



Australian AgriFood Data Exchange

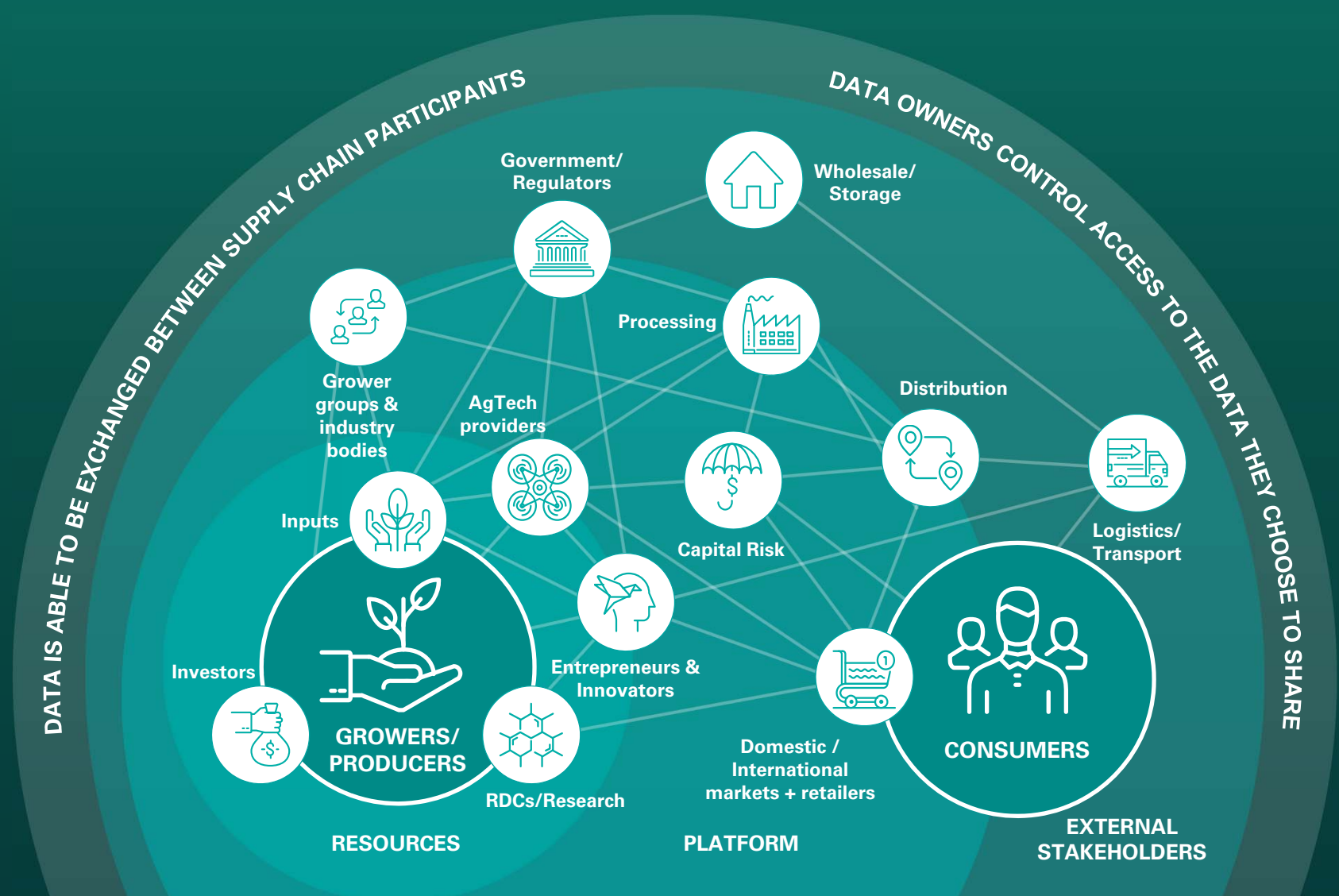
Project Co-Investment Prospectus

FUNDING COMMITMENTS CLOSE DECEMBER 2020



VISION

“Deliver an interconnected data highway for Australia’s AgriFood value chain”



Australian AgriFood Data Exchange will be an industry owned not-for-profit data utility provider

Invitation to support the shaping of a data exchange service for Australia's agrifood industry



To our fellow Agribusiness and Food leaders,

This is an invitation to you and your organisation to collaborate and play a pivotal part in enabling whole of agriculture data sharing - one of the major barriers currently identified that is holding Australia's agrifood industry back from reaching full potential. As you know, urgent action and investment is required to leverage technology across supply chains to maintain the domestic and global competitiveness of Australian agriculture.

Although all major stakeholders have a significant interest in improving the agricultural data ecosystem, the diversity of Australian agriculture and value chain participants has meant that past efforts have been uncoordinated, restricted to specific commodities and lacked the resources and impetus to address whole of agriculture change. Additionally, the lack of interoperability between systems is significantly hampering wide adoption of supply chain technology. By contrast, other established and emerging agricultural exporting nations are making significant investment in data infrastructure to take advantage of the increasing digitisation of farm systems, including machinery, tools and services.

Today's disparate, siloed, and proprietary data systems that do not enable data owners to easily access and direct the exchange of their data is leading to costly inefficiencies, poor collaboration, wasteful use of critical managerial time and loss of opportunities for the sector to deliver superior outcomes for all supply chain stakeholders. Today, there is no single, easy to use data ecosystem in Australia which allows primary producers from across all agricultural industries and other value chain participants to exchange their data efficiently on agreed terms with trusted service providers, or other interested parties such as government and researchers. Significant resource duplication is occurring and will continue unless a co-ordinated initiative is driven to develop a data service that serves all sectors and participants across industry, science and the public sector.

Integrity Systems Company (ISC), a subsidiary of industry owned Meat and Livestock Australia (MLA), and KPMG have collaborated to deliver Phase 1 of this project; undertaking extensive industry consultation to co-design a vision and validate support for, the establishment of an Australian Agrifood Data Exchange (OzAgDX). As the project moves into the next phases, financial business case co-investment will be required to realise the impact this project will have for Australian Agriculture. This is an opportunity for your organisation to collaborate with us and participate actively, or passively, in the critical next stages of defining functional requirements, undertaking targeted experiments and shaping the operating model, data policies and governance structures, and developing the business case before moving to MVP and go-live.

If making faster, clearer sense from data and working in cross sectoral collaboration is important to you and your organisation; then I encourage you to digest this co-investment prospectus. Please confirm your interest to support the development of the Australian Agrifood Data Exchange by 31 October 2020. For more information about this opportunity please contact one of the project leadership team noted on the back cover.

With your collaboration we can amplify our efforts together to achieve the vision of an interconnected data highway for Australia's agrifood value chain.

Yours sincerely

Jason Strong
Managing Director
Meat and Livestock Australia

Dr Jane Weatherley
Chief Executive Officer
Integrity Systems Company

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Partner
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CONTENTS

The Need	6
The Vision	8
The Journey So Far	11
Prioritised Use Cases	14
Project Next Steps and Timeline	16
How You Can Participate	18
Project Roles & Governance	22

An absence of well-managed national agricultural and food data exchange for use by the various stakeholders within agriculture industry is limiting Australia's production potential, causing significant supply side inefficiencies and leaving Australia trailing behind competing nations. This problem is likely to get worse as the world becomes increasingly reliant on technology and access to information. This proposal lays out the investment case for a comprehensive Australian AgriFood Data Exchange.

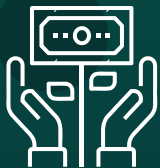


It is estimated that the **unconstrained application of digital technology** across the agricultural sector could potentially see savings of **\$7 billion** from automation, while gaining **\$3 billion** from genetic enhancements, **\$2 billion** from tailoring inputs to needs, and **\$1 billion** from improvements to markets access and biosecurity¹.



In Australia, there is currently a **lack of interoperability**

of data between States, RDCs, technologists and researchers which **holds back useful analytics and benchmarking** and leads to suboptimal use of public data sets to augment and inform producer analytics.



Leading international agricultural markets that Australia is competing against have **established data exchanges** for enabling efficient transfer of permissioned data. These countries include the Netherlands, Germany, United States, and New Zealand.



The annual estimated national food fraud costs for 2017 by sector to be **\$360 million** for dairy products, **\$303 million** for wine, **\$272 million** for meat and live animals, **\$248 million** for horticulture, and **\$189 million** for seafood¹.



Biosecurity controls at Australia's borders work to minimise the risk of exotic pests and diseases entering Australia to **protect the \$32 billion** agriculture export industries². It has been estimated that a major outbreak of foot-and-mouth disease could cost Australia in the order of **\$50 billion**³.



Australian primary industries have worked to lead the nation in **reducing greenhouse gas emissions by 63%** in emissions intensity between 1996 and 2013⁴. Agricultural business's occupy and manage **51%** of Australia's landmass, as such, they are at the frontline in delivering environmental outcomes on behalf of the broader community⁴. A Data Exchange can help unlock producer value from Australia's **natural capital and ESG**.

(1) Wu, W. et al., 2019. *The Future of Australia's Agricultural Workforce*, Canberra: CSIRO Data61., (2) Department of Agriculture, 2020. *Biosecurity in Australia*. [Online]. Available at: <https://www.agriculture.gov.au/biosecurity/australia> [Accessed June 2020]. (3) CSIRO, 2020. *Protecting our market access from disease*. [Online]. Available at: <https://www.csiro.au/en/Research/BF/Areas/Protecting-Australias-agricultural-industries/Infectious-disease> [Accessed June 2020]. (4) National Farmers Federation, 2018. *Farm Facts*. [Online]. Available at: <https://nff.org.au/media-centre/farm-facts/> [Accessed June 2020].



THE NEED

Why Australia's agrifood industry needs a data exchange

Although the use of data and analytics is becoming more widespread across agricultural industries and institutions, the sector is held back by the lack of a consolidated data platform that combines multiple data sets from multiple data sources in real time. Other technology and data challenges compromising the strength of the Australian agriculture industry include:



Businesses often need to **access multiple data systems/datasets** which are stored across various platforms and functions and are **not well integrated**. Aggregating and reconciling these datasets require manual intervention, is rife with errors/duplication and require significant effort to ensure uptake across the business in order to lead to tangible analytics outcomes. This **interoperability challenge** is commonplace across the industry today.



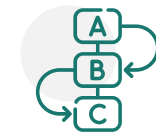
Finding and preparing data for decision-making purposes **consumes a significant amount of management capacity**. Producers and researchers spend time manually reconciling data and hand coding integrations and transformations. Knowledge of existing data sets and tools is limited, making it challenging to generate meaningful insights.



Data is not shared between the various stakeholders within the industry at times leading to analysis been taken place with incomplete datasets and other times for duplication of efforts with varying results. **Data sharing/collaborating culture** which would be backed by an **established data governance framework** including protocols/policies for data access, privacy, definition and standards, would uplift the industry analytical capabilities.



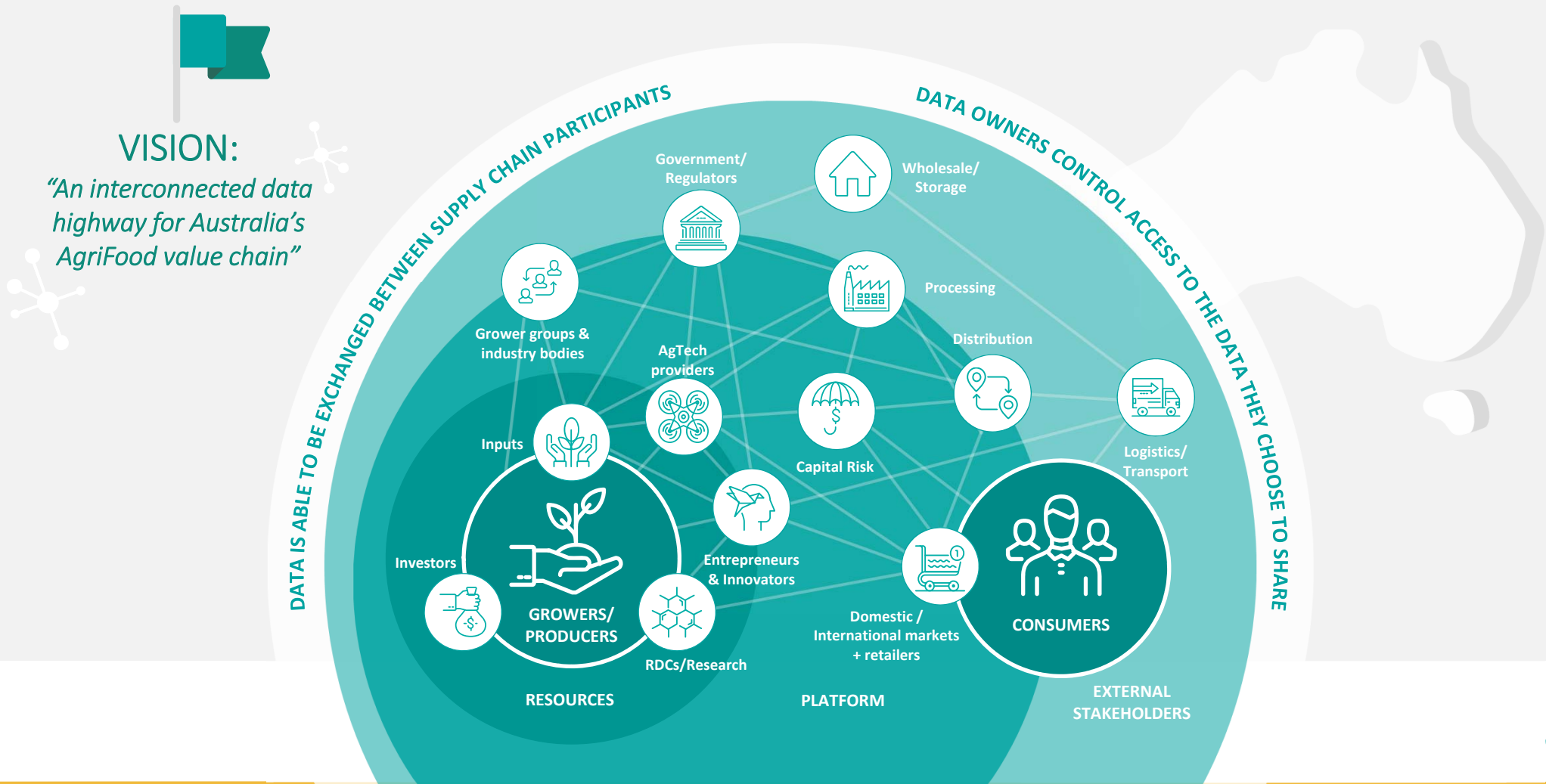
A slow take up of digital technologies is slowing agricultural productivity growth. As Australia looks to achieve the target of \$100 billion farm gate output by 2030, digital agriculture is expected to contribute up to an additional \$20 billion annually to the gross value of agricultural production.



Challenges in understanding **where to prioritise efforts to best support the industry**. With significant opportunities for data-driven use cases across the value chain, defining the prioritisation of funding and efforts to build capabilities is a critical challenge for industry bodies and governments. The OzAg DX could enable consolidated, integrated and standardised data, to help reduce the labour intensive effort of collecting and analysing data to make better informed prioritisation decisions on deployment of limited support resources and capabilities.

The Vision

An Australian AgriFood Data Exchange designed, owned and governed by the Agrifood industry would enable the safe exchange of data and the generation of valuable insights increasing the industry's ability to compete in the global market.



An industry-wide data exchange platform could provide unforeseen opportunity for Australia's agrifood industry and be globally competitive with leading agrifood exporting nations that have established industry data exchanges

By enabling agrifood industry data owners to efficiently direct and control what data they share and with whom an OzAg DX can support users unlock value from their data, enabling fluid collaboration up and down the supply chain. Benefits will include realising valuable time from data wrangling for decision making, and improving the interoperability and analytical potential of data.

- ✔ Bring **value to Australian export produce** by selling the ability to get real time data to trading partners, with the ability for consignments to be cleared in foreign countries in real time.
- ✔ Improve **access to natural capital** and risk adjusted financing and insurance opportunities through digital adoption across the supply chain.
- ✔ Ensure the **continued global competitiveness** of the Australian agrifood sector by bringing value through digital compliance and certification, biosecurity and traceability.
- ✔ Enable **innovation and fostered development** of decision tools for farmers and others along the supply chain through the exchange of data.
- ✔ **Unlock more management capacity** to act upon new data insights, providing efficiencies, better forecasting and reduced waste across the supply chain. Giving you more time for what is most important than wrangling data
- ✔ Enable consistency and **centralisation of traceability data systems** across agricultural industries which could be stored, efficiently managed and retrieved, enabling strategic management and strong coordination in a rapid response required for any disease outbreak.
- ✔ **Verification assurance** to consumers and regulators that Australia's food and fibre is grown sustainably and ethically.
- ✔ The ability to **access detailed and timely data** to allow preparation for risk management and increase resilience to drought and climate variability.
- ✔ Make it easy for data owners to **share useful data with biosecurity** agencies to improve national, state and shire predictive biosecurity capabilities that enable the risks to be rapidly pre-empted and contained.
- ✔ **Digitised compliance outcomes** with "RegTech" efficiencies to improve regulatory services and enable on-farm benefits through simplified compliance.
- ✔ Enable data owners to **share access to data** with RDCs, researchers and entrepreneurs to improve their products and services; and accelerate problem solving.
- ✔ **Increase third-party investment** in Australian agriculture and bring value to Australian export produce with improved data availability, and the ability for consignments to be cleared in foreign countries in real time.

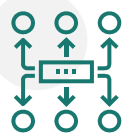
How would the Australian Agrifood Data Exchange change the Australian Agriculture and Food Industries?

Digital and data adoption will itself give rise to new cyber and privacy challenges, creating new vulnerabilities in supply chains. The industry needs to work together and invest in measures to mitigate these risks and review these measures on an ongoing basis as the technology landscape evolves.



Benefits to producers for decision making

- One the key aims of the OzAg DX is to **ensure that producers are able to reap the benefits of the data they capture**, harvest and require to use to make decisions, i.e. animal health, certification, compliance, and biosecurity.
- **The exchange will be built with the producer at the forefront of mind** as this will increase trust between participants, and also ensure adoption amongst consumers.



Standardisation and consistency in data assets

- Due to the **siloes nature current for data** across the agrifood supply chain, data is named, defined and managed by multiple entities.
- The by-products is a lack of standardisation and consistency. Through the OzAg DX there will be a level of governance and quality assurance applied resulting in an **increased level of consistency and accuracy**.



Fluidity to build use cases which benefit multiple parties across the agrifood supply chain

- One of the key build principles for the OzAg DX is to **deliver incremental value** by implementing one use case at a time.
- As the OzAg DX matures the ability to deploy use cases will become easier requiring less effort due to previously implemented infrastructure, design patterns, and body of work. This pattern will result in **reduced investment required for future use cases**.



Accessibility of data assets to provide benefits back to industry participants

- Having access to the multiple datasets generated by the value chain will inform decisions taken by the relevant stakeholders and increase quality of decision making.
- This will lead to **decisions made using data** resulting in greater accuracy and increased benefits, i.e. being able to understand end to end traceability of a product across the supply chain as all data points are able to be captured.



Increased transparency on key data assets for regulatory and compliance purposes

- Regulatory and compliance requirements are essential to ensure high quality products, standards and reputation in the agrifood value chain.
- The OzAg DX will **streamline the process for regulatory reporting and compliance as relevant data** will be transparent and accessible.



Connecting disparate data sources

- Being able to **access multiple data sources through one platform** will minimise effort used to harvest disparate data sources for a single view of data assets. In turn this will unlock capacity and effort to be redirected towards value add activities.



THE JOURNEY SO FAR

The journey so far

The process

Delivering an Australian AgriFood Data Exchange is an ambitious, complex, multi-year multi-phased program of work which to be successful brings together a consortium of partners to collaboratively design, select/implement or build a trusted industry-wide data exchange that can be governed and owned by industry.

To date, the project has been sponsored by Integrity Systems Company and MLA enabling the outreach with and capture of a wide cross section of key stakeholder groups across agriculture and food sectors including government, industry bodies, agtech providers, researchers and producers.

Key activities

- **Developed the OzAg DX Vision** - KPMG developed and refined the vision for the OzAg DX in collaboration with ISC and MLA, and continually refined this throughout the project based on stakeholder input. Identification of leading examples of domestic and international industry data exchanges to inform design of user experience and functionality ambitions for the OzAg DX.
- **Use Cases identified** - Utilising the broader Food and Agriculture and Digital Delta teams at KPMG an initial portfolio of use cases were identified and refined in a co-design workshop with MLA and ISC, validating, challenging and prioritising the top six use cases to take to consultations.
- **Conducted 27 consultations with Government, RDCs and industry associations** - to discuss the data exchange opportunity and surface strategic alignment to six key use cases, allowing feedback and insights to refine the use cases.
- **Collaborated with 37 stakeholders in a Design-Led Thinking Workshop**—A workshop was held on 18 June to refine the OzAg DX concept, overview the opportunity, share insights from comparable data exchange services around the world, the use cases, high level project stages and governance and next steps. The workshop prioritised 4 key use cases. The Australian New Payments Platform project was shared highlighting lessons from successful complex industry wide digital transformation initiative.
- **Conducted further round consultations with research, agtech providers and producers** - to obtain their feedback and insights on the initiative, refine the prioritised use cases and value proposition with industry and research community. The project vision and use cases were socialised with 34 industry leaders on the KPMG Agrifood & Internet of Farms Traction Program.
- **Investment prospectus** — The key activities above have informed the development of the immediate next two phases of the project and this investment prospectus to secure contributions to funding and resources needed for the next stages of this project.



Stakeholder engagement to date

- Integrity Systems Company
- Meat and Livestock Australia
- KPMG
- Department of Agriculture Water and the Environment
- Agriculture Victoria
- WA Department of Primary Industries & Regional Development
- NSW Department of Primary Industries
- QLD Department of Agriculture & Fisheries
- Primary Industries & Regions SA
- Regional Development Australia (NW QLD)
- ABARES
- National Farmers Federation
- Australian Farm Institute
- Griffith University
- Council of RDCs
- Australian Bureau of Statistics (ABS)
- Hort Innovation
- Wine Australia
- Fisheries RDC
- Grains RDC
- Cotton RDC
- Australian Pork
- Australian Wool Innovation
- Plant Health Australia
- Red Meat Advisory Council
- Cooperative Bulk Handlers
- DataGene
- Platfarm SA
- Elders
- Food Agility CRC
- CSIRO
- Birchip Cropping Group
- John Deere
- Goanna Ag
- AgReFED and partners
- Paraway Pastoral Co
- Group of Eight DVCRs

Stakeholder feedback confirmed support for the OzAg DX initiative, and particularly the unique collaborative design and ownership approach that supports value for industry, government and research participants across the whole agrifood sector.

The technology and know how exists for Australia to be a fast follower

JoinData – Netherlands

JoinData is an independent data platform focused on farmers. It is a non for profit organisation with a high investment focus into the security, privacy and farm-friendliness of the platform¹. It facilitates secured data sharing along the value chain and connects the data to allow better insights and smarter decision making.

Companies or organisations must request access to data via the JoinData platform, and the farmer can authorise or withdraw an authorisation at the touch of a button. Currently, JoinData have 293 companies sharing data on behalf of farmers². There are 65 application providers consuming data with multiple apps, and 140,000 unique identifiers connected².

- JoinData began as Smart Dairy Farming (SDF) in 2011, launched by TNO, Gallagher, and Agrifirm (among others) and was initially funded by Government.
- When government funds and support stopped, the initiative paused. In its absence, industry participants acknowledged the opportunity and created an industry co-operative** in July 2017 to ensure the exchange continued - Cooperative DataHub.
- In 2018 Cooperative DataHub became JoinData, and the exchange is now only open to cooperatives to be members.

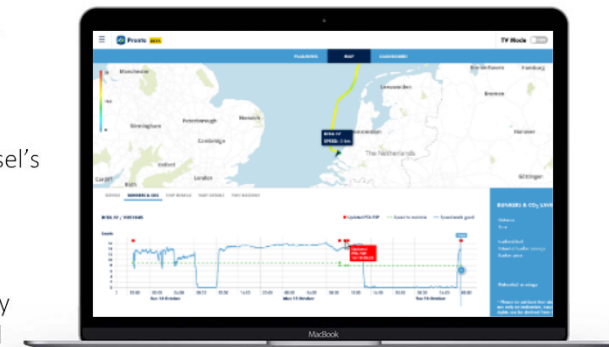


Members of JoinData today are generally industry cooperatives, which gives JoinData access to large groups of farmers immediately. The cooperative model was chosen as the premise was only ever to distribute the data with permission, the goal was to be a trusted platform².

PortXchange (Pronto) – Port of Rotterdam - Netherlands

In 2019 the Port of Rotterdam Authority launched a new company PortXchange Products BV offering the 'Pronto' platform, a data exchange³. Each ship's visit to a port (port call) requires numerous parties to carry out various coordinated activities at the right time. With PortXchange, shipping companies, agents, terminals and other service providers can plan, execute and monitor all activities during a port call based on standardised data exchange. A pilot revealed that PortXchange reduces waiting times for ships by up to 20%³.

- Communication:** As soon as ETA is known, each vessel is assigned its own timeline in PortXchange. The timeline displays all events during the port call: from the vessel's arrival and stay in the port to its departure from the port.
- Accuracy:** PortXchange combines public data, data retrieved directly from participating companies and forecasts from artificial intelligence applications to generate highly accurate information about a port call³.
- Real-time:** The progress and status of the events is continuously updated on the dashboard and users can monitor events and make adjustments where necessary.



The establishment of a separate company enabled partnerships with a variety of global players, i.e. Shell, A. P. Moller etc.⁴. Trust between parties for the free exchange of data is vital to the successful introduction of Pronto in other ports⁴. The establishment of a separate company enables the solution's neutrality and independence, and improves cooperation between all parties⁴.

(1) JoinData, 2020. JoinData. [Online] Available at: <https://join-data.nl/en/about-joindata/> [Accessed June 2020]. (2) Cellik, S., 2020. Unlocking the potential of data - JoinData. s.l., JoinData. (3) Port of Rotterdam, 2020. PortXchange. [Online] Available at: <https://www.portofrotterdam.com/en/port-forward/portxchange> [Accessed June 2020]. (4) FreightComms, 2019. Port of Rotterdam Authority launches new company PortXchange. [Online] Available at: <https://freightcomms.com/port-of-rotterdam-authority-launches-new-company-portxchange/> [Accessed June 2020].



PRIORITISED USE CASES FOR OZAG DX PROJECT

Four prioritised use cases for Oz Ag DX pilots will be refined with the funding parties

The following use cases have been determined as a starting point from a series of consultations and workshops with government, industry and producers. An initial long list of potential use cases was enriched, refined and augmented based on feedback. The following four prioritised use cases have been identified from the consultation process. These high level themes will be refined and focused in conjunction with the project funding partners in Phase 2, giving you the chance to influence the design of the experiments and use cases.

Centralised Data for Compliance and Certification

Description of Use Case

The ability through the data exchange to have centralised compliance data that allows rapid response to evolving compliance requirements and get/give access to relevant compliance artefacts to any parties along the supply chain (i.e. certifications, customs requirements).

Benefits

- Efficiently and easily share my data with relevant parties in a single place
- Inclusive of organic status, biosecurity, NVDs, animal health certificates, weighbridge data, trucking times/routes, through trade NTMs, animal welfare attributes
- Have a central source of truth for compliance and certification data
- Accessible data at any time for consumers to report on compliance with minimal manual interventions
- Standardised data for reporting which minimise any regulation implications from discrepant data

Challenges and risks

- Availability of stakeholders to validate requirements and business rules
- Supporting architecture and tooling for central data
- Data being ingested isn't at acceptable quality threshold

Voluntary benchmarking for comparisons and decisions

Description of Use Case

The ability to share benchmarking data with any required parties quickly and easily, whilst ensuring data remains confidential, consistent and validated.

Benefits

- Data comparison against industry average to determine market position
- Generation of industry wide KPI's which enables standardisation and consistency
- Production system improvement
- Ability to make decisions using the market as a guideline and have objective comparison points
- Fluid sharing of data with required parties i.e. sharing of data with Banks when applying for loan
- Minimisation of manual analysis to compile external data

Challenges and risks

- Availability of stakeholders to validate requirements and business rules
- Supporting architecture and tooling to aggregate data
- Data being used currently isn't at acceptable quality threshold to provide accurate benchmarking

Biosecurity and contamination information

Description of Use Case

The ability to have a single view of disparate data sources to identify any contamination source or presence of pests (i.e. trucking day/load, field/block/paddock stock/harvest came from, fertiliser and agrichem in that paddock, hormone or animal health treatments, any biosecurity issues on farm in recent years, identify and link existing surveillance database and systems).

Benefits

- Quickly and easily identify any contamination source or pest status
- Provide a consistently safe product to consumers
- Proactively predict biosecurity risks before they become issues
- Trust in the product which can alleviate any concerns around purchasing and procurement
- Generate greater financial returns industry wide due to integrity and standard of product

Challenges and risks

- Different levels of data quality to be able to identify biosecurity issues
- Data sensitivity and sharing across key factors in relation to biosecurity

Supply and origin traceability

Description of Use Case

The ability to build the full story about produce on its journey through to the consumer, with details from each aspect of the supply chain (i.e. property, quality, weight, journey, certifications, origin, welfare, exposure to fertiliser/chemicals etc.) and be able to receive feedback from others in the supply chain.

Benefits

- End to end visibility of products movement across the supply chain
- Higher level of confidence in the product supply due to understanding full lifecycle
- Equitable return for product and reputational brand enhancement
- Early indication of "where" to optimise value of product due to relevant implicating data points

Challenges and risks

- Being able to identify key sources which are able to provide accurate and reliable traceability data
- Ability to tie up key traceability data assets across other system within the supply chain



PROJECT NEXT STEPS AND TIMELINE

Project next steps and timeline

Project outline and approach

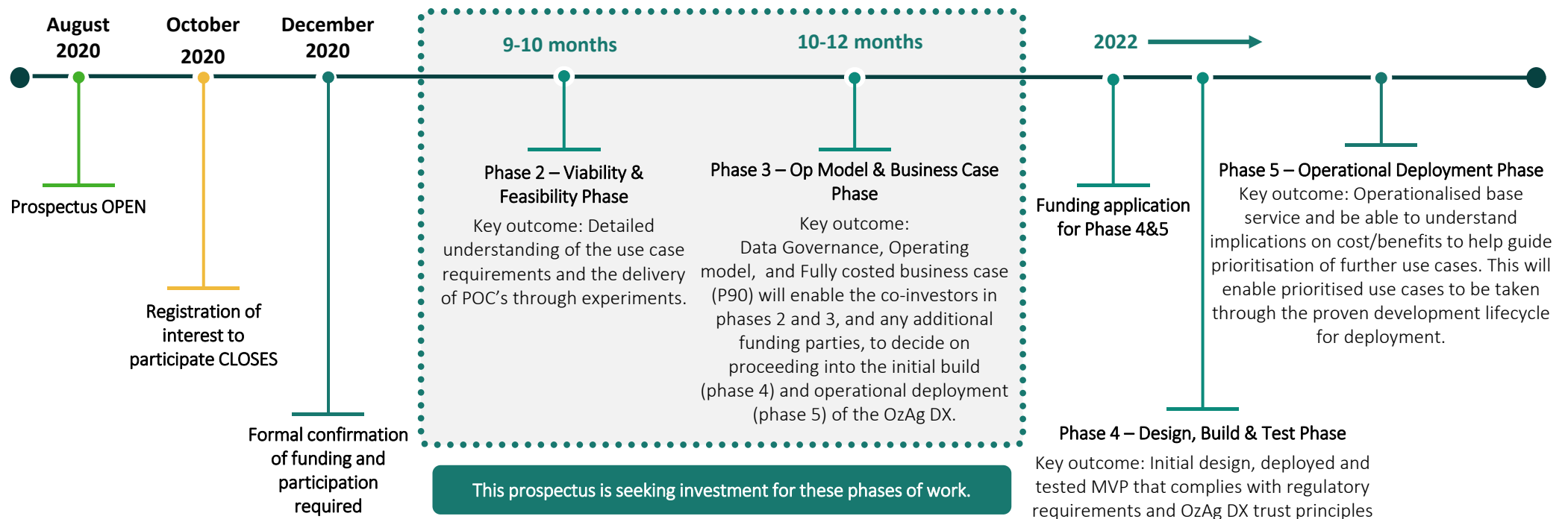
This is an ambitious, complex, multi-year multi-phased program. A pool of appropriate resources needs to be established from the outset of the project, with access to genuine expertise and influence. The sources of project support is also important to reinforce the collaborative and whole of industry interest in catalysing the OzAg DX.

To build confidence for investors in the subsequent phases of the project an independent project assurance program across value realisation, program processes and technical implementation.

Throughout the following phases of work, a communications and stakeholder engagement work stream will be fundamental to the success of executing this project. The PMO will establish the following critical workstreams, and appoint leads with the necessary skills and influence. The project partners will be provided the opportunity to participate in these workstreams.

The workstreams that we foresee, and invite your participation in, would include:

- Architecture and technology;
- Data privacy, standards and security;
- Communication and stakeholder management;
- Customer experience;
- Governance and policy;
- Innovation and solutions;
- Legal and regulatory;
- Operating model; and
- Process and business analysis.





HOW YOU CAN PARTICIPATE

Roles and responsibilities of participants

State and Federal Government



- Catalysing the initiative with funding in response to current market failure
- Participate in the project actively
- Participate in project governance structures
- Influence the design of the data exchange to ensure it meets the strategic and policy requirements of government
- Identify relevant laws the project should comply with, advise on criteria that would need to be met in order to meet compliance certification, and ID and possible amendment of out of date laws that would inhibit effective and safe data exchange
- Utilise the OzAg DX to enable Government's digital strategies and critical policy decision making for agriculture and food
- Contribute in way that builds and conveys trust and reinforces confidentiality of data
- Engage on data use and privacy protections to fast track alignment to ensure data systems use/adoption is not constrained
- Bring together public sector stakeholders and work to ensure the project aligns to their needs to help build support for the project and use of the exchange
- Identify the priority use cases or requirements that the department is focusing on that could be enabled by the OzAg DX project
- Participate in pilot experiments

RDCs and the research sector



- Align their data projects through the OzAg DX enabling cross industry collaboration and reducing duplication of effort and investments
- Advocate the OzAg DX to their sector and have representation on the governance structures
- Provide access to growers, producers & researchers
- Prioritising their data and analytics through the OzAg DX
- Utilising the OzAg DX for their research projects
- Financial and resource contribution
- Leverage the OzAg DX for accessing data for research
- Get the data to the stakeholders
- Input on trust and confidentiality requirements
- Data definitions and sources for their industry
- Enabling access by not unnecessarily protecting IP
- Share research data and outcomes for better impact
- Trusted data and algorithms to extract knowledge from data
- Inform the functional user requirements
- Participate in pilot experiments

Industry



- To nominate for certain industry seats on the governance body
- Active role in forming the shaping of the data sharing and privacy requirements and the target operating model
- Participate in pilot experiments
- Be active commercial users of the OzAg DX services
- Inform the functional user requirements
- Enable data sharing via the OzAg DX
- Embracing the concept of the benefits to the sector in sharing data
- Convert data into commercial outcomes
- Enabling access by not unnecessarily protecting IP
- Active commercial users of the DX

Vendor



- Enable users to upload / download data to OzAg DX
- Enabling access by not unnecessarily protecting IP
- Participate in pilot experiments
- Provide up to date/relevant data

Co-investment

What makes the OzAg DX unique is that is designed by and for industry, with the support of government and research communities, and as a not for profit venture that will be industry owned to lock in the core virtues of trust and enabling frictionless data movement for the benefit of the Australian agrifood industry.

Delivering a collaborative project requires collaborative input. We are seeking investment commitments of cash and in-kind support to enable the critical next phase of building out a business case founded on open experimentation technical due diligence. This is a pathway that creates maximum opportunity for participation and innovative solution development.

Your contribution of funds for Phase 2 & 3 will be managed through an RDC co-investment mechanism. Phase 4 onwards we envisage the establishment of a specific not for profit vehicle enabling an industry ownership model.

The focus of this prospectus is securing the funds for Phases 2 and 3 of the project, through to and including a (P90) business case. The funding pathway for post Phase 3, build and release of the MVP and establishment of the operating entity, will be defined in the business case.

Funding contributions will be called in three instalments, 1/3rd in FY21 and 2/3rds in FY22.

Phase 2

Phase 2 will incorporate four key work packages with the following activity breakdowns:

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Functional requirements <ul style="list-style-type: none"> • Draft complete functional requirements for four use cases • Draft high level technical requirements (source system, privacy, security requirements) 2. Market scan and expression of interest (EOI) audience identification <ul style="list-style-type: none"> • Scan of potential vendors to perform for EOI • Sourcing Strategy 3. Experiment EOI <ul style="list-style-type: none"> • Draft EOI documentation | <ul style="list-style-type: none"> • Develop the success criteria • Manage the EOI process • Evaluate EOI response • Finalise commercials <ol style="list-style-type: none"> 4. Experiments <ul style="list-style-type: none"> • Manage engagement with delivery partners • Develop success criteria for experiments • Evaluate experiment build <p>Key output: Detailed understanding of the use case requirements and the delivery of 4 POC's through experiments.</p> |
|---|---|

\$2.07
million

Phase 3

Phase 3 will incorporate five key work packages with the following activity breakdowns:

- | | | |
|---|---|--|
| <ol style="list-style-type: none"> 1. Request for Proposal (RFP) process <ul style="list-style-type: none"> • Draft the RFP documents for MVP into Phase 4 • Manage the RFP process • Develop selection criteria • Evaluate responses • Finalise implementation partner • Finalise commercial agreement 2. Development of detailed requirements for selected use cases <ul style="list-style-type: none"> • Draft additional technical detailed requirements | <ul style="list-style-type: none"> • Validate and send documents for review • Update and finalise technical requirements <ol style="list-style-type: none"> 3. Business case development <ul style="list-style-type: none"> • Development of financial business case (FBC) Inc. cost/benefit analysis for future phase funding 4. Data governance <ul style="list-style-type: none"> • Document roles and responsibilities, standards, naming conventions and processes | <ol style="list-style-type: none"> 5. Operating model refined for implementation <ul style="list-style-type: none"> • Draft type of operating model for implementation (centralised, decentralised, federated) 6. Project Reporting, Management and Oversight. <p>Key output: Fully costed business case (P90)</p> |
|---|---|--|

\$1.91
million

Funding and participation for Phases 2 & 3

Funding tiers

Three levels of co-investment funding classes have been established, with differing influence and participation rights based matched to the level of investment contributed towards the Phase 2 and 3 project budget of \$3.98m ex GST:



Tier 1 – investment at or above \$600,000 (SteerCo seat)



Tier 2 - investment from \$300,000 (Advisory Committee)



Tier 3 - investment from \$150,000 (Working group participation)

In-kind support is welcomed and in particular contributions in the areas listed would be very useful:

- Intellectual property in relation to data policies and data management practices; relating to principles around such areas as trusted processes for use of data and minimum standards of data quality.
- Data sources to enable the use case(s).
- Seconded specialist staff to join the working group to support the functional requirements gathering and use case design and delivery of experiments and industry participation models.
- Data regulatory / legal compliance knowledge.
- Participation in the experiment(s) – supply chain participants to volunteer to be involved in testing the selected use cases that experiments will be run for.
- Secretariat support to the project.

Timeframe for confirming participation

- Funding confirmation for Phase 2&3 of work required by the end of December 2020
- Funding drawdowns will be across three equal instalments.
 - Instalment 1: January 2021 (FY21)
 - Instalment 2: 1 July 2021 (FY22)
 - Instalment 3: 1 December 2021 (FY22)



Participation benefits

Tier 1

- Steer Co position enabling greatest design influence over the project, governance, operating model, business case and success criteria
- Recognition as founding stakeholder in this transformative whole of industry data enablement project
- Opportunity to influence the use case requirements, priority datasets and experiments to be tailored to your industry requirements
- Access to the project learnings and key outputs
- Opportunity to participate in the selection of vendors for the experiments
- Opportunity to influence Phase 3 of the OzAg DX project
- Recognition as a key investor in all work package outcomes media releases and promotional activities
- Prioritised industry focus in project communications where appropriate
- Participate in and engage your industry stakeholders through project events and seminars

Tier 2

- Position on Senior Stakeholder Advisory Council to the Steer Co
- Provides council to the Steer Co on the shaping of the use case requirements, operating model, experiments and customer experience
- Provide guidance to the Project Workstream teams
- Access to the project learnings and project outputs
- Early review and feedback of the Phase 2 work package deliverables
- Listed as a Tier 2 investor in all appropriate work package outcomes

Tier 3

- Participation in the Workstream teams
- Review of the work package outputs
- Access to the project learnings
- Listed as a Tier 3 investor in all appropriate work package outcomes



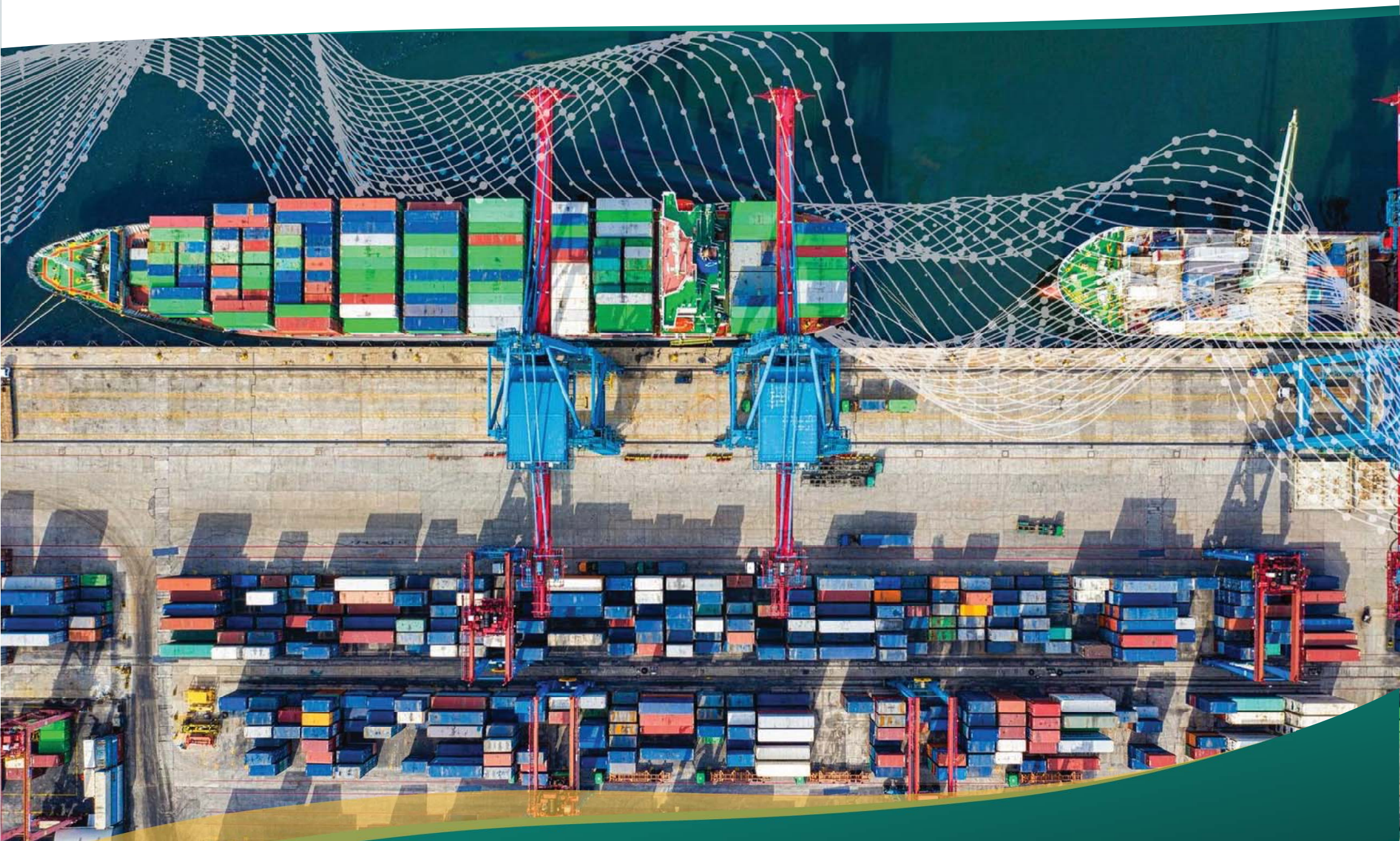
Confirm your interest

To contribute to the next stage of the OzAg DX project, please:

Register your interest to participate before 31 October 2020, with
INFO@OZAGDX.COM.AU

Co-investment commitment confirmations required by
 1 December 2020





PROJECT ROLES & GOVERNANCE

Project roles and governance

Project governance

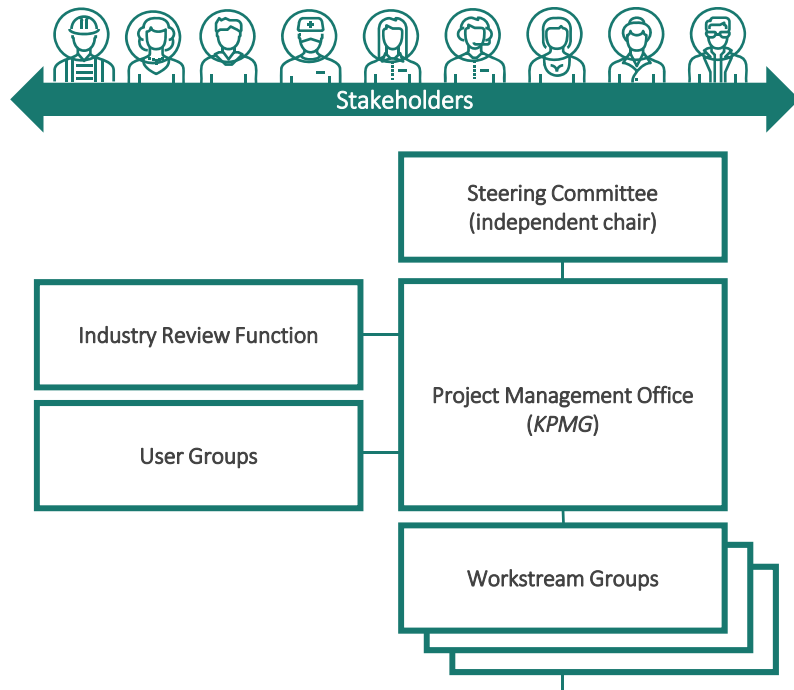
Designed with the learnings from leading project management and transformation experiences of delivering complex multi stakeholder technology programs in mind, there will be two phases of governance for this project :

1. The initial phases of work (Phase 2 and 3)

Take the project through experimentation to finalisation of the business case. This will require a working group and governance along more traditional frameworks.

2. For Phases 4 and beyond

An independent vehicle, such as a Not For Profit company, would be established requiring its own governance and shareholding structures, including Farmer & Data Advisory Committees.



Project roles and governance – Phase 2 & 3

Project Steering Committee

- The Steering Committee would be tasked with establishing the service proposition and operating model and associated high-level requirements for the data exchange.

Stakeholders

- A representative from each agricultural industry group to be connected directly with the project and their industry. These representatives will be 'champions' for their industry and will assume relevant responsibility for that industry's ability to connect to and to facilitate data sharing.

Independent Chair

- The project will require an independent chair in addition to the eight or ten person Steering Committee members, with the Chair having a casting vote in situations of a hung decision.

Project Management Office

- The Project Director would manage the overall program reporting to, and be accountable to, the Steering Committee directly. The Project Director would report project progress to the Steering Committee (and the Board) and be responsible for creation and maintenance of project documentation and best practice, as well as track metrics across the project.
- Establishment of a PMO would help define clarity in the project through a practical and pragmatic approach, designed to be scalable and flexible to create a sustainable PMO. The fundamental purpose of the PMO is to support the Steering Committee (and the Board) to plan for and deliver the OzAg DX capability through successful stakeholder engagement.

Committees/Workstream Groups

- Establishment of committees/working groups would be in line with each of the different tranches of work. These can vary in size and at times can be a designated individual representing a scrum or delivery line. Representation from industry / technology implementation partners.

Industry Review

- The Industry Review function would provide guidance and support to the Project Director and be staffed by industry representatives. The function will have the requisite industry skills, experience and knowledge to support the Project Director in delivery of the project's outcomes and to provide guidance in relation to urgent matters.



“An Australian AgriFood Data Exchange designed, owned and overseen by the agrifood industry would enable participants to share, reuse and merge data from disparate systems in a secure environment.”





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