

Terms of Reference

Date: 29 April 2019

Document Purpose: To provide clarity on the purpose of the Australian Dairy Plan ('the Plan') and how it will be developed, ensuring partner organisations and external stakeholders have an aligned view on what success looks like.

Document Audience: Intended for distribution amongst the partner organisations and for people with an interest in participating in the plan.

1. Background

The dairy industry is a cornerstone agricultural industry, with unique and valuable characteristics that benefit Australian society. Dairy is an important food, an important source of livelihood of people in farming, manufacturing, and service sectors, and a large export earner. A feature of the industry is its ability to act in a collective and cohesive manner to advance the industry.

The Australian Dairy Plan ("the Plan") needs to foster the innate strengths of the industry while addressing a range of significant challenges, including climate, market, cost and pricing variability.

Understanding this, five key dairy industry organisations – Dairy Australia, Australian Dairy Farmers, Australian Dairy Products Federation, and the Gardiner Foundation ('the Partners') – now see an opportunity for a new single dairy industry strategic plan. Dairy Moving Forward will also provide contributions to the development of the Plan.

2. Purpose and Desired Outcomes

The **purpose** of the Plan is to **bring the whole of industry together** to jointly determine **key priorities and activities** for the next **five years**.

The **outcome** of the Plan is to deliver **fundamental change**, which will build a **more profitable, confident and united** dairy industry:

- **Profitable:** Financially sustainable and profitable across the entire supply chain.
- **Confident:** A sense of confidence relating to future success is felt throughout the industry, including competing at a local and global level. The Plan will provide a clear path to a better future for the industry.
- **United:** The industry, right across the country, knows where to focus and where it needs to apply its collective efforts and voice to achieve this goal. The Plan will facilitate more joint action and problem-solving, and ultimately increase trust amongst industry participants.

3. Plan Audience

The audience for the Plan is those who have ‘skin in the game’, including dairy farmers, milk processors and suppliers/service providers.

It is expected that government (Federal, State, Local) will have an active interest in the Plan.

4. What will be in the Plan?

The Plan will be set out key priorities for the industry for the period July 2020 to June 2025 (five years) as well as describe ongoing priorities and major opportunities that continue beyond five years.

This will include a consistent, national narrative about future positioning of the Australian dairy industry and outline opportunities for each Australian dairy player and region and the role they need to play in contributing to the future Australian dairy industry across the supply chain.

For each priority, there will be high-level targets with way markers (e.g. an outline of the work required on a year-by-year basis to deliver the Plan). There will be sufficient detail to ensure that progress can be monitored and all responsible organisations are accountable. It will also enable an advocacy program to be developed and the broad framework of dairy industry organisations to be reviewed, as needed, to deliver the outcomes of the Plan.

The Plan will have an enduring impact on each Partner, as each Partner will respond to the Plan through their own strategic plans. The Plan will not provide detailed targets and deliverables for each Partner organisation - this will follow in the work of the partner organisations on their respective strategic plans.

5. Expected Key Dates & Events

Description	Expected date
Hold partner workshop 1 to define scope, deliverables and timing	12 March
Commence regional engagement	1 May
Complete regional engagement	28 June
Hold ADP launch event	6 – 10th May
Hold partner workshop 2 to synthesise regional engagement and plan for the National Dairy Workshop	8-12 July
Deliver National Dairy Workshop	22-26 July
Hold partner workshop 3 to synthesise National Dairy Workshop outputs and develop outcomes and measures	5-9 August
Deliver draft Australian Dairy Plan	30 August
Deliver final Australian Dairy Plan	By 2019 end

Note: Dates are accurate as at 29 April 2019. Changes may occur over the course of the project

Attachment A: Additional Project Details

1. What makes this plan different to past Dairy strategic plans?

Partner organisations have come together to ensure there is buy-in and accountability from all parts of the supply chain.

In order to create a strong degree of alignment and unity across the supply chain, the plan is intended to be developed in a way that allows every person in the dairy industry to have had multiple opportunities to contribute to the development of the Plan. The whole dairy industry should own the Plan because it has been developed from the ground up. The planning process is sponsored by the Partners with the intent of facilitating a whole-of-industry consultation and plan development process.

This is a unique opportunity to have a say in the development of a national dairy plan. There has never been a more important time than now for this industry to unify, and the Plan will provide for an ideal platform to build on our existing strengths.

2. Partner organisations and how they will work together

The organisations partnering to deliver the plan are Dairy Australia, Australian Dairy Farmers, Australian Dairy Products Federation and Gardiner Foundation. Dairy Moving Forward will also provide contributions to the development of the Plan.

The Nous group have been appointed as the expert partner, and bring skills in large-scale engagement, project management and strategy ensure independence in the consultation and creation of the Plan.

An Australian Dairy Plan committee has been created, comprising of the Chairs and senior leadership of the partner organisations plus an independent chair, who together will make joint decisions to ensure impartiality and have ultimate ownership of the Plan. This committee will develop an approach of how the recommendations will be adopted post the completion of the Plan.

3. Additional details on the key elements of the Plan

- The Plan will focus on key activities in all parts of the dairy supply chain (including advocacy programs)
- A State of the Industry paper¹ will provide context to develop a shared understanding and for contributions to the planning process
- Local and regional consultation are critically important activities and will form the basis of the plan
- A single, national workshop will draw on insights from the local/regional consultation activities, consider insights from the whole supply chain, and agree on focus areas for the next 5+ years
- The Plan will recognise the Sustainability Framework, which sets out commitments and efforts to meet the expectations of manufacturing customers and consumers of dairy products
- The Plan to have regard for the Horizon 2020 report
- The planning process will recognise the regional diversity of the dairy industry in Australia and will identify issues of regional importance that are not included in the final National plan. Regional plans will be created or updated to capture these areas of regional importance. Where issues are localised to regions, funding and implementation will be localised, however performance criteria will be measured as part of a national effort.

¹ Note: The final name of the “State of Industry” paper is to be confirmed.