

Overview

CHAIR'S REPORT



The Australian cotton industry and various community and catchment interests in cotton growing regions were delighted and very appreciative when the Australian Government awarded a third successive CRC associated with the cotton industry.

Since the Cotton Catchment Communities CRC ("CRC") was officially opened in November 2005 by the then Deputy Prime Minister, the Hon John Anderson MP, it has advanced rapidly. Although incorporation as a company took place in October 2005, the elected Board had been meeting and planning since May 2005 in preparation for taking over the running of the CRC once all legal formalities and agreements had been finalised. As a result the new CRC has some 150 projects under way, plus numerous associated activities.

The new CRC is very different to previous cotton related CRCs. It is important that researchers, research funding organisations and those looking to the CRC to undertake research appreciate

that the CRC is an incorporated company limited by guarantee and not, as was the case with its predecessor, the Australian Cotton CRC, an unincorporated joint venture of research providers. The new company is subject to Corporations law and unlike the previous cotton CRC Boards, has an independent, skills-based Board and an independent Chair. The Board is very much focused on funding projects and programs that meet its strategic directions and expectations about the quality of science and on providing significant collaboration across research providers. It is also looking for opportunities to capture and utilise Intellectual Property (IP). The Board has produced a Strategic Plan document, *Prosperity through Innovation*, which is intended to be a dynamic and regularly reviewed guide to the CRC's activities.

The skills base of the Board covers a range of expertise including IP, science, extension and adoption, crop production, marketing, processing, administration, business management, research funding and administration and communications. The Board has been directing the activities of the CRC in line with the business case so successfully laid out for the Department of Education, Science and Technology's CRC selection process. The cotton industry is well aware that issues beyond the farm boundary are important to its sustainability. This CRC has a broader outlook than any previous cotton CRCs and is primarily focused on increasing the prosperity of the industry and enhancing the wellbeing and health of the communities and catchments in which the industry operates. This is reflected in the CRC's five key programs: The Farm, The Catchment, The Community, The Product and The Adoption.

The cotton industry is an ideal vehicle through which leadership and commitment to natural resource management can be achieved, while at the same time building economic improvements. Communication with other research and development providers is an important consideration of this CRC. Improving the efficiency and coordination of research effort is a key driver of the CRC Board. The Board has put in place three key advisory panels – Science, Catchment & Communities and End User – that report directly to it.

The task of these panels is to provide critical and constructive comments on the research programs, strategies and activities of the CRC. The CRC has appointed Program Leaders and some Sub-Program Leaders for each of the programs to provide significant input into guiding and managing the work required and undertaken.

The CRC recently conducted a Science Day where researchers funded by the CRC were able to present results or progress of their work to their peers, along with many industry, community and catchment people. Such interaction is highly valuable in ensuring high standards in the science undertaken and relevance to the end users of the research effort.

There are significant challenges for the cotton industry. The lengthy dry phase shows no signs of abating, thus severely reducing production. Market prices for cotton are in their lowest historical decile for many decades, while skills shortages in rural areas pose a much bigger long term threat. The CRC Board is determined to make a significant difference, even in these difficult times.

The Board has a great management and administrative team undertaking the day-to-day functions of the CRC. I look forward to reporting continuing significant progress towards our strategic goals in 2007.

DAVID ANTHONY

Chairman



Bruce Browne (General Manager Namoi CMA), Dr Bob Martin, (Research Leader, NSW Department of Primary Industries) and Barry Buffier (Director General, NSW DPI) at the official opening of the new CRC in November 2005. The Australian Cotton Research Institute, located between Narrabri and Wee Waa, which provides a home for the CRC administrative office, is part of the NSW Department of Primary Industries. ACRI also includes the Namoi Catchment Management Authority as part of the CRC office.



*Cotton Catchment
Communities CRC CEO
GUY ROTH*

CEO'S REPORT

The 30th June marked the end of the first nine months of the new Cotton Catchment Communities CRC and saw the wind up of the Australian Cotton CRC.

The 2005–06 cotton crop harvest is estimated at 2.6 million bales, with an average lint yield of 7.86 bales per hectare: a slight decrease on last year's world record yields. The outlook for 2006–07 is not as good due to the continuing drought with 150,000 ha the predicted planting area, which based on last season's results will result in about 1.2 million bales of cotton, almost a 100% reduction.

We have achieved a great deal in our first nine months of operations. We have had to set up new administration and research management systems, policies and charters during that time. We have been actively fostering the integration of our many new partners into the CRC and cotton industry activities and will aim to improve this in the 2006–07 year, now

that many of the CRC start-up issues are behind us. The CRC has appointed key new staff to run its business and these appointments are outlined in another section of this report.

Our projects cover an area stretching from the Ord River in the north of Western Australia, through northern and central Queensland and the Darling Downs, and into the Macintyre, Gwydir, Namoi, Macquarie, Darling, Lachlan and Murrumbidgee River valleys in NSW. We are one of the most rural-based CRCs, with activities all over Australia.

The CRC's success is based not only on the disciplined, rigorous and relevant academic and applied research programs that it manages and monitors but also the leadership and standing of its scientific teams and the networks created and nurtured in ensuring that results are quickly made available and explained to industry.

It has never been the CRC's intention just to complete research and file it for future use. The task is not complete until adoption or adaptation occurs. Our aim is to concentrate on research that is relevant to both the short and long term future of the industry, and then to devote equal resources to transmitting the results of this research. In the first year of the CRC we have been focusing on getting our research projects under way. Looking ahead to the coming year we will increase our focus and attention on adoption and extension strategies so that the CRC is well positioned to see its research adopted by industry.

We will further consolidate and integrate our portfolio of projects. We will also review our operational plans and continue to consult with the cotton industry and other partners on R&D gaps and opportunities.

I would like to thank the Board, Participants and Affiliates, and our CRC program leaders and staff for their goodwill and tireless efforts to ensure a great first year for the Cotton Catchment Communities CRC.

GUY ROTH

Chief Executive Officer