Friction Reduction in Sugarcane Industry

Principle of the strategy:

- Practicality
- Minimal other expertise involvement
- Tackle the key issues
- No major changes (000,000)

1. Financing

Bad debts:

Unit: mil	Sugarcane	Queensland
Loans and leases	1165 mil - 1094 in Queensland	16990 mil
Lending in arrears (>90 days)	6 mil, (0.51%, 0.54% in QLD) 14 entities [all from Queensland, noting in NSW]	159 mil (0.93%)
Foreclosures		22 mil (0.13%) 5 entities

Key reason: drought condition
Solution: prediction of the production volume during drought

2. Growing

Conflict with government

https://www.csiro.au/en/Research/AF/Areas/Digital-agriculture/Inputs/1622

3. Production

Set the optimal period for crushing:

Live update of the sugarcane amount to reduce the information delivery cost
Predicted amount for harvesting (eps. The reduced amount due to extreme weather condition, since most of the time the produced amount is stable)

"The crop estimate is down in the Herbert this year due to the big summer rain events causing flooding and crop damage, but we're seeing bigger crops in the Burdekin, Proserpine and Plane Creek regions."

Crop estimates for the region are Herbert at 4.26 million tonnes, Burdekin, 8.24 million tonnes, Proserpine 1.61 million tonnes and Plane Creek, 1.3 million tonnes.

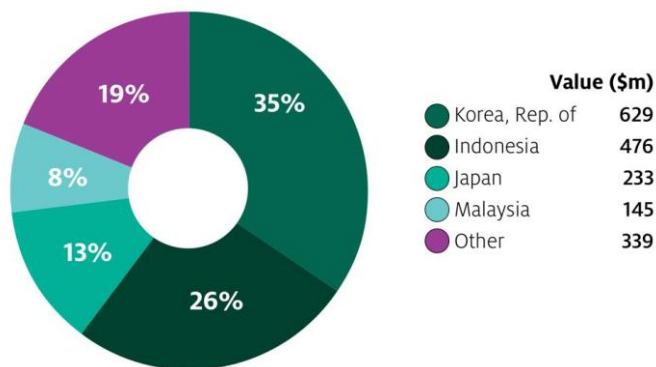Reduce the trust issue between growers and millers

Problem:
93% growers don't trust mills to share profits fairly: farmers say fix needed now

97% of growers want to be able to choose the marketer of their sugar.

95% said that government needs to intervene to protect their rights in this regard.

93% said they don't trust their miller to share profit fairly if they are not made to do so.

90% said they didn't want access to an independent marketer taken away.

93% saying they will not have confidence to expand if their marketing choice over the grower share is denied.

Solution: increase the information transparency by estimating the revenue earned:

a. Amount of sugar content estimation
b. Expected sugar price for export and local market

Value ($m)	
Korea, Rep. of	629
Indonesia	476
Japan	233
Malaysia	145
Other	339

Hence, things we need to include in our dashboard:

1. Prediction of the yield on average
2. Sugarcane type
3. Prediction of the yield during extreme weather condition
4. Live update about the amount harvested
5. Amount of sugar content estimation
6. Expected sugar price for export and local market