products for increasingly wealthy Asian consumers
   j. Conduct market research and product development for new consumer products/packaging
   i. A fresh ‘chilled’ meat alternative to Live product
   ii. Vacuum packed and/or modified atmosphere packaging
   iii. Sliced and whole abalone in vacuum pack sold by per gram weight
   iv. Utilisation of byproducts such as shell and viscera

5. Complete in-market research regarding live abalone markets
   k. Explore joint opportunities for industry to assess export market opportunities for branded wild abalone
   l. Work with the FRDC and the Seafood CRC to arrange cost effective funding for joint research

6. Establish a pilot promotional program
   m. Identify opportunities for a promotion of branded Australian abalone in selected key markets
   n. Seek industry investment in pilot promotion program

ACTIONS
- Commercialed in July 2019 with CRC China Project 2009-723
- Commercialed in July 2009 with CRC Quality Assurance CoP project 2009/708
- Commercialed in July 2009 as part of CRC China project 2009-723
- Commercialed in July 2009 with CRC QA CoP project
- Ongoing – as 2009-723 progresses, product development opportunities will arise
- Potential for Packaging Innovation such as Modified Atmosphere Packaging
- CRC project 2008/715 and FRDC IPA 2012/404 have empowered the ACA Ltd to act effectively as an Advisory Board for abalone related R&D
- Well progressed as part of the China project

STATUS
- AWA™ Program well progressed with engagement from 10 Abalone Exporters and majority of China and HK based Importers – launch of AWA™ Educational Platform in late 2013. B2B and B2C activation strategies to be progressively rolled out from 2013 onwards
- AWA™ Certification Mark registered in Australia and China – consideration currently being given for HK, Taiwan, Japan and Singapore. Certification Mark supported by EPBC sustainability assessment process. AWA™ QA CoP and NanoTag™ Brand protection system
# Investment Platform 2: Fishery Access

<table>
<thead>
<tr>
<th>OBJECTIVES</th>
<th>ACTIONS</th>
<th>STATUS</th>
<th>OUTCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Establish a national high value seafood task force to address illegal harvesting and trade</td>
<td>a. Work with State and Federal agencies to establish a National Illegal Seafood Trade Task Force that will implement a national strategy to combat illegal harvest</td>
<td>Staffed</td>
<td>NanoTag™ Brand Protection system now being rolled out under the AWAF™ Program will have inherent traceability and make it clearly identifiable from any illegal product</td>
</tr>
<tr>
<td></td>
<td>b. As part of the ACA Ltd QA and Product Integrity program, develop a traceability system for domestic and exported animals to collate through-chain knowledge on illegally harvested and traded abalone</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Develop consumer and market awareness of fishery degradation caused by illegal harvest of abalone</td>
<td>Commenced as part of CRC QA CoP project</td>
<td></td>
</tr>
</tbody>
</table>

---

# Investment Platform 3: Harvest Optimisation

<table>
<thead>
<tr>
<th>OBJECTIVES</th>
<th>ACTIONS</th>
<th>STATUS</th>
<th>OUTCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. All harvest operators complying with ACA LTD Code of Practice</td>
<td>a. Develop a national wild abalone industry Code of Practice that will include at least: OH&amp;S, Food Safety and Environmental Practices</td>
<td>Completed July 2019 with CRC QA CoP project</td>
<td>AWAF™ QA CoP developed – Code currently focuses on product quality assurance and bio-security. OH&amp;S dealt with under state specific vibe CoP’s.</td>
</tr>
<tr>
<td></td>
<td>b. Mass compliance at all parts of the Code a prerequisite for fishers/supply chain members to access the ACA Ltd brand promoting Clean and Green Australian Abalone</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| | c. Examine potential sustainable fishery biomass and harvest yield within biological parameters | | Recent FRDC projects; Performance Indicators and Management Strategy Evaluation | (Mayfield & Hadad) 
And 2017/208 Taxis abalone empirical harvest strategies – for setting TAC’s and associated UDL’s, that include the use of novel spatially explicit performance measures (Hadden) |
| | d. Work with related marine users (ie Southern Rock Lobster) to develop an integrated multi-species management scheme to harmonise harvest procedures and minimise harmful cross industry effects | | 2014/2015 – Understanding East Coast Recruitment – development of pre-recruit monitoring, simulation of recruitment variation and predicting the impact of climate variation (Gardner) |
| | e. Develop an efficient, cost effective stock monitoring process that utilises commercial abalone divers to provide critical in-water information for the management of resources | | |
| 2. Establish management tools and models that enable targeted harvesting of fish to optimise market returns (spatial and temporal) | f. Develop harvest optimisation models that integrate consumer-market research, post harvest and product development, and fine scale fishery management | | \begin{align*} &\text{Murdy/Mohun/nahawi Abalone Stress Profile project} \\
&\text{CRC project 2007/091 PMMA} \\
&\text{CRC/FRDC project 2007/092 \text{PMEE Muhy UTASS} } \\
&\text{CRC China project 2008-2022} \end{align*} |
| | g. Use harvest models to guide harvest practices and optimise the biomass and yield of the fishery | | Ablation stress project nearing completion – will provide recommendations on ways to minimise stress during the supply chain – this will improve yield per fish |
| | h. Based on research and modeling of markets, fishery management and post harvest, investigate techniques that increase marketable yield per fish | | |
| 3. Develop techniques to increase marketable seafood per fish | i. Conduct industry, competitor and market research to develop relevant benchmarks to better manage industry practice and performance. This research may also be used to attract outside investment, compare aquaculture to wild catch operations and track the industry’s financial cycles | | Australian Wild Abalone™ Project will differentiate and promote wild caught product from lesser quality aquaculture options |
| | j. Utilise benchmarking results to differentiate and promote Australian abalone to high value niche markets, domestically and internationally | | |
| | k. Communicate benchmarking results to industry fishers, processors and marketers as an incentive to invest in improved harvest practices | | |

---

Draft Final Report FRDC 2012/404 - Wild Harvest RDE Planning, Management and Oversight July 2018
### Investment Platform 4: HUMAN CAPACITY & COMMUNICATION

#### OBJECTIVES

1. **Conduct industry and human resource audit as basis for an industry training plan**
2. **Develop options for greater integration of information technologies across stakeholders and the supply chain**
3. **Establish an ACA Ltd Communication Plan that integrates information and data from all operations and communicates with stakeholders**
4. **Develop a national industry skills exchange and mentoring program**
5. **Establish an industry leadership and succession program**
6. **Establish an ACA Ltd Governance directors skills program**

#### ACTIONS

- a. Commission an industry skills audit to identify the depth of human capacity available and required (next 5 years) within the industry
- b. Establish a national Industry Training Plan to build human capacity, possibly through the AgRisk Skills Council
- d. Work with State and industry bodies to link industry data base to provide clearer strategies throughout the chain
- e. Establish benchmarking criteria and tools that deliver relevant performance and productivity measures to fishers and stakeholders
- f. Investigate IT and e-commerce options to improve the efficiency of supply chains
- h. Establish a ‘user friendly’ method of industry communication to stakeholders, regional fisher communities, and agencies
- i. Emphasise specific education to fishers regarding the QA and Product Integrity program and compliance with the ACA Ltd Codes of Practice
- j. Within the industry training plan, identify areas of skills need and facilitate cost effective learning programs through mentoring and industry network support
- k. Promote and strengthen existing inter-state skills exchange and mentoring
- l. Assess the opportunity for young people (<35 yrs) to take up roles in industry and actively participate in industry leadership
- m. Identify ways to encourage experienced people to remain and attract young people to the industry
- n. Establish a program of director education and Board performance to meet the standards established by the ASIC and the ACA Ltd Charter of Good Governance

#### STATUS

- FRDC Fisheries Leadership Programs have been implemented
- AICA Website established as information portal
- National Albatross Conventions (5 held to date)
- Training package developed for QA Cop
- National dives modules already in existence QA Cop project has training package
- Young Leaders Program
- Australian Institute of Company Directors – introductory course available

#### OUTCOMES

- Recruitment of the FRDC Leadership Programs have ‘stepped up’ to become industry leaders and ‘emerging’ leaders
- AICA directors have either done the AICD Course or have had the opportunity to do it

---

### Investment Platform 5: SUSTAINABILITY & ENVIRONMENT

#### OBJECTIVES

1. **Support state abalone bodies and state DPI agencies re compliance with environmental and sustainability guidelines (EPBC Act), and to meet with key agencies including DEH**
2. **Develop a Risk Management Plan that mitigates the introduction of pests and diseases into the marine environment**
3. **Develop a pest and disease Outbreak Response Plan in collaboration with other stakeholders**
4. **Identify and communicate impact of land based industries and aquaculture on the marine/fishery environment**
5. **Collaborate with relevant parties to understand the impact of land based industries in the fishery environment**

#### ACTIONS

- a. Support state abalone bodies and state DPI agencies re compliance with environmental and sustainability guidelines (EPBC Act).
- b. ACA to meet with key agencies including DEH.
- c. Work with all stakeholders to undertake a comprehensive pest and disease risk assessment process.
- d. Develop, implement and review a pest and disease management plan across all wild and aquaculture abalone fisheries.
- f. Conduct reviews (at least annually) of pest and disease monitoring system across the abalone industry to identify weak points, risks and remedial actions.
- h. Develop specific management strategies which incorporate disease monitoring, detection, response and control measures in both wild and farmed abalone stocks.
- i. Work with other marine based industries to develop an early detection system for pests and disease.
- j. Collate existing research in this area (as FRDC, ABARE etc) and communicate findings to industry.
- k. Join with other seafood industries to undertake a research project to assess terrestrial industry impacts on fishery sustainability and quality.
- n. Work with State and Commonwealth agencies to ensure that aquaculture industry has minimal environmental/ecological/disease impact on oceanic waters and the ecosystems that exist within them.
- m. Develop contacts and collaborative alliances with stakeholders who have an interest in climate change and the marine environments.
- n. Jointly encourage and invest in projects to investigate and report on the direct and indirect relationships and impacts of climate change on the fishery environment.

#### STATUS

- FRDC project 2009/002 (Crane/AAH)
- FRDC project 2009/003 (Crane/AAH)
- FRDC project 2009/004/01 (Perthman) conducted by NSW DPI.
- FRDC project 2007/002 (Crane/AAH)
- FRDC project 2007/005 (Crane/AAH)
- FRDC project 2007/006 (Crane/AAH)
- FRDC project 2006/043 (Crane/AAH)

#### OUTCOMES

- Compliance with EPBC Act is a State responsibility although ACA may assist where appropriate.
- FRDC project 2004/094 (Perthman) conducted by NSW DPI
- FRDC project 2006/002 (Crane/AAH)
- FRDC project 2006/003 (Crane/AAH)
- FRDC project 2006/004 (Crane/AAH)
-FRDC project 2006/005 (Crane/AAH)
- FRDC project 2007/006 (Crane/AAH)
- FRDC project 2007/007 (Crane/AAH)
- FRDC project 2007/008 (Crane/AAH)
- FRDC project 2007/009 (Crane/AAH)
- FRDC project 2007/010 (Crane/AAH)

---

**Draft Final Report FRDC 2012/404 - Wild Harvest RDE Planning, Management and Oversight July 2018**
Investment Platform 6: RUNNING THE ACA LTD BUSINESS

<table>
<thead>
<tr>
<th>OBJECTIVES</th>
<th>ACTIONS</th>
<th>STATUS</th>
<th>OUTCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ensure effective national wild industry planning</td>
<td>a. Develop and maintain a 10 year National Wild Abalone Industry Strategic Plan supported by all fisheries</td>
<td>✓ FRDC project 2007/311 (ACA) 10 year Strategic Plan Drafted</td>
<td>10 year Strategic Plan completed May 2007</td>
</tr>
<tr>
<td></td>
<td>b. Consult at least every second year with fishers, consumers, supply chain participants, researchers and agencies to ensure plans address current strategic issues are opportunities</td>
<td>First Strategic Plan review September 2009 - second review September 2013</td>
<td></td>
</tr>
<tr>
<td>2. Maintain good corporate governance practices</td>
<td>c. By Dec 2007, establish an ACA Ltd charter of good corporate governance that is reviewed annually re its compliance with ASIC requirements</td>
<td>ACA Governance Charter under development</td>
<td>ACA Governance Charter now complete and uploaded to ACA website</td>
</tr>
<tr>
<td></td>
<td>d. Chair to look to expand the ACA Ltd Board capability to manage industry and market risks through selective secondments or appropriate appointments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Build mutually beneficial relations with key agencies to build industry investment and research efficiency</td>
<td>e. Partner with the FRDC to provide national R&amp;D planning input</td>
<td>✓ FRDC project 2007/311 concluded by ACA, CRC 2009/715 Australian Abalone Industry R&amp;D planning, implementation and utilisation</td>
<td>CRC extended to June 2015. ACA managing $4 million R&amp;D portfolio</td>
</tr>
<tr>
<td></td>
<td>f. Establish a service contract with the Seafood CRC to manage the portfolio of wild abalone development projects currently in place or being developed</td>
<td>Develop formal Partnership Agreement between FRDC and ACA</td>
<td></td>
</tr>
<tr>
<td>4. Establish an ACA Ltd Business Plan that promotes growth through commercial business development initiatives</td>
<td>g. By Sept 2007, complete a consultancy to identify business structures, budgets and management arrangements for the development of new intellectual property assets – Industry Chain QA Plan, Industry training package, etc.</td>
<td>Work in progress</td>
<td>ACA has established Akwa™ Platform and registered the Akwa™ Certification Mark</td>
</tr>
<tr>
<td></td>
<td>h. By January 2010, establish external funding sources and management systems that demonstrate to industry ACA Ltd’s capacity to lead industry, represent industry to governments and agencies, and manage industry affairs and investments in innovation</td>
<td></td>
<td>ACA has developed a QA CoP™ with associated Training Package</td>
</tr>
</tbody>
</table>

Staged Strategy 2007-2017

<table>
<thead>
<tr>
<th>Goals</th>
<th>Short Term 2007-09</th>
<th>Medium Term 2009-12</th>
<th>Long Term 2012-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building the Platform for Growth</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Build National Industry cohesion, management &amp; leadership to support ACA Ltd</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Establish NewAbCo Pty Ltd Business Plan &amp; company structure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Initiate project management &amp; planning with CRC &amp; FRDC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Design Quality Assurance System, Code of Practice and industry EMS Platform</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Establish an National Industry Communication Plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Focus on Our Customers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Undertake Market Research as a National Industry in key overseas markets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Establish Quality Assurance and Product Integrity System</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Establish Australian product branding and quality mark</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managing Risks and Margins</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Establish a Biosecurity Plan jointly with other marine users and aquaculture</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Establish and implement joint cross industry initiative to eradicate illegal trade</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Complete a skills audit and Training Plan for the Industry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Implement a nationally funded wild catch promotion campaign in key markets</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ACA Ltd will work with state fishers to represent all Australian wild catch fishers as its members. ACA Ltd will manage the R&D portfolio for the industry and develop Codes of Practice, and other IP assets for the benefit of the industry. NewAbCo Pty Ltd will be established as a commercial subsidiary to service stakeholders and license industry IP assets held by ACA Ltd.
Appendix 2: ACA Chairman’s Annual Reports from 2013 to 2017

Chairman’s Report

February 2013

Gentlemen, here is my Chairman’s report for the period 25th February 2012 to 27th February 2013.

The last 12 months have been a busy and productive period for the ACA/CRC project portfolio.

We are now less than eighteen months from the end of the current 7 year Seafood CRC (2007 to 2014). There is a proposal to extend the Seafood CRC by a further one year and we will need to discuss the potential involvement of the ACA in terms of committing an additional year of funding.

There are also preliminary discussions underway regarding a re-bid for a second term (7 year) Seafood CRC.

As we draw close to the end of the first Seafood CRC, I am very pleased to report that many of the current abalone related projects within the ACA/CRC Portfolio have been completed or are near completion. I have provided a detailed update in a separate document entitled “Abalone Research Portfolio Status Report – February 2013”.

Here is a brief overview;

- Australian Seafood Diagnostic Capability - after years of having to send seafood tissue samples to New Zealand for toxicology analysis, we now have a fully accredited laboratory facility in NSW – Advanced Analytical Ltd is now fully operational and this means faster and cheaper marine bio-toxin testing for Australian seafood businesses
- Compositional and Nutritional profiles for abalone – this project has provided a scientifically robust and independent assessment of the compositional profile of abalone that will withstand scrutiny from any source – for the first time ever, we finally have access to an internationally acceptable compositional profile for abalone meat/tissue. The news is all good – the Nutritional Information Panel developed from the raw compositional data showcases the very substantial health benefits in eating abalone meat. This information can now be used with confidence by our processing sector in terms of labeling compliance and marketing/promotional activities.
- China Market project – we are poised to move forward with a re-launch of the Australian Wild Abalone (AWA) Brand into the China/Hong Kong market. A new website www.australianwildabalones.com.au has recently gone live and contains a wealth of important information about the Australian wild capture abalone industry and the premium products that are available for both domestic and export markets. Associated marketing/promotional collaterals have been developed (brochures, banners etc) and ten abalone exporter companies from across Australia will soon be co-branding their products under the AWA banner using the NanoTag© brand protection system. “In market” promotional events will be planned for China and Hong Kong during the next 12 months with the re-launch of the AWA Certification Mark planned for May 2013. As this program achieves traction during 2013/2014, it is hoped that other Australian abalone processors will choose to co-brand under the AWA Certification Mark.
• **Australian Wild Abalone Quality Assurance Program** – By April 2013, this program will be ready to hand over to each State abalone body. The program will consist of three components;
  1. AWA Quality Assurance Code of Practice Master Manual
  2. AWA QA CoP Learners Guide (based on the Code) and
  3. AWA Qa CoP Instructional PowerPoint presentation

It will then be up to each State to appoint their own Registered Training Provider to rollout and administer the QA Code and its Training Package.

• **Marine Bio-toxin and Market Access** – by July 2013 we will have an Abalone/PST Risk Assessment that will satisfy international trade and market access requirements. This has been a challenging but ultimately positive outcome for the abalone industry as it declares that bio-toxin risk in abalone is very low.

• **Maximising the value by minimizing stressing abalone** – this project will be completed by late 2013 and will contain a suite of recommendations regarding product handling (along the supply chain) to ensure minimal stress and maximum product quality. The recommendations from this project will be incorporated into the AWA QA Code of Practice.

• **Future Harvest/Bioeconomic Analysis of the Australian Abalone industry** – there are two bio-economic projects that will both be complete by the end of 2013. These projects will enable better decision making by ensuring economic as well as biological considerations are taken into account when industry and Government make fishery management decisions.

• **Industry Strategies to support Intergovernmental negotiations concerning the export of Australian abalone and lobster** – this project aims to establish an informed collaborative approach (on the part of the seafood industry and the Australian and Chinese Governments) towards improvements in market access, tariff reduction and streamlining of customs processes for Australian abalone and lobster exporters. The first meeting between the Abalone/Lobster International Trade Advisory Committee will occur in Canberra in mid March 2013.

**Victorian Board Positions**

I have written for a second time to ABCOM, the peak Victorian abalone body and asked for two nominations for the Victorian positions on our board – I have been advised that there are a number of interested candidates and that they will soon be responding.

**Partnership Agreement between the ACA Ltd and the FRDC**

Formal consultation regarding the establishment of a Partnership Agreement between the ACA Ltd and the FRDC commenced in earnest following the 5th National Abalone Convention at Hamilton Island in July of 2011. The ACA Ltd is now well established and well positioned with the SCRC and the FRDC to implement its Strategic Plan and to integrate R&D work across the five abalone producing States. The ACA will continue to lead the industry in the Strategic Planning process and in RD&E priority setting and project development.

The Partnership Agreement (PA) will consolidate and underpin the following:

- Coordination of Planning, implementation and reporting of abalone related R&D projects conducted by the FRDC and the SCRC to achieve the outcomes specified in the ACA Strategic Plan
- Facilitate abalone industry participation in FRDC and SCRC projects and the extension and utilization of project results and
- Deliver resources and processes that consolidates and coordinates Abalone related RD&E planning and funding so that overall outcomes are delivered in an efficient and cost effective manner

The main advantage of a PA is that the abalone industry is guaranteed that ALL funds collected by FRDC for abalone will be re-invested back into abalone related projects – under the current state FRAB system, we compete with all other sector groups during each FRDC funding round. The consequence of this
arrangement is that from time to time abalone project proposals are simply not funded (i.e. the funds are spent on a non abalone project instead!)

Under an ACA/FRDC IPA, funds available for abalone projects will accumulate and will only be spent on projects that the ACA endorses. Unallocated funds in any year will automatically roll into the next year and be available for future abalone projects.

At the ACA AGM in February 2012, ACA members voted unanimously to establish a Partnership Agreement directly with the FRDC.

I am very pleased that our discussions over the last 12 months or so with the FRDC have resulted in the formation of a formal Partnership Agreement (PA) between the ACA and the FRDC. This further consolidates the ACA’s position as the peak R&D Advisory Board for abalone related research within Australia.

Abalone Association of Australasia Ltd

In my capacity as ACA Chair, I attend (whenever possible) meetings of the Abalone Association of Australasia as the ACA representative. As is evidenced in the meeting minutes, a significant portion of each AAA meeting has recently been taken up with an update on the progress of projects within the ACA/CRC Abalone research portfolio. This provides an opportunity to keep AAA members (i.e. abalone processors) up to date with what we are doing and to hear their views (and obtain their input) regarding each ACA/CRC project.

I would like to take this opportunity to formally thank Tony Johnston for the many years he has served as Chairman of the AAA and to congratulate Wayne Haggar as his recent replacement.

6th National Abalone Convention - 2014

We will need to commence discussions regarding venue and timing of the 6th National Convention to be held in 2014 – this will provide the ACA with another invaluable opportunity to showcase the progress of the abalone project portfolio.

Safe Work Australia and the Model OH&S Act & regulations

Safe Work Australia is responsible for developing model work health and safety laws. Safe Work Australia is an independent statutory body established on 1 November 2009, under the Safe Work Australia Act 2008. Its primary function is to progress the model work health and safety laws in partnership with state and territory governments, employers and workers, who are represented as Safe Work Australia Members.

Each jurisdiction will go through the process of enacting its own legislation which mirrors the model laws. In some jurisdictions minor but necessary variations may be made to ensure consistency with relevant drafting protocols and other laws and processes.

So far, the Model Work Health & Safety Act 2011 and the supporting regulations have been implemented in the following jurisdictions:

Commonwealth, ACT, Northern Territory, NSW, QLD and Tasmania

Victoria, SA and WA to my knowledge have NOT implemented the new Act as yet.
Safe Work Australia established a Strategic Issues Group on Occupational Health and Safety (SIG-OHS) to develop the model Work Health and Safety (WHS) Regulations. The SIG-OHS consists of Workplace Safety representatives from each state, territory and the Commonwealth, as well as representatives from employer and union organisations.

Unfortunately no one within this group has any understanding of dive harvest fisheries and as such the proposed regulations and draft Model Code of Practice in their initial form were totally unsuitable for the Australian wild harvest abalone industry.

Since early 2011, SWA and SIG_OHS have been briefed extensively by the ACA and state abalone organisations. In some States, later versions of draft diving regs are still being negotiated and it appears (so far) that SWA have backed down on their original plan to impose a national code of practice across all abalone producing states.

State Workplace Authorities will ultimately be in charge of compliance and each Authority may choose to interpret the regs in a different manner. I therefore encourage each state abalone body to lobby their respective state Ministers and Workplace Authority to adopt their own Code of Practice under the new Act and to seek exemptions from any onerous regulations.

The battle for some degree of “sanity” regarding OH&S outcomes in the abalone industry is far from over – I do not trust SWA or any state OH&S Authorities to be reasonable in the design or compliance of these unnecessary and unwelcome bureaucratic intrusions into our workplace – please remain vigilant !!!!

**ACA Finances**

The “bare bones” cost of maintaining the ACA as a corporate platform are as follows

- ASIC fees; $500
- Directors & Officers Liability Insurance; $2 000
- Auditors fees; $2 750
- Bank fees; $260
- Sundries; $2 000

*Consultancy fees/Contingency Fund.* From time to time it is necessary to engage professional services (legal/corporate) to perform specific tasks. I recommend that we set aside a minimum of 10K per annum as a contingency fund. Any unspent/unallocated funds will accumulate and develop into a cash reserve to allow for future contingencies.

This means that as a minimum, we need to source about 20k per annum from State abalone organizations to satisfactorily maintain the corporate functions of the ACA Ltd. Accordingly, it is important that all State bodies pay their annual subscriptions so that we can establish and maintain a healthy operational surplus.

The new Partnership Agreement between the ACA and the FRDC provides $412 000 over the next 5 years to cover operational expenses related to the oversight and management of the abalone RD&E project portfolio by the ACA Ltd. The PA covers a range of expenses outlined in the Funding Application document which is attached in the meeting notes for your reference.
In closing, I would like to thank all members for their input and efforts over the last 12 months and in particular Melinda in her role as Administration Officer.

I would also like to thank the staff at the SCRC and the FRDC for their continued support of the ACA Ltd.

Well done – another highly productive year for the ACA !!!

Dean Lisson: Chairman
Chairman’s Report

May 2015

Gentlemen, here is my ACA Chairman’s report for the period from April 2014 to the 2nd June 2015.

The last 13 months has been the busiest and, in my opinion, the most productive period in the 11 year history of the ACA with the following highlights:

1. **Australian Wild Abalone™ (AWA) Program Launch** in Shanghai in April 2014 as part of **Australia Week in China (AWIC)** – This event was opened by Tasmanian Premier Will Hodgman and “launched” by Bruce Bilson, Federal Minister for Small Business.
2. The first AWA™ Technical Cooking Seminar was held in Hong Kong in July 2014 and attended by over 50 prominent and influential HK chefs.
3. The ACA hosted the **6th National Trans Tasman Abalone Convention** in Queenstown New Zealand in August 2014 – with 150 attendees from Australia and NZ, the event was deemed a huge success with the Kiwis now keen to be involved in all future Conventions.
4. Re-establishment of the quest to implement a National Aquatic Disease Management system after a 5 year hiatus – I have been the ACA representative on the **National Emergency Aquatic Animal Disease Response Arrangements Working Group (EADRA WG)** since 2010. Following several workshops during the last 12 months, we are getting closer to completing a Disease Management Plan to put to industry.
5. **AWA™ Marketing Levy Road show** kicked of in Port Lincoln and Hobart in October 2014, Fremantle in December 2014, Merimbula and Mallacoota in March 2015.
6. At the October 2014 Tasmanian Abalone Council Ltd AGM, TACL members demonstrated their support for the AWA™ Program by voting to provide a voluntary contribution of $200,000 to the AWA™ Program.
7. The **Seafood Trade Advisory Group (STAG)** – a joint initiative between ACA, SCRC and SRL was a key player in assisting the Australian Government conduct bilateral trade negotiations that lead to successful FTA’s with Japan and China.
8. **ACA, SCRC, SRL and STAG** hosted the **Seafood Exporters Forum** in Canberra in November 2014.
9. A successful AWA™ Trade Mission to Singapore and Japan was conducted in February 2015 to scope out opportunities to introduce the program to these two important markets. All abalone importers briefed on the program were very supportive of the AWA™ program being introduced into Singapore and Japan.
10. **AWA™ Promotional events** were co-hosted with Austrade at “**Premium Australian Food**” events in China in March 2015 at Beijing, Kunming and Xiamen.
11. The **ACA** was comprehensively audited in March/April 2015 by the SCRC and the FRDC for all major projects managed by the ACA during the last 8 years. The Audit concluded that ACA internal governance standards are entirely satisfactory and that there were no issues/concerns identified regarding the expenditure of all project funds.
12. After 3 years of negotiating with the ACCC and the Australian Trade Marks Office, the Rules for the AWA™ Certification Mark are finally approved.
13. **AWA™ Program participation** at the “**Taste of Australia**” Event in Tokyo in April 2015. The AWA™ program was showcased to 170 Japanese F&B VIP’s at Austrade events at the Australian Embassy and featured products showcased by 4 AWA™ exporters.
14. The ACA is now preparing for the AWA™ Program to transition from an R&D project to a “stand alone” industry marketing & Market Development Platform. The FRDC and the Commonwealth Dept of Agriculture are supporting the ACA in its quest to establish a National Abalone Marketing Levy for introduction by July 2016.

15. Final preparations are in place for the launch of the new AWA™ Chinese website and social media platforms (YouKu, Baidu, WeChat and Weibo) is planned for June 2015.

16. All ACA/SCRC Projects are either finalized or preparing to transition to the FRDC (SafeFish and STAG).

We are now only 1 month from the end of the current 8 year Seafood CRC (2007 to 2015).

As we draw close to the end of the first Seafood CRC, I am very pleased to report that all of the current abalone related projects within the ACA/CRC Portfolio have been completed or are very near completion.

Here is a brief overview;

**Abalone Related SCRC Communal Projects**

- **Australian Seafood Diagnostic Capability** - after years of having to send seafood tissue samples to New Zealand for toxicology analysis, we now have a fully accredited laboratory facility in NSW – Advanced Analytical Ltd is now fully operational and this means faster and cheaper marine bio-toxin testing for Australian seafood businesses.
  
  Project successfully completed.

- **Compositional and Nutritional profiles for abalone** – this project has provided a scientifically robust and independent assessment of the compositional profile of abalone that will withstand scrutiny from any source – for the first time ever, we finally have access to an internationally acceptable compositional profile for abalone meat/tissue. The news is all good – the Nutritional Information Panel developed from the raw compositional data showcases the very substantial health benefits in eating abalone meat. This information can now be used with confidence by our processing sector in terms of labeling compliance and marketing/promotional activities. This information is being showcased at all Australian Wild Abalone™ Program events.
  
  Project successfully completed

**ACA/SCRC Co-managed Abalone Projects**

- **2009/708 - Australian Wild Abalone Quality Assurance Program**
  
  The program consist of three components;

  4. AWA Quality Assurance Code of Practice Master Manual

  5. AWA QA CoP Learners Guide (based on the Code) and

  6. AWA Qa CoP Instructional PowerPoint presentation

  These components were formally passed on to each states abalone organisations in June 2013. It is now up to each State to appoint their own Registered Training Provider to rollout and administer the QA Code and its Training Package.

  Project successfully completed

- **2010/737 - Marine Bio-toxin and Market Access** – as of December 2014 we now have an Abalone/PST Risk Assessment that will satisfy international trade and market access requirements. This has been a challenging but ultimately positive outcome for the abalone industry as it declares that bio-toxin risk in abalone is very low.

  Project successfully completed
• **2010/704 - Maximising the value by minimizing stressing abalone** – the primary objectives of this project were to: 1. Quantify changes in stress levels in abalone from harvest to export and 2. Quantify how the magnitude of stress and the capacity to recover from stress is affected by time spent on the deck prior to packing in bins post-harvest, the extent and use of seawater immersion on the boat, and the timing and frequency of water changes during transport. This project was completed by late 2014 and contains a suite of recommendations regarding product handling (along the supply chain) to ensure minimal stress and maximum product quality. The recommendations from this project will be incorporated into the AWA™ QA Code of Practice Project successfully completed

• **2009/714 & 715 – Decision support tools for economic optimization/ Optimising business structures and fisheries management systems** – these were two separate bio-economic projects – both of which were significantly revised and varied in both scope and outcomes. 2009/715 morphed into a GPS data logger workshop held over 2 days in May 2014. This workshop informed the strategic development of GPS data collection and has recently been “book-ended” with a further workshop in Melbourne in late April 2015. 2009/714 has been a difficult project to manage from the outset largely due to the lack of engagement by the project managers – Caleb Gardner and Klaas Hartman. Of all of the SCRC/ACA projects, this was by far the least effective in terms of worthwhile project outputs. Despite regular prompting on the part of the ACA, the project managers failed to engage with the ACA or the abalone industry in any meaningful way. The outcomes/benefits of the project were not properly delineated/specified at the outset and the project progress was slow and intermittent and it always seemed that the project managers were not available or too busy doing other things. As a consequence, the ACA Board decided to “cut short” 2009/714 and significant project funds were repatriated to the ACA R&D portfolio. Still waiting on a final report for 2009/714

• **2012/704 - Industry Strategies to support Intergovernmental negotiations concerning the export of Australian abalone and lobster** – this project aims to establish an informed collaborative approach (on the part of the seafood industry and the Australian and Chinese Governments) towards improvements in market access, tariff reduction and streamlining of customs processes for Australian abalone and lobster exporters. The first meeting between the Abalone/Lobster International Trade Advisory Committee took place in Canberra in mid March 2013. Since then there have been other Canberra briefings re various trade and market access issues. The Seafood Trade Advisory Group (STAG) was formed late in 2013 and has focused on four outputs so far:

1. Economic analysis of the potential benefits of a Free Trade Agreement with China
2. Preparation of a case for SO2 approval for Australian canned abalone exports to China – this is in progress with technical documentation being prepared for submission to the relevant Chinese Authority
3. Preparation of a submission to the Airfreight Security Review
4. Preparation of a submission to Department of Foreign Affairs and Trade on negotiations for the Trans-Pacific Partnership (TPP) with the Republic of Korea with the objective of removing import tariffs on abalone – abalone was excluded from the recently finalised Australia/Korea Free Trade Agreement.

This project is ongoing and the intention is to “novate” the STAG from the SCRC to the FRDC.

• **Australian Wild Abalone™ Project** – the last 12 months have seen the China project take some very significant steps forward – the number of AWA™ exporters has increased from 10 to 14 and we are receiving regular expressions of interest from companies about the program. The ACCC have finally (after 3 years!) approved the Rules underpinning the AWA™ Certification Mark. Final registration of the Mark with the Australian Trade Marks Office is only a few weeks away. AWA™ in-market events are being well supported by exporters, importers, F&B managers and chefs. Key events over the last 12 months include: 1. Shanghai Launch event at the Pudong Shangri La Hotel in April 2014; 2. Technical Cooking Workshop in Hong Kong in July 2014; 3. Co-promotion with Austrade in Beijing,
Kunming and Xiamen in March 2015: 4. Co-promotion with Austrade in Tokyo in April 2015. A new Chinese AWA™ website is well under way and will be launched online in June 2015 along with the launch of AWA™ Asian social media platforms on YouKu, Baidu, WeChat and Weibo. With the wind down of the SCRC, it is necessary for the industry to take over the cost of the AWA™ Program via a National Abalone Marketing Levy. To this end, the AWA™ Road Show has been visiting each of the states providing an update on the program and answering stakeholder queries. A comprehensive FAQ has been written and sent to all Australian stakeholders inviting comment and further queries re the program and/or the levy. Discussions with FRDC and the Commonwealth levies Collection Unit are progressing well regarding the establishment of the levy and governance arrangements surrounding its disbursement. An MOU has been signed with the largest chef association in China – the China Cuisine Association and they are working with the AWA™ Team to commence an abalone cooking competition in Beijing in the months ahead. This will provide some valuable content for the AWA™ Asian social media as well as generate media interest in the AWA™ Program. This project is ongoing and will novate to the FRDC after the SCRC closes. Unspent SCRC funds and the TACL contribution of 200k will fund the project until June 2016 when the Abalone Marketing Levy will commence.

**Seafood CRC closing June 30, 2015**

As I mentioned above, we are now only 1 month from the end of the inaugural Seafood CRC. The ACA Ltd became a member of the SCRC in mid 2007 and has been collaboratively overseeing $4 million worth of abalone related R&D since then. The SCRC will cease its operational activities on 30 June 2015 and there are ongoing final negotiations with the FRDC re transitioning the AWA™ project, SAFEFISH and STAG to the FRDC. The challenge will be to allow for an orderly transition to commercialization of various “legacy” projects that will extend beyond the life of the SCRC. Any unspent funds at 30 June 2015 may be repatriated to the FRDC and may continue to be used for project purposes.

This option will allow for the AWA™ Project to extend beyond the end of the SCRC but this extension will be finite and will end when the funds run out. Clearly the Australian Abalone industry will very soon have to consider a new funding mechanism (National Abalone Marketing Levy) if it decides to continue with the AWA™ Program into the future.

The FRDC now has the ability to collect funds from industry for marketing purposes provided a series of conditions are met. A levy on industry to fund the AWA™ Program will be an important option for the industry to address in the near term future.

**ACA/FRDC Industry Partnership Agreement (IPA)**

The ACA/FRDC IPA is in its third year and abalone related EOI’s from the FRAB rounds and other sources have made their way “across our desk”. Recently we have supported the following EOI’s which have gone to “contract” or are in the process of going to contract:

- SafeFish - maintaining and enhancing market access for Australian Seafood is critical for future industry growth. SafeFish makes a significant contribution by researching and providing technical input to Risk Assessments and Government trade negotiations such as Codex. Additionally, SafeFish provides rapid response to food safety incidents as well as communicating appropriate risk management strategies thus minimizing interruptions to trade.
- 2015-017 Maximise yield or minimise risk in the blacklip abalone fishery: using biological data to direct harvest strategies (Stobart – SARDI)
- 2015-021 Application of molecular methods to ageing of Australasian abalone (Mundy –UTAS)
- 2015-024 Managing ecosystem interactions across differing environments: building flexibility and risk assurance into environmental management strategies (McLeod – IMAS)
ACA Corporate matters

As mentioned above, the ACA was comprehensively audited/reviewed in March/April 2015 by the SCRC and the FRDC for all major projects managed by the ACA during the last 8 years. The Audit concluded that ACA internal governance standards are entirely satisfactory and that there were no issues/concerns identified regarding the expenditure of all project funds. The Audit report endorses our internal governance processes with a few suggested recommendations for further improvement. Congratulations to Melinda for managing our finances so well!

The finalisation of the Tokley “matter” is also an achievement worthy of mention. A Deed of Settlement signed in January 2015 absolves the ACA of any further liability to Tokley and his company SMC P/L – it is great to finally put this long-standing issue behind us! Thank you to the Board and Melinda for going the distance on this one.

In closing, I would like to thank all members for their input and efforts over the last 12 months and in particular Melinda in her role as Administration Officer.

I would also like to thank the staff at the SCRC and the FRDC for their continued support of the ACA Ltd.

Well done – yet another highly productive year for the ACA !!!

Dean Lisson: Chairman

May 2015
Chairman’s Report June 2016

Gentlemen, here is my ACA Chairman’s report for the period from June 2015 to June 2016.

The last 12 months has been another busy and productive period in the 12 year history of the ACA with the following highlights:

1. All ACA/SCRC R&D Projects were successfully finalised with the ongoing management of the Seafood Trade Advisory Group (STAG) and SafeFish transitioning over to the FRDC. Ongoing funding for the STAG Program from various FRDC IPA’s will be finalised very shortly. Alison Turnbull will provide an update on SafeFish activities at the ACA AGM.

2. The ACA is now well progressed with preparations for the AWA® Program to transition from an R&D project to a “stand alone” industry marketing & Market Development Platform. Abalone Levy discussions with the Department of Agriculture and Water Resources (DAWR) and the FRDC are ongoing and we are developing the levy proposal and associated governance and management structures. The intention is to hold an industry wide levy ballot in November 2016. A new corporate entity to “house” the AWA® Program is being established – Abalone Promotions Australia Ltd. APA is a separate body wholly owned by ACA to implement and manage the AWA® Program to educate supply chain and consumers in the key markets. A Licensing and Funding Deed has been drafted which defines the nature of the “relationship” between ACA and APA. APA will be licensed by ACA to use the AWA® industry mark and other related AWA® IP. A comprehensive prospectus is now being prepared to inform all potential levy payers about the AWA® Program and why they should invest in the program via a national abalone levy.

3. The ACA has been awarded EMDG status from Austrade for 5 years which means that we can now claim 50% reimbursement for eligible expenses for export promotion activities supported through the AWA® Program.

4. The “physical home” of the ACA Administration services, files and computer server has been moved from Melinda's home to Association Professionals, ABN 97 276 495 532 of 45 Lakewood Blvd, Braeside 3193 in Victoria. Please check out www.associationprofessionals.com.au for more detail about Association Professionals.

5. The ACA was successful in its application for $234,000 funding under the Commonwealth Package Assisting Small Exporters (PASE) Grants scheme for the Asian Market Access project that will be run alongside the STAG and SafeFish. Honey & Fox Consultants have been engaged to manage the Asian Market Access project on behalf of the ACA. This project focuses on addressing the communication barriers that impede quick resolution of market access issues while developing an early warning system that will enable industry and Government to identify issues before or as they emerge and take actions to prevent them from escalating to the point where seafood trade is disrupted.

6. The Tasmanian sponsored AWA® project was successfully completed with the following key outcomes:
   - The establishment of a new AWATM website customized for the Asian market: www.awachina.com.cn
   - The establishment of AWA® Asian social media platforms Weibo and WeChat
AWA® partnered with the China Cuisine Association (CCA) and hosted the 2015 AWA® Innovative Cuisine Design Competition in Beijing, China during November. The competition had the following objectives:

1. Inspire the Chinese cuisine and catering industries to use Australian Wild Abalone® in unique and innovative ways
2. Enhance young Chinese chefs’ culinary skills and knowledge of the qualities of Australian Wild Abalone®
3. Showcase the versatility and taste of the Australian Wild Abalone® products, and
4. Engage talented chefs as Australian Wild Abalone® Ambassadors

A total of 115 abalone dishes created by 80 young Executive chefs from across China were submitted for judging and 10 finalists were selected to participate in a live competition “cook-off” in Beijing in November 2015. These 10 finalists were named Australian Wild Abalone® Ambassadors with the first, second and third place-getters winning a Gourmet Adventure Study Tour to Australia in early 2016.

In March 2016, a delegation of 20 influential chefs and F&B managers from China led by the Vice President of the China Cuisine Association (CCA) Mr Bian Jiang embarked on an Australian Wild Abalone® Gourmet Adventure, visiting three abalone producing states to learn more about Australian wild abalone, how we catch it, process it and prepare it for export. The delegates including the three winning chefs from the AWA® Innovative Cuisine Design Competition, had the unique opportunity to meet the exporters, divers and industry during a week of culinary experiences with Australian Wild Abalone and other premium Australian food and beverage products.

Following out of session support from ACA directors, a letter of support was sent to to SARDI pledging 67K of ACA IPA funds over two years for the “Improving Thermal Processes for abalone canning” project with Stephen Pahl as lead investigator. We are still waiting to find out whether or not this application has been successful – the looming Federal election has slowed the approvals process.

Re-establishment of the quest to implement a National Aquatic Disease Management system after a 5 year hiatus – I have been the ACA representative on the National Emergency Aquatic Animal Disease Response Arrangements Working Group (EADRA WG) since 2010. Following several workshops during the last 12 months, we are getting closer to completing a Disease Management Plan to put to industry. Thank you to those directors who provided feedback on my review of the Aither “Public vs Private Benefits” document.

Ben Stobarts ACA/IPA funded project 2015-017: Maximise yield or minimize risk in the blacklip abalone fishery using biological data to direct harvest strategies has been delayed by several months but is now underway. Sampling protocols and sites for SA were finalised and samples were collected from January to April 2016. The data is now being analysed and Ben has requested the required length frequencies of commercial catch, catch, whole weight meat weight relationships and bled weights from Tasmania, NSW and Victoria. Ben will keep us posted re project progress in the months ahead.

7th National Abalone Convention - 2017

We will need to start planning for the 7th National (Trans Tasman) Abalone Convention which is due to occur at some stage during 2017. The Paua Industry Council (CEO - Jeremy Cooper) have expressed an interest in working with the ACA to jointly host another “Trans Tasman” Abalone Convention in 2017. This will be the second time that Australia and New Zealand will jointly host an abalone industry forum.

*********************************************************************
In closing, I would like to thank all members for their input and efforts over the last 12 months and in particular Melinda in her role as Administration Officer.

I would also like to thank the staff at the SCRC and the FRDC for their continued support of the ACA Ltd.

Well done – another highly productive year for the ACA!!!

Dean Lisson: Chairman June 2016
Chairman’s Report

June 2017

Gentlemen, here is my ACA Chairman’s report for the period from June 2016 to June 2017.

The last 12 months has been another busy and productive period in the 13 year history of the ACA with the following highlights:

1. Management of the Seafood Trade Advisory Group (STAG) and SafeFish have successfully transitioned over to the FRDC. Ongoing funding arrangements for the STAG Program from the Abalone and Lobster IPA’s has been finalised. Alison Turnbull will provide an update on SafeFish activities at the ACA GM. A STAG Working Group recently travelled to Japan (May 2017) to progress talks with the Japanese Government re product labeling issues for WA Roei and Customs clearance procedures. A detailed report on this trip is provided in the meeting notes.

2. The ACA is now well progressed with final preparations for a national ballot to determine the level of support for a national abalone marketing levy. Abalone Levy discussions with the Department of Agriculture and Water Resources (DAWR) and the FRDC are ongoing and we are finalising the levy proposal and associated governance and management structures. The intention is to hold an industry wide levy ballot in July or August 2017. A comprehensive prospectus is now being prepared to inform all potential levy payers about the AWA® Program and why they should invest in the program via a national abalone levy. Stakeholder briefing sessions have been held since October 2016 and have so far included Adelaide, Fremantle, Hobart, Smithton, Mallacoota, Merimbula, Melbourne and Mt Gambier. A dedicated web portal www.abalonepal.com.au has been established as the key information source for stakeholders. Feedback from the stakeholder briefings has resulted in several variations to the Marketing and Operational Plans – we have certainly listened to industry and where possible and appropriate, have “actioned” suggested improvements – the plans have evolved quite significantly since the consultation phase began in earnest in October 2016.

3. The ACA was awarded EMDG status from Austrade for 5 years which means that we can now claim 50% reimbursement for eligible expenses for export promotion activities supported through the AWA® Program. Following a lengthy process of account reconciliation and proof of “appropriate” expenditure, we were approved for a refund of $111,525 for marketing related activities funded through the TACL sponsored AWA® project for 2015/2016 – i.e. 50% of the total approved project expenditure. So far we have received $40,000 of this reimbursement. The balance will be paid in the second tranche which is normally paid out towards the end of June (2017) after the Commonwealth Government (Austrade) determine the final payout figure (FPF) based on capital reserves they have put aside for this Government funded scheme. The final payout factor is normally calculated after the Balance Distribution Day (BDD); this is a legislative requirement. The BDD is normally around mid-June each year. The relevant inputs to the calculation include the funds remaining after all of the assessed EMDG claims have been paid up to the Initial Payment Ceiling Amount. The final payout figure for the second tranche for the 2015/2016 year was determined at around the 70% mark. If a similar scenario unfolds this year, we will be due a further $30k plus refund.
4. The "physical home" of the ACA Administration services, files and computer server is now situated at Association Professionals, ABN 97 276 495 532 of 45 Lakewood Blvd, Braeside 3193 in Victoria. Please check out www.associationprofessionals.com.au for more detail about Association Professionals.

5. The ACA was successful in its application for $234,000 funding under the Commonwealth Package Assisting Small Exporters (PASE) Grants scheme for the Asian Market Access project that will be run alongside the STAG and SafeFish. Honey & Fox Consultants were engaged to manage the Asian Market Access project on behalf of the ACA. This project focuses on addressing the communication barriers that impede quick resolution of market access issues while developing an early warning system that will enable industry and Government to identify issues before or as they emerge and take actions to prevent them from escalating to the point where seafood trade is disrupted. Jayne Gallagher from Honey & Fox will provide an update on this project at the ACA GM. PASE project Milestone reports have been circulated to the ACA Board during the last 12 months.

6. Following out of session support from ACA directors, a letter of support was sent to SARDI pledging 67K of ACA IPA funds over two years for the "Improving Thermal Processes for abalone canning" project with Stephen Pahl as lead investigator. We are still waiting to find out whether or not the latest funding application with DAWR has been successful.

7. Ben Stobarts ACA/IPA funded project 2015-017: Maximise yield or minimize risk in the blacklip abalone fishery using biological data to direct harvest strategies has been delayed by several months but is now approaching completion. Milestone reports have been circulated to the ACA Board throughout the last 12 months. Ben will provide a project update at the ACA AGM.

8. The NSW Abalone industry has endured some issues recently with Indigenous fishers harvesting and selling abalone for commercial gain and then using alleged Native Title Rights as a defence. There is evidence of a move for First Peoples across several States to gain commercial fishing rights to wild abalone stocks. There is potentially much to be concerned about and we may need to become more active “in this space” in the future. John Smythe will provide a report for the ACA AGM.

**7th National Abalone Convention - 2018**

We will need to start planning for the 7th National Abalone Convention which is due to occur at some stage during 2018. The Paua Industry Council (CEO - Jeremy Cooper) and the Pearl Producers Association EO (Aaron Irving) have both expressed an interest in working with the ACA to jointly host a “tripartite” Abalone Convention in 2018. A possible venue is Broome.

**New Industry Partnership Agreement**

It is hard to believe that the first five (5) year Industry Partnership Agreement (IPA) between the ACA and the FRDC is drawing to an end – I have commenced discussions with the FRDC regarding transitioning to a new IPA. In the development of the new IPA, a new RD&E plan will need to be drafted for ACA to capture the industries wants and needs going forward to help drive the research agenda. We will need to schedule another ACA meeting later this year with the main objective to review and update the ACA Strategic Plan which coincidentally expires this year - it is a ten year plan established in 2007 that has run its course and is overdue for a refresh!

----------------------------------

Draft Final Report FRDC 2012/404 - Wild Harvest RDE Planning, Management and Oversight July 2018
In closing, I would like to thank all members for their input and efforts over the last 12 months and in particular Melinda in her role as Administration Officer.

I would also like to thank the staff at the FRDC for their continued support of the ACA Ltd.

Well done – another highly productive year for the ACA!!!

Dean Lisson: Chairman