MEMORANDUM OF COOPERATION

The Northern Territory and Japanese Governments signed a Memorandum of Cooperation on 13 January 2017 to promote and progress research and development projects in agriculture and aquaculture in the Northern Territory as well as developing supply-chain logistics into South-East Asian and other markets.

Background

The Department of Primary Industry and Resources (DPIR) has been liaising with the Japanese Ministry of Agriculture Forestry and Fisheries (MAFF) since September 2015 regarding trade and investment opportunities which align Japan’s Global Food Value Chain project with the focus on agriculture and aquaculture development in northern Australia.

Both Departments acknowledge the opportunities created by the growing middle class in Asian countries and the associated increased demand for high quality safe food. The Northern Territory (NT) is uniquely positioned to grow and supply premium markets into the future and welcomes Japanese agribusiness and supply chain investment. The recent signing of the Memorandum of Cooperation (MoC) with the Japanese MAFF provides the potential for expansion of the agriculture and aquaculture industries in the NT, providing potential jobs and new business partnerships.

The NT Government and MAFF are seeking to develop projects and trials together which link NT’s agriculture and aquaculture industries with Japanese technology in harvesting, food processing and cold chain logistics.

MAFF is also working with the Queensland and Western Australia governments providing opportunity for significant partnerships and engagement right across the north.

The Memorandum of Cooperation

The MoC sets out a number of principles for cooperation including:

- The parties recognise that northern Australia has the potential to produce premium agriculture and aquaculture products and take advantage of counter-seasonal production cycles between northern Australia and Japan in order to boost both Japan and NT’s exports of agricultural food and fishery products into South-East Asia and other markets.
- MAFF considers that this agriculture and aquaculture potential can be combined with Japanese technology and expertise to ensure the stable and healthy development of South-East Asia.
- DPIR recognises that the NT has great agriculture and aquaculture development potential and recognises that there are benefits in developing a closer relationship with MAFF to explore research and facilitate business development in agriculture and aquaculture in northern Australia.
- The parties recognise that further development of cold chain logistics and infrastructure are required to increase exports into South-East Asia.
Master Plan

Under the MoC both DPIR and MAFF will work together to develop a master plan to jointly realise commercial opportunities in the agriculture and aquaculture sectors and development of supply chain logistics in the NT. This master plan will set out the short-term, medium-term and long-term outlook.

Short-Term Outlook

In the short term, first two to five years, the parties will work together on the following:

- agriculture and aquaculture projects as they are identified through mutual recognition and identification of funding opportunities, which may include developmental work on soybean, barramundi and asparagus;
- developing a Japan / NT agribusiness infrastructure road map including supply chain logistics;
- developing a protocol to be used to introduce DPIR officers to Japanese companies that may wish to invest in NT agriculture and aquaculture projects. This may be in the form of a business incubator model, including information on how to support new enterprises and how to access Territory and Australian government business support programs; and
- scheduling of office accommodation for visiting MAFF representative/s to support the implementation of this MoC.

Medium-Term Outlook

In the medium term, five to ten years from the signing of the MoC, the parties intend to develop more extensive NT based agriculture and aquaculture research projects such as food processing or development of a food processing precinct which may attract third party or commercial funding and investment.

It is the intention to monitor and review the projects as well as the implementation of a roadmap related to agribusiness infrastructure including supply chain logistics, and make the modifications as appropriate to the projects and the roadmap.

Long-Term Outlook

In the long term, being ten years and beyond, the parties envisage that Japanese companies will be actively investing in northern Australian agribusiness projects, including in the NT, to produce food for supply into South-East Asia and other export markets, using newly developed cold chains and creating more employment opportunities.

Other areas of co-operation under the MoC will include the:

- promotion of networking and interaction between farmers, agribusiness partners, scientists and technologists from both countries;
- exchange of technical information, preparation of joint publications and delivery of joint research and development meetings; and
- development of joint research proposals to attract third party funding in areas of mutual interest.

The NT government looks forward to working collaboratively with MAFF into the future on matters of agriculture and aquaculture investment in the NT and supply chain into South-East Asia.

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