



**National
Farmers
Federation**

National Farmers' Federation

Submission to next phase of the Future Drought Fund

Prepared by Charlotte Wundersitz

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NFF Member Organisations





The National Farmers' Federation (NFF) is the voice of Australian farmers.

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including workplace relations, trade and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services as well as state-based policy and commodity-specific interests.

Statistics on Australian Agriculture

Australian agriculture makes an important contribution to Australia's social, economic and environmental fabric.

Social >

There are approximately 85,000 farm businesses in Australia, 99 per cent of which are wholly Australian owned and operated.

Economic >

In 2020-21, the gross value of Australian agriculture was estimated to be \$71 billion and contributed 1.9 per cent to Australia's total Gross Domestic Product (GDP).

Workplace >

The agriculture, forestry and fishing sector employs approximately 318,600 people, including full time (239,100) and part time employees (79,500).

Seasonal conditions affect the sector's capacity to employ. Permanent employment is the main form of employment in the sector, but more than 26 per cent of the employed workforce is casual.

Environmental >

Australian farmers are environmental stewards, owning, managing and caring for 51 per cent of Australia's land mass. Farmers are at the frontline of delivering environmental outcomes on behalf of the Australian community, with 7.4 million hectares of agricultural land set aside by Australian farmers purely for conservation/protection purposes.

In 1989, the National Farmers' Federation together with the Australian Conservation Foundation was pivotal in ensuring that the emerging Landcare movement became a national programme with bipartisan support.

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Executive Summary

The National Farmers' Federation (NFF) welcomes the opportunity to provide a submission to the Department of Agriculture, Fisheries and Forestry (the Department) on the next phase of the Future Drought Fund (FDF).

Australian farms collectively ensure that Australia is one of the most food secure nations in the world, with affordable access to a consistent supply of safe, healthy and nutritious foods. Australian agriculture also makes an invaluable contribution to global food security as leading exporter of safe and sustainable produce, producing enough food to feed around 77 million people.¹ However, food production and distribution is increasingly challenged by a range of factors including extreme weather events, the availability and increasing cost of critical inputs, labour shortages, threats of disease and both pre- and post-farmgate supply chain disruptions and inefficiencies. In this context, supporting resilience through measures such as the Future Drought Fund (FDF) has never been more important.

The value of the FDF to Australian farmers and regional communities is immense. The establishment of the FDF in 2020 was a milestone in the nation's approach to drought policy. It signified the beginning of Australia's proactive approach to the drought cycle. The FDF formally acknowledges the Australian Government's commitment to building long-term resilience, given drought is a recurring feature of Australia's natural environment and, as such, a recurring challenge for Australian farmers and rural communities.

It remains a top priority for the NFF to continue to work with the Australian Government to ensure the FDF achieves its objective to build drought resilience in Australia's agricultural sector, the agricultural landscape, and communities.

The NFF's recommendations are summarised below:

Proposed key features of programs

1. The draft funding plan provides an adequate framework to guide spending on drought resilience initiatives.
2. FDF programs that should be retained include the:
 - a. Farm Business Resilience (FBR) Program
 - b. Regional Drought Resilience Planning (RDRP)
 - c. Drought Resilience Soils and Landscapes
 - d. Drought Resilience Innovation Grants

¹ Australian Farm Institute, 2011 <<https://www.farminstitute.org.au/australia-exports-enough-food-for-61536975-people-give-or-take-a-few/>>.

3. Current FDF programs can be integrated with existing programs or built upon to drive efficiency and maximise impact, including:
 - a. integrating the Better Climate Information programs may be the best path to increase adoption at the farm level
 - b. delivering social resilience objectives through with existing industry-specific initiatives, such as ifarmwell.com.au and Farmsafe Australia.
 - c. ensuring FDF mechanisms appropriately address the needs of intensive industries through funding programs and opportunities.

Place-based action and partnerships

4. The NFF is cautious about extending funding for the Drought Hubs. If funding for the Hubs is extended, it is critical that the expectations of each Hub in undertaking this role are clarified in a public statement and that milestone payments are strongly linked to performance.
5. The NFF supports the proposed means to implement regional plans.

Information, skills, and capacity building

6. Regarding proposed changes to the Farm Business Resilience Program (FBRP):
 - a. Eligibility for the FBRP should not be limited or refined.
 - b. The NFF sees no need to prescribe or extend the current co-contribution requirements of the program. Many states already require co-contribution from industry participants. Mandating co-contributions to access the program would eliminate current flexibility which is appropriately utilised by delivery agents.
7. Additional funding should not be allocated to provide training on how to best use and interpret information from existing climate tools.

Agriculture and land management

8. The NFF supports the need for a combination of discrete natural capital management programs and continuing to embed key natural resource management throughout existing investment streams (as is already the case).
9. The NFF suggests consideration of the following adjustments and additions to FDF programs:
 - a. Expand existing programs such as the Drought Resilient Soils and Landscapes, with a greater focus on empowering local farming systems groups to undertake up-scaling of natural capital management practices.
 - b. Reconfigure Better Climate Information programs and Better Planning Programs to incorporate and support NRM outcomes.

- c. Understand and support the existing sustainability initiatives being driven both nationally and by the agricultural industries.
- d. The FDF should seek to fast-track, scale and bolster the capacity of existing research and programs in the NRM pipeline, such as Farming for the Future. Farming for the Future intends to create national-scale evidence that connects natural capital management and farm profitability, and develop resources that support Australian farmers to make changes that will benefit both their bottom line and the environment. This type of initiative will significantly increase the economic resilience of farm businesses across Australia and deliver tangible environmental outcomes through widespread NRM practice change. It will remove a significant barrier to adoption for farmers when they have robust evidence relating drought resilience/ NRM farming practices with farm business performance.

Enabling activities

- 10. It is critical that each FDF program, grant or arrangement, each funding stream and the fund holistically are accountable to performance indicators to define success and inform monitoring and evaluation processes.
- 11. The NFF strongly recommends the Department consider agile and consistent feedback mechanisms to facilitate industry engagement to inform the implementation of programs. This will ensure they are fit-for-purpose and better effectively deliver their objectives for industry.

Introduction

The National Farmers' Federation (NFF) welcomes the opportunity to provide a submission to the Department of Agriculture, Fisheries and Forestry on the next phase of the Future Drought Fund (FDF).

Drought is a recurring part of Australia's landscape and managing drought is an inherent feature of Australian agriculture.

The NFF strongly supports the sentiment that the best time to prepare for drought is before it happens (FDF Market Research, 2021). The Intergovernmental Panel on Climate Change (2022) has said that climate change, including increases in the frequency and intensity of extremes, has reduced food and water security.² As Australia's weather and climate continues to change in response to a changing global climate, droughts are forecast to become more frequent, severe, and longer-lasting in many regions.³

The NFF and the Australian Government are strongly aligned in the goal to ensure that farmers and regional communities across the country are efficiently and effectively supported before, during and after drought events to minimise future triple bottom-line impacts of drought.

The establishment of the Future Drought Fund (FDF) in 2020 was a milestone in the nation's approach to drought policy. It signified the beginning of Australia's proactive approach to the drought cycle. The FDF formally acknowledges the Government's commitment to building long-term resilience, given drought is a recurring feature of Australia's natural environment and, as such, a recurring challenge for Australian farmers and rural communities.

The value of the FDF to Australian farmers and regional communities is immense. Australian farmers are responsible for our sustainable domestic food security and make an important contribution to global food security. This responsibility is increasingly challenged by a range of factors including extreme weather events, the availability and increasing cost of critical inputs, labour shortages, threats of disease and both pre- and post-farmgate supply chain disruptions and inefficiencies. In this context, supporting resilience through measures such as the FDF has never been more important.

It remains a top priority for the NFF to continue to work with the Australian Government to ensure the FDF achieves its objective, to build drought resilience in Australia's agricultural sector, the agricultural landscape, and communities.

² IPCC, *Summary for Policymakers* (2022).

³ CSIRO, *State of the Climate 2020* (2020).

To ensure Australian agriculture is able to achieve our vision of becoming a \$100 billion industry by 2030, we must continue to strive towards the FDF vision of an innovative and profitable farming sector, a sustainable natural environment and adaptable rural, regional and remote communities — all with increased resilience to the impacts of drought and climate change.

Proposed Key Features of New Programs

Draft funding plan

The draft funding plan provides an adequate framework to guide spending on drought resilience initiatives. The NFF supports the Fund's strategic objectives, which include:

- 1) growing the productivity and self-reliance of the agricultural sector (to build economic resilience)
- 2) improving management of the natural capital on, and function of agricultural landscapes (to build environmental resilience)
- 3) strengthening the social capital, wellbeing and connectedness of rural, regional and remote agricultural communities (to build social resilience).

FDF programs that should be retained

The FDF has provided strong foundational investments under the inaugural Funding Plan. The FDF is only in its third year of operation and the first two years of operation focused on building the foundations of the FDF. This included building the FDF's robust policy foundation and vetting the first stream of numerous projects and programs. The FDF and many of its programs are still in their infancy. Long-term resilience can only be built through long-term investment and effectively measured over several farming seasons. It is unrealistic to expect that in three short years, on-ground outcomes will have translated to measurable, industry-wide changes in resilience and preparedness.

However, particular programs are delivering comparatively more significant and relevant outcomes for the agricultural sector and communities. The NFF notes the following key achievements of the inaugural Funding Plan, including that since 2020:

- Over 16,000 farmers have been supported to improve a variety of skills, including business management, farm risk management and decision-making, natural resource management, and personal and social resilience
- 27 regions have completed the co-design of tailored, community drought resilience support packages.
- 195 organisations and more than 900 people supported to access leadership opportunities and drive locally-led action.

These outcomes demonstrate increased farm business and sector preparedness for drought and a range of climate challenges. To build upon these key achievements, the NFF supports that the following FDF programs should be retained in the next iteration of the Funding Plan:

- Farm Business Resilience (FBR) Program: Working with jurisdictions to develop farmers' skills to plan for and manage climate risk including future droughts.
 - The FBR Program is an example of an FDF program with an effective, simple, and industry-aligned objective that has been well-executed to date. The NFF strongly supports creating a step-change in the use of farm business management skills to proactively manage drought risks.
 - The significant impact of this program is evidenced by robust program metrics: in 2021-22 alone, 903 farm business plans were reviewed or advised on by a professional during their development and 538 farm business plans were completed (new plans developed or existing plans updated).
- Regional Drought Resilience Planning (RDRP): Working with jurisdictions to support regions to develop and begin to action drought resilience plans.
- Drought Resilience Soils and Landscapes: Projects focusing on land management practices at a broad scale that will help make our agricultural land more drought resilient.
- Drought Resilience Innovation Grants: Supporting projects that drive the development of new and innovative technologies and practices by farmers.

Current FDF programs could be integrated with existing programs or built upon to drive efficiency or to maximise impact

The number, variety, and complexity of FDF and non-FDF programs to support drought and climate change resilience can result in duplication and make it difficult for farmers to access appropriate information and programs. Better coordination and integration across the suite of FDF programs broadly would be logical and beneficial for industry. The NFF supports the exploration of options to improve the flow of both FDF and non-FDF knowledge through better integration of programs.

Climate tools

The NFF supports the PC's finding that integrating the Better Climate Information programs may be the best path to increase adoption at the farm level. At a minimum, this would eliminate the overlap in target audiences. To determine which elements of the Drought Resilience Self-Assessment Tool (DR.SAT) should be

incorporated into the consolidated tool, the Department should convene an industry working group including farmer managers, agronomists and relevant agribusiness consultants. This will ensure the consolidated tool addresses any duplication and better accounts for industry-specific trends, such as farmers' current technology portfolio, information channels, programs and records they access to inform their planning. Concerted and consistent extension efforts are also key to achieving adoption outcomes. Agronomists and agribusiness consultants are best positioned to drive adoption at the farm level, in the regions they service. Further, the NFF supports increased uptake of the tools through better coordination with the Drought Hubs, Farm Business Resilience and Regional Drought Resilience Planning (RDRP) programs.

Social Resilience programs

Building social resilience to rely on in times of drought or crisis is an important and relevant objective for agriculture and regional communities. However, the NFF agrees with the Productivity Commission's finding that the Better Prepared Communities programs had numerous implementation issues that made them fall short of contributing to social resilience in a long-term, measurable way.

Economic, environmental and social outcomes are all inherently linked for people living and working in regional areas, and particularly farmers. The NFF supports that the FDF focuses on economic and environmental programs that residually support social capital. The Commission should recognise that social capital improvements are a natural, consequential outcome of many FDF existing programs.

The NFF encourages the Commission to consider how the FDF can support the extension and advancement of existing, industry-specific social resilience initiatives that build long-term health and well-being in regional communities.

ifarmwell.com.au is an example of an industry-specific, accessible, evidence-based program that proactively enables farmers to grow their well-being and social resilience. Utilising the FDF to grow and scale outcomes from this program would provide benefits to the industry, both in the short and long term.

Further, Farmsafe Australia (Farmsafe), a national body with a network of members across jurisdictions and commodities, is perfectly placed to develop and deliver consistent messaging, especially within the context of social resilience, that resonates across rural and regional Australia. Farmsafe's diversity of members gives them admirable national reach directly into farming communities, with trusted voices to act as facilitators and ambassadors.

One of Farmsafe's key priorities is farmer and community engagement and one of the areas of significance that could benefit from a nationalised framework and integration with existing programs is mental health. This area has not been significantly resourced through the first three years of the Future Drought Fund, and yet, strong mental health forms the cornerstone of sound decision-making in farming, influencing outcomes across the spectrum of safety, financial, environmental, and social domains. The demanding nature of agriculture, marked by

the drought cycle, and coupled with unpredictable weather, market fluctuations, and operational complexities, necessitates a resilient and focused mindset. For further information, we refer the Department to the submission of Farmsafe Australia.

Recognition of intensive industries

The NFF broadly recommends that the FDF more explicitly acknowledge the role of intensive industries as a critical component of Australia's agricultural industry who equally need support to build drought resilience. The Department should ensure that FDF mechanisms appropriately address the needs of these industries through funding programs and opportunities.

Place-based Action and Partnerships

Extended funding and remit for the Drought Resilience and Innovation hubs (the Drought Hubs)

The NFF agrees with the Productivity Commission's assessment that there is considerable scope to improve the Hubs.

Current feedback as to the utility, effectiveness, awareness and industry integration of the Hubs varies across states and the Northern Territory. There is consensus among industry that the Hubs must continue to improve their engagement efforts with farmers and improve industry's awareness of their activities and the activities of the FDF broadly.

Some NFF members note concern that farmers have had no or little engagement with the Hubs. There is additional confusion around the role of the Hubs in relation to the information extended by Regional Development Corporations, local advisory groups and farming systems groups, e.g. how is their information different and how do they link in with or support broader industry activities?

The NFF is cautious about the notion of extending the funding of the Hubs and would propose these concerns be addressed going forward. The NFF supports that the most appropriate way to address these concerns is through the Productivity Commission's recommendation to commission a performance review of the Hubs during the next Funding Plan, with future funding of any individual Hub contingent on the demonstration of adequate performance and governance. Further, the NFF supports the Department's suggestions to clarify the role of each Hub in a public statement and that milestone payments are strongly linked to performance.

The NFF recommends that the Hubs require a more thorough and nuanced diagnosis of issues, to determine the best path forward. Industry's concerns regarding the Hubs could be attributed to several causal factors. For example, it may be the case that limited funding has constrained the Hubs' ability to engage with farmers, or it

may be that engagement methodology requires improvement and clarity in order to be effective, or a combination of both. Ideally, industry's concerns should be addressed at the root cause. This may be achieved through the mid-Funding Plan performance review addressed above.

With appropriate improvements and funding, the NFF supports the Drought Hubs playing a greater role in the delivery of regional priority projects (including Regional Drought Resilience Plan projects) and as a valuable information broker for farmers looking to better understand FDF and non-FDF drought resilience opportunities. With this context, funding towards outreach officers and knowledge brokers to connect farms and communities to relevant science, innovation, networks and government initiatives is welcome and logical. However, we reinforce that expectations must be clearly and publicly articulated, and performance must be demonstrated.

Implementation of regional plans

Initiatives driven by regional communities and farming systems groups are a valuable way to develop specialised and successful resilience solutions and ensure greater community engagement and on-farm uptake.

The NFF supports the proposed means to implement regional plans, including through a series of discrete, small implementation grants led by the Commonwealth or jointly with states and territories that focus on particular action types or themes, such as those that could be significant for a region or industry.

The Drought Hubs could play a valuable role in taking forward aspects of regional plans, in partnership with regional stakeholders. However, this should be assessed on a case-by-case basis to avoid tasking the Hubs with achieving outcomes beyond their capacity. For example, the Hubs could apply to take forward particular parts of regional plans by demonstrating their relevant regional network and ability to deliver. This will determine whether the Hubs are best placed to deliver certain aspects of the regional plans or whether local farming systems groups or community organisations are better placed to deliver the particular activity in the region.

Monitoring and reporting

The NFF strongly supports that monitoring and communicating progress, outcomes, and learnings from implementation will be important. Longitudinal studies could potentially measure the long-term impact of RDRP outcomes.

Measuring drought resilience is inherently complex. Establishing baseline metrics for the resilience of the individual regions is difficult and will vary depending on factors such as geography, production systems, socio-economic considerations, etc.

However, the lack of appropriate performance metrics around FDF measures renders it impossible to effectively assess programs in terms of their contribution to improving industry resilience and demonstrable value for money. FDF programs,

inclusive of the RDRP plans, should include a clear identification of the resilience needs of farmers and communities and how the program will meet and improve those needs in the form of a qualitative or quantitative metric. By regularly tracking and analysing performance metrics, we can make data-driven decisions and adjustments to FDF measures, resulting in better outcomes for the industry.

Information, Skills, and Capacity Building

Future of the Farm Business Resilience Program (FBR)

Changing program focus and eligibility

The NFF supports the need to ensure that the FBR program addresses specific learning areas and that concerted efforts are made to engage particular cohorts, including young farmers, remotely located farmers, and those operating on marginal land. However, one of the core reasons for the success of this program is its broad accessibility and flexibility. Limiting the eligibility criteria of this program would be to limit its ability to achieve public benefits, which are very successfully progressing a step-change in the use of farm business management skills to proactively manage drought risks. Further, prescribing key learning areas should not interfere with the ability of individual states, regions or businesses to determine and address their own unique resilience needs through the program.

Farmer co-contributions and public good

Many states already require co-contributions from industry participants. Mandating co-contributions to access the program would eliminate current flexibility which is appropriately utilised by delivery agents. For certain geographic areas and cohorts with the farming sector, co-contributions would either prohibit or create a barrier to participation in the program. The NFF sees no need to prescribe or extend the current co-contribution requirements of the program.

FDF funding principle two, which links FDF funding to activities in the ‘public good,’ should be interpreted to enable the FDF to support activities which benefit groups of farmers and/or communities in farming regions, as this program does. An appropriate and broad interpretation of this principle maintains the policy intention, to avoid funding individual farm businesses or commercial gains, while successfully facilitating change across the sector. This type of step-change at the farm business level will build over time to create transformational change across the sector, as a culture of preparedness and planning becomes an industry norm. This supports the PC’s commentary around progressing transformational change objectives.

FDF to provide training on how to best use and interpret information from climate tools

Please refer to comments made in the section on the Drought Hubs above.

Additional funding should not be allocated to provide training on how to best use and interpret information from existing climate tools. Rather, this service should

already form part of the Drought Hubs remit, as a key component of awareness and extension. Training or engagement activities for the FDF climate tools are best targeted at agronomists and advisors, as they are most likely to use this type of data in their advice and disseminate relevant aspects to farming clients.

Agriculture and Land Management

Natural capital management projects

The NFF supports the need for a combination of discrete natural capital management programs and continuing to embed key natural resource management throughout existing investment streams (as is already the case).

The NFF supports prioritising environmental actions that also improve economic resilience for farmers. Economic resilience can be supported by targeting activities which leverage the strong causal links between better natural resource management (NRM) and improved on-farm productivity.

The NFF supports the Productivity Commission's observations that many public and private benefits arise from improved NRM practices, including:

- increased profitability and productivity (economic resilience).
- producing direct benefits for the environment (such as improving water or vegetation quality).
- undertaking trials and demonstrations of improved NRM practices that increase the awareness and understanding of farmers about these techniques, which is essential to encourage adoption.
- facilitating coordination and collaboration across multiple parties needed to affect meaningful landscape-scale change.

FDF investment in NRM activities must consider the existing NRM program landscape to avoid duplication and deliver additional value to the industry. As noted in the PC's Final Report, there are many existing government and private programs in the NRM space. The FDF has previously and continues to support NRM activities through the Natural Resource Management Drought Resilience Program and the more recent Drought Resilient Soils and Landscapes program. Additional FDF investment in NRM activities should be strategically planned, through robust sector consultation, to best support, align with or extend existing programs.

The NFF suggests consideration of the following adjustments and additions to FDF programs:

- Expand existing programs such as the Drought Resilient Soils and Landscapes, with a greater focus on empowering local farming systems groups to undertake up-scaling of natural capital management practices.

- Reconfigure Better Climate Information programs and Better Planning Programs to incorporate and support NRM outcomes. For example, the DR.SAT could become a one-stop shop for best-practice NRM information. Planning programs should already include a focus on building natural capital and economic resilience.
- Understand and support the existing sustainability initiatives being driven both nationally and by the agricultural industries. Supporting industry-led sustainability initiatives (e.g. industry sustainability frameworks and underlying activities) through the FDF would progress natural resource management and economic outcomes at an individual farm and commodity-industry level, while also contributing significantly to the broader public good.
- The FDF should seek to fast-track, scale and bolster the capacity of existing research and programs in the NRM pipeline, such as [Farming for the Future](#). Farming for the Future intends to create national-scale evidence that connects natural capital management and farm profitability, and develop resources that support Australian farmers to make changes that will benefit both their bottom line and the environment. This type of initiative will significantly increase the economic resilience of farm businesses across Australia and deliver tangible environmental outcomes through widespread NRM practice change. It will remove a significant barrier to adoption for farmers when they have robust evidence relating drought resilience/ NRM farming practices with farm business performance.

Farming for the Future

Farming for the Future is a research and change program initiated by the philanthropic foundation, the Macdoch Foundation. Farming for the Future seeks to help farm managers realise greater productivity and profitability in their core production enterprises by providing information about how different types of natural capital contribute to farm business performance.

At present, information about returns on investment in natural capital is weak, provided only by case studies of individual farm businesses or small-scale studies that might not be representative of the industry more broadly. Farming for the Future will provide the large-scale evidence and the practical support that producers need to incorporate natural capital as part of their farm business foundation to achieve greater productivity, efficiency and resilience, and associated wellbeing benefits for farmers, farming families and rural communities.

Farming for the Future is collaborating with the extensive network of actors required to achieve systemic change and prepare the Australian agricultural sector for a future of unknown climate conditions and new market opportunities. These include farm advisors, agricultural industry bodies, Ag-Tech companies, supply chain actors, the finance and investment sectors, state and Commonwealth government agencies, and academics. Farming for the Future is developing the survey protocols, statistical relationships and data platforms required to:

- Demonstrate the relationship between natural capital and farm business performance, including productivity, efficiency and resilience to climate and market stressors,
- Reveal the ‘Opportunity Zone’ where farmers can invest in natural capital to improve farm business outcomes,
- Empower producers to navigate and access new and emerging natural capital opportunities,
- Provide information about when and how government investment in natural capital can maximise additionality and avoid unintended impacts on agricultural productivity,
- Improve institutional investment in natural capital by quantifying likely return on investment and investment risk,
- Measure and report on natural capital at both farm and landscape scales in order to meet ESG standards, as well as national and international targets and commitments.

We strongly refer the Department to the submission of Farming of the Future for further information.

Innovation and Transformation

Programs to support innovation and progress transformation change objectives

All FDF programs, to some degree, progress industry towards transformational change. It is critical that the FDF does not directly or inadvertently impose any specific ‘transformational’ ambitions on farm businesses. Ultimately, if, when and how transformational change may occur is a decision for the individual farm business, considering their unique circumstances and objectives. Exploration of options to achieve transformational change, supported by feasible and accessible innovation, are always welcome.

Enabling activities

Monitoring and evaluation

It is critical that each FDF program, grant or arrangement, each funding stream and the fund holistically are accountable to performance indicators to define success and inform monitoring and evaluation processes.

As mentioned above, the NFF acknowledges that measuring drought resilience is inherently complex. Establishing baseline metrics for the resilience of the agricultural sector is difficult and varied, depending on factors such as geography, commodity, socio-economic considerations, etc.

The lack of appropriate performance metrics around FDF measures renders it very difficult to effectively assess the contribution of programs to improving industry resilience and demonstrable value for money. FDF programs should include a clear identification of the range of needs farmers require to become more resilient and how the program will meet and improve those needs in the form of a qualitative or quantitative metric. By regularly tracking and analysing performance metrics, we can make data-driven decisions and adjustments to FDF measures, resulting in better outcomes for industry.

The NFF reiterate that it is not realistic to expect on-ground outcomes from programs at this early stage of their lifespan. However, as programs move into maturity, we want to ensure measurable, industry-wide changes in resilience and preparedness. This requires metrics at all levels of FDF implementation.

The NFF supports that additional funding could be allocated to activities that improve data collection and management, information sharing and dissemination, including through effective communications suitable for the audience.

Robust data collection and independent evaluations of programs are critical to ensuring that they remain effective and relevant. Current review processes are time-consuming, repetitive, and largely ineffective without baseline and performance metrics. Addressing the lack of performance metrics in planning will improve evaluation processes.

Mechanisms to facilitate continuous program improvement

The NFF and its members are invested in seeing the best value for money from FDF programs and projects. Some FDF programs are falling short of their potential impact and failing to maximise value for money due to a lack of timely input from industry as to design and implementation. Effective feedback loops enable stakeholders to provide input and make recommendations based on their experiences, ensuring that programs remain relevant and responsive to industry's current and evolving needs.

The NFF strongly recommends the Department consider agile and consistent feedback mechanisms to facilitate industry engagement to inform the implementation of programs. This will ensure they are fit-for-purpose and better effectively deliver their objectives for industry. This may include elevated, formal mechanisms to ensure consistent and timely engagement, in addition to ad hoc forums to programs and projects are implemented effectively and efficiently. As a general note, it is critical to ensure that formal feedback mechanisms are streamlined, to recognise the value of farmers' time. Repeated, uncoordinated consultation on the objectively significant number of FDF programs, grants and projects can be overwhelming and time-consuming for engaged industry stakeholders.

Through greater long-term investment, the FDF can ensure that programs are co-designed with industry input. Industry can also play a more consistent and engaged role in program rollout, leveraging new and existing feedback forums. The National Drought Network is an example of an excellent coordination and feedback forum, which includes a cross-section of government, not-for-profit, and industry parties, who could provide feedback as programs are implemented. The NFF is supportive of the FDF exploring a regional committee system or better leveraging existing regional groups to provide specific program feedback when required.

The NFF thanks the Department for the opportunity to provide input to the next phase of the Future Drought Fund. The policy contact for this matter is Charlotte Wundersitz, Senior Policy Officer (Trade & Economics) via e-mail: cwundersitz@nff.org.au or phone: (02) 6269 5608.

Yours sincerely,

TONY MAHAR
CEO