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NFAS Review

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Abstract

Meat & Livestock Australia (MLA) has previously conducted reviews of industry programmes or sector specific elements within the red-meat industry. MLA has not previously conducted a review of the National Feedlot Accreditation Scheme (NFAS) for the feedlot sector.

This project conducted a comprehensive review of the feedlot industry's quality assurance scheme. Stakeholders across the entire value chain, along with other industry stakeholders who provide either services or advice, participated in providing feedback on the opportunities for continual improvement in the current industry programme. With such broad consultation, there are a number of recommendations for industry to consider as the programme seeks to remain relevant and underpin the proactive nature of the industry.

Executive summary

The cattle lot feeding industry introduced a quality management program in 1994 to address the ever-increasing need to ensure that the feedlot sector was in charge of its own destiny. The current National Feedlot Accreditation Scheme (NFAS) incorporates a formal set of rules and standards, which compels accredited feedlots to meet certain requirements in the areas of food safety, product integrity, livestock management and the environment.

NFAS also serves as a mechanism to deliver continual industry improvement, assists in defending the credentials of the industry and ensures a systems-based approach that encourages improvement in the management of feedlots, over time.

This project independently reviewed the NFAS to ensure it is meeting the current and future needs of industry and other external stakeholders. It undertook extensive consultation with industry and other stakeholders who provided feedback on many aspects of the scheme including administration, auditing, ongoing development, relevance of certain issues and the potential for further improvements to the existing scheme.

This review focused on the mission, standards, rules, administration and auditing of NFAS to ensure it meets the current and potential future requirements of industry and other stakeholders over an extended time frame. The reviewers compiled recommendations (17) that can be used as the basis of a strategic plan for NFAS providing a road map for the scheme over the next ten years.

All stakeholders that were interviewed acknowledged the achievements of the scheme in ensuring the lot feeding sector and grain fed beef production were supported by a practical and applicable system that can withstand scrutiny from a third party independent auditing regime. Most of the feedback related to continually improving the scheme to address the changing perceptions around animal production generally, and the need to ensure grain fed beef remained a relevant category in the beef supply chain through adequate product integrity mechanisms.

The review made comparisons across a number of agricultural programs to provide context in the assessment of whether NFAS was remaining focused on the relevant criteria after twenty years in operation. The ability and agility with which industry has adapted the scheme over time is very well supported by all stakeholders. The Feedlot Industry Accreditation Committee (FLIAC), a small and functional group with industry, AUS-MEAT Limited (AUS-MEAT) and State government representation, has provided a good mechanism to continually assess and improve the scheme where applicable.

The reviewers identified a number of key issues that industry, FLIAC and AUS-MEAT will need to clearly address in the near future. These largely relate to ensuring the lines of communication between all scheme participants and administrators are well and truly open to ensure aggressive scheme improvement, broader adoption of the scheme across industry, increased consumer awareness of the existing quality scheme and improved feedback mechanisms.

Also, it is important for industry to more strictly define a cattle feedlot in order to address the growing concern about the evolving intensive paddock feeding production system, and the

concern expressed by stakeholders that these production systems were currently unregulated and a potential negative influence for the industry.

Another hotspot identified was the need to review the current Minimum Standards for Grain Fed Beef in the AUS-MEAT beef language to ensure that the lot feeding industry was evolving with the latest science, product description methods and buyer acceptance of grain fed beef.

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Abbreviations

AAWSLPE	Australian Animal Welfare Standards for Livestock Processing Establishments
AECL	Australian Egg Corporation Limited
AHA	Animal Health Australia
ALFA	Australian Lot Feeders' Association
AMIC	Australian Meat Industry Council
AMPC	Australian Meat Processors Corporation Limited
APIQ	Australian Pork Industry Quality Assurance
AUS-MEAT	AUS-MEAT Limited (Australian meat and livestock industry standards management and certification body)
BIAC	Beef Industry Advisory Council
CAR	Corrective Action Request
CCA	Cattle Council of Australia
CIR	Critical Incident Report
CQS	Corporate Quality Services
DOF	Days on Feed (the difference between the exit date and the entry date of feedlot cattle (entry date being counted while the exit date is not))
ECA	Egg Corp Assured
EHL	Excessive heat load
ERA	Environmentally Relevant Activity
ESI	Export Slaughter Interval
EUCAS	European Union Cattle Accreditation Scheme
FLAC	Feedlot Advisory Committee
FLIAC	Feedlot Industry Accreditation Committee
GF	Grain Fed Beef
GFYG	Grain Fed Yearling Beef

GAP	Global Animal Partnership
HACCP	Hazard Analysis and Critical Control Points
HGP	Hormone growth promotants
LPA	Livestock Production Assurance
LPAS	Livestock Production Accreditation Scheme
LRS	Australian Government's Levies Revenue Service
ME	Metabolisable Energy
MLA	Meat & Livestock Australia
MSA	Meat Standards Australia
NATA	National Association of Testing Authorities, Australia
NFAS	National Feedlot Accreditation Scheme
NLIS	National Livestock Identification System
NRS	Australian National Residue Survey
NSQA	National Saleyards Quality Assurance
PCAS	Pasturefed Cattle Assurance System
RSPCA	Royal Society for the Prevention of Cruelty to Animals
SCU	Standard Cattle Unit (where one SCU is equivalent to a bovine of 600 kilograms liveweight)
SFQ	Safe Food Queensland
SBRC	South Burnett Regional Council
SRM	Specified Risk Material
TRC	Toowoomba Regional Council
WDRC	Western Downs Regional Council
WHP	Withholding Period
WQA	Woolworths Quality Assurance

1 Introduction

1.1 Background

With the decline in state Government funding towards monitoring programs, a general trend away from traditional approaches to regulation, and increasing customer and consumer interest in sustainable food production, the role of independently-verified industry quality assurance programs such as the National Feedlot Accreditation Scheme (NFAS) have become more prescient.

NFAS incorporates a formal set of rules and standards which compels accredited feedlots to meet certain requirements in the areas of food safety, product integrity, livestock management and the environment. Accredited feedlots are annually audited against these requirements to ensure compliance. The scheme was the first quality assurance program introduced in Australian agriculture, with the first feedlot accredited on 15 August 1994.

The current mission of NFAS is to ensure that the program:

- enhances the marketing prospects for grain fed beef by raising the integrity and quality of the product;
- establishes a viable mechanism for industry self-regulation; and
- improves the image held by the community of feedlots, particularly relating to environment and animal welfare matters.

In addition to the mission, NFAS also serves as a vehicle to deliver continual industry improvement, a mechanism to help defend the credentials of the industry as well as a systems-based approach that encourages improvement in the day to day management of feedlots.

This project independently reviewed the NFAS to ensure it is meeting the current and future needs of industry and other external stakeholders. It undertook extensive consultation with industry and other stakeholders such as the Australian Lot Feeders' Association (ALFA), lot feeders, Feedlot Industry Accreditation Committee (FLIAC), AUS-MEAT Limited (AUS-MEAT), retailers, domestic and export beef processors, Cattle Council of Australia (CCA), cattle producers, Meat & Livestock Australia (MLA), Animal Health Australia (AHA), State and Federal Government, feed suppliers, wholesalers, researchers and the RSPCA.

The consultation assessed how well the mission, rules and standards (AUS-MEAT Limited 2013c), administration and auditing of NFAS meets the current and potential future requirements of industry and other stakeholders. Feedback from industry and other stakeholders in terms of what NFAS does well and opportunities for improvement is reported. This report provides recommendations detailing where the scheme can be improved as a basis of a strategic plan for NFAS in the future.

1.2 Project objectives

As per the contract, the project objectives were to, by 1 February 2015:

1. Review the mission, rules and standards, administration and auditing of NFAS to ensure it meets the current and potential future requirements of industry and other stakeholders over a 2, 5 and 10 year horizon.

2. Provide a list of recommendations that can be used as the basis of a strategic plan for NFAS so it is better placed to serve the industry over the next 10 years.

2 Methodology

2.1 Project methodology

2.1.1 Methodology summary

In accordance with the project contract, the project was conducted in a number of stages. These stages were:

1. The goal and scope of the review was clarified with MLA, ALFA, FLIAC and AUS-MEAT at an initial advisory committee meeting. Relevant stakeholders were identified in this step.
2. Consultation with relevant stakeholders was undertaken. In order to aid and direct the consultation process and thus ensure that each stakeholder's issues and concerns were consistently understood and considered, a number of key questions were developed in consultation with the advisory committee. Stakeholders were contacted by email, phone and face-to-face and invited to participate in the project.
3. Information gathered during the consultation process was collated to allow MLA, ALFA, FLIAC and AUS-MEAT to understand the problems, alternatives and/or solutions. Balanced and objective information and recommendations were presented. Areas of significant differences between stakeholders were highlighted and actions recommended.
4. Further advisory committee meetings were held to discuss the final report conclusions and recommendations.
5. Feedback from the advisory committee was addressed and a revised final report prepared and submitted to MLA.

2.1.2 Advisory committee

The advisory committee played a key role through the provision of advice and recommendations to MLA, who retained full responsibility for management of the contract. The advisory committee reviewed progress, received and evaluated milestone reports detailing technical challenges and achievement of milestones and variations (if any) to the research plan and provided advice and recommendations to MLA on the future direction and conduct of the project.

The initial advisory committee meeting was held on 19 May 2014. The project methodology was reviewed and many names were added to the stakeholder list which was included in the project tender. It was agreed that a letter of introduction should be prepared for the consultants to use as the first approach to stakeholders. Appendix A provides a copy of this letter.

2.1.3 Stakeholder list

The stakeholders interviewed in the project came from the following groups or organisations.

- ALFA Councillors
- ALFA Secretariat

- Animal Health Australia (AHA)
- AUS-MEAT audit team
- Cattle Council of Australia (CCA)
- Australian Meat Industry Council (AMIC)
- FLIAC members
- MLA
- Consultant nutritionists
- Consultant veterinarians
- Large scale NFAS-accredited feedlots
- Small scale NFAS-accredited feedlots
- Small scale non-accredited feedlots
- Cattle producers including backgrounders
- Feed and grain suppliers
- Wholesale and retail meat suppliers
- Food service suppliers
- Beef brand owners
- Meat exporters
- Beef processors
- Animal welfare researchers and experts
- State and Commonwealth government representatives
- Other agricultural quality assurance schemes

2.1.4 Questionnaire and survey method

A questionnaire was developed, in consultation with the advisory committee, to provide a framework for the interviews with stakeholders. Stakeholders were initially contacted by mail via the letter of introduction (see Appendix A). A follow-up phone call occurred and the questionnaire (see Appendix B) was sent to the stakeholder. Interviews were conducted either face-to-face (preferably) or by telephone. The responses from stakeholders were recorded and collated for later analysis. As part of the project, one of the senior researchers observed an NFAS audit. The other senior researcher had previously been present at several audits. Hence, the researchers had obtained some practical knowledge of the on-site auditing process.

3 The National Feedlot Accreditation Scheme (NFAS)

3.1 Overview of NFAS

NFAS is an independently-audited quality assurance scheme that was initiated by ALFA and is managed by an industry committee known as FLIAC. NFAS was the first agriculturally-based quality assurance scheme implemented in Australia and was proactively developed to ensure that every accredited feedlot met legislative requirements and exceeded community expectations. The scheme is managed by industry and state government representatives through FLIAC and is recognised under federal legislation, namely the Export Control Act 1982, and some state legislation. Under the scheme, feedlots are independently audited each year to ensure compliance with animal welfare, environment, biosecurity, food safety and product

integrity standards. NFAS requirements are continually updated as developments in legislation, codes of practice, guidelines, technology, best management practice and science occur.

3.2 The modules, elements and outcomes of NFAS standards

NFAS Standards comprise five core **Modules**. Each Module contains one or more **Elements** which prescribe the required **Outcomes** that an accredited feedlot enterprise must meet to maintain certification in the program.

Also, there are suggested **Performance Indicators** to achieve each of the specific Outcomes. Each feedlot needs to write their own **Procedures** to address the Outcomes, not the performance indicators. Appendix E includes the current Rules and Standards for NFAS which lists the Modules and Elements including the Performance Indicator for each Element. This Appendix also includes suggested edits to the Rules and Standards (which are highlighted in yellow).

3.3 Origins, intent and development of NFAS

3.3.1 Original intent of NFAS

In the early 1990's, the Australian feedlot industry was undergoing a period of significant expansion. However, the existing environmental regulatory system was unfamiliar with feedlots and no good quality environmental guidelines existed. Some feedlots had caused environmental nuisance and regulators were under pressure to act. Feedlot industry development was potentially being constrained by the threat of over-regulation by state departments. Industry took the initiative to develop a scheme that focused attention on how cattle feedlots should operate, and provided a mechanism for industry to continually improve over time. Industry believed that self-regulation was more preferable than government regulation.

The original intent of the scheme was to develop an on-farm quality assurance system that established minimum operating standards, particularly around environmental management. Industry also identified the need to construct a system that provided the opportunity for state legislators to work with industry and minimise the amount of legislated regulation, particularly in relation to environmental matters.

Concurrently, at the inception of the scheme, the Commonwealth Government regulation under the Export Meat Orders in the Export Control Act 1982 included Grain Fed Beef Standards (2005) (GF and GFYG) in the Australian Beef Language. Only beef produced at an NFAS-accredited feedlot could be exported as grain fed beef. This provided a significant incentive for feedlots to join the scheme and also established criteria for differentiating grain fed beef on eating quality criteria under the AUS-MEAT Language. Hence, product integrity as measured by days on feed (DOF) was an integral initial component of the scheme.

There had been considerable debate about a quality assurance scheme within ALFA starting in 1993 and possibly earlier as far back as 1992. The first FLIAC meeting was held on 3 September 1993, convened by Ian King who recommended Kevin Roberts as Chairman. Meetings were held nearly every month to get the scheme up and going with Meeting No. 9 being held on 9 September 1994. The first trial audit was conducted on 4 March 1994. Training workshops

started in early 1994 being Toowoomba 22/23 March, Moree 24/25 March, Dalby 29/30 March and Wagga Wagga 11/12 April.

A Progress Report was presented to FLIAC on 2 June 1994 which included the following statistics - 18 Workshops conducted, 241 participants attended and 222 feedlots represented. Corporate Quality Services (CQS) commenced audits in June/July 1994. Glenrowan Feedlot was the first feedlot accredited on 15 August 1994. The scheme was the first quality assurance program introduced in Australian agriculture.

NFAS is owned on behalf of the Australian lot feeding industry by AUS-MEAT Limited (see Section 4.2.1 for details). As such, the scheme was developed by, and is intended to benefit, the whole lot feeding sector, not any individual company or group. However, to ensure that the scheme has complete integrity, all auditing and management of the accreditation system is undertaken by an accredited third party, namely AUS-MEAT.

3.3.2 Stakeholder comment on original intent of NFAS

Feedback from lot feeders is that the scheme has clearly delivered on its original intent. The scheme has protected industry very well and provides a good framework that ensures industry can deliver grain fed beef with integrity.

Stakeholders believe that the scheme is arguably more relevant today than it was at its original inception in 1994. The scheme has focused attention on how feedlots should operate, and provided the ability to address issues and improve industry over time. The scheme has provided a minimum set of standards for industry to be guided by and underpins the integrity of grain fed beef for consumers.

Many stakeholders commented that an important outcome of NFAS is that it has created a quality assurance culture within the industry, and is very well respected across the entire supply chain.

NFAS has clearly delivered improvements in environmental management at feedlots and, to a large degree, has achieved a good model of industry self-regulation. External regulatory control still exists but this does not threaten the viability of the sector.

Stakeholders clearly believe that the scheme has delivered on product integrity (grain fed beef) as this was a key issue when the scheme was originally developed. However, many stakeholders commented that this aspect, including the minimum standards for grain fed beef, needs revisiting in light of meat product description changes that have occurred in the past 20 years.

3.4 Success of NFAS

There was overwhelming endorsement from stakeholders that the scheme has been a success. As such, it is important to recognise the foresight of those lot feeders who originally proposed the concept and those who worked to make the concept a reality.

The scheme is a good model of self-regulation with a small management committee that has interaction with both industry and the states. The scheme provides a set of common goals and objectives for industry to achieve with clear and focused direction. Flexibility in the system and

industry ownership helps drive improvements and provides lot feeders with a good base standard for management and operations. Rules and standards are evaluated and amended as issues arise.

The scheme sets out expectations for industry in a set of non-negotiable rules and outcomes, which builds integrity in the industry. This provides industry consistency, conformity and creates a discipline around feedlot management.

The scheme has minimised over-regulation of industry by state and federal governments. It has provided a framework for business management and a method for continuous improvement at feedlot level. It has also delivered on food safety, animal welfare and environmental concerns.

The majority of stakeholders expressed an inability to exactly understand what community expectations are for grain fed beef production, specifically when referring to the scheme. While accepting that there is a range of community expectations, most stakeholders believe that NFAS translates community expectations, market requirements and legislative regulations in to a practical industry program that can be implemented and managed at feedlot level. This has been the foundation for allowing industry to display a sense of social and corporate responsibility, and to encourage the scheme to evolve and unite industry in a common goal to meet customer and community expectations.

The scheme has been successful in establishing a quality assurance culture throughout industry. Through NFAS, lot feeders can meet their regulatory requirements. It has also established benchmarks by way of the external audit mechanism. This provides a vehicle for evaluating performance at a feedlot against a set of standards, and an independent cross-check through annual audits.

The scheme not only manages food safety risks in the supply chain well but also provides a platform that supports the integrity of product to market by validating the production system with auditable integrity of the pathways - this builds protection for the grain fed beef brand.

3.5 Improvements within NFAS

3.5.1 Continual improvement in NFAS

Since the inception of NFAS, the scheme has undergone continual improvement. Changes have been made to Rules and Standards as well as the introduction of new reference materials. Table 1 lists the improvements that have occurred over the past 20 years.

Table 1 – Improvements to NFAS

Year	Improvements to NFAS
1995	Only Accredited Feedlots eligible for GF and GFYG
1996	NFAS Standards – Introduction of "Statement of Authority"
1997	The National Guideline for Beef Cattle Feedlots in Australia (ARMCANZ 1997) were included as reference documents
1998	Permanent ID Requirement
1999	Ruminant Feeding Ban AUSVET Plan (Primary Industries Ministerial Council 1996) included as reference document Form B introduced
2000	Review of Product Requirements has now been included
2001	National Beef Cattle Feedlot Environmental Code of Practice (MLA 2000) included Feed fed to cattle does not contain animal products with the exception of exemptions that may be applied from time to time by statutory authorities Introduction of incident reporting requirements
2002	Revised NFAS Accreditation Rules and Standards – June 2002
2003	Individual identification required
2004	Chemical user training
2005	Approval of Environmental Code of Practice - Cattle 2nd edition
2006	Additional Biosecurity requirements
2007	Introduction of Excessive Heat Load (EHL) Guidelines
2008	Current Ration Analysis required
2009	Clarification of Days on Feed
2010	eNFAS approved EU GF HQB guidelines
2011	Revised NFAS Accreditation Rules and Standards – 2011
2012	Allowed interruption period off a prescribed Feed Ration approved Approved Standard Methodologies" which may be used to determine the metabolisable energy (ME) in feedlot rations.
2013	Approval of National Beef Cattle Feedlot Environmental Code of Practice (2nd Edition) (Code of Practice) ; and National Guidelines for Beef Cattle Feedlots in Australia (3rd Edition) (National Guidelines). Increased animal welfare requirements NLIS data base reconciliation Amendment to NFAS Standards (AUS-MEAT Limited 2013a) to reflect the new documents
2014	Pregnancy and Calving Management Plan Identification of cattle with hormone growth promotants (HGPs) and EHL

3.5.2 Stakeholder comment on improvements

Stakeholders all agree that the scheme must evolve through continual improvement. This improvement can occur in, at least, two main ways.

NFAS Reviews

Many stakeholders were satisfied that this review was being undertaken by industry, with many suggesting this review was long overdue. More regular reviews should be encouraged to ensure the scheme remains current. Industry is very supportive of regular reviews of the scheme to ensure it is meeting the needs of industry. The scheme needs to continually evolve to remain relevant, and be regularly examined for relevance.

Additional NFAS Rules and Standards

Apart from generic comments about the need to continuously improve existing rules and standards, various stakeholders suggested specific items that should be considered for inclusion in the scheme. These suggestions are listed in Section 10.12.

Similarly, a number of stakeholders queried why some new rules and/or standards had been included. There appears to be limited information and/or documentation available explaining the origin, development and decision making around new rules and standards. Recommendations to improve the understanding of Scheme development are given in Section 10.2.

3.6 Feedlot accreditation, licensing and approval

This review has identified that the definition of what constitutes a feedlot is inconsistent between the NFAS system, national feedlot guidelines (MLA 2012c) and various state regulations. This is discussed in more detail in Section 9.4.

A feedlot may require licensing and/or approval at both a state and local government level. The requirement varies from state to state, and between local governments across the country. It is usually dependent on feedlot capacity. Unfortunately, capacity may be expressed as head or standard cattle units (SCU). Some approvals specify exactly the maximum capacity of a feedlot while other approvals are less specific. To further complicate the issue, thresholds for licensing change. For example, at one stage, the state threshold in Queensland was 49 SCU. It is now 150 SCU.

For Victoria, any feedlot >50 SCU is required to have a licence and is required to have a responsible authority approval (local government). The system they employ is:

1. <1,000 SCU
   The feedlot must meet the requirements and be approved by the responsible authority (local council). The feedlot must show compliance with the Victorian Code (DAEM 1995) that is embedded in the planning scheme. However, depending on specific requirements within each local government area, the feedlot may or may not require planning approval.

2. >1,000SCU – 5,000 SCU
   Planning approval is required through the local council. The feedlot must meet the requirements and be approved by the responsible authority (local council) and must show compliance with the Victorian Code (DAEM 1995) that is embedded in the planning scheme.

3. >5,000 SCU
   Planning approval is required through the local council. The feedlot must meet the requirements and be approved by the responsible authority (local council) and must show compliance with the Victorian Code (DAEM 1995) that is embedded in the planning scheme. In addition, the feedlot will require an EPA licence.

Victoria is currently reviewing the code of practice guidelines that are in the planning scheme criteria. The objective is to create standard guidelines that can be implemented for all livestock categories to provide a single approval process. This will then enable, for example, additional documentation to be provided for a cattle feedlot as opposed to a piggery application.

Other States have different planning approval processes. Hence, a 1,000 SCU feedlot may or may not require state licensing and/or local government approval simply due to its geographical location.

During the stakeholder interviews, some respondents claimed that they believed that NFAS accreditation gave them approval to operate. Clearly, this is not true but this confusion is an issue that needs to be addressed (see Section 10.5). In fact, the converse is true – a feedlot cannot obtain NFAS accreditation without the appropriate state and local government approval. The NFAS Rules state:

> *"The granting of Feedlot Accreditation by AUS-MEAT does not imply or confirm that State Feedlot planning and environmental management requirements are being met. Various State authorities are responsible for ensuring that due attention is paid to site selection and the provision of the appropriate facilities and structures necessary to obtain Feedlot approval or licensing. It is the responsibility of Feedlot management to ensure that the relevant State approvals and/or licenses are obtained and maintained."*

However, it appears, from stakeholder feedback, that confirmation of state and local government approval only occurs during the initial accreditation audit. Local and state government approvals are not always checked at subsequent audits. Some stakeholders also confuse NFAS accreditation with ALFA membership.

At the time when feedlots are granted a licence to operate, they may not construct all of the pen capacity that their license permits. Hence, there is a difference between "**licensed capacity**" and "**pen capacity**" or "**physical capacity**". Pen capacity or physical capacity is the actual constructed capacity of the pens, not the feedlot capacity allowable under a licence.

Licensed capacity, pen capacity and stocking density have a major effect on the potential for environmental issues to emerge. These factors are carefully considered during the approval process for a cattle feedlot. Some approvals specifically state the approved stocking density. Clearly, if licensed capacity is exceeded and/or stocking density is increased, unexpected environmental or cattle welfare issues could develop.

3.7 NFAS uptake in Australian feedlots

It is often claimed that the uptake of NFAS accreditation by Australian feedlots is very high. However, it is difficult to accurately confirm this simply because it is very difficult to determine the

number and capacity of feedlots across Australia. There is no single “registry” that covers all feedlots. Some states maintain data, such as the Queensland Feedlot Register but, as many feedlots do not require state or local government approvals, there is no requirement to maintain this information. The following section attempts to quantify the uptake of NFAS in the Australian lot feeding industry.

3.7.1 Feedlot capacity in Australia

Recently, MLA funded a project – B.FLT.0468 – Environmental performance review of Australian feedlots (2012). In that project, considerable time was taken to locate as many feedlots as possible. This data was used in GIS analysis to understand the distribution of feedlots across climatic zones, river catchments and other features.

Data on the number and capacity of feedlots (as of March 2013) was obtained. The issue of feedlot definition was of particular relevance to that study. There was some uncertainty regarding whether some large facilities in northern Queensland and the Northern Territory were solely live export assembly facilities or whether they were sometimes used as feedlots. Those facilities were included in the data for that report but would not be considered feedlots under NFAS. The following sections have been taken from the B.FLT.0468 Final Report and apply to conditions at March 2013.

3.7.1.1 Licensed pen capacity (March 2013)

Most state and local government regulatory systems license feedlots on the basis of pen capacity, either as head or standard cattle units (SCU) (Skerman 2000). As there are inconsistencies across states on capacity definition, the term “head” and “SCU” were taken to have the same meaning in the study. Some regulatory systems do not specify capacity explicitly but the intended capacity may be stated in the development application documents that accompanied the licence application.

Some regulatory systems make these data publically available. An example is the Queensland Feedlot Register. These data are defined as “licensed capacity”. This capacity may not be equivalent to the actual constructed pen capacity. Large feedlots are often licensed to a maximum capacity and then constructed in stages. Furthermore, some feedlot applications are only obtained with the intent of increasing property value prior to sale. In these cases, the feedlot may never be constructed. Hence, “licensed capacity” usually exceeds the actual constructed pen or physical capacity. The exception to this is unlicensed feedlots (i.e. illegal developments) and those feedlots that are below the licensing threshold for the location. Table 2 shows that the licensed feedlot capacity as of March 2013 was 1,918,646 head.

Table 2 – Licensed feedlot capacity by state (March 2013)

State	No. of Feedlots	% Licensed Capacity	Licensed Capacity
QLD	573	54.5	1,045,039
NSW	89	30.2	577,751
WA	74	7.6	146,339
VIC	25	4.1	79,191
SA	39	2.4	46,326
TAS	1	0.8	16,000
NT	1	0.4	8,000
TOTAL	802	100	1,918,646

3.7.1.2 Current pen capacity (March 2013)

"Current pen capacity" is meant to refer to the actual, currently-constructed, pen capacity of feedlots across Australia in March 2013. At that time, there was a downturn in feedlot production due to economic and climatic circumstances. Hence, many feedlots were operating at low occupancy and some, such as JBS Prime City and JBS Yambinya, were temporarily closed. Many small opportunity feedlots may not have been used for 2-3 years. For consistency, it was decided that all viable (i.e. licensed and constructed) pen capacity was included in the data presented.

Hence, in that report, "current pen capacity" means the number of head that could legally be fed in the feedlot at its current level of construction, irrespective of its recent utilisation and operating status. The data applied as per March 2013.

Table 3 shows the current pen capacity data collected in that survey. Table 3 also compares these data to the equivalent ALFA quarterly survey data. These data shows that the MLA survey database contains, on average, about 13% more pen capacity than the ALFA survey. About 30% of the numerical difference (i.e. 46,000 out of 157,000) occurred in NSW. There were some large feedlots in NSW that were currently temporarily closed in March 2013 (namely JBS Yambinya and JBS Prime City). Closed feedlots may not be included in the ALFA survey data. Nevertheless, it appears that the MLA survey has found the majority of current feedlots in Australia.

Table 3 – Current feedlot capacity by state (March 2013)

State	No. of Feedlots	% Pen Capacity	Pen Capacity	No. of Feedlots	% Pen Capacity	Pen Capacity
	This survey			ALFA Mar 2013 Survey		
QLD	586	51.8	696,576	-	55.8	662,856
NSW	94	28.0	377,187	-	27.9	331,182
WA	96	9.5	127,985	-	7.5	89,226
VIC	27	6.4	85,464	-	6.3	75,356
SA	49	3.1	41,713	-	2.5	30,195
TAS	1	0.9	12,500	-	0	0
NT	1	0.3	4,000	-	0	0
TOTAL	854	100	1,345,425	-	100	1,188,815

As expected, the current licensed capacity exceeds current pen capacity, in this case, by 573,000 head.

3.7.2 Size distribution of feedlots (2006 and 2013)

Table 4 shows the size distribution of feedlots in 2006 (Davidson 2007). The representation of small feedlots is much better in Queensland than the other states due to the existence of the Feedlot Register. In 2006, feedlots with greater than 5,000 head were only 6.1% of individual feedlot numbers but included 61% of pen capacity. Table 5 provide an analysis of 2013 pen capacity for feedlots of different size ranges. Feedlots with a capacity greater than 1,000 head represent 25% of the number of feedlots, but represent 84% of pen capacity. Feedlots greater than 5,000 head capacity (63) are only 7.3% of number of feedlots, but include 62% of pen capacity. Hence, the capacity variation of feedlots had not altered much in the intervening seven years.

Table 4 – Size distribution of feedlots (2006)

Feedlot Size Range	No. of Feedlots	% of Feedlots	Average Capacity	Pen Capacity	% Pen Capacity
< 400	477	54.1	128	61,076	5.2
400 to 999	210	23.8	619	129,996	11.0
1,000 to 4,999	141	16.0	1,903	268,369	22.8
5,000 to 9,999	27	3.1	6,746	182,155	15.5
>10,000	27	3.1	19,893	537,123	45.6
Summary of above 5,000	***54***	***6.1***	***13,320***	***719,278***	***61.0***
Grand Total:	882	100	1,336	1,178,719	100

Table 5 – Size distribution of feedlots (March 2013)

Feedlot Size Range	No. of Feedlots	% of Feedlots	Average Capacity	Pen Capacity	% Pen Capacity
< 400	416	48.7	114	61,560	5
400 to 999	225	26.4	622	140,030	10
1,000 to 4,999	150	17.6	2,020	299,809	22
5,000 to 9,999	32	3.7	6,836	218,754	16
>10,000	31	3.6	20,170	625,272	46
Summary of above 5,000	***63***	***7.3***	***13,503***	***844,026***	***62***
Grand Total:	854	100	1,575	1,345,425	100

3.7.3 NFAS accredited feedlots

Following consultation with AUS-MEAT, it has been determined that, when AUS-MEAT conducts an audit, a value for feedlot capacity is recorded. However, this may be licensed capacity or current pen capacity depending on the response from the lot feeder. Hence, it is not possible to directly compare AUS-MEAT NFAS feedlot data with the data collected in the MLA study. Section 10.5 addresses this issue.

In November 1994, there were 488 feedlots that had registered in the scheme, with a capacity of 593,877 head, with most still to be accredited (Source: NEWSLOTTER November 1994). By

2004, there were 600 feedlots accredited in the scheme, with a capacity of 923,000 head (Source: 10 year celebration brochure).

AUS-MEAT has kindly provided data on the number and capacity of feedlots accredited under the scheme from 2006 to 2014. Appendix C shows graphically the number and capacity for Australia and for each state over this period.

This data shows that, in April 2006, NFAS had 585 accredited feedlots with a combined capacity of 1,043,787 head. In Table 4, the MLA study suggests that there were 882 feedlots with a combined capacity of 1,178,719 head. Hence, in 2006, about 90% of feedlot pen capacity was NFAS accredited. By March 2013, NFAS had 403 feedlots accredited with a combined capacity of 1,130,047 head. Table 5 indicates there were 854 feedlots with a combined capacity of 1,345,425 head. While noting that many of the feedlots in the 2013 MLA survey were not currently operating, it appears that about 85% of pen capacity was NFAS accredited. Close examination of Figure 4 in Appendix C shows that a small number of large feedlots were probably voluntarily suspended in 2013 but have since become re-accredited.

Hence, while there has been a decline in the number of feedlots accredited, it can be stated that a significant proportion of the feedlot industry in Australia is NFAS accredited.

The decline in accreditation over the past seven years appears to have occurred for smaller feedlots as the number of large feedlots accredited remains fairly constant. However, there has been a steady decline in the number and capacity of feedlots accredited in Western Australia (see Figure 10 in Appendix C). The reasons for this should be investigated (see Section 10.2).

3.7.4 Stakeholder comment on NFAS uptake

Stakeholders were asked if all feedlots in Australia should be required to have NFAS or similar accreditation. Some stakeholders did not support mandatory accreditation, mainly from the perspective of freedom of choice. However, the majority of respondents expressed the desire for all feedlots to be accredited, while generally accepting that there is no legal or regulatory mechanism to achieve this outcome. An increased uptake of NFAS by industry can only be encouraged by various “sticks and carrots”.

The two main reasons given for desiring mandatory accreditation were:

1. “A level playing field” – Many stakeholders expressed the desire for all feedlots to operate under the same rules and standards. Stakeholders widely supported the premise that all livestock producers should have some system of verification (accreditation) in relation to food safety, animal welfare and environmental management.
2. “One bad apple spoils the bunch” – many stakeholders understand that a poor outcome at one feedlot (environmental, food safety, animal welfare) reflects poorly on the entire industry, irrespective of the accreditation status of that feedlot. The media and general public are unlikely to be convinced about semantic arguments around lack of accreditation when assessing poor outcomes.

Stakeholders were then asked for suggestions on how to increase participation in the scheme. There were a wide range of responses:

1. A consistent message from all stakeholders was that industry had to ensure it sells the benefits of the scheme to off-takers of feedlot cattle. Also, it was seen as equally important to sell the risks of purchasing grain fed cattle outside the scheme. Therefore ALFA should promote the risk management criteria of the scheme to those sourcing cattle from feedlots.
2. The term “feedlot” needs to be clearly defined (see Section 10.3) and promoted, so that lot feeders can see value in being accredited within the scheme. Industry can be proactive in applying the existing values across the broader industry.
3. The scheme needs to be affordable, accessible and achievable in order to produce the desired industry outcomes.
4. Many stakeholders were of the view that industry needs to distance itself from those feedlots not in the scheme, although a viable mechanism for doing this was not provided.
5. Industry could encourage state governments to increase scrutiny on the management of feedlots not in the scheme, whilst at the same time providing incentives for those who participate in the scheme (i.e. reduced fees, NFAS audits form part of annual reporting, removing the requirement for annual regulatory reporting if the feedlot is audited through NFAS).
6. There was moderate support from a number of stakeholders for having the scheme embedded in the planning schemes and legislation of state governments - effectively mandating NFAS for licensed feedlot operators (e.g. Victoria). However this was also viewed as potentially adding additional costs of compliance to the existing scheme. NFAS may need to address additional criteria and this may increase the complexity of the existing audit profile.
7. Feedback also suggested that industry should explore different levels of accreditation within the scheme to attract a broader representation of feedlots. This would involve demonstrating equivalency with a “second tier” scheme.

Consultation with some stakeholders revealed that industry (ALFA) and others have already been exploring incentives for greater participation in NFAS.

It was suggested that one impediment to accreditation for small feedlots was the initial costs (in addition to the cost of feedlot construction). To become accredited and start selling grain fed beef, a feedlot may need to obtain approvals at the state and local government level, as well as obtaining initial accreditation under NFAS. The costs of this initial approval process vary between states and local government areas. Data was obtained for three local government areas in Queensland where there are large numbers of feedlots. These were Toowoomba Regional Council (TRC), Western Downs Regional Council (WDRC) and South Burnett Regional Council (SBRC). Costs were obtained or estimated for a 100 SCU, 500 SCU, 1000 SCU and 10,000 SCU feedlot (see Table 6, Table 7, Table 8 and Table 9). These costs do not include any consultant's fees that may be required to assist the lot feeder navigate through the approval process. For a large feedlot, the cost are minimal (about $1/SCU capacity) but for a 100 SCU feedlot, that is likely only to be used on an opportunity basis, the costs are substantial ($24 to $64 per SCU capacity). In the SBRC, it would cost $6376 to obtain approval for one or two pens of cattle. This must be a disincentive to operating a small feedlot. Clearly, these costs will vary between states and local government areas.

Table 6 – Initial approval costs – 100 SCU feedlot

	TRC	WDRC	SBRC
Local government			
Application Fee	$1150	$3413	$5170
Advertising Costs (Estimate only)	$ 200	$200	$ 200
State Assessment and Referral Agency (SARA)	$ -	$ -	$ -
QLD Department of Agriculture and Fisheries	$ -	$ -	$ -
NFAS			
Starter Pack	$ 500	$ 500	$ 500
Initial Application Fee	$ 120	$ 120	$ 120
Fee for Audit (assume two hours)	$ 386	$ 386	$ 386
Total	$ 2356	$ 4619	$ 6376
Total/SCU capacity	$ 24	$ 46	$ 64

Table 7 – Initial approval costs – 500 SCU feedlot

	TRC	WDRC	SBRC
Local government			
Application Fee	$ 2750	$ 3413	$ 5170
Advertising Costs (Estimate only)	$ 200	$200	$ 200
State Assessment and Referral Agency (SARA)	$ -	$ -	$ -
QLD Department of Agriculture and Fisheries	$ 1066	$ 1066	$ 1066
NFAS			
Starter Pack	$ 500	$ 500	$ 500
Initial Application Fee	$ 168	$ 168	$ 168
Fee for Audit (assume two hours)	$ 386	$ 386	$ 386
Total	$ 5070	$ 5733	$ 7490
Total/SCU capacity	$ 10	$ 11	$ 15

Table 8 – Initial approval costs – 1000 SCU feedlot

	TRC	WDRC	SBRC
Local government			
Application Fee	$ 4750	$ 5250	$ 5170
Advertising Costs (Estimate only)	$ 200	$200	$ 200
State Assessment and Referral Agency (SARA)	$ 2823	$ 2823	$ 2823
QLD Department of Agriculture and Fisheries	$ -	$ -	$ -
NFAS			
Starter Pack	$ 500	$ 500	$ 500
Initial Application Fee	$ 228	$ 228	$ 228
Fee for Audit (assume two hours)	$ 386	$ 386	$ 386
Total	$ 8887	$ 9387	$ 9307
Total/SCU capacity	$ 8.80	$ 9.40	$ 9.30

Table 9 – Initial approval costs – 10,000 SCU feedlot

	TRC	WDRC	SBRC
Local government			
Application Fee	$ 30000	$ 5250	$ 5170
Advertising Costs (Estimate only)	$ 400	$ 400	$ 400
State Assessment and Referral Agency (SARA)	$ 2823	$ 2823	$ 2823
QLD Department of Agriculture and Fisheries	$ -	$ -	$ -
NFAS			
Starter Pack	$ 500	$ 500	$ 500
Initial Application Fee	$ 768	$ 768	$ 768
Fee for Audit (assume four hours)	$ 772	$ 772	$ 772
Total	$ 35263	$ 10513	$ 10433
Total/SCU capacity	$ 3.50	$ 1.10	$ 1.00

4 The roles of AUS-MEAT within NFAS

4.1 AUS-MEAT Limited

AUS-MEAT Limited (ACN 082 528 881) is a company limited by guarantee and is jointly owned by MLA and the Australian Meat Processors Corporation Limited (AMPC). As at 1 July 2014, the AUS-MEAT Limited Board consisted of:

- An independent Chairman
- Two representatives appointed by MLA
- Two representatives appointed by AMPC

AUS-MEAT undertakes several different roles within NFAS. These separate roles are outlined below.

4.1.1 AUS-MEAT auditing capacity

AUS-MEAT and its fully owned subsidiary, AUS-QUAL Pty Ltd, are leading providers of quality auditing and training services to the Australian agricultural, horticultural, processing and manufacturing industries.

AUS-MEAT is accredited as an auditing organisation by JAS-ANZ (www.jas-anz.org). JAS-ANZ is the government-appointed accreditation body for Australia and New Zealand responsible for providing accreditation of Conformity Assessment Bodies (CABs) in the fields of certification and inspection. Accreditation by JAS-ANZ demonstrates the competence and independence of these CABs.

AUS-MEAT's objective is to provide added value to their clients and conduct audits simultaneously wherever possible to reduce both the time and cost impost. Other feedlot audits (e.g. EUCAS, WQA) are often undertaken at the same time as NFAS audits in order to reduce audit costs. AUS-MEAT provides to the Australian agricultural, horticultural, processing and

manufacturing industries a number of propriety audit programs on behalf of industry clients in addition to the following customer and regulatory audit services. These include:

- PCAS - Pasturefed Cattle Assurance System
- GAP - Global Animal Partnership
- Saleyard NVD Completeness
- National Feedlot Accreditation Scheme(NFAS)
- Livestock Production Assurance (LPA)
- LPA QA
- EUCAS, on Farm, Saleyards and Feedlots
- JDMAP
- National Saleyards Quality Assurance (NSQA)
- Animal Welfare, (Beef, Calves, Sheep, Goat, Venison, Ratites and Poultry);
- HACCP GMP (Food Safety);
- Specified Risk Material (SRM Beef);
- Social Accountability;
- AUS-MEAT Accreditation, Abattoirs, Non Packer Exporters and Further Processors;
- National Animal Welfare Standards for Livestock Processing Establishments
- Meat Standards Australia (MSA);
- Safe Food Queensland;
- Domestic Supermarket Programs

4.1.2 AUS-MEAT privacy statement - NFAS

With regard to the NFAS scheme, AUS-MEAT has strict privacy provisions. The following is their privacy statement.

> *"The information being collected may be personal information. It is collected by AUS-MEAT Limited for the purpose of processing your NFAS registration/renewal, answering your NFAS enquiry, keeping you informed of the services NFAS provides and assisting the NFAS to improve its service. Any personal information that is collected by AUS-MEAT Limited is for that purpose only. AUS-MEAT Limited respects the privacy of individuals.*
>
> *Generally AUS-MEAT Limited does not release personal information. However, in response to a legal requirement, in an emergency or in exceptional circumstances the Chairman may at his discretion authorise the release of personal information. In all other circumstances the AUS-MEAT Limited privacy policy governs the collection, use and disclosure of personal information."*

On this basis, AUS-MEAT does not publish any information about audit outcomes from individual feedlots. There is also no publically-available listing of all NFAS accredited feedlots.

4.2 AUS-MEAT and NFAS

4.2.1 NFAS ownership

According to the AUS-MEAT website, "***NFAS is owned by the Australian lot feeding industry through AUS-MEAT Limited"*** (http://www.ausmeat.com.au/audits-accreditation/nfas-feedlot-assurance/who-owns-and-operates-nfas.aspx - accessed 25 November 2014).

It is not stated who is "the Australian lot feeding industry". Clearly, ALFA is the peak body representing the Australian lot feeding industry. As such, it could be argued that ALFA owns the scheme. Certainly, stakeholder feedback suggests that most people believe that ALFA owns the scheme (and, by inference, ownership of copyright of NFAS materials). However, it is clear that AUS-MEAT owns the NFAS scheme. AUS-MEAT also owns the trademark of the NFAS logo (see Section 5.9). ALFA only has representation on AUS-MEAT's FLIAC, (see Section 5.4.2).

4.2.2 NFAS administration

AUS-MEAT administers the scheme through the FLIAC.

4.2.3 Provision of accreditation material

AUS-MEAT prepares various documents associated with NFAS including the NFAS logo, Sample Manuals, Self Learning Program and the NFAS Rules & Standards of Accreditation. AUS-MEAT has copyright over the material relating to NFAS.

4.2.4 Training and approval of auditors

AUS-MEAT ensures that all auditors, whether directly employed by AUS-MEAT or external contractors, are appropriately trained to undertake NFAS audits. The information below sets out the auditor approval requirements and approval procedure.

AUDITOR APPROVAL REQUIREMENTS

In order to perform NFAS audits, an auditor must meet the following requirements:

- Be a certified quality system auditor and/or food safety system auditor and registered as such with Exemplar Global.
- Have experience and a good working knowledge of livestock handling and management systems.
- Be a registered LPA auditor with AUS-MEAT.
- Be familiar with the requirements of the NFAS Rules and Standards and associated Codes/Standards.
- Be included on a register of Auditors approved to perform NFAS audits. The Auditor register will be maintained by the Program Manager.

AUDITOR APPROVAL PROCEDURE

Auditors selected to perform NFAS audits must firstly meet the above requirements and must undergo a training and assessment program. The training and assessment program is a four step process as follows:

1. Auditors demonstrate an understanding of the current NFAS Rules and Standards.
2. Accompany an NFAS Auditor on at least 2 accredited feedlot audits as an observer.
3. Accompany an NFAS Auditor on at least 2 accredited Feedlot audits and perform the audit in parallel with the nominated Auditor.

4. Perform a satisfactory NFAS witness audit conducted by NFAS Program Manager or nominated NFAS Skills Assessor (Evaluator).

4.2.5 Feedlot auditing

AUS-MEAT undertakes or arranges the auditing of all feedlots under the scheme including scheduling of when audits are to occur and reporting audit outcomes to the feedlot. AUS-Meat has prepared an Auditor Guide for Feedlot Site Audits (AUS-MEAT Limited 2014b).

4.3 Tendering of auditing services for NFAS

Apart from a short period at the start of the scheme, AUS-MEAT has always provided the auditing services for the scheme. This has not been contested and no open tendering process for auditing services has ever been conducted.

Tendering of agricultural auditing services is possible and viable. Freshcare is Australia's largest on-farm assurance program (see Appendix D) with more than 5,000 fresh produce and wine industry businesses currently participating in Freshcare programs. A subsidiary of Freshcare has recently been selected to manage the Egg Corp Assured quality assurance program (see Appendix D). Following a tender process, Australian Egg Corporation Limited (AECL) contracted Scheme Support Services Pty Ltd to undertake the administration and management support activities for Egg Corp Assured in 2015. Established in July 2014, Scheme Support Services Pty Ltd is a wholly owned subsidiary of Freshcare Ltd. It offers administration and management support services to assurance and certification programs in the food and agribusiness sector. Freshcare itself was established in July 2000 and operates as an industry-led, not-for-profit program, with the members of Freshcare Ltd comprising peak industry bodies in the horticulture and broader agribusiness sector.

There are other commercial auditing companies in Australia that could also tender for the NFAS auditing services.

Stakeholders were asked about competitive tendering of the NFAS auditing services. Most stakeholders were supportive of the principle of contestable auditing of the scheme, whilst some expressed the view that the auditing skills and cost-effectiveness of AUS-MEAT could only be fully assessed through an open tendering process.

However, on reflection after the initial question, the majority of stakeholders were satisfied with the performance of AUS-MEAT and questioned the need to change auditors. There were several reasons given by stakeholders for retaining AUS-MEAT. These included:

1. AUS-MEAT has delivered an efficient and cost-effective scheme over a period of years and there is evidence that AUS-MEAT has taken various steps to minimise auditing costs without compromising the quality of audits.
2. AUS-MEAT has considerable corporate-history knowledge of the scheme, including copyright of NFAS material and good knowledge of the auditing process.
3. AUS-MEAT also conducts audits for associated schemes (e.g. LPA, Cattlecare, EUCAS) which allows for cost-efficiencies.
4. AUS-MEAT has specialist knowledge of the meat and livestock industry which it can draw on to improve the delivery of NFAS.

5. There was concern that a new scheme auditor could really deliver satisfactory audit outcomes at a reasonable cost in the long term. This would lead to unnecessary instability for a scheme that is already working well.

Section 10.8 discusses recommendations around contestable auditing.

5 NFAS Rules

5.1 Introduction

The NFAS Rules represent the mechanism by which the NFAS Standards are applied and managed. The Rules describe the auditing system used to assess the ability of an enterprise to meet the requirements of the NFAS Standards. Appendix E gives a full copy of the current Rules (this Appendix also includes suggested edits to the Rules).

5.1.1 Stakeholder comments on Rules

In general, stakeholders were supportive of the current NFAS Rules. While some lot feeders commented on the pedantic tone of the Rules, all agreed that their current level of detail is necessary.

5.2 NFAS Mission

5.2.1 Current definition

The following definition of the NFAS Mission is taken from the AUS-MEAT website (http://www.AUS-MEAT.com.au/audits-accreditation/nfas-feedlot-assurance.aspx - downloaded 17 October 2014).

"The mission of the NFAS is to ensure the Australian beef feedlot industry develops a responsible feedlot management program to:

- *enhance the marketing prospects for grain fed beef by raising the integrity and quality of the product;*
- *establish a viable mechanism for industry self-regulation; and*
- *improve the image of feedlots held by the community, particularly relating to environment and animal welfare matters."*

The following definition of the NFAS Mission is taken from the NFAS Accreditation Rules (April 2014 edition).

"The mission of the NFAS is to ensure the Australian beef feedlot industry develops a responsible feedlot management program to:

- *enhance the marketing prospects for grain fed beef by raising the integrity and quality of the product;*
- *establish a viable mechanism for industry self-regulation; and*

- *maintain the image held by the community of Feedlots, particularly relating to the environment and animal welfare matters."*

There is a slight difference in the third dot-point of the definition which has been observed when eliciting feedback from stakeholders.

5.2.2 Stakeholder comment on mission

Stakeholders were asked about the current NFAS Mission and whether it should be changed. The mission statement is largely considered still relevant. However, there were several areas of reasonably common response:

1. Continual improvement. In line with the general concepts of a QA program, several stakeholders commented that the initial verb in each dot point should be "**enhance**" or "**improve**" rather than "**maintain**", thus implying continual improvement.
2. Some stakeholders suggested changing "the Australian beef feedlot industry **develops** a responsible feedlot management program" to "the Australian beef feedlot industry **demonstrates** a responsible feedlot management program".
3. There was strong feedback to suggest that the Mission should be more ambitious and/or aspirational.
4. There was some comment that a Mission statement should not be too long and that the current statement could be simplified.
5. Several stakeholders noted that the current Mission does not aspire to environmental (or any other form of) sustainability. It only refers to maintaining an image held by the community, not to attaining any substantive outcomes.

Two examples for an alternative Mission statement are provided below:

Ensure the Australian cattle feedlot industry demonstrates a responsive continuous improvement program of best practice to:

- *manage a viable mechanism for industry self-regulation through an independently verified quality management system;*
- *promote and protect the image held by the community of Feedlots, particularly relating to the environment, animal well being and sustainability matters; and*
- *enhance consumer respect for grain fed beef by ensuring the on-going safety, integrity and eating quality of the product.*

OR

The Australian cattle feedlot industry demonstrates responsive continual improvement relating to the management of the environment, cattle well-being and sustainability matters, whilst guaranteeing on-going meat safety and integrity of grain fed beef.

Recommendations about the Mission are given in Section 10.7.

5.3 NFAS objective

5.3.1 Current definition

The objective of the NFAS is to develop a Quality System for beef feedlots that impacts positively on product quality and acceptability and for which lot feeders maintain responsibility. Specifically, the NFAS Objective is:

To develop a Quality System for feedlots:

(a) which impacts on product quality and acceptability; and

(b) for which lot feeders maintain responsibility.

5.3.2 Stakeholder comment on objective

There was little specific feedback from stakeholders on the NFAS Objective. The objectives of the scheme remain relevant. A possible change is suggested below:

Possible NFAS objective

To provide a Quality System for feedlots:
(a) which manages grain fed beef integrity and acceptability; and
(b) for which lot feeders maintain responsibility.

5.4 Feedlot Industry Accreditation Committee (FLIAC)

The first meeting of FLIAC was held on 3 September 1993. Since then, this committee has overseen the administration and management of the NFAS.

5.4.1 Purpose and role

The purpose of the FLIAC is to develop, manage and administer the operation of NFAS on behalf of AUS-MEAT. The scope of the FLIAC is to:

- manage the NFAS
- ensure the effective operation of the NFAS by recommending changes to it
- assesses recommendations from AUS-MEAT on the accreditation status of individual feedlots
- make recommendations to the AUS-MEAT Committee on the outcomes of appeals from Feedlots relevant to their Accreditation status; and
- report to the wider community on the status of the Australian feedlot industry based on objective information generated from monitoring of the scheme.

5.4.2 Committee membership

Organisations represented in the FLIAC are:

- AUS-MEAT
- ALFA
- NSW Department of Primary Industries
- Queensland Department of Agriculture and Fisheries

- Victorian Department of Environment, Land, Water and Planning
- Western Australian Department of Agriculture and Food

5.4.3 Stakeholder comment on operation of FLIAC

Many stakeholders were completely unaware of FLIAC, its membership and the role it undertakes. However, for those who had an understanding, they were mostly supportive of the current administration and operation. The core model is good with a small committee that has interaction with industry and the states.

However, most stakeholders saw no evidence that FLIAC was engaging with the "wider community", including the status of the Australian feedlot industry based on objective information generated from monitoring of the scheme. It is unclear how any reporting to the wider community is occurring.

There was also consistent feedback that lot feeders could provide more direction to FLIAC, ensuring more effective industry leadership of the scheme. There was also feedback that the timeliness of decision making and implementation of scheme improvements (FLIAC has been historically slow to react to issues) could be improved by a more proactive approach from within industry. This view was reinforced by those who thought that ALFA was not well connected to FLIAC, and that industry should display more ownership and leadership of the scheme.

Throughout this review, there have been several comments about the lack of transparency of the scheme. Several lot feeders questioned the recent requirement for a Pregnancy and Calving Management Plan. It appears that much of this criticism is due to a lack of information about the reasoning behind the adoption of this new requirement.

Minutes from FLIAC meetings are circulated to a wider AUS-MEAT audience in the Australian Meat Industry Language and Standards Committee forum. Some stakeholders who were aware of this queried information in the FLIAC forum that is sensitive to individual commercial entities being sent to the AMILSC forum now made up of a broader group of meat industry participants, e.g. pork. There were also observations from some stakeholders as to whether this information was not deemed as confidential as had been the case in previous years.

5.4.4 Stakeholder comment on membership of FLIAC

Stakeholders were asked for their views on the current composition of FLIAC. In some cases, this required an explanation of the current membership as many stakeholders were unaware of FLIAC.

Stakeholders largely support the current model – a small committee with representatives from industry and states. Even groups that one would think would like a seat at the table were supportive of the current participation. However, many stakeholders were adamant that industry has to play a greater role in the objectives/outcomes for the scheme in the future.

Stakeholders, particularly lot feeders, agreed the role of FLIAC should be to reach out to industry and stakeholders, listen, consult and engage in order to develop appropriate rules and standards. Industry does not want or need increased stakeholder input at the table when implementing and managing standards.

Two main issues arose from the discussion about FLIAC membership. They were:

1. The role of government representatives
2. Representation by different stakeholder groups

Government representation

When NFAS started, there was considerable government interest in lot feeding. The industry was undergoing rapid expansion and state governments were often ill-prepared for the planning and environmental issues. As such, most states had some form of Feedlot Advisory Committee (FLAC), which was a cross-government group where various state departments were represented. These generally included planning, environment, agriculture, main roads and others. The state FLAC was able to discuss feedlot issues at a whole-of-government level. The state government representatives on FLIAC were generally selected from their state's department of agriculture and had access to the state FLAC.

Currently, most states have no need for a FLAC as the planning, environmental and animal welfare issues have been successfully dealt with through NFAS. At present, Victoria is the only state with a working FLAC. This has meant that the state-level support for the government representatives on FLIAC has declined. Some state representatives have funding and timing difficulties in attending FLIAC meetings and it is unclear as to whether the FLIAC outcomes are conveyed to whole-of-government. While this can be viewed as a successful outcome for NFAS – self-regulation has replaced government over-regulation – there is still a need for state government representation on FLIAC with full commitment.

Additional stakeholder representation

Stakeholders were asked about other groups to be possibly represented on FLIAC with the understanding that representation on FLIAC would mean having an influence on new Rules and Standards, as well as all other FLIAC decisions, including accreditation. Essentially, these additional groups fell into four main groups:

1. Retailers
2. Animal welfare experts or groups
3. Environmental experts
4. Quality assurance groups

With regard to retailers, the majority of stakeholders did not want retailer representation on FLIAC, if only because the interests of retailers are not necessarily the same as those of lot feeders. One stakeholder believes that certification bodies need to have committees of stakeholders, including customers that use grain fed beef, to retain a sense of future development. However, all stakeholders were adamant that industry (ALFA) must provide the mechanisms to engage and consult with various stakeholders and then to formulate opinions on issues that may be relevant to the scheme. ALFA needs to prosecute the position for adoption or adaptation of standards within FLIAC in order to execute any improvements to the scheme in a timely and well communicated manner. FLIAC has the business of developing, maintaining and monitoring standards, and so must ensure there is good communication between the committee and industry. The current committee is small and provides the opportunity for involvement/interaction of industry and state governments.

With regard to animal welfare, there were mixed stakeholder views on having, for example, RSPCA as a FLIAC member. All stakeholders understand the importance of animal welfare and agree that a good line of communication with a sound representative of the community is essential. While some stakeholders would be happy for RSPCA to be on FLIAC, most felt that the best course of action is frequent and open consultation with ALFA. Some stakeholders pointed out that animal welfare is currently a topical issue, which was not the case when NFAS was introduced, and with sound industry policy and behavioural change, may not be as significant in the future. Specific representation to address one element of the scheme only might not be appropriate at the FLIAC level.

A number of stakeholders expressed a desire to have a person with considerable experience in relation to environmental matters on FLIAC. This view appeared to be very state-centric, and also may relate to changes in approach around state regulations, and the impact on feedlot licensing and NFAS accreditation, rather than a genuine weakness in FLIAC.

Most people would rather see no addition to FLIAC of specialists in a topic area whether it be animal welfare, environment or food safety. However, it was identified that industry should develop clear strategies for the scheme through extensive consultation, be mindful of the direction industry want the scheme to go, and then take the case to FLIAC for review.

Quality assurance representation

Given that NFAS is about quality assurance, it seems reasonable that a quality assurance expert is represented on FLIAC. Arguably, the AUS-MEAT representative fills that role. However, as indicated in Section 4, AUS-MEAT undertakes several roles within NFAS. Some stakeholders suggested that an independent quality assurance specialist might contribute to the further success of FLIAC. This is particularly important given Section 10.8 where competitive tendering of the auditing services is not recommended. There is currently no independent mechanism to review the performance of AUS-MEAT.

5.4.5 Stakeholder comment on communication with FLIAC

Historically, ALFA has sought to implement a strategy of continual improvement to the scheme and has agreed to FLIAC reviewing and executing the strategy. There were examples provided by stakeholders where there were issues of timing in relation to implementation of new criteria. One example cited was recently when ALFA conducted heat load workshops in September 2014, only to have FLIAC release information relating to the change in Standards (Notice 02/2014) after the workshops were completed - an opportunity to increase the level of understanding in the broader industry not achieving the maximum impact.

5.5 Definitions

5.5.1 Current definitions

In the NFAS Rules, a number of definitions are given. These are listed in the Rules and Standards (see Appendix E).

5.5.2 Stakeholder comment on definitions

Stakeholders mentioned issues around the definition of a feedlot. This is discussed in more detail in Section 9.4.

Many stakeholders commented about the importance, perception and definition of animal welfare and the understanding (or lack thereof) of the wider community about this issue. Some stakeholders were generally aware of the Five Freedoms concept of animal welfare as outlined below and suggested that this could be included in the definitions.

1. Freedom from hunger and thirst by ready access to fresh water and a diet to maintain full health and vigour.
2. Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area.
3. Freedom from pain, injury or disease by prevention through rapid diagnosis and treatment.
4. Freedom to express normal behaviour by providing sufficient space, proper facilities and company of the animal's own kind.
5. Freedom from fear and distress by ensuring conditions and treatment which avoid mental suffering.

5.6 NFAS reference materials

5.6.1 Current reference materials

Each feedlot must make current editions of the following documents available for reference by staff:

a) the National Guidelines for Beef Cattle Feedlots in Australia (as amended or superseded) (MLA 2012c);
b) the National Beef Cattle Feedlot Environmental Code of Practice (as amended or superseded) (MLA 2012b).
c) the AUSVETPLAN Enterprise Manual - Feedlots (as amended or superseded (Animal Health Australia 2010);
d) The Code of Practice for the Welfare of Animals - Cattle (as amended or superseded) (PISC 2004);
e) the NFAS Accreditation Rules;
f) the NFAS Standards;
g) the approved Feedlot Quality System Manual;
h) license/approval documentation issued by the relevant approval authority; and
i) the AUS-MEAT Minimum Standards for Grain Fed Beef (AUS-MEAT Limited 2005).

5.6.2 Stakeholder comment on Reference Materials

When consulted about the reference materials, most lot feeders stated that they had hard copies of the reference materials (ready for the next audit) but rarely referred to them. Some stakeholders stated that they had trouble locating new versions of the reference materials.

There are reference materials cited in the Standards (e.g. Fit-to-Load Guide (MLA 2012a)) and Australian Code of Good Manufacturing Practice for Home-mixed Feeds (SCA 1992) which are

not included in the current reference material list. The Heat Load Toolbox could also be considered as part of the suite of reference materials for the scheme.

Several stakeholders asked about access to electronic versions of a sample Quality Assurance manual and procedures to facilitate the development of an enterprise manual.

5.7 Roles of feedlot people

5.7.1 Management representative

The Management Representative is a member of management who has responsibility and authority to:

a) ensure that the approved feedlot quality system is established, implemented, maintained and updated;
b) ensure the correct number of authorised QA Officers are maintained; and
c) report to senior management on the effectiveness and suitability of the approved feedlot quality system.

5.7.2 Quality Assurance Officers

Each feedlot must have a number of Quality Assurance Officers dependent on the feedlot capacity, as defined in Table 10.

Table 10 – Quality assurance officer requirement by feedlot size

Feedlot Size	Number of QA Officers
up to 1,000 head	1 person (minimum)
1,001 - 10,000 head	2 people (minimum)
10,001 - 30,000 head	3 people (minimum)
over 30,000 head	4 people (minimum)

Each Quality Assurance Officer must hold a current Statement of Authority. The Quality Assurance Officer must:

a) ensure that all cattle that are the subject of a NFAS Delivery Docket comply with the AUS-MEAT Minimum Standards for Grain fed Beef; and
b) ensure that each NFAS Delivery Docket is accurately completed and signed.

5.7.3 Statement of authority

AUS-MEAT issues a Statement of Authority to a person who has demonstrated practical skills in accordance with the Rules. AUS-MEAT conducts examinations for Statements of Authority at the feedlot where the applicant is employed or engaged. The examination will generally be conducted in conjunction with a feedlot audit. The award is issued to a specified person and continues to be recognised for that person should they move to another feedlot.

To obtain a Statement of Authority, an applicant must demonstrate to the satisfaction of the examiner, sound practical skills in the following:

a) calculating the number of days on feed (DOF);
b) confirming the average metabolisable energy (ME) content of the feed ration and
c) determining whether or not cattle, that are the subject of a NFAS Delivery Docket, are under any withholding period, veterinary medicine or other.

5.7.4 Stakeholder comment on roles of designated feedlot staff

It has been noted, that except for the small test required to obtain a Statement of Authority, the QA officer(s) at the feedlot does not require any form of quality assurance training. This is not an issue for larger, corporate feedlots where a quality assurance culture may already exist. However, when interviewing some smaller lot feeders, they made comments like – "Why is all this paperwork required?" This tends to indicate that a good understanding of quality assurance does not exist for all participants in NFAS. It is potentially dangerous for vendor declarations to be signed by people who do not have a genuine knowledge and understanding of the principles of quality assurance and the associated responsibilities.

Many stakeholders were supportive of increased training, but stopped short of agreeing to "formal" qualifications for people with responsible roles in the scheme. Stakeholders supported a competency based approach. There is scope for ALFA to provide RTO certification on training elements. Many stakeholders recognised that compulsory attendance at formal training workshops to obtain a Certificate IV level of QA accreditation may be a disincentive to lot feeders participation in the scheme.

5.8 Initial application and accreditation

The Rules describe the process for obtaining accreditation. All new feedlots are required to complete a NFAS Application Form and lodge that application with AUS-MEAT. All feedlots are required to purchase one NFAS Self Learning Program at initial application. The NFAS Self Learning Kit contains an instructional manual, a Program Guide (AUS-MEAT Limited 2009), a booklet on Feedlot Quality System Management (AUS-MEAT Limited 2009) and a blank QA Manual to assist in the development of documentation for the feedlot quality system. The NFAS Self Learning Program also contains a copy of all relevant Standards and Codes of Practice for the feedlot industry. The current cost of the NFAS Self-Learning kit is $500.

To be accredited, a feedlot operator must:

- have documented procedures in place, specifically for the feedlot, which meet the requirements of the industry standards;
- maintain records that these procedures have been adhered to for all cattle prepared at the feedlot; and
- undergo a third party audit of these procedures, records and facilities at the feedlot.

5.8.1 Initial audit

Prior to accreditation, each feedlot must arrange for an auditor to conduct an audit of its business. All initial audits are at the feedlot's expense. Following this audit; AUS-MEAT will notify the feedlot of its decision concerning accreditation and, if the feedlot is accredited, send an accreditation certificate and gate sign to the feedlot.

5.8.2 Accreditation categories

A feedlot can be categorised by AUS-MEAT as Accredited (A), Provisionally Accredited (PA), or Voluntary Suspended (S). Feedlot categorization is reviewed after each audit. The full list of current categories are provided in Table 11.

Table 11 – Current accreditation ratings

Rating	Comment
A	The feedlot is meeting NFAS requirements
PA	The feedlot is provisionally accredited by AUS-MEAT
VS	The feedlot is in a state of voluntary suspension
S	The feedlot is in a state of suspension. This can be due to a loss of accreditation for breach of legislation (state or local government licence cancelled) or loss of accreditation for failing to meet NFAS standards
C	The feedlot is no longer accredited (accreditation withdrawn). Withdrawal of accreditation may be voluntary or enforced.

5.8.3 Stakeholder comment on initial application and accreditation

Stakeholder feedback on initial accreditation very much centred on the need for an electronic portal to access reference materials, information and forms relating to an initial application to the NFAS. This could be achieved by website access, perhaps including a member login and password protection for intended applicants. This would enable more detailed information about the scheme, a sample quality assurance manual and a potential short questionnaire in regard to the feedlot location and licensing arrangements.

The initial application using an electronic process could also enable increased efficiencies through AUS-MEAT administration of the scheme. It would also allow for more robust data capture over time, and enable AUS-MEAT to calculate the conversion factor of interested participants in the scheme to actual accredited feedlots.

The perceived barriers to uptake of the scheme for smaller feedlot enterprises is the complexity in gathering the required information for consideration, the initial upfront cost to gain information and a starter pack, coupled with an extensive work load to develop a quality system, including documented procedures, that satisfy the expectations of industry and the initial audit criteria (particularly after the licence approval process with local and state government). Producers become wary of additional administration and costs before feeding a single animal. Industry should consider assisting these lot feeders by making the information more easily accessible, and at low cost, therefore encouraging increased participation in the scheme.

AUS-MEAT needs to ensure that the sample quality manual being sold to new entrants is current and relevant. As the first entry point to the industry's initiative, the sample manual should address the standards and outcomes in a comprehensive platform for developing an on-farm system. This would require periodic reviews in order for the sample manual to remain current. An electronic capability would provide additional value in this area.

Templates to assist lot feeders in attaining the performance standards in the scheme can also be made available electronically at the initial application, and be updated regularly by AUS-MEAT.

5.9 AUS-MEAT NFAS Logo

The AUS-MEAT NFAS logo is a trademark of AUS-MEAT and must not be used without the written permission of AUS-MEAT. Permission will only be given on such terms and conditions as AUS-MEAT determine from time to time. Figure 1 shows the original logo which appears on most

NFAS documentation and farm gate signs. In 2006, another logo was developed as a promotional trade mark (see Figure 2).

Figure 1 – AUS-MEAT NFAS logo

Figure 2 – Promotional AUS-MEAT NFAS logo developed in 2006

5.9.1 Stakeholder comment on AUS-MEAT NFAS logo

It is clear from the consultation process that no stakeholder outside of AUS-MEAT was aware of the 2006 promotional logo. Many stakeholders commented on the lack of visual connection between the original AUS-MEAT logo and NFAS. There is nothing in the original logo that suggests either cattle or grain. Stakeholders suggested that there is potential to initiate a new logo that improves the profile of the scheme as it relates to cattle feedlots and grain fed beef specifications under the AUS-MEAT language. This would also assist in addressing concerns from a number of stakeholders (particularly retailers and brand owners) that the scheme requires increased visibility and exposure. However, it appears that the 2006 logo largely addresses these concerns.

5.10 NFAS feedlot audits

5.10.1 NFAS accreditation audits

The NFAS Rules set out the procedures for conducting an audit (see Appendix E). When auditing, the Auditor will evaluate non-conformances according to a non-conformance scale as shown in Table 12.

Table 12 – Non-conformance assessment scores

Non-Conformance	Documented by	Definition
Critical Non-conformance	Documented on a Critical Incident Report (CIR) without a Corrective Action Request (CAR). Accreditation would not be recommended. Decisions on action to be taken are ultimately the responsibility of AUS-MEAT.	Would cause loss of integrity of the Australian Meat and Livestock Industry and NFAS. There would be clear evidence that Standards had been compromised. All incidents relating to breaches of mandatory animal welfare, environment, food safety and AUS-MEAT Minimum Standards for Grain Fed Beef should be treated in this category.
Major Non-conformance	Documented on CAR's	Has the clear potential to impinge on the integrity of the Australian Meat and Livestock Industry and NFAS. If not addressed there would be potential for the non-conformity to further compromise the Standards
Minor Non-conformance	Documented as an observation	Does not directly impinge on the integrity of the Australian Meat and Livestock Industry and NFAS.

5.10.2 Audit schedule

Each feedlot must ensure that an annual audit is scheduled according to the assigned Cluster Period. A Cluster Period is a two-month period in which an annual accreditation Audit may be performed (Table 13). It is understood that Cluster Periods are now being rotated.

Table 13 – Cluster period definition

Cluster Period	Period Definition
1*	1 January to 28 February
2	1 March to 30 April
3	1 May to 30 June
4	1 July to 31 August
5	1 September to 31 October
6	1November to 31 December

* 1 January to 29 February in the case of leap years.

Additional charges may be incurred by feedlots that are not available for an annual audit within the predetermined cluster period as approved by FLIAC from time to time.

5.10.3 Fees

An initial application fee and an annual accreditation fee will apply at a rate determined by AUS-MEAT. A fee applies to all initial, routine and follow-up feedlot Audits. Rates are subject to change, industry will be notified of any changes by AUS-MEAT. All feedlots are required to pay an upfront pro-rata annual accreditation fee (initial accreditation fee). The annual accreditation fee table is shown in Table 14 (derived from the AUS-MEAT website on 23rd September, 2014)[1].

Table 14 – Annual accreditation fees

Size of feedlot	Up to 100 Head	100 to 1,000 Head	1,001 to 10,000 Head	10,001 to 30,000 Head	Over 30,000 Head
*** Fees**	$120.00	$120.00 plus 12 cents/head from 101 to 1,000	$228.00 plus 6 cents/head from 1,001 to 10,000	$768.00 plus 2.4 cents/head from 10,001 to 30,000	$1,248.00 plus 1.2 cents/head over 30,000

** Fee's are subject to 10% GST*

The initial accreditation fee is required to be paid when the QA Manual is submitted for the first time. In subsequent years, an Accreditation Renewal Form will be mailed to the feedlot on the anniversary of the date of initial accreditation. If the operating conditions have changed at the feedlot, the change is calculated by the feedlot, the size of the feedlot is amended (based on physical constructed carrying capacity) and fees paid accordingly.

NFAS accredited feedlots are audited annually by AUS-MEAT at a socialized rate of $193 per hour (excluding GST) of actual audit time. Audit duration relates to feedlot size. AUS-MEAT documents suggest that, on average, feedlots up to 1,000 head take approximately 2.0 hours; up to 10,000 head approximately 4.0 hours and over 10,000 head approximately 6 hours. However, feedback from stakeholders would suggest that, with the additional issues that are now addressed during audits, these time estimates are too conservative.

5.10.4 Stakeholder comment on NFAS audits

Stakeholders were asked a series of questions about NFAS audits. In summary, these questions were:

[1]However, the reviewers note that recently the AUS-MEAT website has been updated to include the following:

Accreditation Fees

An initial up-front Accreditation free is paid to AUS-MEAT Limited as part of the NFAS application and QA Manual review process. The Accreditation fee is based on the capacity of the feedlot.

Following accreditation, Feedlots are required to pay an upfront pro rata accreditation fee. This accreditation fee is payable on 1 July annually, however, this charge is currently being funded through grain fed levies in accordance with the directives of the Beef Industry Advisory Committee (BIAC).

Feedlot Auditing

NFAS Accredited feedlots are audited annually by AUS-MEAT Limited at a socialized rate which is based on actual audit time. Audit duration varies depending on a number of factors. These factors include but are not limited to the preparedness of the auditee and the size of feedlot.

1. Should audits be announced or unannounced?
2. Should the time of year for audits be changed?
3. Should auditors for a specific feedlot be changed or rotated?
4. Are audits sufficiently rigorous?
5. Are the costs of audits reasonable?
6. Could audits be done more efficiently?
7. What technology developments could be used to improve auditing?

Specific credit should be given at this point to the auditing work done by AUS-MEAT. Consistently, stakeholders approved of the knowledge, understanding, efforts and auditing skills of AUS-MEAT. The work done by AUS-MEAT to minimise audit costs - cluster groups, multiple audits (NFAS, LPA, WQA, EUCAS) during a single visit, technology improvements – have been recognised by most stakeholders.

5.10.4.1 Announced or unannounced audits

There was strong resistance from stakeholders to unannounced audits. The main concern was that the people responsible for the management of the scheme may not be at the feedlot if an auditor arrived unannounced. This would waste time and money and lead to gross inefficiency. The only exception to this view was for follow-up audits to a feedlot where there had been significant non-conformances. This is currently allowable under the NFAS Rules. At present, there is 2 to 3 week notice provided of an upcoming audit. Many stakeholders felt that this was too long as it allowed time for ”window dressing” to be undertaken solely in response to an upcoming audit, rather than an audit assessing normal management practices. It was generally agreed that 7 to 10 days is a reasonable notice period for audits.

5.10.4.2 Time of year for audits

Most stakeholders agreed that a better appreciation of a feedlot and its systems would be obtained by varying the time of year when the feedlot is audited. This is particularly true for feedlots in a winter-dominant rainfall zone. Hence, most stakeholders were supportive of changing the Cluster Period for a feedlot while, on average, maintaining a 12-month period between audits. It is understood that AUS-MEAT has now started to rotate cluster periods to address this issue.

5.10.4.3 Change or rotation of auditors

Most stakeholders supported occasional changes to the auditor for a specific feedlot. A different auditor is likely to see the feedlot through a new set of eyes and most stakeholders saw value in this change. It was accepted that changing auditors would probably result in additional costs but stakeholders clearly valued quality of auditing above the direct cost of audits. It is understood that AUS-MEAT has now started to rotate auditors to address this issue.

5.10.4.4 Rigour of audits

Stakeholders generally accept the current delivery of audits is credible and of a high standard. Stakeholders largely supported current audit rigour. However, stakeholders from certain regions (presumably with the same auditor over time) thought the audit process could be improved.

However, the most common comment was around inconsistency between auditors. Those feedlot managers who had worked at different feedlots throughout their careers, or worked in businesses with multiple feedlot sites, commented that there were clear differences in rigour and focus between auditors. Others who had worked at both small and large feedlots claimed that the larger, more professional feedlots tended to have greater scrutiny of their records and practices. Some stakeholders commented that it is necessary to ensure that all auditors have a sound knowledge and understanding of particular elements - excessive heat load, environment and biosecurity.

5.10.4.5 Cost of audits

Consistently, there were no negative comments about the cost of audits. Most lot feeders accepted that the auditing costs were simply part of doing business and, compared to other program audits that they had experienced, the NFAS audit costs were reasonable. That does not mean that attention should not be placed on efficiencies to minimise costs, but when questioned whether a lot feeder would choose a lower cost audit that was possibly less than rigorous, the clear majority chose rigorous and creditable audits.

5.10.4.6 Efficiency of audits

A number of stakeholders commented that audits could be done more efficiently and that the time taken often exceeded the time estimates given in the NFAS Rules (see Section 5.10.3). However, based on the experience of the review team members, poor preparation by the lot feeder can lead to unnecessary time wastage during the audit.

Another common comment about efficiency was that there was duplication in the audit questions for the different sections. Most stakeholders viewed material assessed in NFAS audits as repetitive given that most have LPA audits in conjunction.

For example, the following questions in the audit checklist (AUS-MEAT Limited 2014a) were brought to the reviewers attention by stakeholders as samples of potential duplication in the audit process, with questions regarded as essentially being similar, and able to be addressed in a single question. Whilst there may be slight differences in meaning (i.e. for fodder or livestock application), it is thought this concept could still all be addressed in the one question.

1.5.2 adequate facilities for agricultural and vet chemicals storage are available.
2.2.2 chemicals are stored securely in accordance with label/manufacturers direction to prevent exposure to livestock
2.3.2 agricultural chemicals are stored securely in accordance with label/manufacturer's instructions to prevent exposure to livestock

Another example from the audit checklist is:

2.3.3 sufficient records are maintained to enable the traceability of the status of exposed livestock with respect to relevant WHI/ESI
2.3.6 sufficient records are being maintained to enable the status of commodities intended to be fed to livestock according to WHI/ESI

2.2.3 sufficient systems and records are maintained to enable the traceability of the status of treated livestock, with respect to WHI/ESI

It is suggested that the audit questions be reviewed and potential duplication removed to reduce time taken and the level of frustration with the audit process and enhance the cost effectiveness of the audit process.

5.10.4.7 Technology developments for audits

There were a few good suggestions about technology developments that could improve auditing. There was a general view that more use could be made of the internet such as electronic verification of livestock records prior to the site visit of the audit but specific details were lacking.

One suggestion made several times was that software be developed so that, when a site has multiple audits at one time (NFAS, LPA, WQA, EUCAS), common questions across the schemes are only asked once and then automatically recorded into the different audit reports.

Some suggestions were made about using technology (e.g. Google Earth) to confirm feedlot pen stocking density and inspect aspects of the feedlot's performance (e.g. controlled drainage system integrity and manure storage). It was pointed out that Google Earth and other forms of satellite imagery are inevitably out-of-date so the somewhat surprising suggestion was made that auditors could use drones to pre-inspect sites from their office prior to the site inspection.

5.11 Accreditation, compliance and sanctions

When auditing, the auditor will evaluate non-conformances according to a non-conformance scale as shown in Table 12. To some extent, the credibility of a quality assurance auditing scheme can be measured by the number of non-conformances that are detected. A scheme where no non-conformances are detected is arguably weak and not leading to continual improvement.

AUS-MEAT provided data on the number of critical non-conformances that have been detected in the past 10 years and the consequences of those detections. Table 15 lists those non-conformances. Clearly, the majority of critical non-conformances have been around product integrity (13 out of 23 were for Days on Feed). In about 40% of cases, the critical non-conformance led eventually to withdrawal of accreditation. On this basis, it does appear that the system is functioning appropriately.

5.11.1 Stakeholder comment on accreditation, compliance and sanctions

Stakeholders generally felt that the current sanctions are appropriate. However, those feedlot managers that had worked at several feedlots questioned whether the sanctions were applied equally for all sized feedlots. As with auditing in general, there was an impression that larger, more corporate feedlots were placed under greater scrutiny.

Some respondents did not like the pass/fail auditing system and suggested some form of rating scheme for accredited feedlots with some benefits attached to higher rating. This is not inconsistent with the rating systems applied by AUS-MEAT to abattoirs.

A modified accreditation rating system (see Section 10.10), with data provided to FLIAC (see Section 10.2), could provide information to assist FLIAC in understanding the number of non-conformances over time and the general compliance of industry with NFAS. It might be possible for feedlots to advise their clients of their rating, thus achieving a commercial advantage for higher rated feedlots.

Table 15 – Critical NFAS non-conformances since 2003

No	Date of Critical	Reason	Current Status of Issue	Current Accreditation Status	Other Comments
1	6/05/2003	Days on Feed	Closed	Withdrawn	Voluntary Withdrawal 17 June 2003
2	11/07/2005	Days on Feed	Closed	Withdrawn	Withdrawn on recommendation by FLIAC, 24 October 2005.
3	11/08/2005	WHP for grain treatments	Closed	Accredited	
4	2/09/2005	Days on feed	Closed	Accredited	
5	17/08/2006	Days on Feed	Closed	Withdrawn	Written request for Cancellation and DDs received following Show Cause Notice from FLIAC 2 October 2006
6	5/09/2006	Incorrect Documentation	Closed	Accredited	
7	9/11/2006	Days on Feed	Closed	Withdrawn	Accreditation withdrawn by FLIAC because an audit was not conducted within 60days of FLIAC request. 22 December 2011. (Refer below - repeat offender)
8	9/02/2007	Environmental Licence issues	Closed	Accredited	Accreditation withdrawn by AUS-MEAT 12/03/07. Provisional accreditation reinstated per FLIAC meeting 30/04/07
9	18/05/2007	Days on Feed	Closed	Accredited	
10	27/02/2008	Days on Feed	Closed	Accredited	
11	18/11/2008	Days on Feed	Closed	Accredited	
12	18/12/2008	Environmental and Licence issues	Closed	Withdrawn	Feedlot did not respond to the 'Expired Suspension Letter' sent by AUS-MEAT.
13	24/08/2009	Days on Feed	Closed	Accredited	
14	20/04/2009	Days on Feed	Closed	Accredited	
15	26/11/2009	Days on Feed	Closed	Accredited	
16	31/08/2010	Days on Feed	Closed	Withdrawn	Accreditation cancelled because an audit was not conducted within 60days of FLIAC request. 22 December 2011. Re-opened under another name and a new manager.
17	25/05/2011	Feed Rations for EU GF HQB	Closed	Accredited	
18	14/09/2011	Days on Feed - Incorrect documentation	Closed	Accredited	Placed into suspension by FLIAC until the systems were approved at a follow up audit.
19	16/09/2011	Selling GF cattle while in Voluntary suspension	Closed	Withdrawn	Accreditation withdrawn by FLIAC ' 18 October 2011
20	25/11/2011	Days on Feed	Closed	Withdrawn	Placed into suspension by FLIAC in Dec 2011 The owner has passed away. Feedlot representative informed AUS-MEAT the feedlot will be closed. 16 July 2014
21	22/03/2012	Failed to pay audit fees	Closed	Withdrawn	Failed to respond to Show Cause Letter - FLIAC advised that the feedlots accreditation should be withdrawn. 10 April 2012
22	1/11/2013	Environmental and Licence issues	Open	Accredited	Environmental issue has been addressed
23	10/10/2013	Environmental and Licence issues	Closed	Accredited	

6 NFAS Standards

6.1 Introduction

The NFAS Standards describe the processes by which the Australian feedlot industry, as a proactive self-regulated sector, has agreed to operate so as to demonstrate its commitment to animal welfare, environment, meat quality and food safety.

The NFAS Standards are designed to:

a) protect the reputation and integrity of NFAS;
b) enhance the integrity of product described as grain fed;
c) address food safety issues;
d) maintain the image of feedlots held by the community, particularly relating to environmental impact and animal welfare issues; and
e) protect the integrity of the AUS-MEAT Language.

6.2 Modules

6.2.1 Current modules

The five modules of Quality System Management, Food Safety Management, Livestock Management, Environmental Management and Product Integrity address the core requirements of industry. The Modules, Elements and Outcomes are outlined in Appendix E.

6.2.2 Stakeholder comment on modules, elements and outcomes

Stakeholders were asked if any new modules or elements should be added or if any modules or elements should be removed.

No stakeholder suggested that any module or element should be removed. However there was feedback around the potential for additional modules. Specifically, these included:

1. Workplace health and safety
2. Social responsibility

While it is accepted that AUS-MEAT auditors do not have expertise in workplace health and safety, it should be possible to have an auditable module. This could be as simple as the auditor confirming that the feedlot has a safety management plan with associated workplace health and safety procedures that are documented and implemented. The response to this was divided. Larger, more corporate feedlots already recognise the importance of workplace health and safety and could see no reason or impediment to its inclusion in a feedlot quality assurance scheme. However, other smaller feedlots were against such an inclusion. One argument against inclusion is that there is already legislation in place that covers workplace health and safety. However, for this argument to hold true, it would follow that the environmental module should be removed from NFAS as the environment is similarly covered with extensive legislation.

Some other food and farm QA programs include some form of social responsibility elements. These can cover fair wages and working conditions. There was no interest in including this type of module in NFAS as it is felt that Australian working conditions are very fair and favourable.

On modules, elements and outcomes, there is a general agreement that they currently satisfy all issues within the industry. However, there is clearly some confusion for people between outcomes, performance indicators and procedures when documenting practices and creating enterprise manuals.

In terms of Elements within each Module, it was pointed out that Incident Reporting and Contingency Planning are only really mentioned under the Livestock Management Module. Incident reporting is triggered by a reportable incident and this term is not clearly defined. This includes incident reporting to address high levels of sickness or deaths that are not associated to either excessive heat load and/or infectious disease. The reviewers were of the view that the section in the Standards relating to Incident Reporting was ambiguous and not clear for lot feeders to ensure they understand their obligations. This is reflected in recommendation 13.

It is observed that animal welfare has considerable community and industry traction and is the most prominent module at present, but this may not be the case in the future. Clearer and wider definitions of reportable incidents across the whole program should be prepared. A reportable incident (and the subsequent reporting) for a food safety or environmental issue will be completely different to an event under livestock management. Similarly, different types of contingency planning apply for the different modules.

6.3 Outcomes and performance indicators

6.3.1 Current outcomes and performance indicators

To demonstrate compliance with the required outcomes of NFAS Standards, a feedlot must achieve performance indicators specific to each element.

6.3.2 Stakeholder comment on outcomes and performance indicators

Many stakeholders are under the impression that the Performance Indicators are a “must do” under each of the Standard Elements in the Scheme. There is potential to clarify this area with an explanation of the intent of Outcomes compared to Performance Indicators.

Clarity also needs to be expressed as to how AUS-MEAT auditors audit against the stated list of Performance Indicators. Is the objective of the scheme to achieve an acceptable level of commitment to achieving the outcomes against each Element? Is it up to the lot feeder how this is achieved in practice/execution? The lot feeder may exceed the list of Performance Indicators in the pursuit of excellence whilst achieving the Outcome.

Appendix E contains a marked up copy of potential alterations to the current NFAS Standards document for consideration.

7 Issues about and outside of NFAS

7.1 Awareness of NFAS

Stakeholders were asked about their awareness of NFAS and also the community's awareness. Lot feeders were clearly aware of the scheme but, beyond that, many other stakeholders had a poor understanding of the scheme, whilst other stakeholders were not aware of its existence. A large number of stakeholders commented that there is a real lack of awareness of the scheme in the public arena. There is certainly little promotional information on the AUS-MEAT website, whilst some promotional information has recently been added to the ALFA website. The relevance of the current NFAS logo (1994) to grain fed beef is questionable (see Section 5.9.1), however AUS-MEAT has developed an additional logo for industry consideration and adoption (2006).

Pollinate (2013) conducted a survey on many perceptions and aspects of the feedlot sector. The results for two specific questions are displayed in Figure 3 below. Only 7% of those people surveyed had heard of NFAS in the beef supply chain. The figure also displays the level of confidence in the production of grain fed beef provided to both those who were aware of the scheme, and those that were unaware of the scheme prior to the survey question.

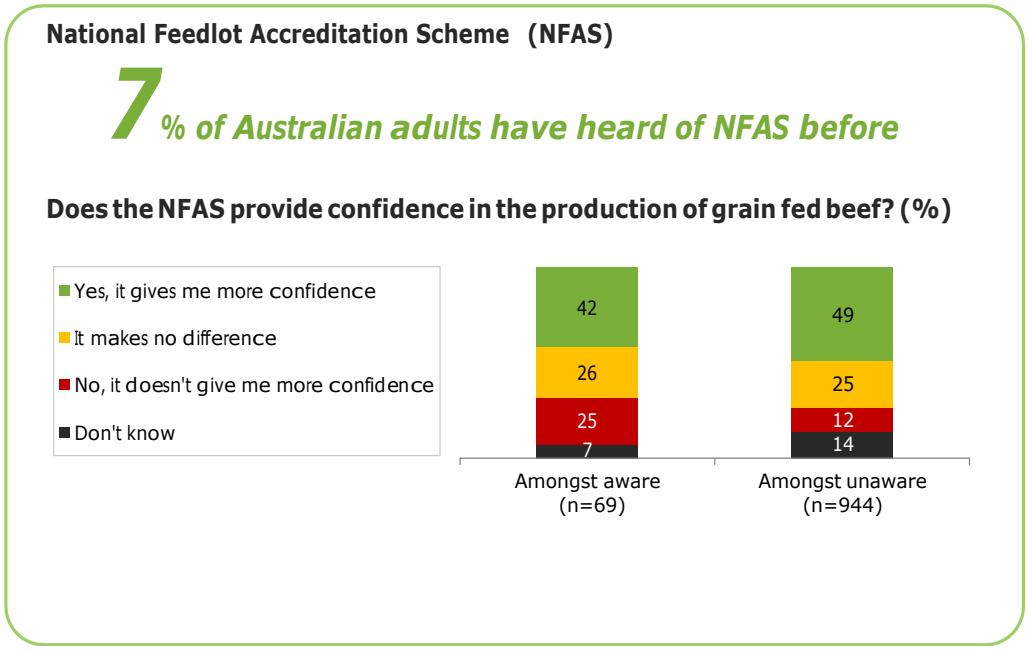


Figure 3 – MLA Survey on NFAS

C6. Have you heard of the National Feedlot Accreditation Scheme (NFAS)?

C7a. National Feedlot Accreditation Scheme (NFAS) is a quality assurance program that requires feedlots to be independently audited on a basis to ensure compliance with its standards along with legislation in the areas of animal welfare, environment and food safety. It is independently owned and managed to industry, has standards which are more stringent and encompassing than legislation and covers around 90% of all grain fed beef produced in Australia.

C7b. Does the National Feedlot Accreditation Scheme (NFAS) give you more confidence in the production of grain fed beef?

(Source: MLA survey - conducted by Pollinate (Visperas & Husbands 2013))

Stakeholders were also asked about the importance of community awareness of the scheme. Due to the poor understanding of intensive agricultural production in the wider community, there was little feedback suggesting that detailed information could be made available. However, there

was a feeling that the community needs to know that their food is coming from reputable (certifiable and verifiable) sources – reputable meaning environmentally sustainable, animal caring, safe and a certified product that has integrity. There was also some feeling that the grain fed message around robust production systems and beef integrity is being lost with the current trend of promoting pasture-fed (PCAS) or similar grass fed beef (organic, free-range, free-to-roam) with little or no verification. However, there was very little support for providing aggregated audits results to the wider community as they would be meaningless, misinterpreted, or even used to mount a case against industry.

7.2 Community expectations of the lot feeding industry

7.2.1 MLA surveys of community expectations of the industry

One aspect that this review tried to determine was whether NFAS-accredited feedlots operated in a manner that met community expectations of intensive livestock production. This would include expectations around animal welfare, environmental sustainability and food safety. A question asked by most stakeholders was – what are the expectations of the community in relation to feedlots?

It is understood that MLA has conducted some surveys of community expectations of beef production, including lot feeding. However, this data is not publically available. Without statistically-valid, scientifically-based survey data, any comment about community expectations is subjective.

7.2.2 Stakeholder comment on community expectations

Most stakeholders supported the view that the elements in the scheme were relevant to their perception of the community's expectations in relation to the lot feeding industry, but there may be an increasing expectation around the outcomes the scheme is seeking to address. People also suggested that the community is asking questions more broadly around intensive livestock production, and therefore a continual focus on the outputs of the scheme was crucial to ensure the industry can maintain its self-regulatory approach to addressing further scrutiny or new issues.

Views of stakeholders on what expectations the community may have of the scheme were mixed. Most people agreed that, due to the limited knowledge of the existence of the scheme in the broader community, their expectations were therefore limited. However, there was moderate support from stakeholders that the scheme and the integrity that it provides around animal care, environmental management and grain fed beef integrity, could be an opportunity to shore-up public support for the lot feeding sector as the scheme continually evolves, with regular reviews and measurable outcomes.

Many stakeholders related that customers just want to know that the assurance system addressing animal welfare, environment, product integrity, food safety exists, but do not necessarily want to know the specifics. There is an element in the community that is not satisfied with the scheme, but this would always be the case due to agendas surrounding livestock production.

7.3 Integration of NFAS into farm businesses

All lot feeders interviewed said the scheme had been of considerable assistance in their business. Not only did the scheme provide access to markets requiring certified grain fed beef via the Minimum Grain Fed Standards within the AUS-MEAT language, but the scheme also encouraged a systems style approach to developing sound operational practices at the feedlot.

Stakeholders identified the scheme had been beneficial in their businesses in enabling feedlots to:

- Develop a quality systems culture
- Address the concerns of regulators
- Develop baseline standards for operations
- Provide clear objectives and outcomes
- Provide accountability - via the annual third party audit
- Provide assurance to custom feeding clients
- Enforce widely adopted industry approaches - cattle purchasing, feed requirements, etc.
- Provide the basis for training people
- Develop a platform for satisfying customers - grain fed beef
- Formalise systems that provides integrity of grain fed beef
- Continually improve.

Lot feeding stakeholders were all convinced that NFAS had provided value for their business - guidance, systems, procedures, assurance practices, behaviours, culture and customer satisfaction.

Very few stakeholders applied the scheme manual in other areas of business - the exception being those feedlots with multiple programs. However, many people applied the principles of the scheme to other areas of their business.

7.4 NFAS administration funding

7.4.1 Current funding arrangement

Currently, the administration of NFAS is funded using livestock transaction levies. Livestock transaction levies are charged on the sale and transfer of livestock (cattle, sheep and goats). The money raised is invested in the red meat industry to assist in research and development, marketing and market access activities.

Industry levies are collected by the Australian Government's Levies Revenue Service (LRS), not MLA. LRS then distributes the income from the levies amongst Animal Health Australia (AHA), Australian National Residue Survey (NRS) and MLA. The current cattle transaction levy is $5.00 per head for certified grain fed cattle. Of this quantum, MLA receives $4.58 ($3.08 for marketing, $1.50 for R&D), AHA $0.13 and NRS receives $0.29.

Currently, on an annual basis, ALFA (with guidance from AUS-MEAT and FLIAC and with approval from the Beef Industry Advisory Council (BIAC)) negotiates a funding allocation from the NRS component of the grain fed levy to administer and manage the scheme.

Funding for audits is obtained directly from audited facilities (see Section 5.10.3).

7.4.2 Stakeholder comment on funding

Stakeholder consultation revealed a general lack of understanding of the funding of the scheme except for vague comments that funding came from transaction levies. Stakeholders who were aware of the current funding arrangement expressed moderate concern in the lack of certainty for on-going funding of such an important industry program. Whilst most acknowledged the low risk associated with funds not being available from the pool of NRS resources on an annual commitment, the general feedback was that the scheme required an increased level of on-going certainty and security of funding. Industry should contemplate dedicating a specific proportion of the grain fed levy to industry programmes through a change in legislation (see Section 10.14).

7.5 Transparency and use of NFAS audit results

7.5.1 Stakeholder comment on transparency

There was overwhelming support for aggregated audit information to be shared with ALFA (and FLIAC) to ensure on-going momentum for the continual evaluation and improvement of the scheme. It was widely supported that ALFA required information that enabled debate and decisions around targeting resources to industry training, scheme enhancements and identifying issues (specific or on-going) that required focus.

However, there were concerns regarding the confidentiality of individual feedlot information, and more broadly, about how the aggregated audit information could be collated to present a meaningful snapshot of industry performance.

Only a limited number of stakeholders were supportive of extending the concept of further increasing industry transparency by making information relating to the performance of feedlots within the scheme publically available. Any support for aggregated audit information to be shared publically on the AUS-MEAT and/or ALFA websites was tempered by the desire to ensure the information was easily understandable and provided only high-level audit performance data. However, despite acknowledging the desire for increased transparency across many facets of the beef production supply chain, most stakeholders viewed the public display of industry performance as risky (due to misinterpretation), and, for the moment, unnecessary. A small minority of stakeholders held the view that public “state of the industry” reporting would be beneficial over time.

In association with other interview questions, there was definite support from stakeholders throughout the grain fed beef value chain for increased exposure of the scheme and its objectives. This related to earlier comments in the report relating to the desire by many stakeholders to increase public awareness of the scheme, and champion the benefits the scheme provides for not only consumers, but the broader community, in terms of land and livestock management.

As stated earlier, there appears to be very little knowledge in the public domain of the management systems that underpins grain fed beef production (and intensive livestock industries in general). Industry potentially has an opportunity to actively promote the scheme.

Many stakeholders also commented in relation to this theme that there were several methods that could be considered to increase adoption of the scheme across industry:

- "Sell" the scheme - benefits of being involved - for feedlots and off-takers
- "Sell" the scheme - risks of feedlots not being involved - for feedlots and off-takers
- "Co-regulation" - Government can focus on those feedlots not participating in the scheme

7.6 Self-regulation and relationships with government

7.6.1 Government and NFAS

The original intent of NFAS was to adopt self-regulation to prevent over-regulation by state and local governments. A testament of the success of NFAS must be the changes in state and local government regulation that has occurred since the inception of the scheme.

Compared to the difficult, costly and time-consuming regulatory approval process that existed in 1994, the current systems are, in general, much more streamlined. However, this is partly due to improved planning processes at the state and local government levels generally, and also to the existence of technically-sound feedlot guidelines. MLA has undertaken considerable research into different aspects of the environmental design and management of feedlots that has led to better guidelines and more confidence by regulators that feedlots can be operated in an environmentally sustainable manner. Hence, there are reasons other than NFAS for reduced regulation of feedlots.

However, it is clear that co-operation between state regulators and NFAS (through FLIAC) has occurred. Examples are given below:

1. Auditing arrangements – Victoria

Since May 2002, arrangements have been in place between AUS-MEAT and the Victorian Government in relation to auditing of the requirements of the *Victorian Code of Practice for Cattle Feedlots* through the NFAS.

Unlike the arrangements in place with the Queensland Government (see below), this does not take the form of a Memorandum of Understanding but rather is limited to the correspondence from the then Minister of Agriculture (Keith Hamilton MP) who provided the approval for the following arrangement:

1. EPA and AUS-MEAT auditors are recognised/approved by the Victorian Minister for Agriculture to conduct feedlot audits for the purposes of the Victorian Code of Practice for Cattle Feedlots.
2. EPA are responsible for conducting pre-operational audits to ensure all State environmental requirements are meet and relevant authority approvals obtained.
3. NFAS annual audits conducted by AUS-MEAT ensure that all EPA licence conditions are documented within the approved quality manual and that these conditions are implemented effectively on an on-going basis.

This information has been provided for the purpose of the NFAS Review with approval from Tim Hollier (Senior Specialist Beef and Sheep, Farm Services, DELWP VIC). Mr Hollier has noted that this existing arrangement is under review as part of the current review of intensive animal industry guidelines in Victoria.

2. Auditing arrangements - Queensland

In Queensland, a formal confidential Memorandum of Understanding (AUS-MEAT Limited 2013b) between AUS-MEAT and the State of Queensland through the Department of Agriculture and Fisheries relating to the environmental regulation of participating cattle feedlots was entered into in April 2013. The purpose of the Memorandum of Understanding is to formalise co-operative and effective working arrangements between the Department of Agriculture and Fisheries, AUS-MEAT and participating feedlots and to recognise the role of FLIAC in managing NFAS and, in particular, resolving major non-conformances arising from NFAS accreditation audits. A key aspect is that part of the annual NFAS audit conducted by AUS-MEAT will include confirmation that the feedlot is compliant with the objectives and principles of the Environmental Protection Act. If an AUS-MEAT auditor detects non-compliance with the Environmental Protection Act, they should report this to the Department of Agriculture and Fisheries as soon as possible. Specifically, NFAS auditors are trained to detect environmental harm and environmental nuisance.

This arrangement shows clear co-operation between state regulators and industry (via AUS-MEAT) in a self-regulatory mode that could not have been envisaged at the time that NFAS was commenced.

3. Reduced annual fees - Queensland

In Queensland, all feedlots with 150 SCU capacity or greater are an Environmentally Relevant Activity (ERA) and require an environmental authority (see Section 9.4.3). As such, they are required to pay an annual fee. Following consultation between ALFA, FLIAC and the Queensland Government, an arrangement has been established where a feedlot that is NFAS accredited (or meeting other standards) can be eligible for a reduced annual fee. This is included in the Environmental Protection Act 1994 – Environmental Protection Regulation 2008 as listed below:

"Subdivision 2 Reduced annual fee

126 Eligibility for payment of a reduced annual fee

The holder of an environmental authority is eligible to pay a reduced annual fee for the authority if the holder has a prescribed environmental management system. This includes:

a. an environmental management system that a conformity assessment body has certified as conforming to AS/NZS ISO 14001:2004 'Environmental management systems–Requirements with guidance for use'; or
b. the National Feedlot Accreditation Scheme, Rules of Accreditation published in 2011 by AUS-MEAT Limited ABN 44 082 528 881."

The reduced annual fee is 20% of the usual annual fee.

7.7 Other relationships

7.7.1 ALFA and NFAS

Some stakeholders observe a disconnection between ALFA and the management of the scheme. However, when an explanation was provided regarding the mechanisms that address improvements and alterations to the scheme, the support for the current model of administration and management was extensive. It was emphasised by all stakeholders that industry needed to

ensure that the scheme continued to evolve in the best interests of lot feeders, and industry representatives on FLIAC were required to prosecute potential improvements within the FLIAC forum consistently.

8 Other farm and food QA schemes

NFAS was one of the first quality assurance schemes for farm and food production in Australia. Since then, many schemes have been developed locally and internationally. Some of these schemes are listed below and summarised in Appendix D.

8.1 List of other food / farm QA schemes

The following is a list of some of the food / farm QA schemes that now exist:

- Livestock Production Assurance (LPA) and Livestock Production Assurance Quality Assurance (LPA QA)
- Pasturefed Cattle Assurance System (PCAS)
- Australian Pork Industry Quality Assurance Program (APIQ)
- Egg Corp Assured Program (ECA)
- Livestock Production Accreditation Scheme (LPAS)
- Freshcare
- TruckCare
- National Saleyards Quality Assurance Program (NSQA)
- European Union Cattle Accreditation Scheme (EUCAS)
- Global Animal Partnership (GAP)
- Woolworths Quality Assurance (WQA)
- Safe Quality Food (SQF) Program
- ISO 22000 Food Safety Management
- FSSC 22000 – Food Safety Systems
- Hazard Analysis at Critical Control Points (HACCP)

Section 4.1.1 outlines which of these schemes are audited by AUS-MEAT.

8.2 Differences between NFAS and other food – farm QA schemes

The lot feeding industry has been at the forefront of agricultural food production in terms of implementing and successfully managing an on-farm quality assurance program that provides certain levels of operational and product integrity for both regulators and beef consumers. However, other schemes have now evolved that address particular aspects in the entire beef production supply chain. End-users of grain fed beef are now seeking and requiring increased compliance with additional criteria, and consumers are being challenged on many fronts about the appropriate management of livestock in food production.

NFAS currently compares favourably with other equivalent industry programs or schemes. However, the importance of ensuring that NFAS continually evolves to address particular issues as they arise or can be foreseen is absolutely crucial in the commercial environment that now prevails. Consumers have been re-sensitised in relation to food production (e.g. recent

occurrence of Hepatitis in imported berries). They require legitimate systems that ensure the integrity, including both food safety and provenance, of the food being purchased can be substantiated.

Retailers are continuously altering and modifying the agenda in the beef supply chain. For example, Woolworths require compliance by feedlot operators to their company specific quality assurance scheme, which in reality mimics NFAS, with the addition of some specific audit criteria. This creates unnecessary duplication for accredited grain fed beef suppliers to Woolworths, with no recognisable additional benefit to either party. ALFA should work closely with lot feeders and retailers to ensure that this approach does not morph into separate schemes with similar requirements adding additional cost to producers. ALFA needs to encourage all retailers to make good use of the existing NFAS, feedlot accreditation process and independent scrutiny under rigorous annual auditing.

The Australian Animal Welfare Standards for Livestock Processing Establishments (AAWSLPE) (AMIC 2009) were developed to help fulfil the expectations of both the Australian meat processing industry and the community of high levels of quality assurance for the management of livestock at Australian livestock processing establishments. NFAS plans to adopt the Australian Animal Welfare Standards and Guidelines for Cattle (still to be ratified by the Standing Council on Primary Industries) to address the appropriate management of cattle in feedlots. The lot feeding sector should consider the incorporation of specific criteria drawn from the AAWSLPE to ensure further improvements in the well-being of cattle in feedlots.

Feedlots have the responsibility to ensure that:

- people are aware of their legal and moral responsibility to care for the welfare of animals under their control;
- all people handling livestock are competent;
- procedures are in place to ensure all people on the feedlot conduct their activities to minimise risks to animal welfare;
- feedback on adverse animal welfare outcomes is provided to suppliers and relevant regulatory authorities as required.

Feedlots have a responsibility to ensure animal welfare outcomes are of a high standard. This can be achieved via the incorporation of appropriate standards within the feedlot's quality management system. Feedlots should be able to demonstrate a commitment by the proprietor to this objective as well as animal welfare considerations for the daily management of livestock on the premises, verification and review of all practices that impact on animal welfare and a requirement for feedback to feedlot personnel, suppliers (including transporters and farmers) and processing facilities on compliance with animal welfare outcomes.

The level of competency of people working in the feedlot sector is very high, ably assisted by ALFA, MLA and AUS-MEAT, with the various training opportunities provided to industry participants to increase their knowledge and skill level. Several alternate quality assurance schemes are focusing on demonstrating the competency of people working within their particular industry. NFAS should consider adopting the inclusion of specific competencies within the scheme in the future.

Specific industry training that is currently provided could be adapted to incorporate accredited competencies for individuals who adequately complete the relevant training or exercises. This would allow over time the opportunity to build in to NFAS appropriate competency elements that allows industry to display the seriousness with which it addresses certain aspects of the feedlot management system. Two examples are Quality Assurance accreditation and Animal Handling accreditation, where these two roles are integral to feedlot management and appropriate cattle handling and well-being. Formal training elements that lead to a competency-based accreditation would ensure continuous improvement in the industry as NFAS gradually adopted these competencies endorsed by FLIAC.

8.3 Stakeholder comment on other QA programs

Stakeholders were asked about their experiences with other quality assurance programs. The majority of lot feeders lacked experience with other schemes and therefore were reluctant to make comment. However, some lot feeders had been involved with enterprises that had achieved ISO 9000 and/or ISO 14000 accreditation. They generally agree that these international standards were more onerous than NFAS, provided limited advantages in addressing the major initiatives for industry and did not suggest that NFAS should try to match those standards.

Many stakeholders expressed concern that NFAS had been slow to adopt reforms in the animal welfare areas of the scheme. The APIQ program and the AAWSLPE are two examples where organisations have been proactive in ensuring that issues have been addressed by implementing changes to existing programs or developing a scheme for addressing particular community concerns.

One of the initial drivers of the development of NFAS was to ensure that industry developed a consistent approach to addressing some of the environmental perceptions and realities around feedlot construction and management in the 1980s. There is a widely held view amongst stakeholders that this area needs to be continually improved. The community is increasingly raising its expectations around appropriate land and water use for food production, and other agricultural schemes, such as in the cotton industry, are being proactive in continual improvement to ensure their schemes limit any negative feedback for their industry.

Some stakeholders were also concerned that the current NFAS program is a catch-all for the entire lot feeding sector, whereas the opportunity exists to apply the scheme across industry at different levels. The challenge for industry is to maximise the uptake of NFAS to facilitate best practice and negate consumer concern, yet retain a cost effective system with minimal bureaucracy in application and monitoring.

Many stakeholders broadly across the value chain expressed the desire for NFAS to keep evolving and continually focus on the important areas of food safety, environmental management and the welfare of cattle. The increased scrutiny of antibiotic use in livestock production and the sensitivity of export markets to various feed additives or performance enhancing animal health products means NFAS must remain diligent in ensuring feedlots have good control systems and adequate oversight of animal husbandry. Also, the community has a new level of expectation in relation to the treatment of the environment and animals for food. Industry must ensure that it adopts a sound approach to improving current practices, and continually assess the relevance of

some strategic elements in other agricultural or food producing quality assurance schemes for future inclusion in NFAS.

9 The next 5 to 10 years

9.1 Overview

This review has clearly shown that the NFAS has served the feedlot industry well over the past 20 years. The scheme has had the following elements from its inception:

- Product integrity
- Food safety
- Environmental management
- Animal welfare
- Quality management

Over time, the emphasis on certain elements within the scheme has changed. Initially, environmental management was at the forefront. Currently, animal welfare is getting most attention, particularly as industry seeks to strengthen parameters around animal care to withstand increased scrutiny from some sections of the public whose agenda focuses on shining a bright light on intensive animal production more generally. Several stakeholders discussed the need for the scheme to address some issues in more detail but such actions fall under the general concept of continual improvement.

The review has identified that there is no need or desire to add additional elements to the scheme at this stage. However, this review has identified that a large number of new food / farm quality assurance schemes have been adopted in recent years and these schemes include different elements and standards to NFAS. The scheme needs to be constantly reviewed to ensure that it does remain fully relevant.

When the scheme started, environmental management and product integrity were the most important issues. Animal management now has increasing relevance. It would be expected that, over time, as circumstances change, different elements of the scheme will achieve different levels of importance. However, it is very clear that the scheme should always place equal importance on the auditing and continual development of all elements, not just the currently topical element. For example, a lapse in food safety auditing could lead to disastrous consequences for the industry. A good example is the recent occurrence of Hepatitis contamination in imported frozen berries.

There is little doubt that the public spotlight will increasingly shine on intensive livestock production systems. It is imperative that NFAS continually assesses the criteria relating to cattle management over the next five years. The scheme must continually evolve to ensure that there are valid assurances provided to consumers that cattle in feedlots are being cared for by appropriately trained and skilled people who understand the application of good herd handling and management. Industry will need to ensure that considerable effort and resources are applied to improving not only elements within NFAS, but also providing lot feeders with the opportunity to increase their knowledge and skills in this sensitive area.

Industry also needs to ensure that NFAS can remain adequately resourced over time. The entry point costs and compliance costs for lot feeders will rise over time. The cost effective administration and management of the scheme is imperative to ensuring the scheme remains relevant and applicable for industry. The lot feeding sector will need to consider and develop strategies that facilitate growth and changes to the scheme, whilst ensuring that the costs are shared equitably across the sector.

As a general conclusion, while addressing specific issues as they arise, the scheme should always remain focused on maintaining the integrity of all elements and not lose focus on some elements when they appear less important than more current or topical issues.

The following sections discuss some currently emerging issues to be addressed in the short term.

9.2 AUS-MEAT minimum standards for grain fed beef

9.2.1 Current minimum standards

The current minimum standards for GF and GFYG are listed below in Table 16 and Table 17.

Table 16 – Minimum standards for grain fed (GF) beef

Item	Standard
Number of days on feed	100
Age	6 teeth (max) except where carcasses with thoracic vertebra only partially ossified.
P8 Fat Depth	7 mm (minimum)
Meat Colour Score	1A, 1B, 1C – 3
Fat Colour Score	0 - 3

Feeding Requirements

The cattle must have been fed in an Accredited Feedlot for not less than 100 days, and for not less than 80 days of that, on a nutritionally balanced ration of a recognised high energy feed of which grain is the highest single component. Rations must have an average metabolisable energy (ME) content greater than 10 megajoules (MJ) per kg of dry matter.

Table 17 – Minimum standards for grain fed young (GFYG) beef

Item	Standard
Number of days on feed	70 (60 days for Females)
Age	0 – 2 teeth inclusive
P8 Fat Depth	5 mm (minimum)
Meat Colour Score	1A, 1B, 1C – 3
Fat Colour Score	0 - 3

Feeding Requirements
The cattle must have been fed in an Accredited Feedlot for not less than 70 days, in the case of females not less than 60 days and for not less than 50 days of that, on a nutritionally balanced ration of a recognised high energy feed of which grain is the highest single component. Rations must have an average metabolisable energy (ME) content greater than 10 megajoules (MJ) per

9.2.2 Stakeholder comment on minimum standards

Since the inception of NFAS, product descriptions for beef have changed markedly. Meat Standards Australia (MSA) is a beef and sheepmeat eating quality program designed to take the guesswork and unpredictability out of buying and cooking Australian red meat. MSA involves all sectors of the supply chain from paddock to plate. A wide range of cattle and sheep management practices, processing systems, cuts, ageing periods and cooking methods have been researched using consumer sensory testing to determine the impact each has on eating quality. In addition, company-based branding of beef products is now widespread. This was limited to only a few companies when NFAS was first introduced. Some stakeholders questioned the relevance of the GF and GFYG standards in the modern meat market.

There was unanimous feedback from all stakeholders, who had an understanding of the current AUS-MEAT Minimum Standards for grain fed beef, that it would be appropriate for industry to initiate a comprehensive review of the existing language and criteria. Stakeholders who are closer to the customer are of the view it is essential.

Stakeholders acknowledged that industry was currently undertaking a comprehensive review of the existing beef language, but most were unsure as to whether a formal review of the Minimum Standards for Grain Fed Beef had been included.

The feedback received related to ensuring that the language and descriptors were reviewed and addressed the following criteria:

- End point criteria for each Standard - GFYG and GF
- Ossification v dentition
- Days on feed v eating quality end-point
- P8 fat depth
- Meat colour v pH
- Fat colour
- Carcase yield
- Ration formulation requirements

9.3 Paddock feeding

A major issue evolving in the industry that was raised by a wide spectrum of stakeholders is the intensive feeding of cattle in small paddocks. Currently, across Australia, there are large numbers of cattle that are being primarily fed a pre-mixed ration and being kept in paddock conditions, i.e. not confined in feedlot pens at a stocking density of 25 m^2/SCU or tighter. This practice is not supplementary feeding where cattle can still obtain a significant proportion of their feed or nutritional requirements from native grasses or pasture. In this current form of paddock feeding, the vast majority of the livestock's nutritional requirements are derived from a prepared

ration delivered to a bunk system or relocatable feed bins whilst being confined in small paddocks. Thus, the cattle are arguably grain fed, or being performance fed, but with a significantly lower stocking density than in a typical feedlot.

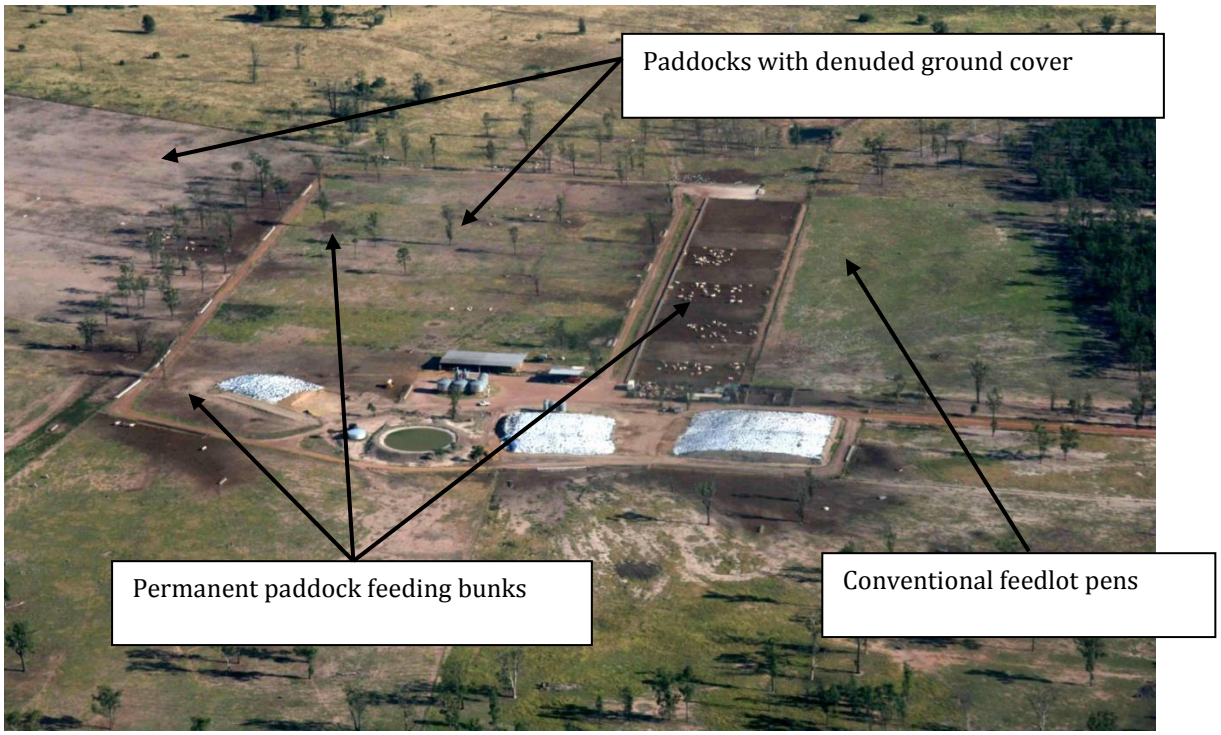
Photograph 1 and Photograph 2 show an example (A) of paddock feeding associated with a feedlot. The photographs display a conventional 1,000 head feedlot with paddock feeding in adjacent paddocks. This is a permanent arrangement as the paddock feeding is done using permanently installed concrete feed bunks. While the conventional feedlot has a runoff control system and holding pond, there is no runoff control for the paddocks, which due to the heavy stocking density, are denuded of virtually all ground cover. Photograph 3 and Photograph 4 show another example (B) of paddock feeding. This is a pre-conditioning area at a feedlot where newly arrived cattle are introduced to grain rations and feedlot conditions whilst under lower stocking density conditions. The fencing and feed bunks are permanent but absent is any earthworks preparation of the enclosed area or any runoff control. Vegetation has not been removed from the pens, although all ground cover is inevitably denuded and trees eventually die.

There are several reasons why paddock feeding has expanded. The current prolonged dry (since 2013) across much of eastern Australia has meant that many cattle have been fed a pre-mixed ration in paddock situations. Additionally, many feedlots now understand that correct preparation of cattle for the feedlot environment improves performance and reduces the incidence of feedlot health issues, particularly in the early adaptation phase. This is called feedlot pre-conditioning or backgrounding. Also, feedlots are simply paddock feeding to increase production where the feedlot's licensed capacity cannot be increased in a timely manner.

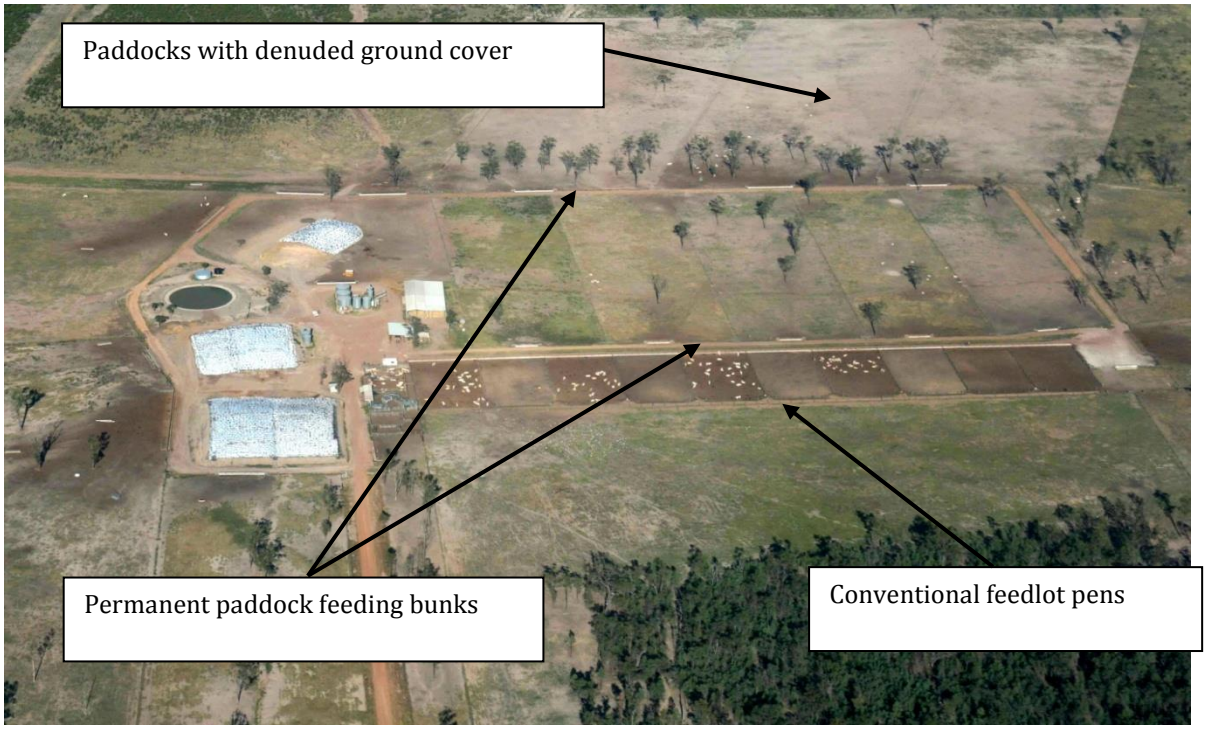
Producers are also adopting a paddock grain feeding model of production to allay fears and consumer perceptions around beef from intensively fed cattle – consistent quality grain fed beef but from a "paddock" production system. The implication here is that cattle are on pasture and free to roam, but this is clearly not always the case. The adoption of this method is largely to move the consumer perception of feeding cattle in confined pens (which is largely negative), to a situation where cattle are free to roam (positive consumer perceptions), yet derive all their nutrition, and therefore the positive carcase endpoint and beef eating quality attributes, from a grain-based diet. These cattle have limited opportunity for grazing (which is quite different from supplementary feeding of grain diets to cattle on pastures or crops).

This type of beef production fits in a space somewhere between conventional lot feeding and conventional sustainable pasture feeding or paddock grazing. There are currently no operational, regulatory or environmental guidelines that cover "intensive" paddock feeding of high energy diets to cattle. Many stakeholders expressed the opinion that paddock feeding is "a disaster waiting to happen" and this poses a potential risk to the feedlot industry on several fronts. As such, many stakeholders requested that the issue of paddock grain feeding be addressed in this review. A large number of stakeholders were also concerned at the lack of rigour in these production systems that were placing the broader beef supply chain at risk.

There is general agreement from stakeholders that paddock feeding is not a cattle feedlot and, as such, is outside the parameters of the NFAS. However, the issue cannot be ignored – some stakeholders claim that over 40,000 cattle were being performance fed in paddock feeding conditions on the Darling Downs in October 2014.



Photograph 1 – Example A - paddock feeding (1)



Photograph 2 – Example A - paddock feeding (2)

Photograph 3 – Example B – paddock feeding (1)

Photograph 4 – Example B – paddock feeding (2)

9.4 Definition of a feedlot

The discussion around intensive paddock feeding brings the exact definition of a cattle feedlot into focus. Most stakeholders believe that paddock feeding as discussed in Section 9.3 is not a feedlot. This point needs careful clarification.

The following section covers the various current definitions that exist.

9.4.1 NFAS feedlot definition

Within the NFAS Rules (see Section 9.4.1), a beef cattle feedlot is defined as:

> *"a confined yard area with watering facilities where cattle are completely hand or mechanically fed for the purposes of production. This definition does not include the feeding or penning of cattle in this way for weaning, dipping or similar husbandry purposes or for drought or other emergency feeding, or at a slaughtering place or in a recognised saleyard".*

As there is no explicit definition of “a confined yard”, it could well be argued that the examples of intensive paddock feeding shown in Photograph 1 to Photograph 4 is a feedlot and should be considered for accreditation.

9.4.2 National Guidelines feedlot definition

In the National Guidelines for Beef Cattle Feedlots in Australia (MLA 2012c), a beef cattle feedlot is defined as:

> *"a confined yard area with watering and feeding facilities, where cattle are completely hand or mechanically fed for the purpose of beef production. This definition includes both covered and uncovered yards".*

The above definition does not include the feeding or penning of cattle in the following situations:

- *for weaning, dipping or similar husbandry practices*
- *for milk production*
- *at a depot operated exclusively for the assembly of cattle for live export*
- *for drought or emergency feeding purposes*
- *at a slaughtering facility, or*
- *in recognised saleyards.*

Neither the NFAS nor National Guideline definitions provide any guidance on what constitutes “a confined yard”. However, the National Beef Cattle Feedlot Environmental Code of Practice (MLA 2012b) provides the following guidance.

> *“A stocking density of 25 m^2 should be considered a maximum area per SCU allocation. In certain circumstances, feedlots may operate at greater areas per SCU. However, it is the responsibility of the proponent to justify the greater area and to obtain approval from the appropriate authority.”*

It appears that there is an unwritten understanding that a "confined yard" is a feedlot pen with a stocking density of 25 m^2 or tighter but this is not explicitly stated in either feedlot definition.

9.4.3 Queensland feedlot definition

In Queensland, the following definitions currently apply (taken from Environmental Protection Regulation 2008 – current as of 1 October 2014).

"Definition of prescribed environmentally relevant activity (ERA 2),

2 Intensive animal feedlotting
Intensive animal feedlotting (the relevant activity) consists of keeping more than 150 standard cattle units of cattle or more than 1000 standard sheep units of sheep in a feedlot.

The relevant activity does **not** include keeping cattle or sheep

a) in a drought-declared area, if the animals are fed no more than their nutritional requirements; or
*b) **on a feed pad in a paddock**; or*
c) for no longer than is reasonably necessary for:
i. sale, slaughter or transport; or
ii. weaning; or
iii. animal husbandry; or
iv. milking; or
v. shearing.

***Cattle** includes:*
(a) beef and dairy cattle; and
(b) cattle of all ages.

***Drought-Declared Area** means an area that is considered to be severely affected by drought, however the relevant criterion is described, for the purpose of eligibility for assistance under a scheme administered by the State or Commonwealth government.*

***Feedlot** means a confined yard or enclosure that:*

(a) contains watering and feeding facilities where cattle or sheep are fed entirely by hand or mechanically; and
(b) is designed, constructed or used in a way that does not allow cattle or sheep in the yard or enclosure to graze.

***Sheep** includes sheep of all ages."*

These definitions are confusing. On one hand, paddock feeding is not a feedlot, as a feed pad is explicitly excluded. However, in the paddock feeding examples presented in Photograph 1 to Photograph 4, the "confined yard" does contain watering and feeding facilities where the cattle are feed entirely by hand or mechanically and it is designed in such a way that it does not allow cattle to graze. It can only be assumed that the term – **on a feed pad in a paddock** – refers to a situation where the cattle are receiving some, but not all, of their feed from pasture.

9.4.4 Western Australia feedlot definition

Guidelines for the Environmental Management of Beef Cattle Feedlots in Western Australia (Department of Agriculture et al. 2002) define a cattle feedlot as:

> *"A beef feedlot is a confined yard area with watering and feeding facilities where cattle are completely hand or mechanically fed for the purpose of production. This definition does not include the feeding or penning of cattle in this way for weaning, dipping or similar husbandry purposes or for drought or other emergency feeding, or at a slaughtering place or in recognised saleyards.' (SCARM, 1997). For the purposes of these guidelines, a feedlot is one on which cattle are maintained at such densities that pasture foraging has a negligible role in sustaining them. In some cases, the cattle may be held in roofed enclosures."*

Under this guideline, paddock feeding is a feedlot, as pasture foraging has a negligible role in sustaining the cattle.

The guideline then states that Works Approval and Registration is required by feedlots with a capacity of over 500 head and a stocking rate of over 50 head/ha (200 m^2/head).

9.4.5 South Australian feedlot definition

South Australia provides a definition of a feedlot in their 2006 guidelines for the establishment and operation of cattle feedlots (Department of Primary Industries and Resources et al. 2006). It is as follows:

> ***"2.1 Definition of a Feedlot***
>
> *A beef feedlot is a confined yard area with watering and feeding facilities where cattle are held and completely hand or mechanically fed for the purpose of production.*
>
> *This includes any adjoining or nearby area where:*
> - *such cattle are yarded, tended, loaded and unloaded*
> - *the animal wastes from the feedlot are accumulated or treated pending removal or disposal; and*
> - *facilities for feeding such cattle are maintained or in which the feed is stored, handled or prepared.*
>
> *This definition does not include the feeding or penning of cattle in this way for weaning, dipping or similar husbandry purposes or for drought or other emergency feeding, or at a slaughtering place or in recognised saleyards.*
>
> ***Considerations***
> *A cattle feedlot is a change of land use from agricultural activities to intensive animal keeping.*
>
> *A cattle feedlot does not include an area where cattle, which have daily access to pasture which is able to sustain more than 50% of their daily feed dry matter intake, are confined for the feeding of supplementary rations.*
>
> *Supplementary feeding for production or weight gain in a paddock is classed as a feedlot when the paddock is unable to sustain more than 50% of the cattle feed required from pastures or crops which have a yield which is reasonable or commonly accepted for the district.*
>
> *While a feedlot development may not meet the criteria for accreditation under the National Feedlot Accreditation Scheme (NFAS), it must comply with these guidelines."*

Under this definition, “paddock feeding” is a feedlot and it should comply with all of the state’s feedlot guidelines. Interestingly, the last sentence seems to imply that NFAS might not regard paddock feeding as a feedlot but the guidelines do.

9.4.6 Stakeholder comments on feedlot definitions

Numerous stakeholders expressed confusion over the distinction between a conventional cattle feedlot and intensive paddock feeding where cattle receive the majority of their nutrition from a high energy ration (via a grain based diet). Are these paddock fed cattle grain fed? The perception of most people is that “paddock feeding” is not a feedlot.

However, close examination of the NFAS and other guidelines would suggest that “intensive paddock feeding” can be deemed to be a feedlot.

If a company that was undertaking paddock feeding wanted to sell their cattle as grain fed, there are two major considerations that AUS-MEAT would need to consider when deciding if accreditation was possible.

Firstly, does the paddock-feeding "feedlot" have the appropriate local and state government approvals? Secondly, can the paddock-feeding "feedlot" meet the specific Outcomes, particularly in the Environmental Management Module (e.g. EM2 Outcome – Feedlots are operated to prevent or minimise adverse impacts on surface waters external to the feedlot controlled drainage area and external to the manure and effluent utilisation area)?

The lack of a current specific definition for paddock feeding and the lack of any operational guidelines may make the accreditation process confusing.

10 Recommendations

Following the stakeholder consultation and the preparation of this report, a number of recommendations for action have developed. These are listed below:

10.1 Recommendation 1 – NFAS Reviews

It is recommended that FLIAC plan for NFAS to be reviewed, in whole or part, at regular five year intervals. In particular, the content of other food / farm quality assurance schemes should be reviewed to ensure that NFAS remains at the leading edge of food / farm QA systems.

10.2 Recommendation 2 –FLIAC membership and communications

A number of recommendations are made around FLIAC, mainly to improve communication between FLIAC and all stakeholders.

It is recommended that FLIAC approach those states where lot feeding is significant and encourage active participation and full resourcing of the state representatives on FLIAC.

It is recommended that minutes of FLIAC meetings be made available to ALFA.

It is recommended that, rather than a full copy of the FLIAC minutes going to the Australian Meat Industry Language Steering Committee, an abbreviated version should be supplied where

specific information about individual feedlots and other industry-sensitive information can be retained as confidential.

It is recommended that AUS-MEAT prepare an Annual Report to FLIAC covering the following issues:

1. Administrative information – number of meetings, attendees, etc.
2. Data on the number, licensed capacity and current pen capacity (actual constructed capacity) of participating feedlots (presented per State and per capacity range).
3. The number of new accreditations and number of other changes to accreditation categories.
4. Number of annual audits - by State, cluster and time of year.
5. Data on Non-conformances. Number of Critical, Major and Minor Non-conformances and the areas in which these non-conformances are occurring.
6. Details on suggested improvements to the Rules and Standards including the suggested change, investigations into the need for the change, consultations outside FLIAC and the rationale for accepting or rejecting the suggested change.
7. Interactions with government. Details of any changes to legislation, state licensing and auditing outcomes, legal definitions, etc.

It is recommended that the Annual Report plus any subsequent analysis and recommendations by FLIAC be made available to ALFA.

It is recommended that the Annual Report, including any subsequent analysis and recommendations by FLIAC, be posted on the AUS-MEAT and ALFA websites in a readily available location. This should be an abridged version of the annual report, excluding site specific and aggregated audit information, to prevent any misunderstanding and/or misinterpretation by the wider community.

It is recommended that Annual Reports, following the outline suggested above, be prepared for the past five years. It is further recommended that FLIAC and/or ALFA review these Annual Reports to understand trends in NFAS adoption rates, occurrences of non-conformances and any other information that may assist in a better understanding of the scheme and areas for change and improvement. In particular, the decline in feedlot accreditation in Queensland and Western Australia needs to be examined and understood. This may also help ALFA prioritise further training needs for lot feeders.

It is recommended that FLIAC consider the appointment of an expert in quality assurance and auditing who is independent of AUS-MEAT be added to the FLIAC committee.

It is recommended that AUS-MEAT instigate improved communication between ALFA and FLIAC ensuring the execution of continual improvement to the scheme and the performance of lot feeders in the scheme.

10.3 Recommendation 3 – Feedlot definition

It is recommended that the definition of a cattle feedlot be modified so that a "confined yard" specifically means a yard where the stocking density is 25 m^2/SCU or tighter. All feedlot definitions should use the term SCU, rather than head.

It is further recommended that a specific definition of intensive paddock feeding be developed that distinguishes this production system from a conventional feedlot and from supplementary feeding in a sustainable pasture or grazing situation.

Two quality grain fed assurance schemes could be proposed:

CFAS - Cattle Feedlot Accreditation Scheme

PFAS - Paddock Feeding Accreditation Scheme

CFAS would apply to conventional feedlots where cattle are fed in confined yards for production. This is essentially NFAS. However, the change in scheme name would better reflect that the scheme refers to beef cattle only, and does not include other species.

PFAS would refer to a system where cattle obtain the vast majority of their nutritional requirements or feed for production and performance from a prepared ration, mechanically fed into permanent bunks and are contained in open paddocks. It is proposed that industry debate whether this potential scheme should be developed in the first instance, and further, administered by AUS-MEAT under the guidance of ALFA, or alternatively, remain outside the auspices of any self-regulatory mechanism.

It is recommended that ALFA instigate action to address the issue of intensive paddock feeding.

10.4 Recommendation 4 – Other definitions and clarification of terms

It is recommended that FLIAC consider the inclusion of a definition of animal welfare in the NFAS definitions due to the importance of this issue and the varying degrees of wider community understanding.

Some stakeholders expressed confusion about notification of reportable incidents. On close examination, there is no clear definition of the term – reportable incident. It is recommended that a generic definition of what constitutes a reportable incident be developed. Furthermore, specific definitions in relation to product integrity, food safety, environmental management and animal welfare should be developed.

It is recommended that a few terms around auditing be clarified. The hourly rate cost of audit call-outs needs to be explicitly stated. In Table 14 (Annual accreditation fees), it is not clear that the fees calculated on licensed capacity or on current constructed pen capacity. It is recommended that "head" be replaced by SCU.

10.5 Recommendation 5 – Feedlot licensing data for audits

A number of issues have been identified regarding the relationship between state and local government approvals, NFAS accreditation, the difference between licensed capacity and current pen capacity and stocking density. A number of recommendations are made below.

It is recommended that more information is extended to all stakeholders to clarify that NFAS accreditation does not constitute any form of state or local government approval and does not have any relationship to membership of ALFA.

It is recommended that all NFAS auditors receive training for the locality in which they conduct audits, so that they are aware of the thresholds requiring state and local government approvals. Each NFAS audit should confirm that, either approvals are not required, or that the limit specified in the approval for both state and local government approvals is documented in the QA manual. Both state and local government approvals should be available as they are listed as Reference Materials for accreditation.

It is recommended that during audits, that both the licensed feedlot capacity and the current constructed pen capacity (physical) are verified, audited and recorded.

It is recommended that for each NFAS audit, documentation of the approved stocking density is sighted (if relevant) and that the full-capacity stocking density of the feedlot be verified through examination of scale plans or other data describing the pen area of the feedlot. A rough sketch plan of the feedlot pens may be inadequate to confirm pen capacity and stocking density.

10.6 Recommendation 6 – Improvements and changes to audits

It is recommended that only 7-10 days notice be given for audits and that unannounced audits are not recommended except where an audit is addressing a specific issue.

It is recommended that AUS-MEAT take steps to ensure greater consistency between auditors and to ensure that all auditors are fully trained in specific issues such as Excessive Heat Load and licensing.

It is recommended that steps be taken to streamline audits via database development so that similar or identical questions are only asked once.

It is recommended that AUS-MEAT investigate the development of independent reporting functions across industry programmes (LPA, NFAS, WQA, EUCAS) that have common questions (so that similar or identical questions are only asked once).

10.7 Recommendation 7 – NFAS mission and logo

It is recommended that FLIAC review the NFAS Mission in light of the stakeholder feedback (see Section 5.2).

It is recommended that the current NFAS logo be reviewed to better reflect the scheme and industry, or the new NFAS logo that conveys a message around cattle and grain feeding be more widely adopted throughout NFAS and scheme materials.

Furthermore, if an intensive paddock feeding accreditation definition and scheme is developed, a separate and distinctive logo should be developed for “PFAS”.

10.8 Recommendation 8 – Tendering of NFAS auditing

It is not recommended that the auditing of NFAS be contestable.

It is recommended that open tendering should not occur. However, FLIAC should explore mechanisms for independently assessing the performance of AUS-MEAT so that accountability and financial competitiveness is ensured and transparently recorded.

10.9 Recommendation 9 – QA manuals, reference materials and initial accreditation

It is recommended that AUS-MEAT and/or ALFA provide access or links to all current reference materials on a single website page.

It is recommended that the Rules and Standards are carefully reviewed to identify any additional reference materials that should be included in the reference material list.

It is recommended that an electronic version of a sample QA manual and procedures be readily available at the same location as the links to all reference materials. This version would not contain content, but display a template to enable users to construct a manual in addressing all the requirements of the scheme. An electronic version has been developed by AUS-MEAT but is not made readily available to new NFAS applicants.

It is recommended that FLIAC investigate the possibility of providing an on-line mechanism for lot feeders to apply for initial accreditation including a preliminary log-in and password, supply of accreditation information, on-line application forms and for document upload and review. The log-in and password could convert to a membership log-in once accreditation has been achieved. This would allow AUS-MEAT to monitor the number of potential applicants, applicants and feedlots that complete the accreditation process. The member information may also allow improved access to NFAS information for the lot feeder, and improved communication of information from AUS-MEAT and FLIAC.

10.10Recommendation 10 – Modified accreditation rating system

It is recommended that FLIAC consider a modified accreditation rating system such as given in Table 18. FLIAC should consult with AUS-MEAT and ALFA to understand the system as it applies to abattoirs, the reasons for its adoption and the benefits.

Table 18 – Possible accreditation ratings

Rating	Comment
A+	The feedlot continually conforms to all the accreditation standards and does not have any non-conformances
A	The feedlot continually conforms to all the accreditation standards and does not have any CARs
A-	The feedlot is meeting NFAS requirements
PA	The feedlot is provisionally accredited by AUS-MEAT
B*	The feedlot has obtained a Critical Non-conformance that is being addressed
C*	The feedlot has obtained more than one Critical Non-conformance and is consistently failing to meet the required standards
VS	The feedlot is in a state of voluntary suspension
S	The feedlot is in a state of suspension. This can be due to a loss of accreditation for breach of legislation (state or local government licence cancelled) or loss of accreditation for failing to meet NFAS standards
C	The feedlot is no longer accredited (accreditation withdrawn). Withdrawal of accreditation may be voluntary or enforced.

B* and C* are temporary ratings which cannot be sustained in the long term.

10.11Recommendation 11 – QA officer training and competency

It is recommended that the Responsible Person should not only ensure that the correct number of authorised QA Officers are maintained, but also that they are appropriately trained.

It is recommended that ALFA investigate the possibility of providing an on-line training scheme for quality management similar to the recently developed on-line training scheme for agricultural and veterinary chemical usage. The training should cover general principles of quality assurance and specific aspects of NFAS.

It is recommended that once an on-line QA training scheme has been developed, the Responsible Person and all QA officers at a feedlot complete the on-line training. It is recommended that a feedlot QA manual for a new feedlot, cannot be approved until the Responsible Person and the QA officers have completed the on-line QA training.

It is recommended that all persons at a feedlot seeking to be accredited as QA officers complete the on-line training prior to approval by AUS-MEAT auditors.

It is recommended that ALFA investigate the possibility of providing an on-line training scheme for cattle welfare similar to the recently developed on-line training scheme for agricultural and veterinary chemical usage. The training should cover all aspects of cattle well-being, care, handling, transport and excessive heat load.

It is recommended that ALFA consider specific training programs for quality management and cattle welfare. Over time these training modules could contribute to a formal accreditation for participants in NFAS.

10.12Recommendation 12 – Review NFAS Rules & Standards

It is recommended that a review of the current NFAS Rules document be undertaken to identify improvements. Appendix E contains a marked up copy of potential alterations to the current NFAS Rules document for consideration.

It is recommended that the term – management representative – be replaced with the more commonly used term – Responsible Person - to better reflect the role across all feedlots.

It is recommended that FLIAC consider additional NFAS Rules and/or Standards addressing the issues raised below by a number of stakeholders.

- Intensive paddock feeding guidelines - feedback related to covering specific areas in relation to this production method that could be in parallel with NFAS, but not incorporated into NFAS.
- Transport guidelines - feedback related to developing a consistent approach across industry for the pre-transport preparation of feedlot cattle for processing.
- Stronger environmental guidelines - feedback from a narrow group of stakeholders encouraged industry to consider the potential for “raising the bar” in relation to environmental considerations in NFAS.
- Minimised use of antibiotics - feedback from stakeholders across the value chain perceived antibiotic use in feedlot cattle as the “next” issue for industry to confront, suggesting NFAS may be the mechanism to ensure cultural change around responsible use and behavioural change.
- By-product handling - feedback from a number of lot feeders that NFAS could encapsulate standards around the appropriate handling of manure and effluent.
- Sustainability - feedback suggested that industry could formulate references in NFAS to sustainability in order to build community acceptance of the industry in the future.
- Social responsibility - feedback suggested that many quality assurance schemes are now embracing the concept of social responsibility, addressing areas such as the hiring and development of local people, working with local supply chains, commitment to minimising the impact of enterprise activities on the environment by conserving resources, reducing waste and emissions and preventing environmental pollution.
- Stronger animal welfare guidelines - feedback suggested industry can evolve increased demonstration of cattle welfare in feedlots with additional criteria (not specified) in NFAS.

10.13Recommendation 13 – Incident reporting and contingency planning

It is recommended that a separate Element for incident reporting and contingency planning be included under every Module and specific Performance Indicators be prepared for each module to cover these aspects of the quality assurance program.

It is recommended that clarification is obtained on which body / entity to which incidents should be reported. Furthermore, it should be clarified if all reportable incidents should be reported to FLIAC and ALFA, the reason for this reporting and the likely actions that may be taken by AUS-MEAT and / or ALFA.

10.14 Recommendation 14 – Funding of NFAS administration

It is recommended that a dedicated portion of the grain fed livestock transaction levy be allocated to industry support programs which include the administration of NFAS.

10.15 Recommendation 15 – Community awareness of NFAS and audit information

It is recommended that ALFA investigate ways to improve community awareness that grain fed beef production is supported with a certified and verified quality assurance program which addresses environmental sustainability, animal welfare, food safety and product integrity.

It is recommended that AUS-MEAT work with FLIAC and ALFA in identifying potential aggregated audit information that can be used as a basis for continual improvement of the scheme. It is not recommended this information be made publically available.

10.16 Recommendation 16 – NFAS Delivery Dockets

It is recommended that FLIAC and ALFA promote the uptake of electronic versions of the NFAS Delivery Dockets.

The current NFAS Delivery Dockets (Forms A and B, electronic versions) confirm the production system, compliance to the scheme and cattle specifications in relation to the AUS-MEAT Beef language and Minimum Standards for Grain Fed Beef.

The uptake of the electronic version of the NFAS Delivery Docket has been moderate. Industry should consider a campaign to increase the utilisation of the electronic versions, particularly as Safemeat embarks on the release of an electronic Livestock Production Assurance (LPA) National Vendor Declaration (NVD) in 2015.

If industry were to progress with parallel pathways for CFAS and PFAS, there will be a requirement to develop appropriate documentation as to the status of cattle exiting either production system.

For example:

1. CFAS - Form A and B
2. PFAS - Form B and C - new criteria and form

10.17 Recommendation 17 – AUS-MEAT minimum standards for grain fed beef

It is recommended that ALFA initiate a review of the current AUS-MEAT Minimum Standards for Grain Fed Beef.

11 Summary and conclusions

The NFAS has provided the cattle feedlot industry with a suitable template to cultivate best management practice within the industry across a number of important criteria. A small, yet engaged, committee, FLIAC has been responsible for continual improvements to the scheme, working closely with ALFA in the formulation of improvements, and AUS-MEAT in the implementation. The scheme has been adopted broadly across industry, administered cost effectively, and been a fine example of on-farm quality assurance delivering to customers. Also, the benefits of feedlot accreditation have enabled the cattle grain feeding sector to become an important component in the Australian beef value chain.

NFAS continues to evolve and improve as relevant criteria are addressed within the scheme. It is imperative that this approach to encouraging best management through a certified scheme is continued to ensure the industry is not negatively influenced by environmentalists, animal activists or governments. Mechanisms to ensure industry participation for those seeking to adopt well researched and innovative management techniques should be encouraged.

This review has consulted extensively with stakeholders across most areas of the cattle industry and beef supply chain. It is obvious that the industry is still evolving, the reliance on feedlots predictable production outcomes is increasing, consumers expectations in regard to food production are changing, and government's approach to industry is continually waxing and waning. The necessity for a robust industry scheme has never been greater. Given the speed of change and development in the world today, industry should consider extensively reviewing NFAS every five to ten years. But more importantly, the scheme needs to be under constant supervision to ensure continuous improvement on a regular basis to ensure it is meeting the needs of lot feeders, end users, consumers and government.

This review has highlighted some challenges for industry as it addresses the current changes in production methods, livestock handling and management, and consumer's perception of feedlots. The future requirements of the scheme will need to be soundly researched, debated and implemented with consensus across industry.

Industry has displayed considerable foresight in initiating NFAS and providing the opportunity for lot feeders to participate in a scheme that provides opportunity and certainty.

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Appendix A – Letter of Introduction

Date
Addressee

The National Feedlot Accreditation Scheme (NFAS) was developed and implemented by industry 20 years ago in 1994. The Scheme was the first industry-wide quality-assurance scheme adopted in Australian agriculture and, arguably, it remains at the forefront of agricultural industry self-regulation.

The lot feeding sector has evolved a lot over the past 20 years, and changes have been made to the NFAS program to allow it to be continuously improved and adapt to the changing landscape. Given that the Scheme has been in operation 20 years, the Feedlot Industry Advisory Committee (FLIAC) has decided that a formal review of the complete Scheme is appropriate. The background to the review is outlined on the attached page.

The objective is to review the mission, rules and standards, administration and auditing of NFAS to ensure the Scheme not only meets the current requirements of the industry and other stakeholders, but is well placed to address potential future requirements over the next 2, 5 and 10 years. As the review will form the basis of a future strategic plan for NFAS, we want to know:

- what NFAS does well;
- where it can be improved; and
- recommendations detailing where the scheme can be improved so it is better placed to serve the industry over the next 2, 5 and 10 years.

The review will be funded by MLA and overseen by a Steering Committee with representatives from FLIAC, ALFA, MLA and AUS-MEAT. Following a tender process, this committee has appointed FSA Consulting, in association with Jim Cudmore, to undertake the review.

The review team will be consulting extensively with ALFA, lot feeders, FLIAC, AUS-MEAT, beef processors, brand owners, retailers, wholesalers, exporters, industry bodies, state and federal Government agencies, cattle and feed suppliers and responsible animal welfare organisations to deliver on the project objectives outlined above.

As an important stakeholder in our industry, FLIAC would appreciate your input to this process and, as a result, you will soon be approached by a member of the review team to answer a series of questions about NFAS. Details of the questions to be addressed are attached for your information and consideration and we hope that you will agree to help us.

If you require further details, please contact:

Des Rinehart
Feedlot R&D Project Manager
Meat & Livestock Australia

Yours sincerely

Malcolm Foster
Chairman
Feedlot Industry Accreditation Committee

Don Mackay
President
Australian Lot Feeders Association

NATIONAL FEEDLOT ACCREDITATION SCHEME

Appendix B – Stakeholder questionnaire

NFAS REVIEW QUESTIONNAIRE

1) Do you understand the cattle industry program NFAS?
2) Has the NFAS delivered upon its original intent?
3) What does NFAS do well?

Mission

To ensure the Australian beef feedlot industry develops a responsible feedlot management program to:
(a) enhance the marketing prospects for grain fed beef by raising the integrity and quality of the product;
(b) establish a viable mechanism for industry self-regulation; and
(c) maintain the image held by the community of Feedlots, particularly relating to the environment and animal welfare matters.

4) Do you think the mission of NFAS still accurately reflects the goals of the program?
    a. Does the mission of NFAS need to be amended to reflect likely future developments and if so,
    b. What amendments to the mission should be made?
5) Do the current elements of NFAS satisfy the community's expectations in relation to the industry?
    a. What inclusions/variations could be considered?
6) Does the Scheme need to improve in order to remain relevant?
    a. If so, what should be included?
    b. If so, what can be improved?
7) Are their elements of the Scheme that should be removed?
    a. Are there elements getting to their used by date?
8) Has the scheme assisted in your business?
    a. If so, how?
9) Is your Scheme manual used for other parts of your business?
    a. If so, how?
10) Do the NFAS Standards cover the suite of issues it should?
    a. If not, what should be included?
11) Do you review the reference materials suggested in the Scheme?
    (i) the National Guidelines for Beef Cattle Feedlots in Australia (as amended or superseded);
    (ii) the National Beef Cattle Feedlot Environmental Code of Practice (as amended or superseded).
    (iii) the AUSVETPLAN Enterprise Manual - Feedlots (as amended or superseded);
    (iv) The Code of Practice for the Welfare of Animals - Cattle (as amended or superseded);
    (v) the NFAS Accreditation Rules;
    (vi) the NFAS Standards;
    (vii) the approved Feedlot Quality System Manual;
    (viii) license/approval documentation issued by the relevant approval authority; and
    (ix) the AUS-MEAT Minimum Standards for Grain fed Beef.
    a. If so, how?
    b. Could this be improved?
12) Should there be more formal training elements included in the Scheme?
    a. For example – Quality assurance
    b. For example – Animal welfare
13) Currently NFAS audits are undertaken once per year with around 2-3 weeks' notice provided to lot feeders prior to the audit. Do you feel NFAS audits should be more frequent and/or unannounced?
14) Do you think current NFAS audits are sufficiently rigorous?
    a. If not, how can they be improved?
15) Are the current sanctions for non-conformance under the NFAS rules sufficient?
16) Are there any technology developments that would assist NFAS auditors?

17) Are there elements from other quality assurance programs both in Australia and overseas that in your view should be considered within NFAS?

The purpose of the FLIAC is to develop, manage and administer the operation of NFAS on behalf of AUS-MEAT Limited. Organisations represented on FLIAC are:

- *AUS-MEAT Limited*
- *Australian Lot Feeders' Association (ALFA)*
- *New South Wales Department of Primary Industries*
- *Queensland Department of Agriculture, Fisheries and Forestry*
- *Victorian Department of Primary Industries*
- *Department of Agriculture and Food Western Australia*

The scope of the FLIAC is to:

(a) manage NFAS;

(b) ensure the effective operation of NFAS by recommending changes to NFAS;

(c) assess and make recommendations to AUS-MEAT on the Accreditation status of individual Feedlots;

(d) make recommendations to AUS-MEAT on the outcomes of submissions of appeals from Feedlots relevant to their Accreditation status.

18) Are there any opportunities to improve the administration and operation of FLIAC?
    a. If so, what are your suggestions?
19) Should other stakeholders be considered as participants on FLIAC?
    a. Who would you suggest?

NFAS is largely a self-funded program through cost recovery from feedlot audits. Administration of the NFAS through AUS-MEAT is currently funded with grain fed levy monies ($150K) allocated by the Beef Industry Advisory Council (BIAC) as part of the 29c levy contribution to National Residue Survey (NRS)

20) Do you understand how NFAS is funded?
    a. What improvements would you suggest?
21) Are there any opportunities to reduce the administration and auditing costs associated with the operation of NFAS?
    a. If so, how?
22) Should the delivery of NFAS audits be contestable?
    a. If so, how often should a competitive tendering process be undertaken?
23) Should aggregated NFAS audit results be made available to ALFA to enable, for example, the organisation to develop KPI benchmarks to measure industry compliance over time?
24) Should NFAS audit results be aggregated and made public on the AUS-MEAT website?
25) Are there any other areas that should be more transparent within NFAS?
26) Should all cattle feedlots be accredited under NFAS?
    a. Do you have any thoughts on how the industry can increase the proportion of feedlots accredited under NFAS?
27) Do you have any other comments that you wish to make?

Appendix C – Number and capacity of accredited feedlots (2006-2014)

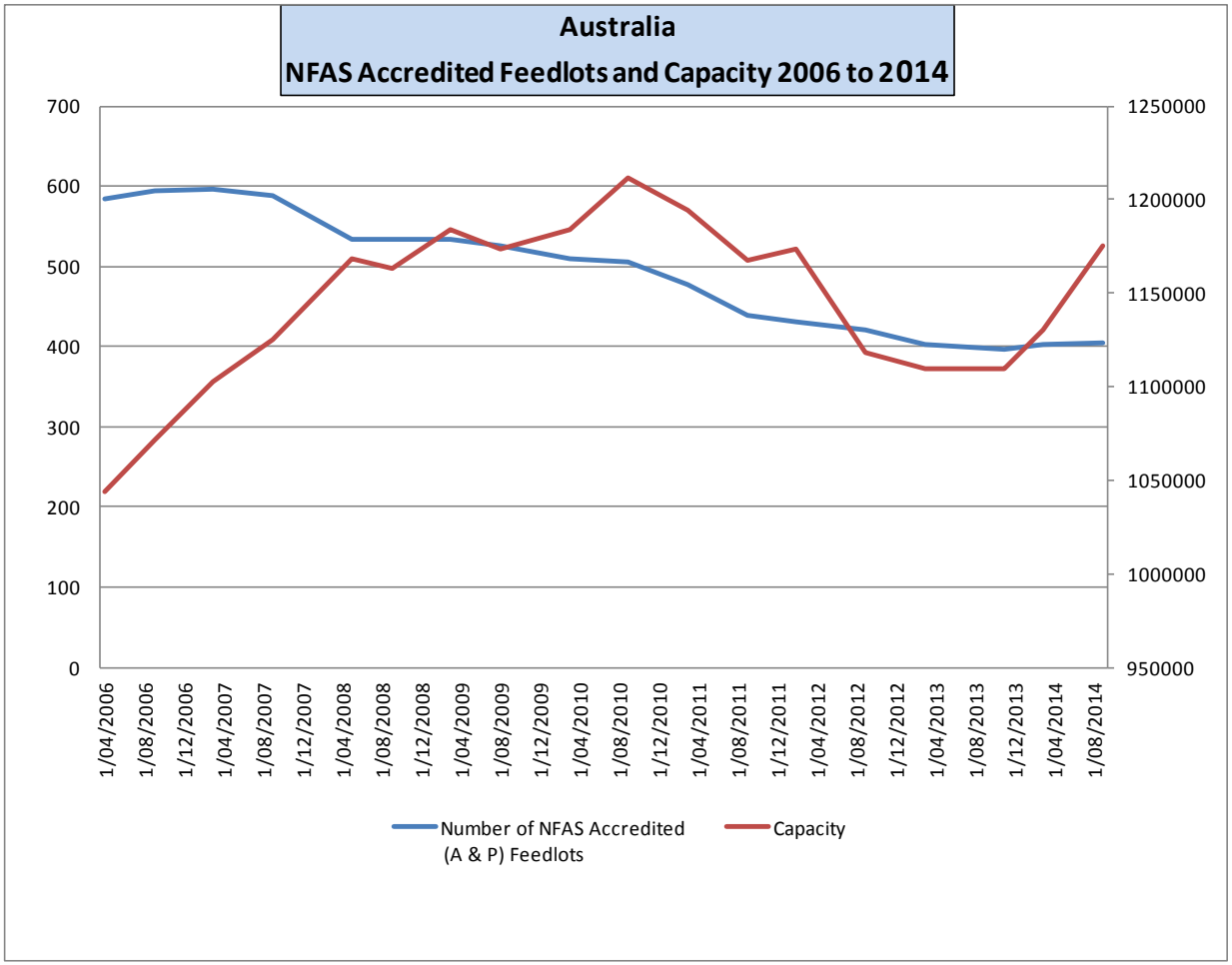

Figure 4 – Number and capacity of NFAS Feedlots (2006 to 2014) – Australia

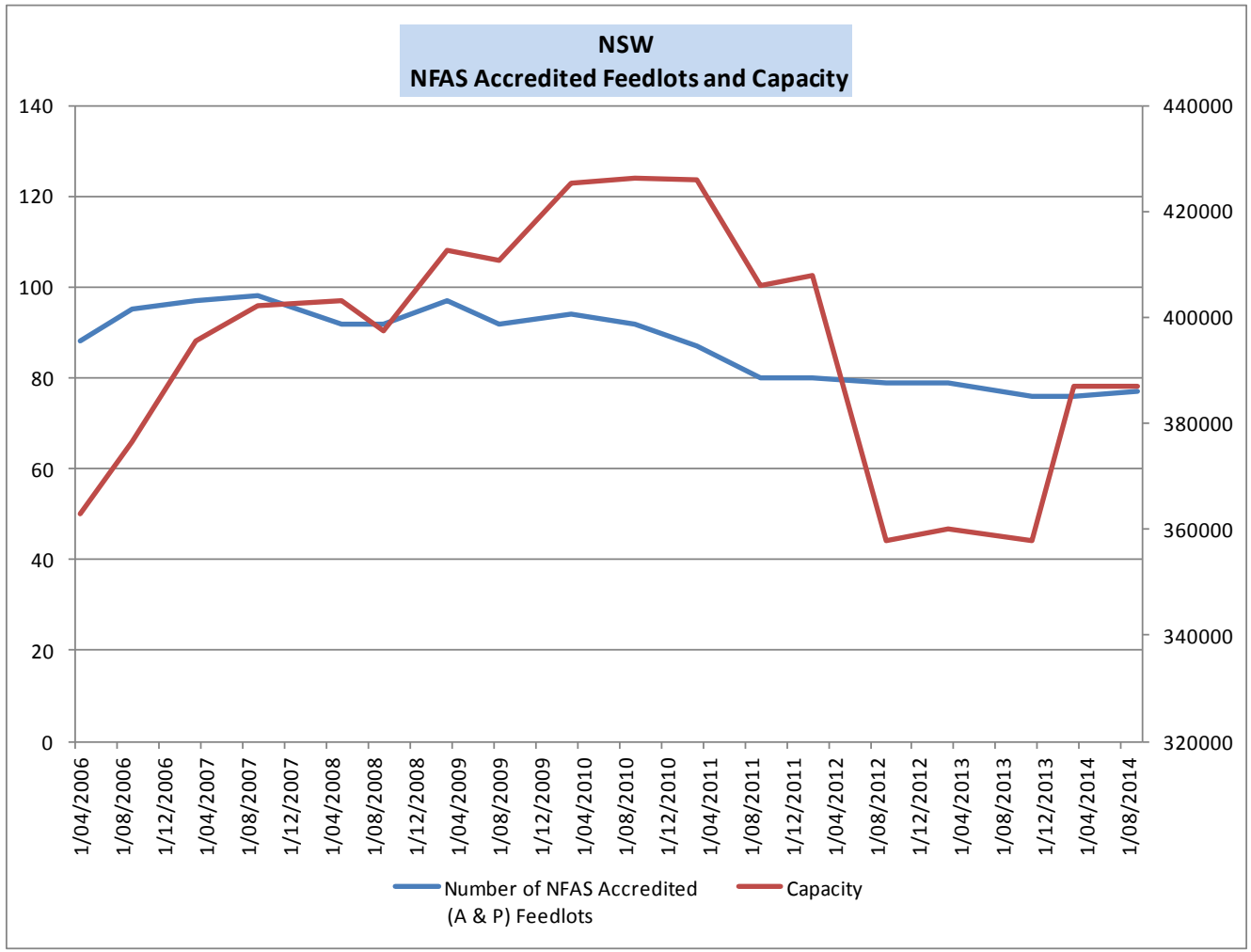

Figure 5 – Number and capacity of NFAS Feedlots (2006 to 2014) – New South Wales

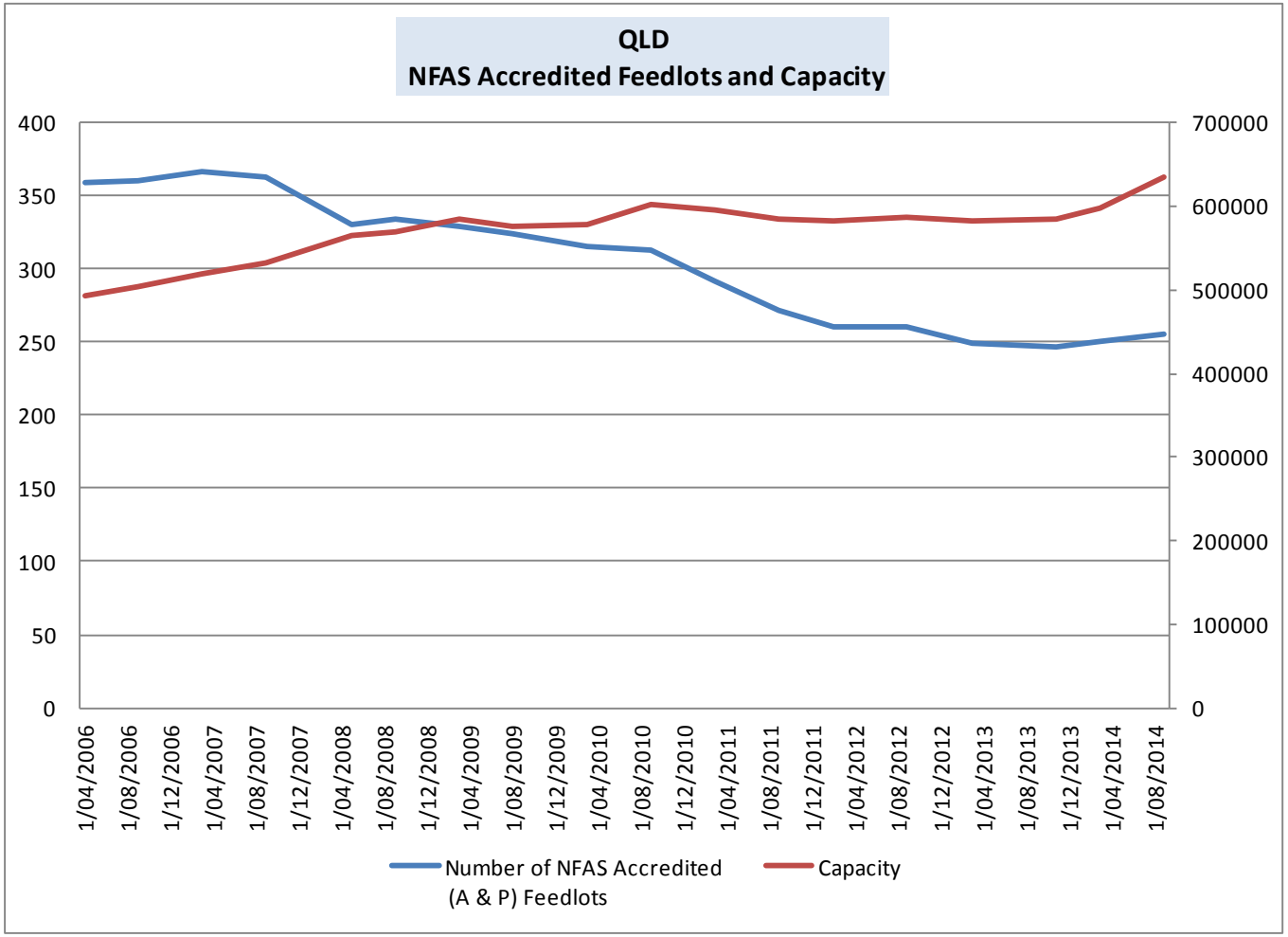

Figure 6 – Number and capacity of NFAS Feedlots (2006 to 2014) – Queensland

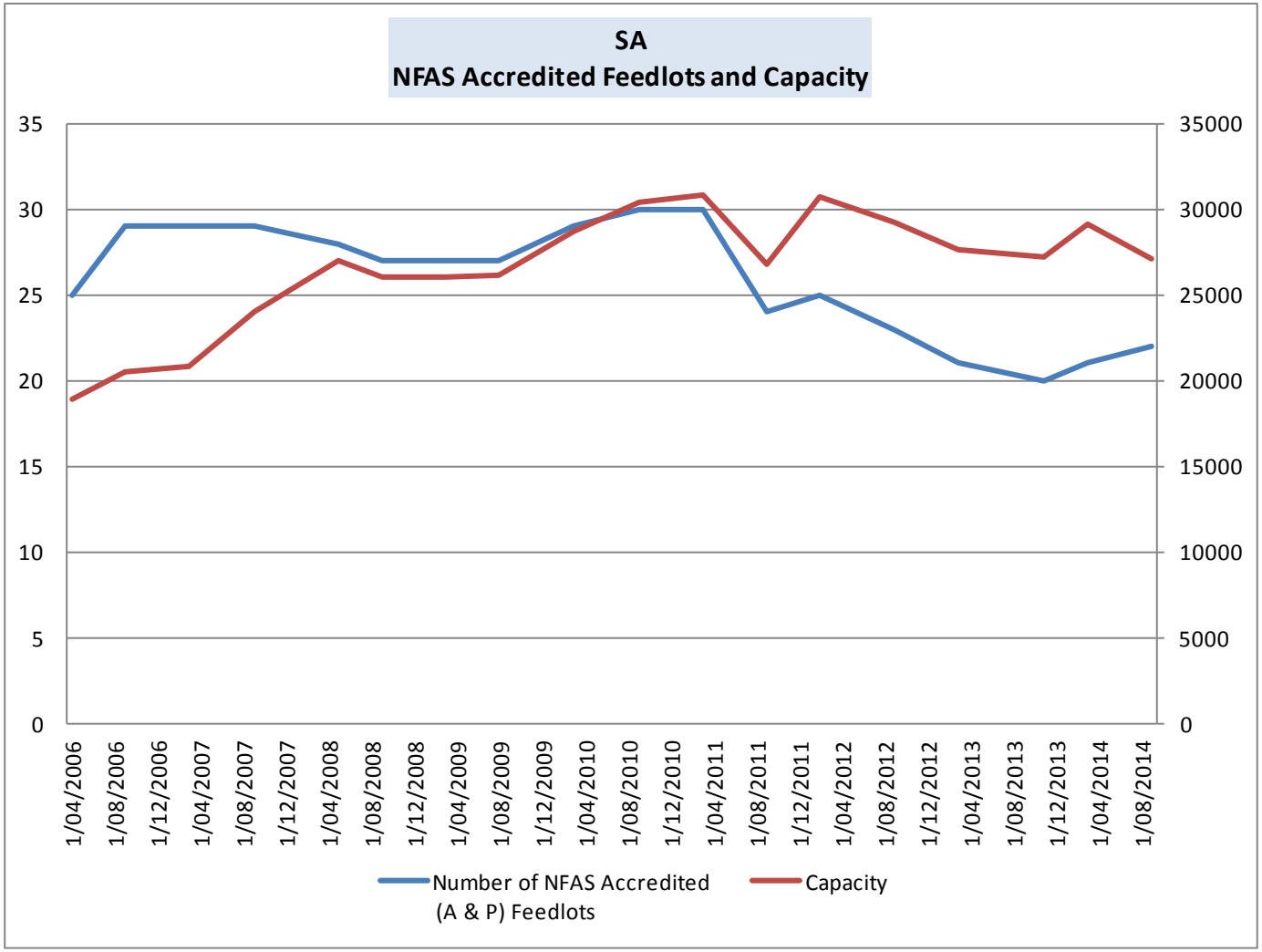

Figure 7 – Number and capacity of NFAS Feedlots (2006 to 2014) – South Australia

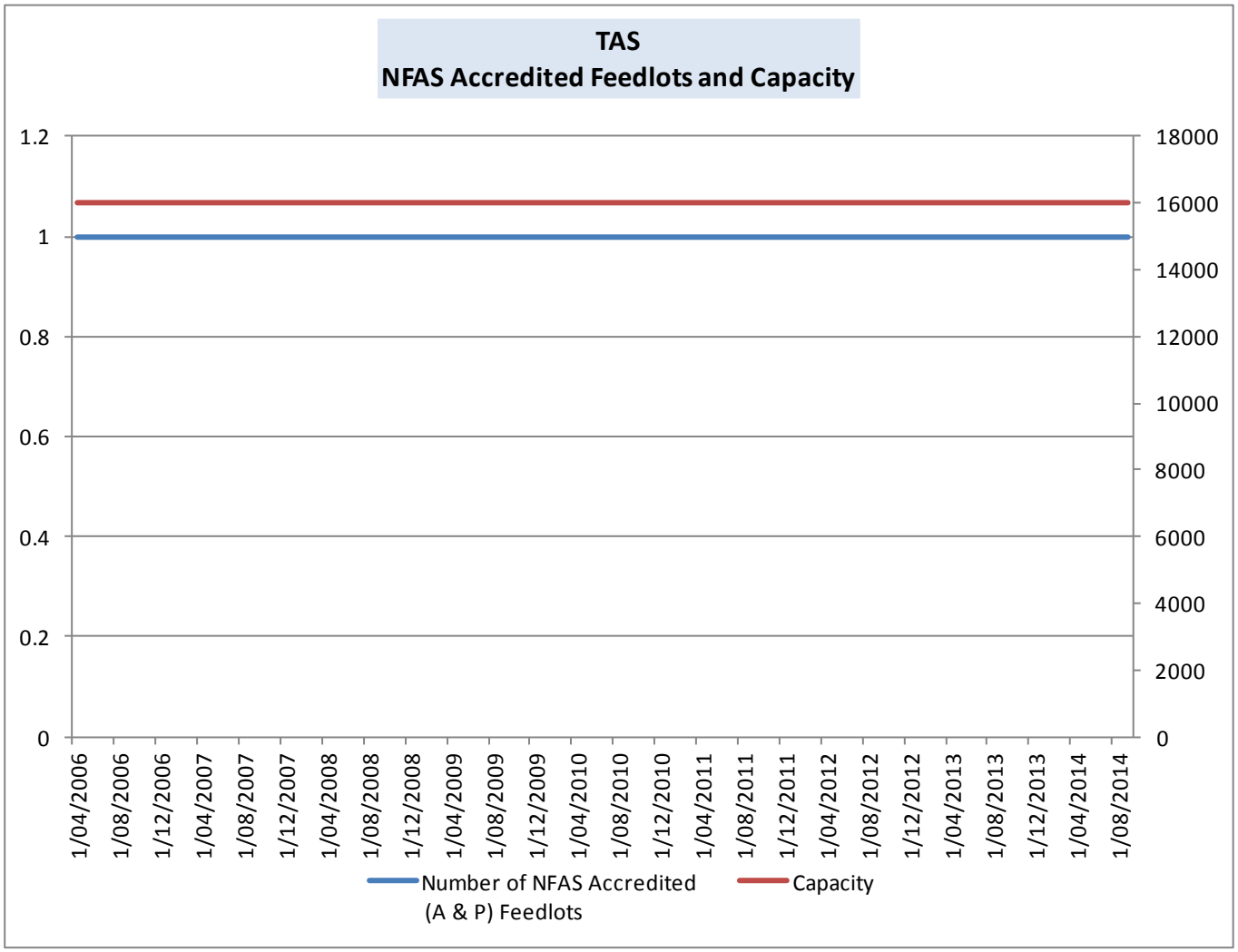

Figure 8 – Number and capacity of NFAS Feedlots (2006 to 2014) – Tasmania

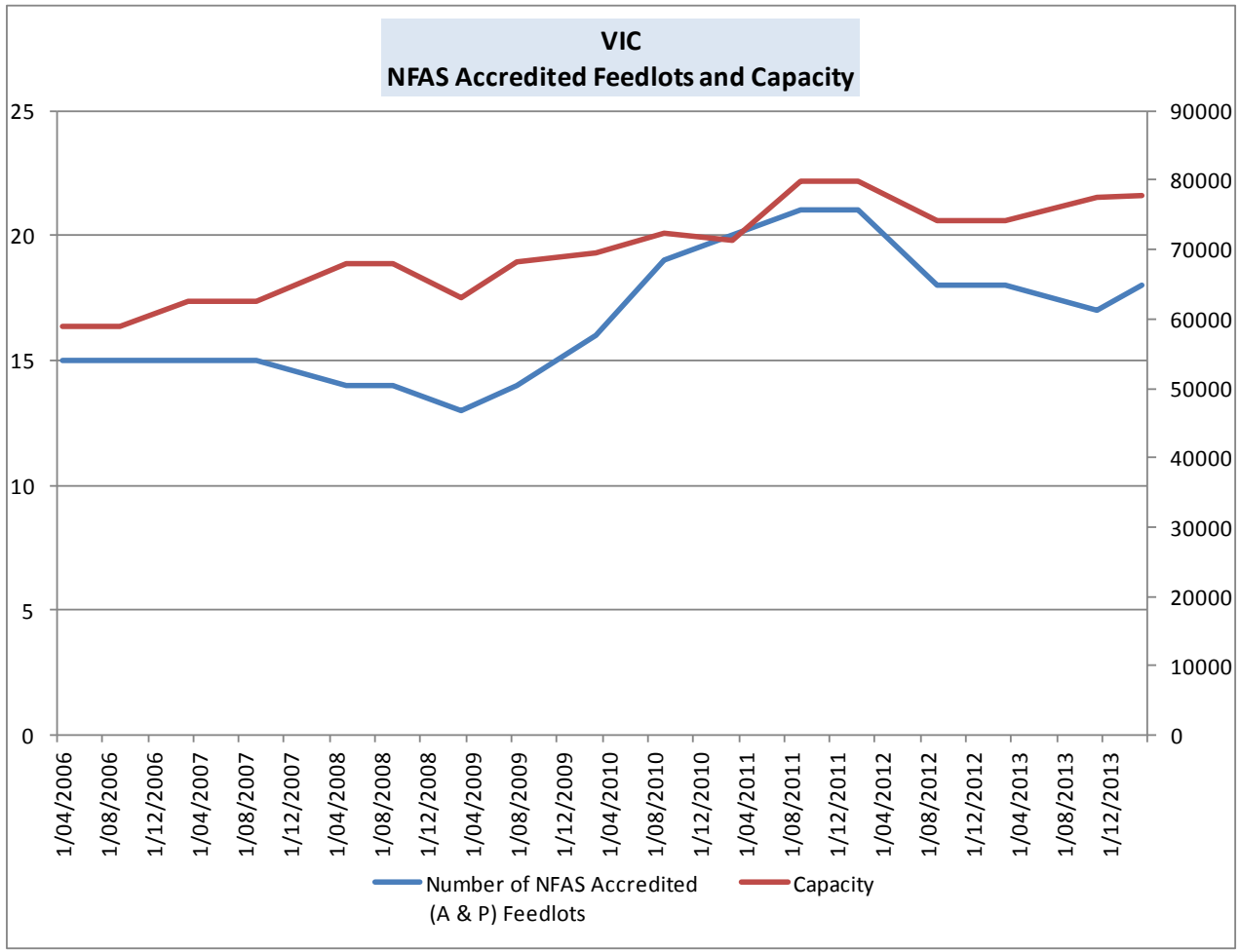

Figure 9 – Number and capacity of NFAS Feedlots (2006 to 2014) – Victoria

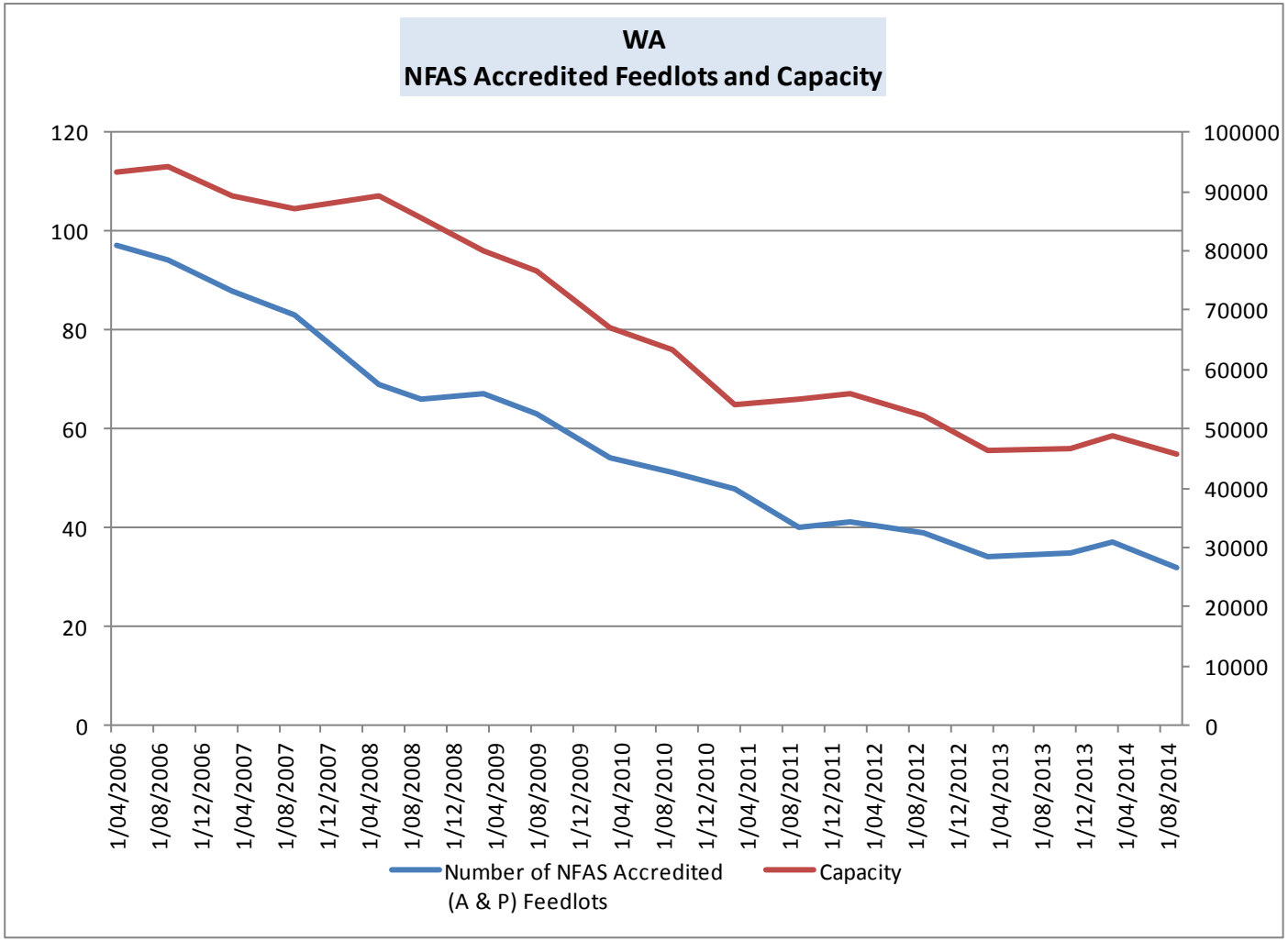

Figure 10 – Number and capacity of NFAS Feedlots (2006 to 2014) – Western Australia

Appendix D – Other farm and food QA schemes

Livestock Production Assurance (LPA) and Livestock Production Assurance Quality Assurance (LPA QA)

The Livestock Production Assurance (LPA) Program is Australia's on-farm food safety certification program. LPA meets the strict requirements of domestic and export markets and gives a guarantee of the safety of Australian beef, lamb and goat meat.

The LPA Food Safety standards provide basic on-farm food safety guidelines and represent the first tier of the LPA framework (LPA Level 1). These are underpinned by LPA National Vendor Declarations (NVDs), which provide the buyer with assurance of the food safety of the animal they are buying and enable tracking of livestock movements. The NVD is the principle document by which information regarding the food safety history of livestock is transferred from one property to another and from one producer to another; through agents, saleyards, feedlots, exporters and end users including processors and retailers. NVDs are available for the following animal types: cattle, sheep, lambs, goats, bobby calves and EU cattle. Producers must register their properties with the LPA program in order to receive a Property Identification Code (PIC). Producers that wish to use NVDs must then ensure that their PICs are accredited in the program.

The LPA standards cover on-farm practices in five key areas:

1. Property risk assessment
2. Safe and responsible animal treatments
3. Stock foods, fodder crops, grain and pasture treatments
4. Preparation for dispatch of livestock
5. Livestock transactions and movements

For each Element, there is a 'food safety outcome'. Each outcome is aimed at enabling producers to verify the claims made on NVDs in relation to meat from livestock being fit for human consumption.

The second tier of the LPA framework is the Livestock Production Assurance On-Farm Quality Assurance (LPA QA) program, which incorporates the Cattlecare and Flockcare programs. These programs were initially developed by the Cattle Council of Australia and the Sheepmeat Council of Australia. Livestock producers have to be fully accredited in LPA level 1 (or Food Safety Management) to participate in LPA QA.

LPA QA accreditation for cattle producers equates to Cattlecare accreditation, while sheep producers have Flockcare accreditation. Accredited producers must operate in accordance with the rules for Cattlecare and Flockcare.

The LPA QA program is managed by the LPA Advisory Committee (LPAAC), the same committee that is responsible for management of the LPA food safety program. The LPAAC comprises representatives from key industry sectors including cattle, sheep, goat and dairy producers, processors and livestock agents. Both the LPA Food Safety and LPA QA programs are owned by the red meat industry through AUS-MEAT Limited.

The LPA QA Standards consist of three core modules: Food Safety Management (LPA Level 1), Systems Management (LPA Level 2) and Livestock Management (LPA Level 3). Each of these modules comprises five elements as outlined below:

Module 1: Food Safety Management

1. Property risk assessment
2. Safe and responsible animal treatments
3. Stock foods, fodder crops, grain and pasture treatments
4. Preparation for dispatch of livestock
5. Livestock transactions and movements

Module 2: Systems Management

1. Training
2. Internal auditing and document control
3. Quality Records
4. Document Control
5. Chemical Inventory

Module 3: Livestock Management

1. Livestock Husbandry and preparation
2. Livestock handling facilities
3. Livestock Transport
4. Animal Welfare
5. Accredited Livestock

To maintain LPA QA accreditation, livestock producers must comply with each of the five elements within each module. Accredited producers are also eligible to participate in audits, to verify the effectiveness of the systems implemented on farm to ensure the LPA Standards are met. These audits should be conducted internally at least once per year, and on-farm staff are trained so that they are capable of carrying them out. In addition to this, external audits by AUS-MEAT representatives are conducted on an ad-hoc basis to ensure compliance.

When carrying out the audits, if a critical non-conformance is found it can result in a loss of accreditation. There are four accreditation levels:

- N – Not accredited
- A – Accredited
- S – Suspended (i.e. LPAAC has applied a sanction to the Producer and has issued a show cause notice)
- W – Withdrawn (i.e. accreditation has been withdrawn either voluntarily or by the committee)

The costs of accreditation include fees payable to the LPAAC administration and auditors. These are set down by AUS-MEAT or the LPAAC from time to time.

Cattlecare and Flockcare Certification Marks

The rules for Cattlecare and Flockcare set the requirements for participation in the LPA QA. Producers may use the Cattlecare and Flockcare certification marks if they comply with the Rules Governing the Use of the Cattlecare and/or Flockcare Programs. These rules state that

producers must undertake two external audits at six monthly intervals in the first year of accreditation. Following on from this, the producer will need to conduct two internal audits and one external audit every year. If the producer fails the audits, then the Cattle Council of Australia may revoke the right to use the Cattlecare Mark, as may AUS-MEAT for the Flockcare mark. All of the audits are conducted at the sole expense of the producer.

More details are available at www.mla.com.au/Meat-safety-and-traceability/Livestock-Production-Assurance

PCAS - Pasturefed Cattle Assurance System

The Pasturefed Cattle Assurance System (PCAS) was developed by the Cattle Council of Australia, with support from Meat & Livestock Australia (MLA), to enable the industry to prove claims made about pasturefed or grassfed production methods. The program was developed in consultation with industry stakeholders, retailers and processors and the Standards were piloted with producers.

The PCAS Standards oversee the on-farm feed requirements and traceability of cattle, in addition to the pre-slaughter handling practices which affect eating quality. These standards also include two optional modules; free from HGPs and antibiotics. These modules contain different elements listed below:

- **Module 1: Certified Pasturefed**
  i. Identification and lifetime traceability
  ii. No confinement for the purpose of intensive feeding for production
  iii. Lifetime pasturefed
  iv. Minimum eating quality standards (on-farm)
- **Module 2: Lifetime free from hormonal growth promotants**
- **Module 3: Lifetime free from antibiotics**

To become Certified Pasturefed and gain the right to use the suite of certification marks, a producer must:

1. Register their property and pay the annual administration fee
2. Prepare for the initial onsite certification audit – an on-line self-audit is available to give the producer an indication of their ability to meet PCAS standards. Any corrective actions required must be carried prior to registration.
3. Once the producer is registered, it is possible to have the on-site audit conducted by a certified auditor approved by PCAS administration. This occurs once at the start of the certification process and then annually after this.

Any non-conformances identified during the on-site audit are closed out or an appropriate management plan is put in place to ensure close-out over a time-frame acceptable to PCAS administration. Any critical non-conformances must be recorded in a critical incident report and in some cases certification may be suspended or revoked. Until producers have completed the on-site audit and been awarded Certification they cannot use the Certification Pasturefed logos and marks.

More information is available at www.cattlecouncil.com.au/industry-programs/pcas

APIQ – Australian Pork Industry Quality Assurance Program

APIQ is an on-farm quality assurance system for the pork industry. It is based on managing farm risks by following Good Agricultural Practices (GAP), using the principles of Hazard Analysis and managing Critical Control Points (HACCP). APIQ provides the framework and standards by which Australian pig producers can demonstrate they are responsible farmers who care for their animals, the environment and their customers, by following safe and sustainable practices.

A wide range of stakeholders provided input to the program including producers, scientists, QA experts, government and retailers. The program was trialled on-farm at different sized enterprises and production system.

The APIQ Standards have been developed to include optional certification for Free Range (FR), Outdoor Bred (OB) and proof when a producer is Gestation Stall Free (GSF) and/or CS 6 (for producers wanting to supply Coles Supermarkets Australia).

The APIQ standards are divided into five modules:

1. Management
2. Food Safety
3. Animal Welfare
4. Biosecurity
5. Traceability

People are trained to ensure that they are familiar with the requirements of their role and the APIQ system. They are trained in Emergency Disease Awareness and follow Biosecurity procedures. There is a nominated person at the enterprise who is responsible for ensuring that the management practices and documentation required for APIQ are being met.

An initial APIQ compliance audit is followed by an internal audit approximately six months but no later than eight months, afterwards. The enterprise must conduct and record an annual internal audit after this. External compliance audits are carried out annually once the internal audit has shown that the system is working. An external APIQ registered auditor must be used. They are qualified as a National Food Safety Auditor (NFSA) with level II (or higher) with APIQ scope. This means that the auditor has completed the required training and passed examination as a food safety auditor.

If a pork producer would like to supply to Coles supermarket they must implement the APIQ customer specifications module CS 6. This module covers:

- Stocking density
- Husbandry practices'
- Antibiotics, growth promotants and hormone use
- Bedding and enrichment

More information is available at www.apiq.com.au

ECA – Egg Corp Assured Program

Egg producers have been under increasing pressure to develop a quality assurance program based on HACCP in recent years. The Egg Corp Assured (ECA) national egg quality assurance program has been developed to allow eggs businesses to create a quality assurance program for their respective operations in the supply chain. The ECA program covers all on-farm practices related to the rearing of pullets and production of eggs from laying hens. It starts from the point of delivery of day old chicks or started pullets to the farm up to production of eggs and removal of started pullets and spent hens. It also covers grading and packaging of eggs. ECA addresses issues including food safety, biosecurity, animal welfare and egg labelling. The areas covered under the program are:

- Pullet rearing
- Egg production
- Egg grading/packaging

The different areas focussed on during the rearing/layer farm audit are:

1. General
2. Equipment and vehicles
3. Feed
4. Water
5. Litter
6. Chemicals and veterinary medicines
7. Pest Control
8. People
9. Shed setup
10. Bird Placement
11. Free range/Barn/Cage
12. Rearing and Laying
13. Egg Collection
14. Identification, traceability and labelling eggs
15. Removal and storage of dead birds, manure and reject eggs
16. Transport of birds or eggs
17. Environment

The different areas focussed on during the grading floor audit are:

1. General
2. Biosecurity controls
3. Training program'
4. Egg receival and storage
5. Grading floor premise/infrastructure
6. Pest control
7. Maintenance program
8. Cleaning program
9. Egg washing
10. Oiling
11. Candling
12. Calibration
13. Packaging/labelling/identification
14. Traceability/recall

15. Egg testing
16. General compliance

It is the aim of ECA to help egg producers to:

- Minimise risk that eggs are incorrectly labelled
- Minimise risks to the safety of eggs consumed by customers
- Minimise the chance of disease outbreaks occurring and reducing the impact if they do
- Protect the welfare of their flocks
- Ensure the production and delivery of a consistent, quality product

In order to use the ECA certification mark, the organisation must become accredited. A random unannounced external audit will be conducted annually by a certified body approved by Egg Corp Assured. AECL will train auditors who have been accredited by the Registered Accreditation Board Quality Society of Australasia (RABQSA) in the standards of ECA so that they are qualified to conduct audits. The organisation is required to train staff in the main principles of ECA and maintain sufficient staff levels to ensure compliance with the ECA. Two grades are given to organisations:

- The A grade is when the audit recommends accreditation and no corrective action is needed.
- The B grade is when a minor corrective action is found in the audit and it represents <20% of the minor corrective actions in the audit. If after 1 year, this grade has not been rectified then the certified applicant will lose its certification.

The annual fee payable to AECL ranges from $25 (<1000 laying hens) to $267 (>500,000 laying hens).

More information is available at www.aecl.org

LPAS – Livestock Production Accreditation Scheme

The Livestock Production Accreditation Scheme (LPAS) was developed to provide certification for grain fed lamb and hogget. AUS-MEAT administers the scheme and all grain fed lambs must be sourced from livestock production systems accredited by AUS-MEAT. In order to become accredited, all grain fed lamb and hoggets must comply with the feeding and carcase criteria in Table 19 and Table 20.

Both the lambs and hoggets must have been fed for not less than 35 days on rations containing a metabolisable energy (ME) content not less than 10 MJ per kg of dry matter and a crude protein content of not less than 12%.

Table 19 – Feeding and carcase criteria for grain fed lamb under LPAS

Number of Days on Feed	35
Age	0 (Permanent Incisors)
Minimum Fat Class	2 (>5mm)
Minimum Weight Class	18 (>16kg)

Table 20 – Feeding and carcase criteria for grain fed hogget under LPAS

Number of Days on Feed	35
Age	1 - 2 (Permanent Incisors)
Minimum Fat Class	2 (>5mm)
Minimum Weight Class	20 (>18kg)

In order to gain LPAS certification, the business must be able to demonstrate that the relevant approvals are in place from the State or Local Authority. Accreditation under the LPA QA (Flockcare) is also required to become LPAS certified. LPAS delivery dockets are required to accompany all lamb and hoggets in order to guarantee that they have been slaughtered, processed or described as grain fed. The Department of Agriculture is responsible for the on-plant administration of these dockets, while AUS-MEAT controls post slaughter quality assurance monitoring of the grain fed lamb and hogget products.

More details are available at http://www.ausmeat.com.au/audits-accreditation/lpas-grain_fed-lamb.aspx

Freshcare

Freshcare is an industry owned, not-for-profit on-farm quality assurance program, established and maintained to service the Australian fresh produce industry. Freshcare is currently the largest Australian on–farm assurance program for fresh produce; proudly providing on-farm food safety and quality and environmental certification services to over 5000 members nationally.

The foundations of the Freshcare Program are the user-friendly Codes of Practice and detailed training support materials. The Freshcare Codes describe the practices required on farm to provide an assurance that fresh produce is safe to eat, has been prepared to customer specifications and legislative requirements; and has been grown with care for the environment. The program was based on elements from ISO 14001 and BSI PAS 100.

Freshcare currently offers certification to the following Codes of Practice, following participation in an approved Freshcare training course:

- Freshcare Food Safety and Quality
- Freshcare Environmental
- Freshcare Environmental – Viticulture
- Freshcare Environmental – Winery

A management representative usually completes the approved training for the Freshcare Codes, however training is also provided for workers who complete tasks relevant to the codes. Training is most often delivered as an initial one day session, with optional follow up visits and support. Each code of practice covers two modules; food safety and quality, and environment.

Internal audits are required to be carried out at least annually, while external audits by approved third party auditors e.g. SGS are also annual. Certification lasts for 13 months after the initial audit and it is recommended that the external audits are conducted at least 1 month prior to certification expiry.

Annual costs for implementing the Freshcare program comprise the cost of the audit, typically $450 to $650 and the annual Freshcare certification fee of $99. In addition to these, there is the cost of any testing required.

The Freshcare Codes of Practice are versatile and user-friendly, created to be implemented as stand-alone programs or integrated as one combined on-farm assurance system. The Freshcare Codes of Practice can also be incorporated with other quality, food safety and farm management schemes.

More details are available at www.freshcare.com.au

TruckCare

TruckCare is a quality assurance program for the Australian Livestock Transport Industry. It was developed by the Australian Livestock and rural Transporters Association (ALTA) in response to the need to improve animal welfare, food safety, OH&S and biosecurity risks in the industry.

The QA program uses hazard analysis of critical control points (HACCP) to manage risks, and is designed to integrate easily with other QA programs across the Australian livestock sector. It was developed with input from veterinary science and animal welfare bodies, the Australian government; and livestock industries. TruckCare is a critical part of the Federal Government's Australian Animal Welfare Strategy for livestock transport.

The TruckCare program consists of four core modules: Systems and procedures, Maintenance and design of transport crates and equipment, Livestock management and animal welfare, and Food safety and traceability. Each of these modules comprises different elements as outlined below:

Module 1: Systems and procedures

1. Management procedures and responsibilities
2. Customer and sub-contractor management
3. Staff competency and training

Module 2: Maintenance and design of transport crates and equipment

1. Stock crate maintenance and associated livestock transporting equipment

Module 3: Livestock management and animal welfare

1. Planning and contingencies
2. Livestock handling and staff competency
3. Selection of livestock for transport
4. Livestock handling, loading, transportation and unloading of livestock to minimise stress and injuries

Module 4: Food safety and traceability

1. National vendor declaration and waybill

After the operator has passed an entry audit for accreditation, another compliance audit is conducted 6 months later. Following on from this, compliance audits are conducted every two years. Third party independent auditors carry out the audits and accreditation is approved by

ALTA. In order to join the program, the operator will have to pay an initial joining fee that ranges from $660 to $1320, and then an annual on-going fee of $310. Transport personnel need to be properly trained in chain of responsibility duties, such as the completion of work diary pages, loading procedures and the need for proper load restraint, in order to ensure compliance.

More details are available at http://alrta.org.au/truckcare/

NSQA – National Saleyards Quality Assurance Program

The National Saleyards Quality Assurance Program (NSQA) ensures that national standards in the handling of livestock through the red meat supply chain are being met at saleyards. The saleyards selling industry decided to use quality assurance management systems to underpin the National Standard for the Construction and Operation of Australian Saleyards.

In order to become NSQA accredited, a saleyard must carry out the following steps:

- Train all employees in the requirements and management of the quality assurance system
- Internal review of the current management practise to determine whether the saleyard is meeting the NSQA standards
- Corrective actions implemented in the case of any non-conformances
- Development of a Quality Assurance Manual using the NSQA guidelines
- Have an external desk audit of the QA manual and obtain approval by auditors
- Have an external audit of the saleyard site during a sale period and gain approval

NSQA is independently audited by AUS-MEAT, to ensure that all saleyards registered under the program meet the requirements of the National Standard for the Construction and Operation of Australian Saleyards.

In order for a saleyard to join NSQA, they must pay an initial joining fee of $1000. If one or more saleyards are owned by the enterprise the subsequent joining fee is $500. The on-going annual fee is $250.

More details are available at http://www.ausmeat.com.au/audits-accreditation/nsqa-saleyards-assurance.aspx

EUCAS – European Union Cattle Accreditation Scheme

The European Union Cattle Accreditation Scheme (EUCAS) is a national cattle production scheme that gives an assurance of the complete traceability of all animals through the National Livestock Identification System (NLIS), with a central database that links all individual animal identification. The Australian cattle industry can meet the EU market requirements for beef using EUCAS, as it allows for segregation of cattle that have never been exposed to HGPs. EUCAS covers farms, feedlots and saleyards and the enterprise manager is legally responsible for ensuring compliance with the scheme and on-going accreditation. This means they should have adequate training to ensure they have the skills to do this.

EUCAS accredited farms are audited on both a random and targeted basis, while EUCAS accredited feedlots and saleyards are audited annually. Audits are carried out by auditors from the Department of Agriculture and the on-going accreditation of each type of enterprise depends

on a successful audit. If an enterprise is found not to be complying with the requirements of the scheme, EUCAS can revoke its accreditation.

More details are available at www.agriculture.gov.au/biosecurity/export/meat/elmer-3/eucas

GAP – Global Animal Partnership

Global Animal Partnership (GAP) is an international non-profit charitable organisation founded in the US in 2008. It aims to bring together farmers, scientists, lot feeders, retailers, and animal advocates with the common goal of wanting to improve the welfare of animals in agriculture.

It consists of a 5-Step Animal Welfare Rating program for four different livestock industries – beef cattle, chickens raised for meat, pigs and turkeys. Each of these industries has their own set of Standards from Step 1 to Step 5+ which have their own requirements before certification can be achieved at that particular step. The five different certification levels are:

- Step 1 – Prohibits cages and crates
- Step 2 – Requires environmental enrichment for indoor production systems
- Step 3 – Outdoor access
- Step 4 – Pasture based production
- Step 5 – An animal centred approach with all physical alterations prohibited
- Step 5+ – The entire life of the animal be spent on an integrated farm

Each producer must be audited once every 15 months which is the length of the certification cycle. The audits are scheduled and certification is carried out by approved third party auditors. GAP assists the certifying bodies with training as needed. If a non-conformance is found during an audit, the applicant must provide a corrective action within three weeks. The certification body then deems whether the corrective action was appropriate and meets the time frame of the submission.

The design of GAP's 5-Step Animal Welfare Rating Standards program provides consumers with choices at different levels of animal welfare they may want to support, and gives grocers and restaurants a wider range of products to offer.

More details are available at www.globalanimalpartnership.org/

Other Food and On-farm programs

There are now a number of food and/or on-farm quality assurance programs run by retailers of different types, either fast-food companies or supermarkets. Coles and Woolworths Quality Assurance (WQA) Standards are discussed below. The fine detail of these schemes vary and some are confidential. This section summaries these schemes and their differences with NFAS.

The level of verification of compliance (rigour) varies across a range of growing food safety and QA programs both nationally and internationally. This applies to both Customer and Regulatory Standards with the introduction of risk assessments and/or auditing frequency based on performance outcome. The audit frequency is almost universally based on a minimum of one audit per year with performance based schemes starting at two audits per year moving out to one per year or in the case of JASANZ an extension of time between audits, from 9 months to 12 months in recognition of robust systems delivery high level of compliance.

There is a growing trend to have unannounced audits incorporated into the mix of audits, either via a provision for unannounced or in some cases mandated. The Global Food Safety Initiative (GFSI) is currently developing and introducing auditor competency for GFSI recognised programs to be introduced in February 2016. The emphasis of the audits will be on "Senior Management Commitment", the harmonisation of audits (recognition), a movement away from checklists to a focus on production and mandatory un-announced audits. This is consumer driven, based on trust or lack thereof for announced audits, and many of the customer programs that are aligned to GFSI going forward will incorporate unannounced audits. SQF has already incorporated in code revision, edition 7.2 July 2014 a requirement for a mandatory unannounced audit to be included within every three year cycle.

The concept of unannounced on–farm audits to date has been accepted as often being impractical from a logistics perspective given that producers, as opposed to corporate farm staff, need to be available in order to participate in the audit (Global G.A.P. and Organic Standards however, mandate that 5% of all clients receive unannounced audits). Nearly all established programs "reserve the right" to conduct an unannounced audit at any time (this would normally be triggered by a complaint or potential risk identified) and this also applies to NFAS.

WQA – Woolworths Quality Assurance

Any vendor, either local or international who supplies Fresh Food or Woolworths Branded products to Woolworths Limited are required to gain certification to the Woolworths Quality Assurance (WQA) Standard, in addition to existing regulatory or voluntary audits which may be currently in place. This overarching standard covers three major areas:

1. Food Products
2. Consumer Products
3. Service Providers

After gaining the WQA certification the business then becomes certified as a Woolworths Trade Partner. Certification is gained through scheduled audits of the Quality Management System every 6 months by a Woolworths Approved Certification Body. There are three grades of non-conformance:

1. A minor non-conformity – corrective action must occur in 30 days
2. A major non-conformity – corrective action must occur in 14 days
3. A critical non-conformity – immediate suspension of business until corrective action is satisfactorily completed.

Critical non-conformities could mean that the safety of the food could be at risk and the products could potentially be life threatening.

Within the overarching WQA Standard, there are separate Standards for specific products. Two that are important for the livestock industry include the "WQA Primary Production – Eggs" and "WQA Primary Production – Livestock".

The modules covered within the Egg Standard include:

1. Company commitment and customer focus
2. Quality management system
3. Process control

4. Specifications and packaging
5. Control of product
6. Product labelling and artwork
7. Premises/facility
8. Equipment and maintenance
9. People
10. Prevention of foreign object contamination
11. Management of allergens
12. Management of cleaning
13. Pest prevention
14. Validation and verification
15. Corrective action
16. Incident management
17. Product claim validation
18. Animal welfare
19. Corporate/National Business

The vendor must employ a staff member who is responsible for the day-to-day operation and development of the quality management system. Resources and training must be made available to comply with the WQA Egg Standard. External audits take place every 6 months. In addition, as part of the certification process, all vendors must also participate in the Woolworths Ethical Audit program.

The modules covered within the Livestock Standard include:

1. Company commitment and customer focus
2. Quality management system
3. Specifications
4. Approved supplier program
5. Property risk assessment
6. Environmental standards
7. Fodder crop, grain, pasture treatments and stock
8. Safe and responsible animal treatments
9. People
10. Handling facilities and equipment
11. Livestock identification, transactions and movements
12. Preparation for dispatch of livestock
13. Animal welfare
14. Livestock transport
15. Corrective action
16. Woolworths livestock quality assurance contacts

The vendor should be familiar with all the regulatory requirements associated with faming animal products. Resources and training must be made available to comply with the WQA Livestock Production Standard. External audits take place every 12 months, in addition to the Woolworths Ethical Audit program.

More information is available at www.wowlink.com.au

Coles

Coles requires its suppliers to undergo third party auditing and certification to ensure its products provide excellent quality and protect the reputation of the brand. Coles uses four external standards to cover the range of supplier types in the Grocery Food and Fresh Food areas:

1. GAP (see Section 0)
2. Freshcare (see Section 0
3. SQF Program (see Section 0)
4. The BRC Global Standard for Food

The main areas covered by these standards include manufactured products, whole fruit and vegetables, eggs and beef. Coles Brand suppliers need to be audited and certified against the external standard prior to first production. Certification is carried out using Coles approved third party food safety auditors e.g. AsureQuality Ltd, Aus-Qual Pty Ltd, against the four industry standards.

In addition to the audit against the external standards, Coles Brand suppliers must ensure that their in-house Food Safety/Quality Assurance Programs contain the additional elements defined in the Coles Supplier requirement manual. Suppliers will be audited against these requirements also. The Coles Supplier Management team imposes corrective actions and close-out timeframes, over and above those set out by the external standards.

The Coles Supplier Requirements – Food include the following areas:

1. Coles brands policies and guidelines
2. The use of sub-contracted or indirect suppliers
3. Product specifications
4. Retention sampling
5. Shelf life validation and verification
6. Finished product assessment against specification
7. Weights and measures
8. Sale of Coles branded product
9. External laboratories
10. HACCP training
11. Metal detectors
12. Disposable clothing/plastic liners
13. Soil additives
14. Animal welfare
15. Timelines for CAR/non-conformance closure
16. General requirements

More information is available at:
https://www.supplierportal.coles.com.au/csp/wps/portal/web/QualityColesBrands/SupplierAuditRequirements/Food

SQF – Safe Quality Food Program

The Safe Quality Food (SQF) Program was developed by the Global Food Safety Initiative (GFSI) to provide retailers and service providers with verification that robust food safety control systems have been implemented by suppliers. The program is administered by the Food Marketing Institute (FMI) and benefits from continual retailer feedback on consumer concerns, with the knowledge gained passed onto the SQF certified suppliers. The modules covered are:

- Module 1: Scope, references and definitions
- Module 2: SQF system elements
- Module 3: Animal feed safety fundamentals - good manufacturing practices for animal feed production
- Module 4: Pet food safety fundamentals - good manufacturing practices for processing of pet food products
- Module 5: Food safety fundamentals - good agricultural practices for farming of animal products
- Module 6: Food safety fundamentals - good aquaculture practices for farming of fish
- Module 7 + 7(H): Food safety fundamentals - good agricultural practices for farming of plant products
- Module 8: Food safety fundamentals - good agriculture practices for farming of grains and pulses
- Module 9: Food safety fundamentals - good manufacturing practices for pre-processing of animal products
- Module 10: Food safety fundamentals - good manufacturing practices for pre-processing of plant products
- Module 11: Food safety fundamentals - good manufacturing practices for processing of food products
- Module 12: Food safety fundamentals - good distribution practices for transport and distribution of food products
- Module 13: Food safety fundamentals - good manufacturing practices for production of food packaging
- Module 14: Food safety fundamentals - good manufacturing practices for food brokers and agents
- Module 15: Food safety fundamentals - good manufacturing practices for food catering, wholesale and retail
- Module 16: Requirements for SQF multi-site programs managed by a central site

External audits are carried out by approved SQF certification bodies that are required to be accredited by the international Standard ISO/IEC 17065. They take place every 6 to 12 months depending on the previous audit rating.

If any critical non-conformities are detected, this leads to automatic failure of the audit. Internal audits should be carried out on a regular basis with appropriate training carried out using SQFI's "Implementing SQF 1000 Systems Training Course".

There is also an e-learning course available on-line. The employee training program should be documented, and a training skills register describing what staff have been trained in relevant skills should be maintained.

There are four rating levels for certification:

- E – excellent – certificate issued
- G – good – certificate issued
- C – complies – certificate issued
- F – fails to comply – no certificate issued

The costs of the initial certification audit vary as they are conducted by third party auditors. Annual registration with SQF varies from $100 to $1000 USD depending on the size of the operation.

More information is available at www.sqfi.com

ISO 22000 Food Safety Management

ISO 22000 takes a whole supply chain approach to food safety. As the introduction of food safety hazards can occur at any stage of the food chain, acceptable control throughout is crucial. The food supply chain includes primary producers, packaging and ingredient suppliers, caterers, storage and distribution facilities and chemical and machinery manufacturers. The ISO 22000 Standard gives the requirements for a food safety management system up to the point of consumption that incorporates the following key elements:

- Interactive communication – communication between organisations both upstream and downstream in the food chain
- System management – the food safety system should be updated within the framework of the existing management activities of the organisation
- Prerequisite programs (PRPs) – the PRPs required depend on the stage of the food chain in which the organisation operates and the type of organisation. There are two categories of PRPs; infrastructure and maintenance programmes, and operations programs.
- HACCP principles – this Standard requires that all hazards that may be reasonably expected to occur in the food chain are recognized and evaluated. It sets out the way in which an organisation can control the hazards they expect to find during operation.

This Standard allows organisations to demonstrate compliance with applicable statutory and regulatory food safety requirements through certification of its food safety management system. The areas covered by the Standard are:

- Food safety management system
- Management responsibility
- Resource management
- Planning and realisation of safe products
- Validation, verification and improvement of the food safety management system

Achieving certification in ISO 22000 is suited to organisations that require international recognition of their food safety management system. Certification is carried out through external audits by accredited certification bodies, e.g. SAI Global and BSI Group.

Staff at the operation should be trained so as to be able to carry out internal audits of the food safety management system. Senior management carry out food safety management reviews and determine whether the food safety management system needs review.

An external audit from a certification body is carried out immediately after installing the food safety management system. It is conducted in two phases, the first phase focuses on the HACCP plan, legal documents and logistical infrastructure and the second phase involves the process control of the system. If this initial surveillance audit is successful, then the certificate ISO 22000 is issued for the organisation. This is valid for three years. However, every year for the next two years, an external annual audit is conducted to check compliance. After the expiry of

the certificate, an audit for renewal and re-issue is made. It should be noted that the number and frequency of the audits depends on the size, scope, process complexity and different locations of the organisation.

More information is available at www.iso.org/obp/ui/#iso:std:iso:22000:ed-1:v1:en

FSSC 22000 – Food Safety Systems

Globalisation of food production and trading has made supply chains extremely complex. In order to address this global issue, the Foundation for Food Safety Certification (FSSC) was founded in 2004. This certification program combined the internationally recognised ISO 22000 and PAS 200 (replaced in 2012 by ISO 22002-1:2009) standards to form FSSC 22000. This is an effective and integrated food safety system that guarantees the safety of food in each link of the supply chain. The FSSC 22000 certification scheme is accepted by the Global Food Safety initiative (GFSI) and the European Cooperation for Accreditation (EA).

FSSC 22000 is used to audit and certify the food safety systems of food manufacturers or processors involved in:

1. Perishable animal products (except slaughter and pre-slaughter)
2. Perishable vegetable products
3. Products with a long shelf life at ambient temperature
4. Feed production
5. Single ingredient and compound feed and premix
6. (Bio)chemical manufacturing (excluding technical and technological aids)
7. Food packaging material manufacturing
8. Transportation and storage (if part of the manufacturing operation)

If an operation is looking to become FSSC 22000 certified then an initial self-assessment is carried out. Any areas of non-conformities are then addressed by the organisation. A certified third party auditor is then used to carry out the initial external certification audit. This is scheduled at a mutually agreeable date. For all other external audits, the auditors will participate in a risk based programme of office audits and announced, but unscheduled audits of the certified organisation. These should be conducted at least annually.

Manufacturers or processors that are already certified against ISO 22000 will only need an additional review against ISO 22002 to become FSSC 22000 certified. If non-conformities are determined by the audit team, certification may be continued, suspended or withdrawn depending on the corrective actions of the organisation.

More information is available at www.fssc22000.com

HACCP – Hazard Analysis at Critical Control Points

HACCP is a systematic approach that prevents food safety hazards occurring during food production. Many of the Quality Assurance Programs described in Section 8 incorporate HACCP principles.

Quality Assurance covers a broad spectrum of policies, attitudes, actions and procedures required to ensure that quality of a product or service is being maintained and improved. It can cover a wide range of areas for example food safety, animal welfare or management.

On the other hand, HACCP deals solely with food safety. For example, if the business makes "Ready to Eat" products, the temperature you cook the product to is a HACCP requirement, however the product's size, colour and texture would be controlled by quality assurance specifications.

HACCP establishes critical control points at every critical stage of the supply chain to reduce the incidence of food-borne diseases. HACCP has seven key principles:

1. **Analysing hazards** – this process includes recognising the hazards to food safety in a particular manufacturing program.
2. **Identifying critical control points** – recognising points in the manufacturing process that could pose the most risk.
3. **Establishing critical limits** – limits need to be applied to ensure that there are maximum and minimum thresholds. If these limits are broken they need to be addressed and managed correctly.
4. **Monitoring critical control points** – any changes in critical control points that could lead to risks need to observed and critical limits must be monitored also.
5. **Establishing corrective actions** – there should be a plan for specific corrective actions should a hazard occur at a critical control point. This plan should be followed immediately once the hazard has been determined to avoid injury or illness.
6. **Verifying the system** – Procedures should be implemented to ensure HACCP is always followed and used correctly in the workplace. All staff should be skilled in the steps for which they are responsible.
7. **Documenting the results** – Accurate and verifiable records should be kept on-site. Any corrective actions that have to be taken should be documented as well.

Table 21 – Comparison matrix for other farm and food QA schemes with NFAS included

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
LPA QA	Module 1: Food Safety Management Module 2: Systems Management Module 3: Livestock Management	Module 1: 1. Property risk assessment 2. Safe and responsible animal treatments 3. Stock foods, fodder crops, grain and pasture treatments 4. Preparation for dispatch of livestock 5. Livestock transactions and movements Module 2: 1. Training 2. Internal auditing and document control 3. Quality Records 4. Document Control 5. Chemical Inventory Module 3: 1. Livestock Husbandry and preparation 2. Livestock handling facilities 3. Livestock Transport 4. Animal Welfare 5. Accredited Livestock	Employees are trained so they are familiar the roles required of them and are capable of carrying out periodic internal audits to ensure compliance with the LPA On-Farm Quality Assurance Standards	Accredited AUS-MEAT auditors are used.	Internal audits are performed on procedures, records and property facilities at least once per annum. External audits by AUS-MEAT representatives are on an ad-hoc basis. External audits are scheduled between AUS-MEAT administration and enterprise.	Critical non-conformance will be documented on a Critical Incident Report (CIR) and could result in the loss of accreditation. Major non-conformances are documented on a corrective action request (CAR). Minor non-conformances are documented as an observation on an Audit Report.	Each producer must pay fees to LPA Administration, its Authorised Representatives and Auditors, as determined by AUS-MEAT or LPA Administration from time to time.	N – Not accredited - the Producer is not accredited with the LPA; b) A – Accredited – the Producer has progressed to Accreditation and is meeting the LPA requirements; c) S – Suspended – the Committee has applied a sanction to the Producer and has issued a Show Cause Notice; d) W – Withdrawn – Accreditation has been withdrawn either voluntarily or by the Committee.
CattleCare	See LPA QA	See LPA QA	See LPA QA	An audit must be conducted by a Registered Auditor who must be certified by Exemplar Global (or equivalent), have completed a recognised auditor training course; have practical experience	Two external audits need to be undertaken in the first year of authorisation, at six monthly intervals (the first audit being an accreditation audit). In subsequent years the producer will undertake annually two internal	If an producer fails any audit, then the Cattle Council of Australia may revoke the producer's right to use the Mark, subject to a right of appeal to the Company.	All fees are at the producer's expense.	Permit to display the CattleCare certification mark

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
				in auditing; have expertise in the cattle industry; and have taken a familiarisation course on the CATTLECARE code of practice.	audits and one external audit, unless Non-Conformities are found, in which case, external audit frequency may be increased. External audits are scheduled.			
FlockCare	See LPA QA	See LPA QA	See LPA QA	An audit must be conducted by a Registered Auditor who must be certified by Exemplar Global (or equivalent), have completed a recognised auditor training course; have practical experience in auditing; have expertise in the sheep industry; and have taken a familiarisation course on the FLOCKCARE code of practice.	See CattleCare. External audits are scheduled.	If an producer fails any audit, then AUS-MEAT may revoke the producer's right to use the Mark, subject to a right of appeal to the Company.	All fees are at the producer's expense.	Permit to display the FlockCare certification mark
PCAS	1. Certified Pasturefed 2. HGP free (Optional) 3. Antibiotic free (Optional)	1.1 Identification and lifetime traceability 1.2 No confinement for the purpose of intensive feeding for production 1.3 Lifetime pasturefed 1.4 Minimum eating quality standards (on-farm) 2.1 Lifetime free from hormonal growth promotants 3.1 Lifetime free from antibiotics	Staff must be trained in the requirements of the PCAS standards.	A certified body approved by PCAS administration conducts the audits.	One initial onsite audit by external auditor prior to certification, and then every 12 months from then on. Internal audits can be conducted on an ad hoc basis using the on-line self-audit package. External audits are scheduled.	All non-conformances are closed out or an appropriate management plan is put in place over a time frame acceptable to PCAS administration. A critical non-conformance must be described in a Critical Incident Report and certification may be suspended or revoked in some cases.	All fees are at the producer's expense and costs of certification vary as third party auditors are used.	Permit to display the Pasturefed certification mark
APIQ	Management Food Safety Animal welfare		Staff are trained to ensure that they are competent in their	An APIQ registered auditor must be used. An APIQ	The enterprise must conduct and record an annual Internal Audit,	Any non-conformances are identified and recorded. The appropriate	All fees are at the producer's expense and costs	APIQ Certification

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
	Biosecurity Traceability		specific tasks, and are familiar with the requirements of their role and the APIQ system. They are trained in emergency disease awareness and to follow biosecurity procedures. A nominated person from the enterprise is responsible for ensuring that the management practices and documentation required for APIQ are being met.	registered auditor is qualified as a National Food Safety Auditor (NFSA) with level II (or higher) with APIQ Scope. This means that the auditor has completed the required training and passed the examination as a food safety auditor.	approximately six months but no later than eight months, after their APIQ Compliance Audit is conducted. External compliance audits are carried out on annual basis once the internal audit has shown that the system is working. External audits are scheduled.	corrective and preventative actions are taken as required and are recorded. Outstanding non-conformances are scheduled to be addressed in a reasonable timeframe.	of certification vary as third party auditors are used.	
APIQ Supply to Coles - CS 6	Stocking density Husbandry Practices Antibiotics, growth promotant and hormone use Bedding and enrichment		See APIQ	See APIQ	See APIQ	See APIQ	See APIQ	Pork eligible for supply to Coles supermarkets
ECA	Pullet Rearing Egg Production Egg Grading/Packing		Train staff in the main principles of ECA and maintain sufficient staff levels to ensure compliance with ECA.	A certified body approved by ECA conducts the audits. AECL shall train Auditors who have been accredited by RABQSA International, in the requisite standards of ECA so that they are qualified to determine compliance with the requisite standards of ECA.	Every 12 months. Annually prior to the expiry of the licence. Audits are conducted on a random basis to check the integrity of the ECA program.	In the event of finding one minor corrective action representing no more than 20% of Minor Corrective Action contained in an Audit, then the applicant will achieve “B” grade certification. If after 1 year, it has not been rectified then certification will be lost. If a major corrective action is found, a period of 3 months is offered to rectify. An audit will be conducted upon rectification or after the three month period, and if it has not been rectified, then certification will be	The annual fee payable to AECL ranges from $25 (<1000 laying hens) to $267 (>500,000 laying hens)	Permit to display the ECA certification mark. Two grades: "A" grade is when the audit recommends accreditation and no corrective action is needed. "B" grade is when a minor corrective action is found in the audit and it represents <20% of minor corrective action contained in audit

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
						lost.		
LPAS	Grain fed lamb Grain fed hogget				AUS-MEAT controls post slaughter quality assurance monitoring of the grain fed lamb and hogget products. The Department of Agriculture is responsible for the on-plant administration of LPAS delivery dockets.			Grain fed
Freshcare	1. Food Safety and Quality 2. Environment		A management representative completes approved training for the Freshcare Codes. Training is also provided for workers who complete tasks relevant to the Freshcare Codes. Training is usually delivered as an initial one day training session, with a follow-up on-farm visit or remote support option. Upgrade courses are available too.	Certification is carried out by approved third party auditors e.g. BSI, SGS	Certification lasts for 13 months after audits. Audits should usually occur about 1 month prior to certification expiry. Internal audits conducted at least annually. External audits are scheduled.	Non-compliance could mean a complaint is received from a customer or a regulatory authority or produce is identified as contaminated. With non-compliances a corrective action record is required where both a short term and long term fix are recommended, with dates and verification that the actions were completed.	Annual costs comprise of the cost of audit, typically $450 - $650; and the annual Freshcare Certification Fee of $99. In addition there is the cost of any testing required.	Freshcare certificate
TruckCare	1. Systems and Procedures 2. Maintenance and design of transport crates and equipment 3. Livestock Management and Animal Welfare 4. Food Safety and Traceability	1.1 Management procedures and responsibilities 1.2 Customer and subcontractor management 1.3 Staff competency and training 2.1 Stock crate maintenance and associated livestock	Transport personnel should be formally trained in relation to accreditations, and general training regarding chain of responsibility duties and obligations, such as the completion of work diary pages, loading procedures,	Certification is carried out by approved third party auditors	After an operator's entry audit, compliance audits are undertaken 6 months from entry audit and then 24 months from entry audit (18 months from 6 month audit) and then every 24 months thereafter. External audits are scheduled.	Non-conformances must be rectified before each annual audit is carried out. Any outstanding non-conformances at the audit must be rectified within a specified timeframe.	Operator Joining Fee ($660-$1320) Operator annual fee $310 Auditor joining fee $220 Auditor annual fee $153	Accreditation by the Australian Livestock Transports' Association (ALTA)

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
		transporting equipment 3.1 Planning and contingencies 3.2 Livestock handling and staff competency 3.3 Selection of livestock for transport 3.4 Livestock handling, loading, transportation and unloading of livestock to minimise stress and injuries 4.1 National vendor declaration and waybill	and the need for proper load restraint.					
NSQA	Livestock management and animal welfare		All employees must be trained in the requirements and management of the quality assurance system. They must be able to conduct internal reviews to determine if the saleyard is complying with NSQA standards.	Accredited AUS-MEAT auditors are used.			In order for a saleyard to join NSQA, they must pay an initial joining fee of $1000. If one or more saleyards are owned by the enterprise the subsequent joining fee is $500. The on-going annual fee is $250.	
EUCAS	Farms Feedlots Saleyards		The enterprise manager who signed the EUCAS accreditation application is legally responsible for ensuring compliance with all conditions of the property accreditation and so should have adequate training to ensure they have the skills to do this.	Auditing is carried out by auditors from the Department of Agriculture.	Farms audited on an ad hoc basis. Feedlots and saleyards are audited annually. Farm audits are random, while feedlot and saleyard audits are scheduled.	Non-compliance could mean that meat was found to contain HGP. Critical non-compliances will be referred directly to the department which may decide to revoke the accreditation. Auditors must outline any non-compliance detected and discuss the acceptability of any proposed corrective actions.		Accreditation by EUCAS

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
GAP	Five step Animal Welfare Rating Standards for: 1) Beef Cattle 2) Meat Chickens 3) Pigs 4) Turkeys		The applicant should have a good knowledge of the GAP policy manual.	Certification is carried out by approved third party auditors. GAP assists certifiers with training as needed. Auditors are required to be ratified by each certifier that they work with.	External audit once every certification cycle (15 months). External audits are scheduled.	If a non-conformances is found during an audit, the applicant is expected to provide corrective action to the certifier within 3 weeks. The certifier determines whether the corrective action is acceptable and meets the time frame of submission.	All fees are at the producer's expense and costs of certification vary as third party auditors are used.	Each set of tiered standards—from Step 1 to Step 5+—has its own requirements that must be met before certification to that particular Step level is assigned.
WQA Standards v7	Food Products Consumer Products Service Providers		Staff members are adequately trained to ensure they have the appropriate skills and knowledge to competently perform the duties required of them.	Quality Management System audited and certified by a Woolworths Approved Certification Body for products and processes supplied to Woolworths.	Every 6 months. The Annual Audit is a full scope audit, but the new Factory Focus Audit is a 6 monthly audit concentrating on the areas in the standard marked with an asterisk. Scheduled external audits every 6 months, however the frequency may be increased if Woolworths has concerns about the WQA Quality Management System.	There are three grades of non-conformance: 1) a minor non-conformity - corrective action must occur in 30 days 2) a major non-conformity - corrective action must occur in 14 days 3) a critical non-conformity - immediate suspension of business until CAR is satisfactorily actioned. A critical non-conformance could mean that the safety of the product is found to be at a risk such that the products potentially could be life-threatening.	All fees are at the producer's expense and costs of certification vary as third party auditors are used.	After gaining the WQA Certification Audit - the business becomes certified as a Woolworths Trade Partner.
WQA - Egg Standards	Company commitment and customer focus Quality management system Process control Specifications and packaging Control of product Product labelling and artwork Premises/facility Equipment and maintenance People Prevention of foreign object contamination		The vendor should employ technically competent staff members who hold responsibility for the day to day operation and development of the quality management system. One member of this team must be available on site for the duration of all shift	See WQA Standards v7	See WQA Standards v7	See WQA Standards v7	See WQA Standards v7	See WQA Standards v7

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
	Management of allergens Management of cleaning Pest prevention Validation and verification Corrective action Incident management Product claim validation Animal welfare Corporate/National Business		production activities. Senior Management must provide the resources necessary to meet the requirements of the standard.					
WQA - Primary Production Livestock	Company commitment and customer focus Quality management system Specifications Approved supplier program Property risk assessment Environmental standards Fodder crop, grain, pasture treatments and stock Safe and responsible animal treatments People Handling facilities and equipment Livestock identification, transactions and movements Preparation for dispatch of livestock Animal welfare Livestock transport Corrective action Woolworths livestock quality assurance contacts		The vendor should be familiar with all regulatory requirements associated with livestock production.	See WQA Standards v7	The system is audited on an annual basis for all nominated sites. Scheduled external audits every 12 months, however the frequency may be increased if Woolworths has concerns about the WQA Quality Management System.	See WQA Standards v7	See WQA Standards v7	See WQA Standards v7
Coles	Manufactured Products Whole Fruit and Vegetables Eggs Beef		Staff should be trained according to the external standard requirements and to the additional Coles Supplier Requirements.	Certification is carried out by Coles approved third party food safety auditors (e.g. AsureQuality Ltd, Aus-Qual Pty Ltd)	Based on the external standard auditing frequency requirements. They then need to meet the additional Coles Supplier Requirements at the same time or by their next scheduled audit.	If a critical non-conformance is raised during an audit, the Coles supplier management team will be advised immediately by the auditor, and close out timelines and potential suspension of trade may occur. For a minor non-	All fees are at the producer's expense and costs of certification vary as third party auditors are used.	Coles Brand supplier

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
						conformity - corrective action must occur in 30 days. For a major non-conformity - corrective action must occur in 14 days.		
SQF	Module 1: Scope, references and definitions Module 2: SQF system elements Module 3: Animal feed safety fundamentals - good manufacturing practices for animal feed production Module 4: Pet food safety fundamentals - good manufacturing practices for processing of pet food products Module 5: Food safety fundamentals - good agricultural practices for farming of animal products Module 6: Food safety fundamentals - good aquaculture practices for farming of fish Module 7 + 7(H): Food safety fundamentals - good agricultural practices for farming of plant products Module 8: Food safety fundamentals - good agriculture practices for farming of grains and pulses Module 9: Food safety fundamentals - good manufacturing practices for pre-processing of animal products Module 10: Food safety fundamentals - good manufacturing practices for pre-processing of plant		Appropriate training shall be provided using the SQFI's "Implementing SQF 1000 Systems Training Course". There is also an e-learning training course available on-line. Require competent employee to become SQF practitioner or hire SQF consultant who has had previous HACCP training. They should be verified by the SQF auditor at each audit. A training skills register describing who has been trained in relevant skills shall be maintained.	Audits are carried out by approved SQF certification bodies. They are required to be accredited by the international standard ISO/IEC 17065.	Internal audits should be carried out on a regular basis. External audits are conducted every 6 to 12 months depending on previous audit rating. It is conducted at a time agreed between the supplier and the certification body, when the main processes are operating. Within three certification cycles the certification body shall conduct one unannounced re-certification audit of the supplier.	There are three grades of non-conformance: 1) a minor non-conformity - corrective action must occur in 30 days 2) a major non-conformity - corrective action must occur in 14 days 3) a critical non-conformity - automatic failure of audit.	Costs of certification audit vary depending on SQF Certification Body used. Annual registration with SQF varies from $100 USD to $1000 USD depending on size of operation.	There are four rating levels for certification: E - excellent - certificate issued G - good - certificate issued C - complies - certificate issued F - fails to comply - no certificate issued

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
	products Module 11: Food safety fundamentals - good manufacturing practices for processing of food products Module 12: Food safety fundamentals - good distribution practices for transport and distribution of food products Module 13: Food safety fundamentals - good manufacturing practices for production of food packaging Module 14: Food safety fundamentals - good manufacturing practices for food brokers and agents Module 15: Food safety fundamentals - good manufacturing practices for food catering, wholesale and retail Module 16: Requirements for SQF multi-site programs managed by a central site							
ISO 22000	• Food safety management system • Management responsibility • Resource management • Planning and realisation of safe products • Validation, verification and improvement of the food safety management system		A designated food safety team should be established at the operation. They will be trained in internal audits. Senior management carry out food safety management reviews and determine whether the food safety management system needs review.	Certification is carried out by approved third party auditors	Internal audits are carried out for continual self-improvement on an as-needed basis. As soon as the food safety management system has been put in place, an external audit from a certification body takes place. Certification is valid for 3 year however annual external audits are conducted to check compliance. External audits are scheduled.	Loss of certification.	All fees are at the producer's expense.	ISO 22000 Certified Food Safety Management System

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
FSSC 22000	• Perishable animal products (except slaughter and pre-slaughter) • Perishable vegetable products • Products with a long shelf life at ambient temperature • Feed production • Single ingredient and compound feed and premix • (Bio)chemical manufacturing (excluding technical and technological aids) • Food packaging material manufacturing • Transportation and storage (if part of the manufacturing operation)		Staff should read and understand the scheme requirements and be able to carry out self-assessments.	Certification is carried out by approved third party auditors certified by the accreditation body. Each auditor must undertake a rigorous training program including numerous activities e.g. an assessment of knowledge of food safety, HACCP, PRP's and to have access to, and be able to apply relevant laws, regulations and codes; instructions for the auditor to maintain written records of all relevant training undertaken.	External audits at least annually. For the initial audit, the organization shall agree a mutually convenient date. After this, external auditors will participate in a risk based programme of office audits and announced, but unscheduled, audits of certified organisations.	If a nonconformity is identified by the audit team, the certification body shall take a decision of continuation, suspension or withdrawal of the certificate depending on the corrections and corrective actions of the organization.	All fees are at the producer's expense and costs of certification vary as third party auditors are used.	FSSC 22000 certification
NFAS	Quality Management System Food Safety Management Livestock Management Environmental Management Product Integrity		Training of staff in the development and management of the Quality Assurance Program. Each feedlots require Quality Assurance Officers, the number of which increases with the size of the feedlot, starting at 1 for a feedlot of 1000 head and going up to 4 for a feedlot over 30,000 head. Each officer receives a Statement of Authority award by AUS-MEAT when they demonstrate they have the skills required under the NFAS Rules.	One or more AUS-MEAT representatives will undertake accreditation Audits.	Internal audits are performed on an on-going basis to review compliance of the feedlot's activities to the NFAS Standards. External audits by AUS-MEAT are conducted once every 12 months. External audits are announced and scheduled with the feedlot according to an assigned Cluster Period. This is a two-month period that an annual accreditation may be performed.	Appropriate corrective and preventative actions are undertaken when non-conformances are identified. In the case of critical non-conformances, accreditation would not be recommended.	All feedlots are required to pay an upfront pro-rata annual accreditation fee which varies from $120 for feedlots up to 110 head to $1248 plus 1.2 cents per head over 30,000. Each feedlot applying for accreditation is required to purchase the NFAS Self Learning Program at a price determined by AUS-MEAT. An initial application fee and an annual	Accredited (A) Provisionally accredited (PA) Voluntary suspended (S)

Title of Program	Modules covered	Elements contained in modules	Numbers and training requirements of QA staff at facility	Auditor Accreditation / Training	Frequency of audits	Sanctions for non-compliance	Program fees	Accreditation ratings/levels
							accreditation fee will apply at a rate determined by AUS-MEAT.	

Appendix E – NFAS Standards & Rules - suggestions

National Feedlot Accreditation Scheme Handbook

Rules & Standards of Accreditation

GFYG

AUS-MEAT ACCREDITED

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National Feedlot Accreditation Scheme

"The self regulatory Quality Assurance Program for the cattle feedlot industry"

RULES OF ACCREDITATION

ACCREDITATION

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National Feedlot Accreditation Scheme (NFAS) Rules

Edition: April 2014 (as amended)

*Note: This version of the NFAS Rules contains suggested edits made by the investigators for the "*National Feedlot Accreditation Scheme (NFAS) Review"*. It also contains the amendments to the NFAS Rules and Standards as set out in NFAS Advice 02/2014, issued in August 2014 (in relation to Excessive Heat Load and HGPs).*

The NFAS Rules are available on the AUS-MEAT Website:
www.ausmeat.com.au/nfas/standards/default.html

CONTENTS

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Further Information

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ACKNOWLEDGMENTS

The Feedlot Industry Accreditation Committee (FLIAC) gratefully acknowledges the contribution made by the representatives of the organisations represented on the Committee including the Australian Lot Feeders' Association (ALFA), Industry and Investment NSW (Primary Industries), QLD Department of Employment, Economic Development and Innovation (DEEDI), Victorian Feedlot Committee (VFC), Department of Agriculture and Food Western Australia (DAFWA) and AUS-MEAT Limited, in the revision of the National Feedlot Accreditation Scheme Standards and Rules.

FOREWORD

This manual contains the Standards and Rules that are required for the accreditation of Feedlots, by AUS-MEAT Limited, under the National Feedlot Accreditation Scheme (NFAS).

The Accreditation Rules represent the mechanism by which the NFAS Standards are both applied and managed. The Rules describe the Auditing system used to assess the ability of an enterprise to meet the requirements of the NFAS Standards.

The NFAS Standards describe the processes by which the Australian feedlot industry, as a pro-active self-regulated sector, has agreed to operate so as to demonstrate its commitment to animal welfare, environment, meat quality and food safety.

The NFAS Standards are designed to:

(a) protect the reputation and integrity of NFAS;
(b) enhance the integrity of product described as grain fed;
(c) address food safety issues;
(d) maintain the image of feedlots held by the community, particularly relating to environmental impact and animal welfare issues; and
(e) protect the integrity of the AUS-MEAT Language.

Since the Scheme commenced in 1994, the NFAS has matured into a quality assurance program that has set the benchmark for other on-farm QA programs. The NFAS has demonstrated that self-regulation is an effective tool for meeting community, market and government expectations for intensive agriculture. During this time, the industry has operated in an array of environmental and market conditions, and continued to grow to become a significant and integral part of the Australian beef industry.

This publication of the NFAS Rules and Standards incorporates all of the developments and changes that have been made to the NFAS since its inception. It exemplifies the commitment and leadership of our industry in regards to environment, animal welfare, meat quality and food safety management. In recognition of the total supply chain approach to food safety and quality, changes to the format of the NFAS Standards are consistent with Livestock Production Assurance (LPA)

These are our own industry's Standards and Rules and I commend them to you.

Malcolm Foster
Chairman
Feedlot Industry Accreditation Committee

ALFA ENDORSEMENT

The cattle feedlot industry continues to bring significant benefits to Australia's rural communities through its important role in value adding and its significant contribution to rural employment and regional economies.

Through excellent co-operation between industry and government agencies to effect sound planning and accreditation procedures the feedlot industry has earnt an excellent reputation in agriculture, in relation to quality assurance, environmental management and animal welfare issues.

The major initiative to the above success and the orderly growth and development of the Australian beef cattle feedlot industry, is largely attributable to the sound principles developed and included in the industries accreditation procedures encompassed in the National Feedlot Accreditation Scheme (NFAS).

Consumers will continue to become more discerning about the way food is produced and as a consequence, being able to demonstrate that sound and environmentally sustainable production methods, food safety safeguards and community expectations are both used, undertaken and audited, will be crucial to meeting these expectations.

This manual which contains the Rules and Standards of accreditation for feedlots, sets the standard from which sound marketing tools can be developed, as lot feeders are able to clearly demonstrate that all the expectations of consumers are met.

I commend this manual as a way for the Australian Feedlot industry to continue its proactivity and leadership in the use of quality systems in Australian agriculture.

Jim Cudmore
President
Australian Lot Feeders' Association

1 INTRODUCTION

1.1 NFAS Mission

To ensure the Australian beef feedlot industry develops a responsible feedlot management program to:

(a) enhance the marketing prospects for grain fed beef by raising the integrity and quality of the product;

(b) establish a viable mechanism for industry self-regulation; and

(c) ~~*maintain*~~ enhance the image held by the community of Feedlots, particularly relating to the environment and animal welfare matters.

1.2 NFAS Objective

To ~~*develop*~~ provide a Quality System for feedlots:

(a) which impacts on product quality and acceptability; and

(b) for which lot feeders maintain responsibility.

1.3 Feedlot Industry Accreditation Committee (FLIAC)

1.3.1 The purpose of the FLIAC is to develop, manage and administer the operation of NFAS on behalf of AUS-MEAT Limited. Organisations represented on FLIAC are:

- AUS-MEAT Limited
- Australian Lot Feeders' Association (ALFA)
- New South Wales Department of Primary Industries
- Queensland Department of Agriculture, Fisheries and Forestry
- Victorian Department of Primary Industries
- Department of Agriculture and Food Western Australia

1.3.2 The scope of the FLIAC is to:

(a) manage NFAS;

(b) ensure the effective operation of NFAS by recommending changes to NFAS;

(c) assess and make recommendations to AUS-MEAT on the Accreditation status of individual Feedlots;

(d) make recommendations to AUS-MEAT on the outcomes of submissions of appeals from Feedlots relevant to their Accreditation status; and

1.4 AUS-MEAT Limited

1.4.1 AUS-MEAT Limited (ACN Number 082 528 881) is a company limited by guarantee. It is jointly owned by Meat and Livestock Australia Limited (MLA) and the Australian Meat Processors Corporation Limited (AMPC).

1.4.2 The AUS-MEAT Limited head office is at Unit 1 333 Queensport Road North, Murarrie, Brisbane, Queensland, 4172 (PO Box 3403, Tingalpa DC, Queensland, 4173). Telephone (07) 3361 9200, Facsimile (07) 3361 9222.

1.4.3 As at 01 July 2010, the AUS-MEAT Limited Board consisted of:

- An independent Chairman
- Two representatives appointed by MLA
- Two representatives appointed by AMPC

2. DEFINITIONS AND APPLICATION OF THE ACCREDITATION RULES

2.1 Definitions

2.1.1 In these Rules, where commencing with a capital letter, the following definitions will apply, unless the context otherwise requires:

"Abattoir" means premises where animals are processed for the production of meat for human consumption;

"Accreditation" means accreditation or provisional accreditation of a Feedlot by AUS-MEAT in accordance with these Rules;

"Audit" means the systematic and independent examination to verify that the feedlot is acting in accordance with these Rules;

"Auditor" means a person approved by AUS-MEAT to conduct Audits on its behalf;

"AUS-MEAT" means AUS-MEAT Limited;

"Cattle" means all domestic bovines eg. cows, bulls, steers, heifers and calves;

"DOF" (Days on Feed) means the difference between the exit date and the entry date of feedlot cattle (entry date being counted while the exit date is not);

"The Enterprise" means the legal entity that operates a feedlot involved in the production of livestock under the National Feedlot Accreditation Scheme, including Accredited, Provisionally Accredited and Suspended Enterprises.

"Feedlot" means a confined yard area with watering facilities where cattle are completely hand or mechanically fed for the purposes of production. This definition does not include the feeding or penning of cattle in this way for weaning, dipping or similar husbandry purposes or for drought or other emergency feeding, or at a slaughtering place or in a recognised saleyards; (Definition subject to change following review of report).

"FLIAC" means Feedlot Industry Accreditation Committee;

"Grain" means seed or fruit of cereal plants or grain legumes. The list of FLIAC approved grains, for the purposes of the AUS-MEAT Minimum Standards for Grain Fed Beef, is located in Appendix. 5 of the Accreditation Standards.;

"GST" means the Goods and Services Tax;

Hormonal Growth Promotants (HGP) means a veterinary medicine product, registered in Australia to increase the growth or productivity of livestock through an oestrogenic, androgenic, gestagenic or thyrostatic effect.

"Management Representative" means the person nominated by the Enterprise who has the ability to report directly to senior management and have the responsibility for ensuring that the requirements of NFAS Accreditation are implemented and maintained.

"NATA" means the National Association of Testing Authorities, Australia;

"NFAS" means National Feedlot Accreditation Scheme;

"NFAS Advice" means an official instrument that is issued to amend these NFAS Rules and Standards from time to time;

"NFAS Delivery Docket" means the approved document (including electronic) for describing cattle fed in an Accredited feedlot that have met the AUS-MEAT Minimum Requirements for Grain Fed Beef.

"NFAS Delivery Docket – Form B" means the approved document (including electronic) for describing cattle that have been fed in an Accredited feedlot that have not met the AUS-MEAT Minimum Requirements for Grain Fed Beef.

"Quality Assurance Officer" means a person who holds a current Statement of Authority;

"Quality System" means the system prepared and adopted by a Feedlot to comply with AUS-MEAT requirements;

"Quality System Manual" means the documentation defining how quality is controlled maintained and improved at the Feedlot;

"Rules" means these NFAS Accreditation Rules and any amendments made hereto from time to time.

"SCU" means Standard Cattle Unit, where one SCU is equivalent to a bovine of 600 kilograms liveweight;

"Statement of Authority" means an award by AUS-MEAT to a person who has demonstrated practical skills to AUS-MEAT in accordance with these Rules.

"Stocking Density" means the number of square metres per animal or SCU and is calculated by dividing the Feedlot area by the licensed or approved capacity of the Feedlot given the finished weight of the cattle.

2.2 Presumptions of interpretation

2.2.1 For the purpose of these Rules, all powers to be exercised by AUS-MEAT are exercised by its Chief Executive Officer (or delegate) unless these Rules otherwise provide.

2.2.2 All discretions or decisions by AUS-MEAT must be exercised or made in good faith. A person alleging that AUS-MEAT has not acted in good faith bears the onus of proving that allegation.

2.2.3 A reference to a person includes the person's successors and permitted assigns. A reference to a person who holds an office includes (as the case requires) the person who holds:

(a) that office from time to time;

(b) a corresponding office in another jurisdiction; or

(c) an office that replaces the nominated office from time to time.

2.2.4 A word which denotes:

(a) the singular denotes the plural and vice versa;

(b) any gender denotes the other gender; and

(c) a person includes an individual, a body corporate and a government.

2.2.5 A reference to a paragraph or annexure is a reference to a paragraph of, or annexure to these Rules.

2.2.6 A reference to any other agreement or instrument where amended or replaced means that agreement or instrument as amended or replaced.

2.3 Application

2.3.1 This Handbook supersedes and replaces the National Feedlot Accreditation Scheme Handbook – 2011.

2.3.2 The granting of Feedlot Accreditation by AUS-MEAT does not imply or confirm that State Feedlot planning and environmental management requirements are being met. Various State authorities are responsible for ensuring that due attention is paid to site selection and the provision of the appropriate facilities and structures necessary to obtain Feedlot approval or licensing. It is the responsibility of Feedlot management to ensure that the relevant State approvals and/or licenses are obtained and maintained.

2.4 Rights of Entry

2.4.1 The Feedlot must:

(a) permit AUS-MEAT or its Agent to Audit the Feedlot's quality system and or view livestock held by the Enterprise;

(b) provide any assistance reasonably required by AUS-MEAT or its Agent;

(c) produce to AUS-MEAT or its Agent any information, records or documents reasonably required by AUS-MEAT or its Agent; and

(d) provide AUS-MEAT or its Agent with access to the Feedlot premises at times reasonably required by AUS-MEAT or the Agent for the purposes of reviewing the Feedlot's compliance with the Rules and Standards of Accreditation.

3.0 OBLIGATIONS OF ACCREDITED FEEDLOT ENTERPRISES

3.1 Compliance

3.1.1 Each Enterprise must comply in all respects with:

(a) these Rules;

(b) the Standards; and

(c) all laws and regulations relevant to the conduct of its activities, including holding all licences, permits, consents and approvals required for any of its activities.

3.1.2 Each Enterprise must, as required by AUS-MEAT, provide evidence acceptable to AUS-MEAT of its compliance with the matters set out in paragraph 3.1.1.

3.2 Reference Material

3.2.1 The Enterprise must at all times make current editions of the following documents available for reference by staff:

(a) the National Guidelines for Beef Cattle Feedlots in Australia (as amended or superseded);
(b) the National Beef Cattle Feedlot Environmental Code of Practice (as amended or superseded).
(c) the AUSVETPLAN Enterprise Manual - Feedlots (as amended or superseded);
(d) The Code of Practice for the Welfare of Animals - Cattle (as amended or superseded);
(e) the NFAS Accreditation Rules;
(f) the NFAS Standards;
(g) the approved Feedlot Quality System Manual;
(h) license/approval documentation issued by the relevant approval authority; and
(i) the AUS-MEAT Minimum Standards for Grain Fed Beef
(j) Livestock "Fit to Load Guide"
(k) Cattle Heat Load Toolbox
(l) Australian Code of Good Manufacturing Practice for Home-mixed Feeds; and

~~and~~ all other documents, which AUS-MEAT advises, must be made available for reference.

3.3 ~~Management Representative~~ Responsible Person

3.3.1 The Enterprise shall appoint a ~~member of management~~ person who, irrespective of other responsibilities, shall have responsibility and authority to:

(a) ensure that the approved feedlot quality system is established, implemented, maintained and updated;
(b) ensure the correct number of authorised QA Officers are maintained; and
(c) report ~~to senior management~~ on the effectiveness and suitability of the approved feedlot quality system.

3.4 Quality Assurance Officers

3.4.1 The Enterprise must employ or engage a number of Quality Assurance Officers dependant on the Feedlot capacity as defined below in Table 1:

Table 1 – Quality Assurance Officer Requirement by Feedlot Size

Feedlot Size	Number of QA Officers
up to 1,000 head	1 person (minimum)
1,001 - 10,000 head	2 people (minimum)
10,001 - 30,000 head	3 people (minimum)
over 30,000 head	4 people (minimum)

3.4.2 Each Quality Assurance Officer must hold a current Statement of Authority.

3.4.3 Duties of a Quality Assurance Officer.

The Quality Assurance Officer must:

(a) ensure that all cattle that are the subject of a NFAS Delivery Docket comply with the AUS-MEAT Minimum Standards for Grain Fed Beef; and

(b) ensure that each NFAS Delivery Docket is accurately completed and signed

(c) ensure an understanding of ration formulations

(d) ensure an understanding of environmental management procedures and practices; and

(e) ensure an understanding of positive animal care practices.

3.5 Statements of Authority

3.5.1 AUS-MEAT will conduct examinations for Statements of Authority at the feedlot where the applicant is employed or engaged. The examination will generally be conducted in conjunction with a feedlot Audit. The award is issued in respect of a specified person and will continue to be recognised for that person should they move to another feedlot.

3.5.2 To obtain a Statement of Authority an applicant must demonstrate to the satisfaction of the examiner sound practical skills in the following:

(a) calculating the number of days on feed;

(b) confirming the average metaboli~~z~~sable energy (ME) content of the feed ration and

(c) determining whether or not cattle, that are the subject of a NFAS Delivery Docket, are under any withholding period (WHP), export slaughter interval (ESI), veterinary medicine or other market limitation.

The examiner must also be satisfied that an Applicant has demonstrated an overall understanding of the NFAS Rules and Standards including any recent amendments addressed by NFAS Advices (see Section 3.4.3 above).

3.5.3 Statements of Authority must be endorsed by AUS-MEAT every two years for the award to remain current. Each holder of a Statement of Authority must successfully complete an examination prior to endorsement. The examination will be conducted in the same manner as the initial examination referred to in paragraph 3.4.2 and will generally take place during an annual Audit.

3.5.4 Where an applicant fails an examination:

(a) AUS-MEAT will advise the applicant and the Enterprise, and the applicant will not be awarded the statement, or will not have his or her statement endorsed, as the case may be; and

(b) the applicant may undertake a further examination at a later agreed date and, until the applicant successfully completes a further examination, the applicant must not act as a Quality Assurance Officer.

3.5.5 Where an Enterprise requires new or additional Quality Assurance Officers, the Enterprise shall make arrangements with AUS-MEAT to conduct the examinations. The Enterprise will be invoiced for the examinations at the hourly Auditing rate applicable at the time of examination.

3.6 Withdrawal of a Statement of Authority

3.6.1 On the advice of FLIAC, AUS-MEAT may withdraw a Statement of Authority, if the

person to whom the award has been issued:

(a) fails to ensure that all cattle that are the subject of a NFAS Delivery Docket comply with the AUS-MEAT Minimum Standards for Grain Fed Beef;

(b) fails to ensure that each NFAS Delivery Docket or NFAS Delivery Docket – Form B, is accurately completed and signed by a Quality Assurance Officer who is employed or engaged by the Enterprise;

(c) knowingly breaches the NFAS Rules and Standards, or

(d) in any other circumstances where AUS-MEAT considers such action is necessary to protect the interests of the Australian meat and livestock industry in relation to the sale or distribution of Australian meat and livestock within Australia or overseas.

3.6.2 If any of the matters set out in paragraph 3.6.1 occur, AUS-MEAT may serve a notice in writing on the holder stating:

(a) the grounds on which AUS-MEAT formed the belief by virtue of which the notice is given; and

(b) that the holder may give AUS-MEAT a written statement within 14 days of receipt of the notice showing cause why their Statement of Authority should not be withdrawn and that if the holder fails to respond to the notice, the Statement of Authority may be withdrawn.

3.6.3 AUS-MEAT will:

(a) consider any written submission made by the holder pursuant to paragraph 3.6.2.;

(b) obtain and consider any other material that it may consider relevant; and

(c) decide:

I. not to take any further action; or

II. to withdraw the Statement of Authority; or

III. to take such other steps with regard to the award as AUS-MEAT considers appropriate in the circumstances, including referring the matter to FLIAC,

AUS-MEAT may adopt such procedures in deciding whether or not to withdraw a Statement of Authority, as it considers necessary. Those procedures may vary from time to time as, in the opinion of AUS-MEAT, the circumstances require.

3.6.4 The procedures described above are subject to modification, if in the opinion of AUS-MEAT, it is necessary to do so in the interest of:

(a) promoting, controlling, protecting or furthering the interests of the Australian meat and livestock industry in relation to the sale or distribution of Australian meat and livestock within Australia or overseas; and

(b) improving the production of Australian meat and livestock or encouraging the consumption of Australian meat, and

(c) ~~U~~upholding the integrity of NFAS.

3.6.5 Where a Statement of Authority is withdrawn, AUS-MEAT will notify the holder in writing.

3.6.6 As a result of the withdrawal of a Statement of Authority, the person from whom it was withdrawn must not act as a Quality Assurance Officer at a feedlot until such time as he/she may be re-issued with a Statement of Authority.

3.7 Reapplying for a Statement of Authority

3.7.1 An examination by AUS-MEAT for a Statement of Authority can only proceed after a period of TWENTY-EIGHT DAYS has elapsed from the date the Statement of Authority was withdrawn. After this period has elapsed, a person may apply in writing to AUS-MEAT for an examination. Applications will be treated by AUS-MEAT at its discretion and on a case by case basis.

3.7.2 AUS-MEAT may adopt such procedures when reviewing an application as it considers necessary, including but not limited to, referring the matter to FLIAC. The procedures may vary from time to time as, in the opinion of AUS-MEAT, the circumstances require.

3.7.3 Where an application is refused, AUS-MEAT will notify the applicant in writing.

4. NOTIFICATION OF CHANGE TO FEEDLOT OPERATION

4.1 The Management Representative must notify AUS-MEAT in writing if the operation of the Feedlot varies from the original application for Accreditation. Notification must be received by AUS-MEAT within 28 days of the variation occurring.

5. FEES

5.1 Each feedlot enterprise must pay all fees payable in connection with these Rules (Including without limitation fees payable to AUS-MEAT, its agents and Auditors).

5.2 Each feedlot enterprise wishing to apply for accreditation will be required to purchase the NFAS Self Learning Program at a price determined by AUS-MEAT.

5.3 All Auditing costs will be borne solely by the enterprise wishing to apply for accreditation.

5.4 An initial application fee and an annual accreditation fee will apply at a rate determined by AUS-MEAT.

5.5 Goods and Services Tax (GST) will be payable on all applicable fees and charges.

6 AUDIT FEES

6.1 A fee applies to all initial, routine and follow-up feedlot Audits. Rates are subject to change, industry will be notified of any changes by AUS-MEAT.

7 APPLICATION

7.1 Each Enterprise must apply to AUS-MEAT for Accreditation and supply all relevant information as required by AUS-MEAT on the prescribed form (Appendix B). It is the responsibility of each Enterprise to notify AUS-MEAT of all changes to information provided at the time of application.

7.2 Each Enterprise must pay all fees payable to AUS-MEAT or its agents connected with such an application.

7.3 Each Enterprise must establish and maintain a quality system approved by AUS-MEAT. The Enterprise must ensure that the documentation is varied from time to time to conform to any variations in these Rules and NFAS Advice's issued from time to time.

8 INITIAL AUDIT

8.1 Prior to Accreditation, each proposed Enterprise must arrange for an Auditor to conduct an Audit of its business in respect of which it is seeking Accreditation. All Audits under this paragraph will be at the Enterprise's sole expense.

8.2 Following an Audit referred to in paragraph 8.1; AUS-MEAT will notify the Enterprise of its decision concerning Accreditation and, if the Feedlot is accredited, send an Accreditation certificate and gate sign to the Feedlot.

9 ACCREDITATION CATEGORIES

9.1 The Feedlot will be categorised by AUS-MEAT as Accredited (A), Provisionally Accredited (PA), or Voluntary Suspended (S). Feedlot categorization will be reviewed after each Audit of the Feedlot by AUS-MEAT.

9.2 The categories are as follows:

I. A - The feedlot is meeting NFAS requirements.

II. P - The feedlot is provisionally accredited by AUS-MEAT (See section 16).

III. S - The feedlot is in a state of voluntary suspension. (See section 17.2).

10 USE OF THE AUS-MEAT NFAS LOGO

10.1 The AUS-MEAT NFAS logo (See Appendix A) is a trademark of AUS-MEAT and must not be used without the written permission of AUS-MEAT. Permission will only be given on such terms and conditions as AUS-MEAT determine from time to time.

11 NFAS ACCREDITATION AUDITS

11.1 One (1) or more AUS-MEAT representatives will undertake accreditation Audits.

11.2 The Accreditation Audit will be conducted in the following manner:

(a) on arrival at the Feedlot an AUS-MEAT representative will contact the management representative of the Enterprise and conduct an entry meeting to explain the scope of the Audit and manner in which it will be conducted and answer questions that management may have in respect of the Audit;

(b) the AUS-MEAT representatives will Audit the Feedlot's Quality System to ensure that the matters set out in the Feedlot's Quality System Manual are being complied with and, that:

(i) the required number of Quality Assurance Officers are engaged or employed at the Feedlot;

(ii) each Quality Assurance Officer understands the Quality System and the manner in which it must be applied to comply with NFAS requirements;

(iii) product which does not conform to specifications can be detected, controlled, corrected, recorded and treated in accordance with procedures set out in the Feedlot's Quality System Manual;

(iv) when monitoring of product associated with the Feedlot (eg. veterinary medicine expiry dates) is undertaken by feedlot staff, sufficient and random samples are obtained to properly measure performance or conformance;

(v) the activities and findings of staff are recorded on appropriate forms and reports as described in the Feedlot 's Quality System Manual;

(vi) the Quality System Manual is approved by AUS-MEAT; and

(vii) the NFAS Accreditation Rules and Standards including the mandatory reference material as detailed above at paragraph 3.2.1 are being complied with.

11.3 When Auditing, the Auditor will evaluate non-conformances according to a non-conformance scale as shown in table 2:

Table 2 – Non-Conformance Assessment Scores

Non-Conformance	Documented by	Definition
Critical Non-conformance	Documented on a Critical Incident Report (CIR) without a Corrective Action Request (CAR). Accreditation would not be recommended. Decisions on action to be taken are ultimately the responsibility of AUS-MEAT.	Would cause loss of integrity of the Australian Meat and Livestock Industry and NFAS. There would be clear evidence that Standards had been compromised. All incidents relating to breaches of mandatory animal welfare, environment, food safety and AUS-MEAT Minimum Standards for Grain Fed Beef should be treated in this category.
Major Non-conformance	Documented on CAR's	Has the clear potential to impinge on the integrity of the Australian Meat and Livestock Industry and NFAS. If not addressed there would be potential for the non-conformity to further compromise the Standards.
Minor Non-conformance	Documented as an observation	Does not directly impinge on the integrity of the Australian Meat and Livestock Industry and NFAS.

11.4 An AUS-MEAT representative will conduct an exit meeting and provide a written report of the Audit noting:

(a) confirmation of those areas of the Quality System found to be in place and working effectively;

(b) faults detected and their severity;

(c) matters that require rectification and follow up visit arrangements if necessary; and

(d) whether or not the Enterprise will be recommended for Accreditation.

11.5 AUS-MEAT will not grant Accreditation if it considers that:

(a) the Feedlot's Quality System fails to detect, record and correct non-conformity, where in the opinion of AUS-MEAT such failure prejudices:

I. the reputation or integrity of NFAS; or

II. the interests of the Australian meat and livestock industry in relation to the sale or distribution of Australian meat or livestock; or

III. the reputation or integrity of the AUS-MEAT Language.

11.6 Following the Audit AUS-MEAT will notify the Feedlot of its decision concerning Accreditation.

12 FOLLOW UP AUDITS

12.1 Follow up Audits are conducted to ensure that non-conformances raised during an Audit have been corrected within the agreed time frame.

12.2 In some circumstances a site visit may not be necessary and can be replaced by the submission of documents by the Enterprise (e.g. by e-mail, surface mail or fax) that provide assurance the non-conformance(s) has been corrected within the agreed time frame. This option, where appropriate, will be discussed and confirmed at the exit meeting.

12.3 Should any non-conformance not be corrected within the agreed time frame then a revised rectification date shall be established. Failure to take the necessary action by this revised date may result in the Enterprise being issued with a show cause notice asking it to show why Accreditation should not be withdrawn.

12.4 The Audit is closed out when in AUS-MEAT's opinion feedlot management has taken effective corrective action. If corrective action is not required to be taken by feedlot management as a result of the Audit, the Audit is closed out at the exit meeting.

13 MANAGEMENT RESPONSIBILITIES IN AUDITS

13.1 As participants in a program of industry self-regulation, the ~~*feedlot management representative*~~ responsible person for the feedlot has a number of responsibilities to assist in the conduct of the Audit. The ~~*feedlot management representative*~~ responsible person must:

(a) inform relevant employees of the objectives and scope of the Audit;

(b) nominate members of staff who may be required to accompany the Auditor;

(c) provide all resources required by the Auditor to properly carry out the Audit;

(d) provide access to materials and records as requested by the Auditor;

(e) generally co-operate with the Auditor to ensure that the objectives of the Audit are achieved; and

(f) follow-up with corrective action on Audit reports as necessary.

14 CONTINUING AUDITS

14.1 Accredited Feedlots will generally be Audited once in a twelve-month period according to assigned cluster periods (Refer paragraph 15) or at a frequency determined by AUS-MEAT. The Audits are announced and scheduled with the Feedlot.

14.2 Continuing Audits examine all aspects of the structure, documentation, management and conduct of the Feedlot's Quality System in a similar manner as an Accreditation Audit.

14.3 At the completion of each Audit an AUS-MEAT representative will conduct an exit

meeting and provide a written report of the Audit.

14.4 Notwithstanding paragraph 14.1, on the advice of FLIAC, AUS-MEAT may conduct random unannounced Audits. The cost of these Audits will ordinarily be borne by NFAS. However, AUS-MEAT, on the advice of FLIAC, may require all costs associated with the Audit to be paid by the Feedlot, where a breach of these Standards is recorded at the conclusion of the Audit.

15 AUDIT SCHEDULE

15.1 Each Feedlot must ensure that an annual Audit is scheduled according to the assigned Cluster Period.

15.2 A Cluster period is a two-(2) month period that an annual accreditation Audit may be performed. Cluster periods are defined as:

Table 1 – Cluster Period Definition

Cluster Period	Period Definition
1*	1 January to 28 February
2	1 March to 30 April
3	1 May to 30 June
4	1 July to 31 August
5	1 September to 31 October
6	1November to 31 December

* 1 January to 29 February in the case of leap years.

15.3 Additional charges may be incurred by feedlots that are not available for an annual Audit within the predetermined cluster period as approved by FLIAC from time to time.

15.4 Cancellation Fees and Call Out Rates

15.4.1 Standard Audit charges will apply, unless feedlots are Audited outside of the assigned cluster period. When an annual Audit falls outside of the assigned cluster period the following charges may apply:

(a) If a Enterprise cancels within two (2) weeks of a scheduled Audit a cancellation fee will be charged; or

(b) If an Enterprise cannot agree to a specific date within the assigned cluster period a call out rate plus expenses will apply in addition to normal Audit charges.

15.5 Enterprises Reactivating from Voluntary Suspension

15.5.1 Enterprises reactivating Accreditation after a period of voluntary suspension will be audited within 70 days of a notice in writing, providing all outstanding Accreditation fees are paid.

15.5.2 Where a feedlot requires an Audit outside of the assigned cluster period, the call out rate as described in 15.4.1 (b) above may be applied.

16 PROVISIONAL ACCREDITATION

16.1 Provisional Accreditation

16.1.1 A Feedlot Enterprise may be granted provisional Accreditation by AUS-MEAT at the conclusion of the accreditation Audit in the circumstances as follows:

(a) where an approved Feedlot development plan is required;

(b) where an Enterprise did not have cattle on feed at the time the accreditation Audit was conducted; or

(c) where the Enterprise's Quality System fails to detect, record and correct non conformity, where in the opinion of AUS-MEAT such failure does not prejudice:

I. the reputation or integrity of the NFAS;
II. the interests of the Australian meat and livestock industry in relation to the sale or distribution of Australian meat or livestock; or
III. the reputation or integrity of the AUS-MEAT Language.

16.2 Obligations during Provisional Accreditation

16.2.1 During provisional Accreditation the Enterprise's Management Representative must ensure that:

(a) all records relating to the Feedlot's Quality System are maintained;
(b) the feedlot complies with all NFAS requirements; and
(c) where applicable, the approved Feedlot development plan is implemented and maintained by feedlot management.

16.3 Voluntary withdrawal from Provisional Accreditation

16.3.1 An Enterprise may by written notice to AUS-MEAT request withdrawal of provisional Accreditation. Withdrawal is effective on receipt by AUS-MEAT of the notice.

16.4 Withdrawal of Provisional Accreditation

16.4.1 AUS-MEAT may by notice to the Enterprise withdraw provisional Accreditation if:

(a) it considers that there has been any failure to comply with the requirements set out in paragraph 16.2;
(b) it considers that there may be any failure to comply with the requirements set out in paragraph 16.2 during the period of provisional Accreditation; or
(c) it considers that cattle have during the period of provisional Accreditation been incorrectly described on an NFAS Delivery Docket.

17 WITHDRAWAL OF ACCREDITATION

17.1 Voluntary withdrawal

17.1.1 An Enterprise may by written notice to AUS-MEAT request withdrawal of Accreditation. Withdrawal is effective on receipt by AUS-MEAT of the notice. The Enterprise must also return the Accreditation Plaque, the Accreditation Certificate, all unused NFAS Delivery Dockets, NFAS Form-B's, to AUS-MEAT within 10 working days of forwarding the withdrawal notice.

17.1.2 A refund on unused NFAS Delivery Dockets, NFAS Form-B's, will be delivered by AUS-MEAT.

17.2 Voluntary Suspension

17.2.1 An Enterprise may by written notice to AUS-MEAT apply to have its Accreditation suspended while it is not operating. Suspension of Accreditation is effective on receipt by AUS-MEAT of:

(a) the notice; and

(b) all unused NFAS Delivery Dockets and NFAS Form-B's that have been issued to the Feedlot by AUS-MEAT.

17.2.2 During the period of suspension of Accreditation the Enterprise must not sell or trade cattle described as meeting the AUS-MEAT Minimum Standards for Grain Fed Beef.

17.2.3 The maximum period of suspension of Accreditation is twenty-four continuous months. In cases where a period of suspension exceeds twenty-four continuous months Accreditation will automatically lapse. Where Accreditation has lapsed, Enterprises may at any time reapply for Accreditation by following the same procedure as for initial Accreditation.

17.2.4 An Enterprise may at any time within the twenty-four month period, by written notice to AUS-MEAT, apply for re-instatement of Feedlot's Accreditation. On receipt of the written notice, AUS-MEAT will consider the application and, if Accreditation is re-instated, shall:

(a) where a Feedlot's Accreditation has been suspended for a period of less than twelve months from the last Audit date, return the NFAS Delivery Dockets, NFAS Form-B's to the Feedlot; or

(b) where a Feedlot's Accreditation has been suspended for a period of twelve months or more from the last Audit date, conduct an Audit of the Feedlot prior to returning the NFAS Delivery Dockets to the Feedlot.

17.2.5 Where Accreditation is suspended there will be no pro rata or full refund of Accreditation fees. If Accreditation is re-instated prior to the Feedlot's next Accreditation expiry date, no further fees are due.

17.3 Withdrawal of Accreditation

17.3.1 On the advice of FLIAC, AUS-MEAT may withdraw Accreditation from a Feedlot in the following circumstances:

(a) detection of an extreme non-conformity in a Feedlot including but not limited to evidence of animal cruelty or deliberate pollution of the environment;

(b) where the relevant State or Local authority has:

I. not issued a Feedlot licence or approval to operate; or

II. withdrawn the Feedlot licence or approval to operate.

(c) failure of management to permit reasonable access to an Auditor or to co-operate with an Auditor during a Feedlot Audit or follow up Audit;

(d) failure to implement prescribed incident reporting requirements;

(e) failure to maintain the Quality System or failure to take the specified corrective action;

(f) failure to pay any fees associated with the NFAS; or

(g) supplying false information or documentation.

17.3.2 If any of the matters set out in paragraph 17.3.1 occurs AUS-MEAT may serve a notice in writing on the Enterprise stating:

(a) the grounds on which AUS-MEAT formed the belief by virtue of which the notice is given; and

(b) that the Enterprise may give AUS-MEAT a written statement within 14 days of receipt of the notice showing cause why it's Accreditation should not be withdrawn and that if the Feedlot fails to respond to the notice, its Accreditation may be withdrawn.

17.3.3 AUS-MEAT will:

(a) consider any written submission made by the Feedlot pursuant to paragraph 17.3.2;

(b) obtain and consider any other material that it may consider relevant; and

(c) decide:

I. not to take any further action;

II. to suspend the Accreditation;

III. to withdraw the Accreditation; or

IV. to take such other steps with regard to Accreditation as AUS-MEAT considers appropriate in the circumstances, including referring the matter to FLIAC.

AUS-MEAT may adopt such procedures in deciding whether or not to withdraw the Accreditation of a Feedlot as it considers necessary. Those procedures may vary from time to time as, in the opinion of AUS-MEAT, the circumstances require.

17.3.4 The procedures described above are subject to modification, if in the opinion of AUS-MEAT, it is necessary to do so in the interest of:

(a) promoting, controlling, protecting or furthering the interests of the Australian meat and livestock industry in relation to the sale or distribution of Australian meat and livestock within Australia or overseas; and

(b) improving the production of Australian meat and livestock or encouraging the consumption of Australian meat.

(c) Maintaining the integrity of NFAS

17.3.5 Where Accreditation of a Feedlot is withdrawn, AUS-MEAT will notify Feedlot management in writing and will advise the AUS-MEAT Advisory Committee, appropriate Government authorities and Accredited Abattoirs.

17.3.6 As a result of the withdrawal of Accreditation the Feedlot will be removed from the list of Accredited Feedlots. The Feedlot must return its Accreditation certificate, the Accreditation plaque, all unused NFAS Delivery Dockets, NFAS Form-B's. A refund on any unused NFAS Delivery Dockets, NFAS Form-B's will be given by AUS-MEAT.

17.4 Reapplying for Accreditation

17.4.1 Procedures for reapplying for accreditation and their timing are as follows:

(a) Voluntary Withdrawal

Where an Enterprise voluntarily withdrew from the NFAS, an application may be made at any time following the same procedure as for initial Accreditation.

(b) Loss of Accreditation for Breach of Legislation

Where Accreditation has been withdrawn because the Feedlot licence or approval to operate has been taken away, Accreditation will not be considered until Feedlot approval has been reinstated or the Feedlot licence renewed by the relevant authority. Once this has occurred, an application for Accreditation may be made to AUS-MEAT following the same procedure as for initial Accreditation.

(c) Loss of Accreditation for Failing to Meet NFAS Standards

An application to AUS-MEAT for Accreditation cannot proceed until after a period of TWENTY-EIGHT DAYS has elapsed from the date Accreditation was withdrawn. After this period has elapsed, application for Accreditation may be made to AUS-MEAT following the same procedure as for initial Accreditation.

18 VERACITY OF STATEMENT CLAIMS

18.1 Accredited Enterprises must not make any "whole of life" claims or other assurances regarding the feeding history, drugs treatments, animal husbandry conditions, handling, and/or geographical references of introduced animals unless verifiable documentary evidence supporting those claims (such as written and signed statements from all previous vendors) is available. Records of the verifiable evidence shall be maintained.

19 USE OF INFORMATION

19.1 The Enterprise acknowledges that AUS-MEAT may use information concerning the Feedlot or the business of the Feedlot obtained in connection with this Manual or Accreditation in such a manner as AUS-MEAT considers appropriate for the purposes of these Rules and Standards of Accreditation, including:

(a) publishing any or all such information as AUS-MEAT considers necessary or desirable for the purposes of NFAS and

(b) exchange of information with the relevant authorities.

19.2 All information collected by AUS-MEAT Limited in relation to the NFAS is managed in accordance with the AUS-MEAT Privacy Statement – NFAS, as described below.

19.3 **AUS-MEAT Privacy Statement - NFAS**

The information being collected may be personal information. It is collected by AUS-MEAT Limited for the purpose of processing your NFAS registration/renewal, answering your NFAS enquiry, keeping you informed of the services NFAS provides and assisting the NFAS improve its service. Any personal information that is collected by AUS-MEAT Limited is for that purpose only. AUS-MEAT Limited respects the privacy of individuals. Generally AUS-MEAT Limited does not release personal information. However, in response to a legal requirement, in an emergency or in exceptional circumstances the Chairman may at his discretion authorise the release of personal information. In all other circumstances the AUS-MEAT Limited privacy policy governs the collection, use and disclosure of personal information.

20 INDEMNITY

20.1 The Enterprise indemnifies AUS-MEAT against all damages, losses, costs and expenses incurred by AUS-MEAT arising out of:

(a) any non-compliance by the Enterprise with these Rules and Standards or any other Accreditation requirements; or

(b) any act or omission of AUS-MEAT in connection with these Rules and Standards of Accreditation.

21 LIABILITY

21.1 Without limiting AUS-MEAT's rights arising out of a breach of these Rules and Standards, if an Enterprise breaches a term of these Standards, the Enterprise must, on demand from AUS-MEAT, pay AUS-MEAT by way of liquidated damages an amount of $5,000.00 for each day that the breach continues.

22 ACKNOWLEDGMENT

22.1 The parties acknowledge that the amount set out in paragraph 20.1 is:

(a) a genuine pre-estimate of the damages suffered by AUS-MEAT in the event of a breach, having regard to the loss of goodwill attaching to the Logo and the effect on the reputation and effectiveness of the AUS-MEAT Accreditation scheme; and

(b) not a penalty.

23 VARIATIONS

23.1 AUS-MEAT may from time to time amend the NFAS Accreditation Rules and Standards.

23.2 Where AUS-MEAT proposes to amend the NFAS Accreditation Rules and Standards, AUS-MEAT must notify all Enterprises operating Accredited Feedlots and Feedlots in Voluntary Suspension of its intention. A variation takes effect:

(a) seven (7) days after AUS-MEAT sends the notice, or from any other date specified in the notice; and

(b) despite any accidental failure to give notice to any Accredited Feedlot.

24 PUBLIC INSPECTION OF THE RULES AND STANDARDS

24.1 These Rules will be available for inspection during normal business hours at the offices of AUS-MEAT Limited at Unit 1 333 Queensport Road North, Murarrie, Brisbane, Queensland, 4172.

APPENDIX A NFAS LOGO

APPENDIX B APPLICATION FORM

AUS-MEAT LIMITED ABN: 44 082 528 881

NATIONAL FEEDLOT ACCREDITATION SCHEME

APPLICATION FORM

Please complete both sides of this form and mail to:

AUS-MEAT Limited
Feedlot Accreditation
PO Box 3403
TINGALPA DC QLD 4173

I hereby apply for AUS-MEAT accreditation of my feedlot in the National Feedlot Accreditation Scheme (NFAS).

1. MANAGER DETAILS: *Please print clearly*

Title: Dr/Mr/Mrs/Ms (Please circle)

Surname: _____ First Name: _____

2. FEEDLOT DETAILS: *Please print clearly*

Feedlot Capacity: _____ Head (SCU) – Please note SCU if applicable in your State. _____

Feedlot Name: _____ Tailtag (PIC) No: _____

Company Name: _____ ABN : _____

(1) Postal Address: _____

Postal Town: _____ State: _____ Postcode: _____

(2) Location Address: _____

Location Town: _____ State: _____ Postcode: _____

Telephone: _____ Mobile: _____

Facsimile: _____

Email: _____

3. DECLARATION: *Please complete the following*

(i) Have appropriate relevant authority approvals or licences been obtained?

Yes ☐ No ☐ Other ☐ *If other, please provide details.*

(ii) Have appropriate relevant authority approvals been applied for?

Yes ☐ No ☐ Other ☐ *If other, please provide details.*

This information may be bought to the attention of the relevant authorities.

Signed: _____ Date: _____

Position: _____

4. ~~*FEEDLOT REPRESENTATIVE*~~ RESPONSIBLE PERSON–*Name of person who is responsible for ensuring that the NFAS Rules and Standards are implemented and maintained..*

Names:		**Position:**	
Email			

Note: Management representative must have email address

5. QA OFFICERS – *Please list names of person/s nominated as the QA Officers for the feedlot.*

Names:

6. FEE CALCULATIONS - *All fees are payable in advance.* **All prices include GST**

(a) Self Learning Module

$500.00	**X**		**=**	**$**
per module		No. of modules		Total Cost

(b) Accreditation Fees The annual Accreditation Fee is required to be paid when you submit your QA manual for the desk audit.

PAYMENT - *This document will become a Tax Invoice when payment is made*

1. **Cheque** (payable to AUS-MEAT Limited – Feedlot Accreditation)

Cheque enclosed for $

2. **Credit Card** (please tick)

☐ Bankcard ☐ Mastercard ☐ Visa ☐ Ame

Please debit my credit card for $

Name on Credit Card _____

Credit Card No: | | | | | - | | | | | - | | | | | - | | | | |

Expiry Date: /

Signed: Date:

AUS-MEAT PRIVACY STATEMENT - NFAS:
The information being collected may be personal information. It is collected by AUS-MEAT Limited for the purpose of processing your NFAS registration/renewal, answering your NFAS enquiry, keeping you informed of the services NFAS provides and assisting the NFAS improve its service. Any personal information that is collected by AUS-MEAT Limited is for that purpose only. AUS-MEAT Limited respects the privacy of individuals. Generally AUS-MEAT Limited does not release personal information. However, in response to a legal requirement, in an emergency or in exceptional circumstances the Chairman may at his discretion authorise the release of personal information. In all other circumstances the AUS-MEAT Limited privacy policy governs the collection, use and disclosure of personal information.

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National Feedlot Accreditation Scheme

"The self regulatory Quality Assurance Program for the cattle feedlot industry"

STANDARDS OF ACCREDITATION

ACCREDITATION

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National Feedlot Accreditation Scheme (NFAS) Standards

Edition: April 2014 (as amended)

*Note: This version of the NFAS Standards contains suggested edits made by the investigators for the "*National Feedlot Accreditation Scheme (NFAS) Review"*. It also contains the amendments to the NFAS Rules and Standards as set out in NFAS Advice 02/2014, issued in August 2014 (in relation to Excessive Heat Load and HGPs).*

The NFAS Standards are available on the AUS-MEAT Website:
www.ausmeat.com.au/nfas/standards/default.html

CONTENTS

1.0 STANDARDS

The ***National Feedlot Accreditation Scheme (NFAS) Standards*** comprise **five (5)** standard Modules. Each Module contains one (1) or more Elements which describe the required **Outcomes** that an accredited feedlot enterprise must meet to maintain certification in the program.

	Module	Item	STANDARD ELEMENT	OUTCOMES
1	QUALITY MANAGEMENT SYSTEM	QM1	Training	~~Staff~~ People are adequately trained to ensure they have the appropriate skills and knowledge to competently perform the duties required of them by the NFAS
		QM2	Internal Auditing and Corrective Action	Internal audits are performed to review ongoing compliance of the enterprise~~"~~'s activities to the NFAS Standards and appropriate corrective and preventative actions are undertaken when non-conformances are identified.
		QM3	Quality Records	Records are kept that provide documented evidence of the enterprise~~"~~'s compliance to the NFAS Standards.
		QM4	Document Control	All documents relevant to the NFAS Standards are controlled enabling the review of their currency and that out of date or superseded documents are withdrawn and replaced with the ~~new~~ latest version.
		QM5	Chemical Inventory	Only legally obtained and properly labelled chemicals are available for use on the property and that an accurate inventory of all chemicals purchased and stored on the enterprise is maintained.
		QM6	Review of Product Requirements	Proposed arrangements for the sale of product being certified through the application of NFAS Standards are thoroughly reviewed prior to acceptance by the Feedlot.
2	FOOD SAFETY MANAGEMENT	FS1	Property Risk Assessment	On Farm systems have been implemented to minimise the risk of livestock being exposed to sites that are unacceptably contaminated with organochlorine or other persistent chemicals, or other potential sources of persistent chemicals, and being exposed to sources of potentially injurious physical contaminants in meat intended for human consumption.
		FS2	Safe and Responsible Animal Treatments	On Farm systems have been implemented to ensure that animal ~~treatments~~ products are stored and administered in a safe and responsible manner to ~~minimise~~ eliminate the risk of chemical residues and physical hazards in livestock intended for human

	Module	Item	STANDARD ELEMENT	OUTCOMES
		FS3	Fodder Crop, Grain and Pasture Treatments and Stock Foods	On Farm systems have been implemented to manage the exposure of livestock to foods containing unacceptable chemical contamination to minimise the risk of chemical residues in livestock and to eliminate the risk of animal products being fed to ruminant livestock intended for human consumption.
		FS4	Preparation for Dispatch of Livestock	On Farm systems have been implemented to ensure that the selected livestock are fit for transport and that the risk of stress and contamination of livestock during transport is mimimised.
		FS5	Livestock Transactions and Movements	A system has been implemented to ensure traceability of the current status of all livestock with respect to treatment or exposure to relevant food safety hazards for all livestock movements between livestock production enterprises including to slaughter and live export.
3	LIVESTOCK MANAGEMENT	LM1	Livestock Identification	A stock identification system has been implemented on the property that enables maintenance of appropriate management records, traceability of stock on the property and when dispatched from the property to ensure the integrity of product described as Grain Fed and to prevent contaminated or treated animals unknowingly being sold for human consumption prior to expiry of the Withholding Period (WHP) or Export Slaughter Interval (ESI).
		LM2	Livestock Husbandry and Presentation	Livestock are presented for sale or slaughter in a manner that minimises damage to carcase, hide and skin quality attributes.
		LM3	Livestock Transport	The risk of injury; bruising; hide and skin damage during transportation of stock is minimised.
		LM4	Animal Welfare	The welfare of livestock is not compromised whilst within the control of persons responsible for their care and well being, and that prompt and appropriate remedial action is taken when required.
		LM5	Excessive Heat Load	The likelihood of an Excessive Heat Load event is monitored, and prompt and appropriate remedial action is taken when required.
		LM6	Biosecurity	The likelihood of disease entry into and spread from the Feedlot and associated utilization area is minimised.

	Module	Item	STANDARD ELEMENT	OUTCOMES
		LM7	Incident Reporting	Incident reporting requirements are undertaken when a reportable incident occurs.
		LM8	Contingency ~~Reporting~~ Planning	Satisfactory actions are taken when an unusual emergency situation occur.
4	ENVIRONMENTAL MANAGEMENT	EM1	Environmental Management	Environmental management requirements of the National Beef Cattle Feedlot Environmental Code of Practice and the relevant authority regulations have been met.
		EM2	Surface Water	Feedlots are operated to prevent or minimise adverse impacts on surface waters external to the feedlot controlled drainage area and external to the manure and effluent utilisation area.
		EM3	Ground Water	Feedlots are operated to prevent or minimise adverse impacts on groundwater.
		EM4	Community	Feedlots are operated to prevent or minimise adverse impacts on the amenity of the surrounding community.
		EM5	Ecology	Feedlots are operated to prevent or minimise adverse impacts on native flora and fauna and ecological communities.
		EM6	Environmental Incident Reporting	Incident reporting requirements are undertaken when a reportable environmental incident occurs.
5	PRODUCT INTEGRITY	PI1	NFAS Delivery Documentation	NFAS delivery documentation is managed to ensure correct use and the accurate description of Cattle.
		PI2	Feedlot Rations	Feeding standards of the AUS-MEAT Minimum Standards for Grain Fed Beef (Refer Appendix 4) and other feeding Standards are met.

2.0 PERFORMANCE INDICATORS

To demonstrate compliance with the required outcomes of the ***National Feedlot Accreditation Scheme (NFAS) Standards,*** a feedlot enterprise must achieve performance indicators specific to each element.

MODULE 1 – QUALITY MANAGEMENT SYSTEM

ELEMENT QM1 – TRAINING

OUTCOME: ~~*Staff*~~ ***People*** ***are adequately trained to ensure they have the appropriate skills and knowledge to competently perform the duties required of them by the NFAS Standards.***

PERFORMANCE INDICATORS:

1. Job descriptions and responsibilities for all ~~*staff members*~~ people (including family members working on the property/in the business) are documented.
2. All ~~*staff*~~ people have appropriate training in the requirements of the NFAS Standards and other relevant industry code of practice requirements and that suitable records of this training are maintained.
3. All QA Officers are familiar with the requirements of the NFAS Rules and Standards including all current NFAS Advices and Circulars and that suitable records of this training are maintained.
4. ~~*Staff*~~ People involved in the supervision of the use of farm chemicals have sufficient skills and knowledge to ensure their safe and responsible use and have undertaken recognised chemical user training equivalent to level 3 competency units; "Prepare and Apply Chemicals" and "Transport, Handle and Store Chemicals" under the Australian Quality Training Framework.
5. For the purposes of the Scheme, continued competency in relation to chemical preparation, application, transport, handling and storage may be demonstrated through successful completion of the Scheme's annual audit requirement.

   Note: Participants should be aware that in some States there may be other legal obligations that apply with respect to holding current chemical user certification for purposes other than the Scheme.
6. A register of ~~*staff*~~ people authorised to use agricultural and veterinary chemicals is maintained (some ~~*staff*~~ people may have clearly defined limits to their authorisation).

ELEMENT QM2 – INTERNAL AUDITING AND CORRECTIVE ACTIONS

OUTCOME: ***Internal audits are performed to review ongoing compliance of the enterprise's activities to the NFAS Standards and appropriate corrective and preventative actions are undertaken when non-conformances are identified.***

PERFORMANCE INDICATORS:

1. Internal audits are performed on procedures, records and property facilities at least once per annum.
2. An additional dedicated Animal Welfare internal audit is conducted at a six month interval to the full internal audit.
3. Internal audit/Inspection reports are documented.
4. Identified non-conformances and opportunities for improvement (including complaints) are documented, reviewed and details of any corrective actions recorded.
5. A Corrective Action Report or equivalent record is maintained when:
   - a defect or mistake is identified during an internal Audit, or by an external
   - ~~*Auditor*~~ auditor/assessor;
   - a defect or mistake is identified during routine on-farm activities which cannot be rectified that day;
   - a complaint is received from a purchaser or processor of your product;
   - an adverse reaction to a chemical or an unexpected treatment failure has

   occurred; and/or
   - product is identified as being potentially contaminated.
6. Continuous improvement is demonstrated through preventative action being taken to prevent any similar problem occurring.
7. Buyer(s) are immediately notified and the notification recorded when sold product is identified as being contaminated or potentially contaminated.
8. Buyer(s) are immediately notified and the notification recorded if NFAS Delivery Dockets or Form B"s are identified as being incorrectly completed.

ELEMENT QM3 – QUALITY RECORDS

OUTCOME: ***Records are kept that provide documented evidence of the enterprise's compliance to the NFAS Standards.***

PERFORMANCE INDICATORS:

1. Complete, legible and accurate records are maintained and retained for a sufficient period of time to facilitate historical reference.
2. Record of annual AUS-MEAT audit.

ELEMENT QM4 – DOCUMENT CONTROL

OUTCOME: ***All documents relevant to the NFAS Standards are controlled enabling the review of their currency and that out of date or superseded documents are withdrawn and replaced with the new version.***

PERFORMANCE INDICATORS:

1. All quality system documentation is controlled to ensure that only current documents are in use.
2. All documentation in use by the enterprise accurately reflects current management practices and procedures.
3. An updated list of all controlled documents is maintained that identifies the document date of issue, numbers of the document in circulation and where they are stored.
4. The NFAS Rules and Standards are included on the controlled document master list.
5. Update-to-date list of all Reference Materials applicable to NFAS.

ELEMENT QM5 – CHEMICAL INVENTORY

OUTCOME: ***Only legally obtained and properly labelled chemicals are available for use on the property and that an accurate inventory of all chemicals purchased, used and stored on the enterprise is maintained.***

PERFORMANCE INDICATORS:

1. Sufficient records are maintained to enable the traceability of the purchase, storage, handling and disposal of chemicals.
2. Feedlot chemical storage areas are secure (the minimum definition of secure is child proof). Separate areas have been designated for each category of agricultural chemical (for example, insecticides and herbicides), veterinary chemicals, chemicals awaiting disposal and protective clothing if these items are stored in a particular area.
3. All agricultural and veterinary chemicals on the property are stored safely according to the directions on the container label.
4. The feedlot maintains a chemical inventory or equivalent system that records the following at each chemical storage area on the property for chemicals already held on the property. All newly purchased chemicals are recorded in the feedlot chemical inventory or equivalent system and are adequately labeled and in an acceptable condition when received:
   - date received;
   - batch number;
   - place of purchase;
   - name of chemical;
   - quantity;
   - for veterinary chemicals, the expiry date; and
   - for stored agricultural chemicals, the date of manufacture or expiry date, if provided.
5. Stocktakes are conducted at least annually for agricultural chemicals and at least every six months for veterinary chemicals. This stocktake identifies any products that have exceeded their label expiry dates or are no longer useable which are segregated for appropriate disposal.
6. Products not in their original containers or with illegible labels, expired use-by dates and leaking or corroded containers are disposed of responsibly following manufacturer's instructions where supplied. Record in the feedlot chemicals inventory or equivalent system contain:
   - those listed chemicals that have been disposed;

- the method of disposal;
- the date of the stocktake; and
- the name of the person who carried out the stocktake, and carried out or supervised the disposal of chemicals.

7. For chemicals used on grain while in storage, inventory stocks and actual stocks are reconciled every six (6) months, including treatment dates and chemical applied.

ELEMENT QM6 – REVIEW OF PRODUCT REQUIREMENTS

OUTCOME: ***Proposed arrangements for the sale of product being certified through the application of NFAS Standards are thoroughly reviewed prior to acceptance by the Feedlot.***

PERFORMANCE INDICATORS:

1. Proposed arrangements are reviewed and approved by a person in a position of authority prior to their acceptance.
2. Each order or contract applicable to NFAS Certification is reviewed to ensure the Feedlot can meet the requirements of the contract.
3. A record of the agreed arrangements is initialed and dated by the person performing the review as evidence that the review was completed.

MODULE 2 FOOD SAFETY MANAGEMENT

ELEMENT FS1 – PROPERTY RISK ASSESSMENT

OUTCOME: ***On Farm systems have been implemented to minimise the risk of livestock being exposed to sites that are unacceptably contaminated with organochlorine or other persistent chemicals, or other potential sources of persistent chemicals, and being exposed to sources of potentially injurious physical contaminants in meat intended for human consumption.***

PERFORMANCE INDICATORS:

1. All potentially contaminated sites and sources of potentially injurious physical contaminants in meat have been identified.
2. All identified sources of chemical and injurious physical contaminants are managed to restrict access of livestock to prevent exposure and contamination.
3. Potentially exposed animals are identified and managed in a manner to minimise the risk of contamination of meat intended for human consumption in accordance with relevant legal requirements.
4. All potential Feedlot sites are tested for persistent chemicals (organochlorine) through soil testing or alternatively that fat test results with all organochlorine readings below 20% of the relevant MRL for at least one (1) animal from five (5) independent consignments are available. (This testing is only required where a risk assessment identifies the need to test for organochlorine or other residues). .

ELEMENT FS2 – SAFE AND RESPONSIBLE ANIMAL TREATMENT

OUTCOME: ***On Farm systems have been implemented to ensure that animal treatments are stored and administered in a safe and responsible manner to ~~minimise~~ eliminate the risk of chemical residues and physical hazards in livestock intended for human consumption.***

PERFORMANCE INDICATORS:

1. Animal treatments,including Hormonal Growth Promotants (HPGs), are administered only by trained and competent ~~*staff*~~people in accordance with label and/or written veterinary directions and relevant legal requirements.
2. Chemicals are stored securely in accordance with label/manufacturers" directions, to prevent exposure to livestock.
3. Sufficient records are maintained to enable the traceability of the status of treated livestock, including introduced livestock and date of treatment, with respect to relevant WHP/ESI, HPG treatment and/or presence of broken needles, and to enable the correct/controlled use of chemicals to be demonstrated.

ELEMENT FS3 – FODDER CROP, GRAIN AND PASTURE TREATMENTS AND STOCK FOODS
OUTCOME: ***On Farm systems have been implemented to manage the exposure of livestock to foods containing unacceptable chemical contamination to ~~minimise~~ eliminate the risk of chemical residues in livestock and to eliminate the risk of animal products being fed to ruminant livestock intended for human consumption.***
PERFORMANCE INDICATORS: 1. Agricultural chemicals are applied to fodder crops, grain and pasture only by trained and competent ~~staff~~ people in accordance with label directions and/or relevant approvals in accordance with relevant legal requirements. 2. Chemicals are stored securely in accordance with label/manufacturer's directions to prevent exposure to livestock. 3. Exposure of animals to fodder crops, grain and pasture, and introduced stock feed that have been treated with or exposed to agricultural chemicals is managed to ~~minimise~~ eliminate the risk of unacceptable chemical residues in livestock for human consumption. Sufficient records are maintained to enable the traceability of the status of exposed livestock, including introduced livestock, with respect to relevant WHP/ESI. 4. Exposure of animals to stock feed is managed to eliminate the risk of animal products being fed to ruminant livestock, with the exception of approved exemptions. 5. A declaration of suitability must be obtained from the vendor (e.g. Commodity Vendor Declaration) for all introduced stock feed intended to be fed to livestock. 6. Sufficient records are maintained to enable the traceability of the status of fodder crops, grain and pasture, and introduced stock feed intended to be fed to livestock with respect to relevant WHP/ESI from slaughter or grazing/harvest as applicable and to enable the correct/controlled use of chemicals to be demonstrated.

ELEMENT FS4 – PREPARATION FOR DISPATCH OF LIVESTOCK
OUTCOME: ***On Farm systems have been implemented to ensure that the selected livestock are fit for transport and that the risk of stress and contamination of livestock during assembly and transport is minimised.***
PERFORMANCE INDICATORS: 1. Livestock transport is well planned and scheduled to maximize cattle well-being. 2. Only animals that are in a condition fit for travel are selected, to minimise potential disease and/or contamination related to transport conditions. 3. On farm assembly practices and transport arrangements are managed to minimise the risk of stress and contamination of animals. 4. Management practices ensure that minimum requirements for the fitness for travel of calves destined for sale or slaughter are in accordance with the Declarations made on the Bobby Calf LPA NVD at all times.

ELEMENT FS5 – LIVESTOCK TRANSACTIONS AND MOVEMENTS
OUTCOME: ***A system has been implemented to ensure traceability of the current status of all livestock with respect to treatment or exposure to relevant food safety hazards for all livestock movements between livestock production enterprises including to slaughter and live export.***
PERFORMANCE INDICATORS: 1. All livestock transactions and movements including between properties (Property Identification Codes) are accompanied by a current, correctly completed LPA National Vendor Declaration (NVD). 2. Livestock from saleyard auctions must be reconciled with a copy of a current, correctly completed LPA National Vendor Declaration (NVD) or an accurate Post Sale Summary. 3. Sufficient records are maintained to enable the declarations on an accompanying LPA NVD concerning the food safety related status and HGP treatment of livestock introduced to and dispatched from the property to be reconciled with the livestock traceability system adopted. 4. Livestock must be NLIS Identified in accordance with relevant statutory requirements at all times. 5. The feedlot must have procedures in place to ensure that its account on the NLIS database is reconciled at least once each year. 6. The status of livestock in regards to HGP treatments can be demonstrated by permanently identifying individual animals with a triangular ear punch an maintaining records of HPG use in individual cattle.

MODULE 3 – LIVESTOCK MANAGEMENT

ELEMENT LM1 – LIVESTOCK IDENTIFICATION

OUTCOME: ***A stock identification system has been implemented to enable maintenance of appropriate management records, traceability of stock on the property and stock dispatched from the property. The identification system must be designed to ensure the integrity of product described as Grain Fed and prevent contaminated or treated animals unknowingly being sold for human consumption prior to expiry of the Withholding Period (WHP) or Export Slaughter Interval (ESI).***

PERFORMANCE INDICATORS:

1. A stock identification system has been established which:
   - complies with the National Livestock Identification Scheme; and,
   - in addition to the NLIS identifier includes some permanent visual method of identifying individual Cattle while they are at the feedlot from the time of receival/induction and during transit to an abattoir, saleyard or other property enabling traceability at all times.
2. Feedlot records pertaining to Cattle entry, identification and exit allow the calculation of the number of DOF by AUS-MEAT.
3. Feedlot record maintenance systems ensure contaminated animals are not unknowingly sold for human consumption.
4. Introduced Cattle are identified within seven (7) days of arrival onto the Feedlot.

ELEMENT LM2 – LIVESTOCK HUSBANDRY AND PRESENTATION

OUTCOME: ***Livestock are presented for sale or slaughter in a manner that minimises damage to carcase, hide and skin quality attributes.***

PERFORMANCE INDICATORS:

1. Livestock husbandry and management practices minimise the risk of bruising, hide and skin damage with consideration to husbandry practices such as horn length, vaccination sites, brand application.
2. Feedlot pens and associated yards and loading facilities are constructed and maintained in a manner so as to minimise bruising and injury.

ELEMENT LM3 -– LIVESTOCK TRANSPORT

OUTCOME: ***The risk of injury; bruising; hide and skin damage during transportation of stock is minimised.***

PERFORMANCE INDICATORS:

1. A person in change must exercise duty of care to ensure the welfare of livestock under their control and compliance with the Animal Welfare Standards & Guidelines – Land Transport of Livestock (as amended or superseded). The consignor is responsible for livestock welfare during:
   a) Mustering and assembling of livestock handling.
   b) Preparation, including selection as fit for the intended journey are in accordance with the MLA published document ,"Is it Fit to Load" (as amended). An animal is not fit for a journey if it is:
      - unable to walk on its own by bearing weight on all legs;
      - severely emaciated;
      - visibly dehydrated;
      - showing visible signs of serve injury or distress;
      - suffering from conditions that are likely to cause increased pain or distress during transport;
      - blind in both eyes: or
      - known to be, or visually assessed to be within 2 weeks of parturition. ~~*unless the water deprivation time and journey is less than 4 hours duration to another property.*~~
   c) feed and water provision and
   d) holding periods before loading.
2. Stock crates utilised for transporting livestock are designed and maintained to prevent injury and bruising to livestock during loading, unloading and transport activities. Trucks used for transporting Feedlot Cattle are:
   - maintained to be free of sharp edges or projections capable of injuring animals;
   - designed so that side rails prevent cattle from placing their head or legs between the rails;
   - maintained so that the floor provides traction without holes large enough to injure hooves or legs;
   - designed so that hinges and latches of float gates/gateways do not project into the path of animals;
   - designed so that deck-height of multi-deck floats is sufficient to allow animals to stand upright without contacting overhead structures;
   - designed so that the construction of upper decks minimises soiling of animals on lower decks; and
   - the float and deck is as clean as practicable before loading. ~~*, and*~~
3. Livestock transport operators utilised by an enterprise are competent and comply with relevant legislation and industry codes of practice.
4. Livestock loading densities, food and water allowances and rest stops (including visual inspections) are appropriate for the type and class of animal being transported, seasonal conditions and required transport journey.
5. Time off water must not exceed the time periods given below:
   - Cattle over 6 months old 48 hours.
6. All complaints in relation to bruising and hide damage received from purchasers or processors are documented and investigated, appropriate corrective and preventive action taken and documented.

ELEMENT LM4 – ANIMAL WELFARE

OUTCOME: ***The welfare of livestock is ~~not compromised~~ monitored whilst within the control of persons responsible for their care and well being, and that prompt and appropriate remedial action is taken when required.***

PERFORMANCE INDICATORS:

1. Appropriate procedures have been implemented to address animal welfare at the Feedlot in accordance with the Model Code of Practice for the Welfare of Animals –Cattle (as amended or superseded).
2. Pens regularly used for hospital purposes are clearly identified within the feedlot.
3. Stocking of hospital pens is managed within the feedlots allowable stocking density on an individual pen basis.
4. A person in charge must ensure the cleaning of feed yards and maintenance of surfaces on a planned basis to ensure that pen surfaces can drain freely.
5. Appropriate procedures have been implemented to address animal welfare at the feedlot in accordance with the Australian Animal Welfare Standards & Guidelines – Land Transport of Livestock (as amended or superseded).
6. The person responsible communicates with the transport company or driver to provide effective instructions on the practices and arrangements for unloading and managing livestock if cattle are delivered out of hours.
7. Humane destruction methods must result in immediate loss of consciousness followed by death while unconscious. Humane destruction must be carried out:
   a) on moribund livestock;
   b) by a competent person or under direct supervision of a competent person;
   c) using a recommended method for the species;
   d) at the first opportunity.
8. Where a competent person is not immediately available to humanely destroy an animal, a competent person must be contacted to carry out the procedure at the first opportunity.
9. A person humanely destroying an animal must take reasonable action to confirm the animal is dead or to ensure death.
10. In cases that FLIAC deem to be an animal welfare emergency, i.e. a “Natural Disaster” such as flooding; cyclone; earthquake; prolonged loss of power or an unavoidable inability to access components of a Feed Ration, an Enterprise may request approval from FLIAC to take specified cattle off a prescribed Feed Ration for a period no longer than seven (7) days and maintain eligibility for the initial feeding period to be counted in the eligibility of the cattle to be described as GF or GFYG (as applicable) when feeding resumes. A copy of the written approval from FLIAC for the allowed interruption period off a Feed Ration must be maintained by the Enterprise.
11. If an Enterprise feeds female cattle, a Pregnancy and Calving Management plan has been documented and implemented in order to manage the welfare of cows/ heifers and calves.

ELEMENT LM5 – EXCESSIVE HEAT LOAD

OUTCOME: ***The likelihood of an Excessive Heat Load event is monitored, and prompt and appropriate remedial action is taken when required.***

PERFORMANCE INDICATORS:

1. The feedlot must demonstrate the ability and resources to:
    a) calculate and monitor the Heat load Index (HLI) and Accumulated Heat Load Units (AHLU).
    b) conduct a Risk Assessment Process (RAP) for the various classes of cattle in the feedlot.
2. The feedlot has conducted a Risk Assessment addressing the heat stress risk at the feedlot site.
3. The Risk Assessment has been has been documented and addresses the following criteria:
    - Site climatic factors for the feedlot location;
    - Animal Factors including genotype, coat colour, days on feed (DOF) and health status;
    - Management factors which include the provision of shade, provision of additional water troughs, water temperature, ration type, bedding and manure management practices;
4. Each category of livestock has been considered in the Risk Assessment.
5. The Risk Assessment is being reviewed at least once per annum.
6. Management practices are implemented to offset the excessive heat load risks identified.
7. Appropriate documented procedures for managing the welfare of the animals at the feedlot during periods of excessive heat load risks are completed.
8. An Excessive Heat Load Action Plan has been documented and includes:
    - name of the Feedlot;
    - name and contact details of the person responsible at the Feedlot
    - name and contact details of consulting Veterinarian and nutritionist;
    - allocation of responsibilities to relevant personnel;
    - threshold of activation for the EHL Action Plan;
    - actions to manage the excessive heat load event and the welfare of animals at the time which includes;
        a) Monitoring of livestock, weather conditions, pen conditions, water and feed; and
        b) Operational practices to be implemented for the management of livestock, pens, feed, water and personnel.
        c) Maintaining records of daily monitoring activities and actions taken where indicated
        d) Documented procedures for incident responsibilities and reporting.

ELEMENT LM6 – BIOSECURITY

OUTCOME: ***The likelihood of disease entry into and spread from the Feedlot and associated utilization area is minimised.***

PERFORMANCE INDICATORS:

1. ~~*Staff*~~ People are aware of and understand the mechanisms of the spread of disease including the potential for the introduction and transmission of diseases by:
   - livestock and feedstuffs;
   - visitors and employees;
   - vehicles, machinery and equipment;
   - feral animals and wildlife; and
   - manure and effluent.
2. Routes used by all incoming and outgoing vehicles, machinery and equipment are designed to minimise entry and spread of disease, that movements are controlled and that movements outside designated access areas are minimised at all times.
3. All visitors (including contractors) entering the Feedlot are assessed for their biosecurity risk prior to being granted access to the Feedlot complex and surrounds. The risk assessment must consider the potential for visitors to have been previously exposed to a disease and the subsequent potential for them to introduce a disease into the Feedlot.
4. A register of visitors to the Feedlot (including contractors) is maintained which includes records of:
   - date;
   - time in;
   - name;
   - time out;
   - company;
   - contact number;
   - signature; and
   - biosecurity risk assessment.
5. All Cattle are inspected on arrival at the Feedlot to assess the animal health status and ensure that a record of inspection is maintained.
6. All Cattle in the Feedlot are routinely monitored and records maintained as part of a health management program.
7. ~~*Staff*~~ People involved in the daily monitoring of livestock health are trained in the early detection of livestock diseases and are aware of and understand their key responsibilities within the Feedlot Emergency Animal Disease (EAD) Action Plan (refer Element LM8 – Contingency Planning).
8. Procedures are in place that ensure stockfeed is not contaminated by equipment and machinery utilised for multiple activities such as the handling of stockfeed, manure and dead stock.

ELEMENT LM7 – LIVESTOCK INCIDENT REPORTING

OUTCOME: ***Incident reporting requirements are undertaken when a reportable incident with livestock occurs.***

PERFORMANCE INDICATORS:

1. A veterinarian is consulted when an unusual number of deaths and/or sick Cattle occur in a 24 hour period to establish the cause of the incident. An unusual number of deaths and/or sick Cattle is defined according to the number of Cattle that the Feedlot is feeding at the time of the reported incident as follows:
   a) Feedlots with up to and including 5000 head on feed - greater than three (3) deaths or 20 pulls.
   b) Feedlots with more than 5000 head on feed - losses greater than 0.04% of the number of Cattle on feed or pulls greater than 0.4% of the number of Cattle on feed.
2. Where the deaths/illnesses are suspected to be caused by an emergency/infectious disease implement AUSVETPLAN procedures (note: Heat Load is covered under Element LM5 – EXCESSIVE HEAT LOAD).
3. Where an emergency/infectious disease is confirmed not to have caused the deaths/illnesses, implement reporting procedures according to the level shown below:

TABLE 1 – Cattle Death Reporting Trigger Levels

Cattle on Feed	Level 1	Level 2
50 to 150 head	10%	20%
151 to 500 head	8%	10%
501 to 1000 head	6%	8%
1001 to 3000 head	3%	5%
3001 to 5000 head	2%	4%
5001 or more head	100 head	200 head

4. Where an incident has occurred at levels less than Level 1, implement relevant Quality System procedures which include records of veterinarian consultation.
5. Where there are enough deaths in a 24 hour period for any reason to trigger reporting at either Level 1 or Level 2, the Feedlot or its representative must as soon as practicable and without delay notify the Australian Lot Feeders‟ Association (ALFA) of the incident in writing. Notification to ALFA must include the following minimum information:
   a) Name of the Feedlot;
   b) Name and contact details of the person responsible at the Feedlot;
   c) Name and contact details of the consulting veterinarian investigating the incident;
   d) The number of Cattle on feed at the time of the incident;
   e) Number and timing of deaths; and
   f) Suspected cause of the incident.
6. If after notifying ALFA of a Level 1 incident the number of deaths subsequently increases to trigger Level 2, ALFA must again be notified in writing without delay.
7. If the number of deaths subsequently increase to trigger Level 2 for any reason, Appendix 7 demonstrates subsequent reporting functions that would be undertaken by ALFA.

ELEMENT LM7 – LIVESTOCK INCIDENT REPORTING
8. Maintain Quality System records at the Feedlot for all Level 1 and Level 2 incidents at the Feedlot as soon as practicable after the incident that includes: a) The date and time of the deaths/pulls; b) Specific location/s; c) Cattle identification; d) Environmental conditions at the time of the incident such as: temperature; rainfall; wind speed and humidity; e) Pen conditions at the time of the incident such as: the condition of the pen surface and manure depth; f) Ration formulations and feeding history; g) Other information that may assist in the investigation of the incident; and h) Records of ALFA notification in relation to the incident (includes records relevant to both

ELEMENT LM8 – CONTINGENCY PLANNING
OUTCOME: Satisfactory actions are taken when an unusual emergency situation occur.
PERFORMANCE INDICATORS: 1. Contingency plans are documented within the Feedlot quality system and include plans for at least the following scenarios: • failure of water supply or poor quality water; • shortage of feed commodities or poor quality feed; • outbreak of disease; • extreme weather conditions including storms, flooding, Excessive Heat Load (EHL); and • emergency slaughter of Cattle and disposal. 2. All contingency plans are accessible. 3. An Emergency Animal Disease (EAD) Action Plan is documented that describes the activities and management practices that are to be undertaken by the Feedlot in the event of a suspected emergency animal disease outbreak. The EAD covers the period between the time a disease is first suspected by the Feedlot and the subsequent preliminary confirmation or clearance of an emergency animal disease. Where an EAD contingency plan is invoked to address deaths or illnesses caused by an emergency/infectious disease, follow the procedures set out in the AUSVETPLAN Enterprise Manual – Feedlots, Version 3 2010. (as amended or superseded). 4. The EAD Action Plan includes the following minimum information/actions: • name of the Feedlot; • name and contact details of the person responsible at the Feedlot; • name and contact details of the consulting Veterinarian; • name and contact details of the consulting Nutritionist; • the Emergency Animal Disease Hotline (ref current AUSVETPLAN); • allocation of responsibilities to relevant personnel; • actions for isolating suspect livestock; • actions to ensure that the Feedlot perimeter is controlled and secure; • restrictions on movement of all unnecessary personnel and machinery to and from suspect cattle holding areas; • actions to restrict or halt livestock movements; and • actions to compile history of all livestock, personnel and vehicle movements for previous seven (7) days.

MODULE 4 – ENVIRONMENTAL MANAGEMENT

ELEMENT EM1 – ENVIRONMENTAL MANAGEMENT

OUTCOME: ***Environment management requirements of the National Beef Cattle Feedlot Environmental Code of Practice have been met.***

PERFORMANCE INDICATORS:

1. A current issue of the National Beef Cattle Feedlot Environmental Code of Practice (as amended) and National Guidelines for Beef Cattle Feedlots in Australia (as amended) is maintained.
2. Clear and achievable environmental objectives, performance indicators, operational practices and monitoring programs are documented.
3. Feedlot management is aware of and adhere to their environmental legislative requirements.
4. All relevant ~~*employees*~~ people are aware of and adhere to their environmental management responsibilities.
5. Procedures are developed to reduce the potential for environmental harm to occur and provide adequate training to ~~*employees*~~ the appropriate people.
6. Environmental performance is reported on an annual basis or as required by the appropriate regulatory authority.
7. Environmental operational practices are audited to identify opportunities for improvement against performance indicators, incorporating any such opportunity in future environmental operating practices.
8. An awareness of current and developing industry wide practices is maintained to achieve the objectives of the Environmental Code.
9. Stocking density is managed in the range of 9 to 25 square metres per head or per SCU, whichever is applicable in their State. Exemptions may be granted by AUS-MEAT when the Feedlot has obtained approval in writing from the relevant State authority allowing it to operate outside 9 to 25 square metres per head or per SCU stocking density (See the SCU conversion table at Appendix 6).
10. A minimum stocking density of 2.5 square metres per head or per SCU is provided for shedded cattle.

ELEMENT EM2 – SURFACE WATER

OUTCOME: ***Feedlots are operated to prevent or minimise adverse impacts on surface waters external to the feedlot controlled drainage area and external to the manure and effluent utilisation area.***

PERFORMANCE INDICATORS:

1. The quality of surface waters external to the controlled drainage area and external to utilisation areas is not adversely affected by the on-site utilisation of feedlot wastes.
2. The structures containing and controlling runoff from within the controlled drainage area and effluent utilisation area are maintained to ensure their integrity and ongoing compliance with specified design criteria.
3. The storage and use of hazardous materials do not pose an unacceptable risk in respect to the pollution of surface.

ELEMENT EM3 – GROUND WATER	
OUTCOME:	***Feedlots are operated to prevent or minimise adverse impacts on groundwater.***

PERFORMANCE INDICATORS:

1. The quality of groundwater in the vicinity of the feedlot is not adversely affected by the operation of the feedlot and the on-site utilisation of feedlot wastes.
2. The feedlot is operated to prevent or minimise the risk of new salinity outbreaks and any existing outbreaks are not exacerbated.
3. The storage and use of hazardous and dangerous materials does not pose an unacceptable risk in respect to the pollution of groundwater.

ELEMENT EM4 – COMMUNITY	
OUTCOME:	***.Feedlots are operated to prevent or minimise adverse impacts on the amenity of the surrounding community.***

PERFORMANCE INDICATORS:

1. The feedlot is operated so that odour, dust, noise and traffic generated by the development do not unreasonably impact community amenity.
2. The storage and use of hazardous and dangerous materials does not pose an unacceptable safety risk.

ELEMENT EM5 – ECOLOGY	
OUTCOME:	**Feedlots are operated to prevent or minimise adverse impacts on native flora and fauna and ecological communities.**

PERFORMANCE INDICATORS:

1. The feedlot is operated so that it does not have a significant impact on remnant vegetation or ecological communities.
2. The storage and use of hazardous materials does not pose an unacceptable pollution risk.

ELEMENT EM6 – ENVIRONMENTAL INCIDENT REPORTING	
OUTCOME:	**Incident reporting requirements are undertaken when a reportable environmental incident occurs.**

PERFORMANCE INDICATORS:

1. Where an environmental incident has occurred (IE flood), implement relevant quality system procedures, which include:
    - Record of event
    - Nature of incident
    - Time/date of incident
    - Notification of stakeholders (neighbours, Local Council, State Government) of incident.

MODULE 5 – PRODUCT INTEGRITY

ELEMENT PI1 – NFAS DELIVERY DOCUMENTATION

OUTCOME: ***NFAS delivery documentation is managed to ensure correct use and the accurate description of Cattle.***

PERFORMANCE INDICATORS:

1. Cattle, conforming to the AUS-MEAT Minimum Standards for Grain Fed Beef, that are going direct from a Feedlot to an Abattoir, saleyards or to another Feedlot, are described on an NFAS Delivery Docket. A Quality Assurance Officer must sign the NFAS Delivery Docket. The docket is only valid for seven (7) days from the date the Cattle exit the Feedlot and a copy of each NFAS Delivery Docket is kept by the Feedlot for at least eighteen (18) months. (Appendix 1 - NFAS Delivery Docket).
2. Cattle, conforming to the AUS-MEAT Minimum Standards for Grain Fed Beef that are dispatched from a saleyard to an Abattoir or returned to a Feedlot are described on a NFAS Agents Declaration. The agent must keep a copy of each NFAS Agents Declaration for at least eighteen (18) months. (Appendix 2 - NFAS Agents Declaration).
3. Cattle that have been fed at an NFAS Accredited Feedlot but have not met the AUS-MEAT Minimum Standards for Grain Fed Beef are described accurately on an NFAS Delivery Docket-Form B (NFAS Form-B). A Quality Assurance Officer must sign the NFAS Form-B. The NFAS Form-B is only valid for seven (7) days from the date the Cattle exit the Feedlot and a copy of each NFAS Form-B must be kept by the Feedlot for at least eighteen (18) months. (Appendix 3 - NFAS Delivery Docket- Form B).
4. **Cattle described on a NFAS Form-B cannot be subsequently described as Grain Fed Beef (GF) or Grain Fed Young Beef (GFYG)**.
5. Records of the feeding history of Cattle fed at more than one (1) Feedlot during the feeding period required by the AUS-MEAT Minimum Standards for Grain Fed Beef are recorded on an NFAS Delivery Docket or Agents Declaration. (Clarification of whether multiple NVD dockets are required).
6. In cases that FLIAC deem to be an animal welfare emergency, i.e. “Natural Disasters “ including floods, cyclone or earthquake, an Enterprise may request that FLIAC approve an extension of the Expiry Date of no more than seven (7) days on an individual NFAS Delivery Docket pertaining to specified cattle affected in transit as a result. A copy of the written approval from FLIAC must be provided to the receiver of the cattle along with the original NFAS Delivery Docket and a copy must be maintained by the Enterprise.
7. Carcases of cattle identified on an individual NFAS Delivery Docket that has been granted an extension must comply with the AUS-MEAT Minimum Standard for Grain Fed Beef when assessed at the Processing Enterprise.

ELEMENT PI2 – FEEDLOT RATIONS

OUTCOME: ***Feeding standards of the AUS-MEAT Minimum Standards for Grain Fed Beef (Refer Appendix 4) and other feeding Standards are met.***

PERFORMANCE INDICATORS:

1. Ration analysis records are maintained, which, in the opinion of AUS-MEAT, confirm the average metabolisable energy (ME) content of the fed ration in accordance with the following criteria:
   a) ration analysis for ME must be conducted using the Approved Standard Methodologies for the estimation of metabolizable energy which are NIRS and Wet Chemistry. In the case of Wet Chemistry the Approved Calculation for metabolizable energy (ME): ME (MJ/Kg DM) = 0.12xCP + 0.31xEE + 0.05xCF + 0.14xNFE;
   b) any other methods used for ME calculation must be approved in writing by FLIAC;
   c) ration analysis must be available for the feedlot's principle rations with the most current test having been performed within the three (3) months prior to the assigned Audit Cluster Period;
   d) where a feedlot mixes their own ration, a typical analysis (formulation estimate) is not acceptable evidence of a ration's compliance with ME requirements of the AUS-MEAT Minimum Standards for Grain Fed Beef;
   e) where a commercial ration is utilized a specification or letter of conformity must be retained to demonstrate compliance with ME requirements of the AUS-MEAT Minimum Standard for Grain Fed Beef;
   f) where ration analysis records which confirm the average ME content of the fed ration are not maintained, AUS-MEAT will obtain a sample of the as-fed ration for independent analysis at a NATA approved stock feed testing laboratory. The cost of ration analysis will be borne by the Feedlot. Failure of Feedlot management to permit a sample of feed to be taken shall be recorded as a Critical Non-conformance in the Audit report and brought to the attention of FLIAC.
2. Feed fed to Cattle does not contain animal products with the exception of exemptions that may be applied from time to time by statutory authorities.
3. When rations are mixed at the Feedlot ~~staff~~ people are aware of the Australian Code of Good Manufacturing Practice for Home-mixed Feeds, SCA 1991 (as amended or superseded) and a copy should be available at the Feedlot. Although not a mandatory Code, this Code provides a reference of industry best practice.

APPENDIX 1 NFAS DELIVERY DOCKET

Include requirement for e-mail address in NFAS Delivery docket.

NATIONAL FEEDLOT ACCREDITATION SCHEME

DELIVERY DOCKET

A

FEEDLOT DETAILS

Feedlot Name:

Address:

Telephone: **Facsimile:**

Accreditation Number:

Tail Tag Number:

 # Date Taken Off Feedlot:

CATTLE DESCRIPTION

Sex (M/F)	Age (DENTITION)	Minimum Days On Feed	No. of head	Describe ID Method †

TOTAL NO. OF CATTLE:

† *For mixed lots, where method of ID may vary, attach separate list.*

CONSIGNMENT DETAILS

Consigned to:

Company Name: _____

Company Location: _____

Vendor: _____

Cross Reference to:

* NVD No. (out): _____ Date: _____

* *National Vendor Declaration (Cattle)*

DECLARATION

(ONLY TO BE COMPLETED BY A QA OFFICER)

I declare that:

- the cattle detailed above have been individually identified by RFID or by the means described in the Cattle Description of this NFAS Delivery Docket and in accordance with the NFAS Standards (as amended);
- Individual cattle identification was verified at the time of dispatch;
- the cattle have been fed at an AUS-MEAT Accredited Feedlot for not less than:

☐ * 60 days (heifers only), at least 50 days of which

☐ * 70 days, at least 50 days of which

☐ • 100 days, at least 80 days of which

**** Tick the minimum days on feed***
60 and 70 days feeding for GFYG
100 days feeding for GF

they have been fed on a nutritionally balanced ration of a recognized high energy feed in which the grain is the highest single component. The ration has an average metabolizable energy (ME) content greater than 10 megajoules (MJ) per kilogram of dry matter.

SIGNATURE: _____ **DATE:** _____

NAME (print): _____ **CERTIFICATE No:** _____

ABATTOIR TO COMPLETE

Original docket to be retained by abattoir for 18 months from date of slaughter.
This docket is valid for seven (7) days from the data taken off the feedlot.
The statement above assumes all animal welfare requirements are met.

Date of slaughter: _____

Issue: 5 Date: 04/12/09

APPENDIX 2 NFAS AGENTS DECLARATION

Include requirement for e-mail address in NFAS Delivery docket.

NATIONAL FEEDLOT ACCREDITATION SCHEME

AGENTS DECLARATION

as to GRAIN-FED Status of Cattle Offered for Sale

I, the authorised agent of the vendors, hereby declare that the _____ head of cattle identified below are from consignments covered by the NFAS Delivery Docket which states that the cattle have been fed at an AUS-MEAT Accredited Feedlot for a period of not less than _____ days, during which time they shall have been fed for not less than _____ days on a nutritionally balanced ration of a high energy feed comprising prominently grain with an average metabolisable energy content of greater than 10 megajoules per kilogram of dry matter.

The original NFAS Delivery Dockets completed by the vendors are held in my possession.

No. of Head	Sex (M/F)	Property Number	Date taken off Feedlot	Delivery Docket Number

Total Male Cattle	Total Female Cattle	Total Number of Cattle

Printed Name of Person Signing this Declaration	Purchaser of Livestock

Agent's Company Name and Address	Signature and Date

ABATTOIR TO COMPLETE:

 # This declaration is valid for seven (7) days from the date above indicating the date taken off the feedlot.

 # For auditing purposes, feedlots, saleyard agents, and slaughter establishments are to hold this form for 18 months.

DATE OF SLAUGHTER: _____

APPENDIX 3 NFAS DELVERY DOCKET FORM B

Include requirement for e-mail address in NFAS Delivery docket.

AUS-MEAT CERTIFIED

NATIONAL FEEDLOT ACCREDITATION SCHEME

DELIVERY DOCKET - FORM B Z ____

CATTLE DESCRIBED ON THIS FORM DO NOT MEET THE AUS-MEAT MINIMUM STANDARDS FOR GRAIN FED BEEF

FEEDLOT DETAILS

Feedlot Name:	Accreditation No:
Address:	Tail Tag No:
	Date taken off feedlot:
Telephone: Fax:	

CATTLE DESCRIPTION

Sex (M/F)	Age (DENTITION)	Days on Feedlot	No. of Head
		TOTAL No. OF CATTLE:	

CONSIGNMENT DETAILS

Consigned to:			
Company Name:			
Company Location:			
Vendor:			
Cross Reference to:			
Way Bill No. (out)	Date:	*NVD No. (out)	Date:

**National Vendor Declaration (Cattle)*

DECLARATION - FORM B
(ONLY TO BE COMPLETED BY A QA OFFICER)

I declare that the cattle detailed above have been managed under a 3rd party audited QA Program at an NFAS Accredited Feedlot. They have not met the feeding requirements of the AUS-MEAT Minimum standards for Grain Fed Beef.

I declare the above information to be true and correct and acknowledge that Beef derived from these cattle is not eligible to be described as Grain Fed Beef (GF) or Grain Fed Young Beef (GFYG).

SIGNATURE: ____

DATE: ____

NAME: (PRINT) ____

CERTIFICATE No. ____

Revision 0 Issue 1 Date 15/10/99

APPENDIX 4 AUS-MEAT MINIMUM STANDARDS FOR GRAIN FED BEEF

1. Grain Fed *Symbol* GF

Number of days on feed	100
Age	6 teeth (max) except where carcasses with thoracic vertebra only partially ossified.
P8 Fat Depth	7 mm (minimum)
Meat Colour Score	1A, 1B, 1C – 3
Fat Colour Score	0 - 3

Feeding Requirements

The cattle must have been fed in an Accredited Feedlot for not less than 100 days, and for not less than 80 days of that, on a nutritionally balanced ration of a recognised high energy feed of which grain is the highest single component. Rations must have an average metaboli~~z~~sable energy (ME) content greater than 10 megajoules (MJ) per kg of dry matter.

2. Grain Fed *Symbol* GFYG

• Number of days on feed	70 (60 days for Females)
• Age	0 – 2 teeth inclusive
• P8 Fat Depth	5 mm (minimum)
• Meat Colour Score	1A, 1B, 1C – 3
• Fat Colour Score	0 - 3

Feeding Requirements

The cattle must have been fed in an Accredited Feedlot for not less than 70 days, in the case of females not less than 60 days and for not less than 50 days of that, on a nutritionally balanced ration of a recognised high energy feed of which grain is the highest single component. Rations must have an average metaboli~~z~~sable energy (ME) content greater than 10 megajoules (MJ) per kg of dry matter.

APPENDIX 5 FLIAC APPROVED GRAIN LIST

Grain Type	
1.	Barley
2.	Corn
3.	Lupins
4.	Millet
5.	Oats
6.	Rice
7.	Rye
8.	Sorghum
9.	Triticale
10.	Wheat

Note:

A percentage of grain in silage can be used in the grain component provided it can be defined.

APPENDIX 6 STANDARD CATTLE UNITS (SCU) CONVERSION TABLE

Standard Cattle Unit (SCU)

A Standard Cattle Unit is equivalent to an animal with a liveweight of 600kg.

Method to be used for determining Standard Cattle Units :

At any point in time the total number of SCU in a feedlot can be calculated by multiplying the number of cattle in the feedlot by a scaling factor that allows for adjustments for differences in the size of cattle, as given by:

$$SCU = N \times f$$

Where: ***SCU*** **= number of SCU,**
N **= total number of stock on hand (head), and**
f **= scaling factor.**

The scaling factor is determined on the basis of the average liveweight of all the stock on hand at that point in time. The applicable value for the scaling factor is derived from the following table.

Table: SCU Scaling Factor

Average LWT	SCU Scaling
350 and below	0.68
400	0.74
450	0.81
500	0.87
550	0.93
600 and above	1.00

Values for the scaling factor that are applicable to intermediate liveweights can be obtained by interpolation.

Where the management system cannot reasonably determine the average liveweight of stock on hand, a default SCU scaling factor of 1.00 shall be applied.

APPENDIX 7 INCIDENT REPORTING FLOW DIAGRAM

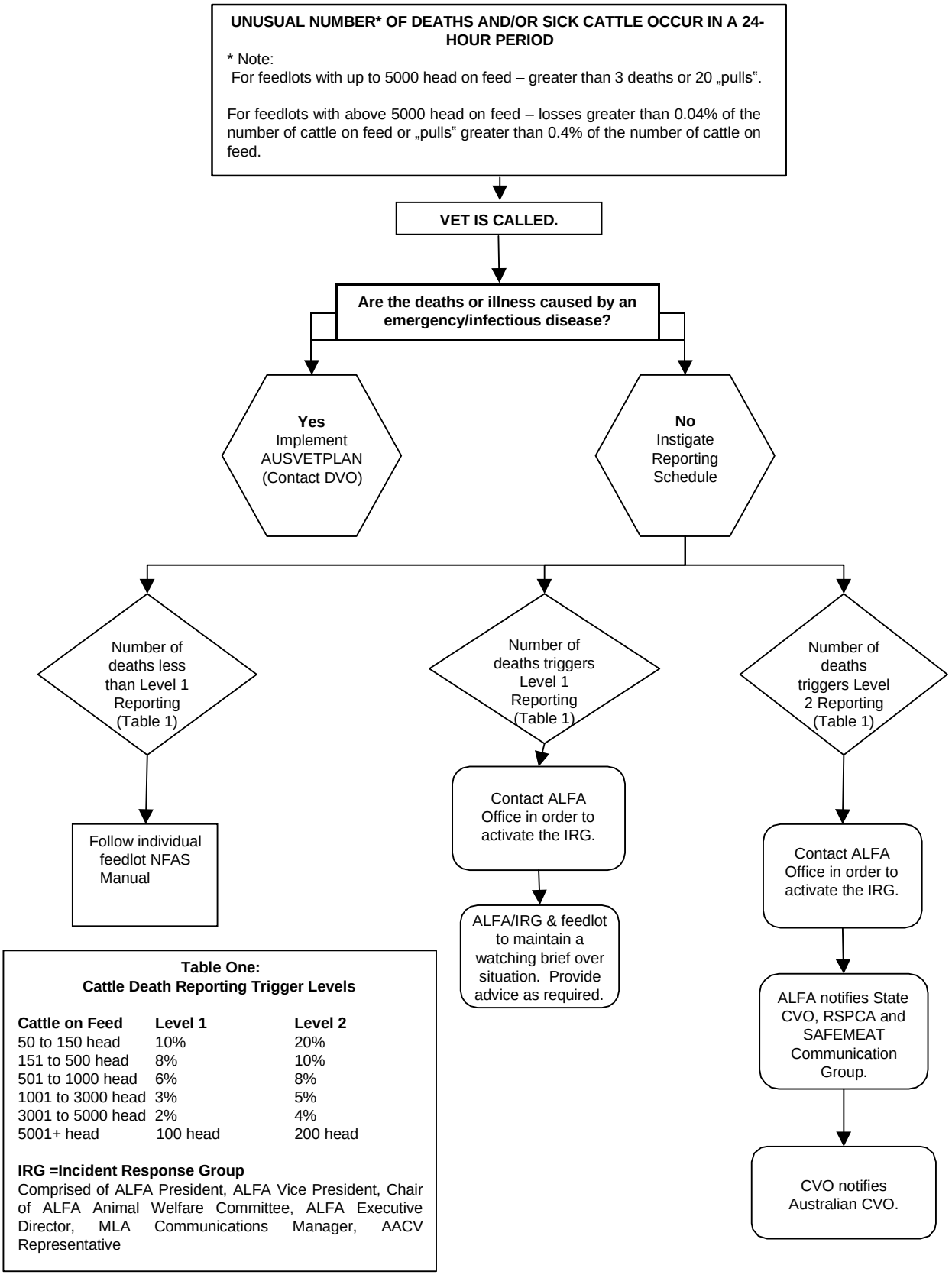

Table One:
Cattle Death Reporting Trigger Levels

Cattle on Feed	Level 1	Level 2
50 to 150 head	10%	20%
151 to 500 head	8%	10%
501 to 1000 head	6%	8%
1001 to 3000 head	3%	5%
3001 to 5000 head	2%	4%
5001+ head	100 head	200 head

IRG =Incident Response Group
Comprised of ALFA President, ALFA Vice President, Chair of ALFA Animal Welfare Committee, ALFA Executive Director, MLA Communications Manager, AACV Representative

APPENDIX 8 LOADING DENSITY

The following space allowances should be provided:

Mean liveweight (kg)	Minimum floor area(m2 / head) standing	Number of head per 12.25 m x 2.4 m deck
100	0.31	44
150	0.42	70
200	0.53	55
250	0.77	38
300	0.86	34
350	0.98	30
400	1.05	28
450	1.13	26
500	1.23	24
550	1.34	22
600	1.47	20
650	1.63	18

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