Report to stakeholders

This 'Report to stakeholders' reports against the pillars and priorities outlined in MLA's *Strategic Plan 2016–2020* and provides transparency around the organisation's actual activities and outcomes.
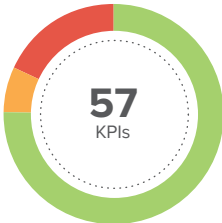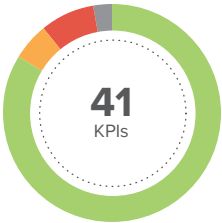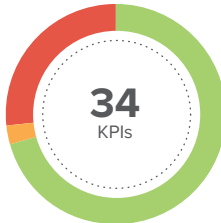
MLA objectives and planned activities in 2019–20 were directed by its *Annual Investment Plan 2019–20*. All these activities enable MLA to deliver on its Strategic Plan. MLA regards the *Annual Investment Plan 2019–20* as the final year of the MLA *Strategic Plan 2016–2020*.

The MLA *Strategic Plan 2016–2020* is aligned to the *Meat Industry Strategic Plan 2020* and the Australian Government's Science and Research Priorities and its Rural Research, Development and Extension Priorities. The MLA *Strategic Plan 2016–2020* was released in April 2016, following the publication of the *Meat Industry Strategic Plan 2020* in September 2015. MLA's new *Strategic Plan 2025* was launched in June 2020.
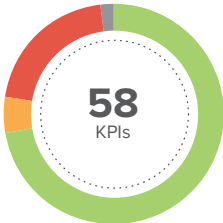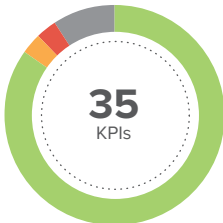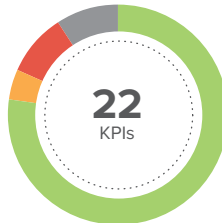
Strategic Plan 2016–2020: pillar overview

		1. Consumer and community support	2. Market growth and diversification	3. Supply chain efficiency and integrity
Strategic Plan 2016–2020	**Pillars**			
	Outcomes by 2020	The community continues to support and trust the Australian red meat and livestock industry, with industry practices in step with community expectations.	Improved access to markets, with marketing programs and value-creating innovation driving increased consumer and customer preference and premiums for Australian red meat.	Increased returns through the value chain, with participants and customers confident in product quality, pricing and integrity systems.
	Priorities	• Continuous improvement of the welfare of animals in our care • Stewardship of environmental resources • Role of red meat in a healthy diet	• Efficiency and value in trade and market access • Marketing and promoting Australian red meat and livestock	• Optimising product quality and cost efficiency • Guaranteeing product quality and systems integrity
Annual Investment Plan 2019–20	**Programs**	• Animal health • Animal welfare • Nutrition • Livestock export market activities • Livestock export (research and development) • Sustainability (off-farm) • Sustainability (on-farm) • Beef productivity • Feedbase production and infrastructure • Industry leadership and capacity building • Communication (community)	• Market knowledge (domestic) • Marketing and promotion (domestic) • Market access • Market knowledge (international) • Marketing and promotion (international) • Livestock export market activities • Livestock export (research and development) • Market access science • High Value Food Frontiers	• Eating quality • Market access science • Integrity systems • Objective measurement • High Value Food Frontiers • Digital value chain information
Milestone scorecard		**57** KPIs ● Achieved **43** ● Partly achieved **4** ● Not achieved **10**	**41** KPIs ● Achieved **34** ● Partly achieved **2** ● Not achieved **4** ● Not available **1**	**34** KPIs ● Achieved **24** ● Partly achieved **1** ● Not achieved **9**

MLA is an outcomes-based company and is committed to providing transparency to our stakeholders. For a full report on our key performance indicators, see Appendix A on page 102.

Please note some KPIs from MLA's *Annual Investment Plan 2019–20* could apply across several strategic plan pillars. In these cases, KPIs have been counted more than once.

4.
Productivity and profitability

Productivity gains through the value chain from the adoption of tools and technologies.

- Production efficiencies in farms and feedlots
- Processing productivity
- Live export productivity

- Livestock export market activities
- Livestock export (research and development)
- Producer adoption
- Productivity (off-farm)
- Beef productivity
- Feedbase production and infrastructure
- Goat productivity
- Livestock genetics
- Sheep productivity
- Innovation capability building
- Digital agriculture
- Feedlot productivity

58 KPIs

- Achieved **42**
- Partly achieved **3**
- Not achieved **12**
- Not available **1**

5.
Leadership and collaborative culture

Industry participants are confident in industry leadership capability.

- Building leadership capability
- Protecting and promoting our industry

- Innovation capability building
- Industry leadership and capacity building
- Communication (stakeholder)
- Corporate services

35 KPIs

- Achieved **29**
- Partly achieved **1**
- Not achieved **1**
- Not available **4**

6.
Stakeholder engagement

Industry participants are confident that the levy investment is delivering value.

- Engagement with producers and stakeholders

- Market knowledge (domestic)
- Industry leadership and capacity building
- Communication (stakeholder)

22 KPIs

- Achieved **17**
- Partly achieved **1**
- Not achieved **2**
- Not available **2**

Pillars

Outcomes by 2020

Priorities

Programs

Milestone scorecard

Strategic Plan 2016–2020

Annual Investment Plan 2019–20

OVERALL SUMMARY OF MLA'S 2019−20 KEY PERFORMANCE INDICATORS*

Status	Symbol	2019–20 KPIs in MLA's *Strategic Plan 2016–2020*	KPIs from MLA's *Annual Investment Plan 2019–20*	Total result	Percentage
Achieved	🟢	14	116	130	76
Partly achieved	🟠	1	7	8	5
Not achieved	🔴	6	20	26	15
Not available	⚫	2	4	6	4
Total		**23**	**147**	**170**	**100**

* For a detailed overview of MLA's KPIs for 2019–20, see page 102.

Consumer and community support

This pillar invests in research into the superior nutritional properties of red meat. It also includes research and development to enhance the industry's animal welfare, disease control and environmental practices. This includes the communication of these actions and commitments by the industry to the community.

Investment over time

- 2015–16 $22.4m
- 2016–17 $28.3m
- 2017–18 $38.0m
- 2018–19 $40.0m
- **2019–20 $37.1m**

2019–20 investment by priority

Total **$37.1m**

- ● Continuous improvement of the welfare of animals in our care **$20.4m**
- ● Stewardship of environmental resources **$13.2m**
- ● Role of red meat in a healthy diet **$3.6m**

2019–20 investment by funding source

Total* **$37.1m**

- ● Producer levies **$10.3m**
- ● Government funding **$12.8m**
- ● Processor contributions **$0.4m**
- ● LiveCorp contributions **$0.9m**
- ● Other sources **$12.7m**
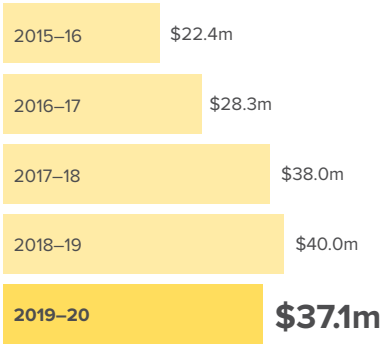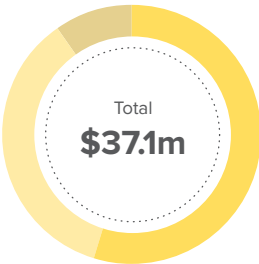
* Total includes $17.7m invested via MLA Donor Company

Key performance indicators

57 KPIs

- 43 achieved
- 4 partly achieved
- 10 not achieved

See Appendix A for a full list of KPIs. Please note some KPIs may be relevant across several pillars.

Alignment to industry and government priorities

MEAT INDUSTRY STRATEGIC PLAN (MISP) 2020 PRIORITIES

- Continuous improvement of the welfare of animals in our care
- Stewardship of environmental resources
- Role of red meat in a healthy diet

AUSTRALIAN GOVERNMENT PRIORITIES

Science and Research	Rural Research, Development and Extension
• Food • Soil and water • Environmental change • Transport • Resources • Health	• Adoption of research and development • Soil, water and managing natural resources • Advanced technology • Biosecurity

HIGHLIGHTS

3.3kg hot carcase weight advantage
for treating cattle with a dewormer
(page 16)

Red meat's story was shared
by producers through 11 sustainability-focused videos, which were viewed 63,350 times
(page 19)

MLA's school resources
were accessed by students and teachers 15,500 times
(page 18)

56.7% reduction in CO₂ emissions
by Australia's beef industry since 2005
(page 18)

Cattle properties covered
by biosecurity plans increased from 25% to 90%
(page 18)

Pain relief usage
in the beef industry increased from 15% to 21%
(page 18)

Solutions identified for reducing flystrike
in sheep
(page 17)

At least 60% of GPs and dietitians
believe MLA's nutrition information and resources are credible and relevant
(pages 20–21)

Continuous improvement of the welfare of animals in our care

The community has high expectations about the way livestock are treated and how animal welfare standards are applied. It's important the red meat industry continues to improve the welfare of livestock by enhancing husbandry practices through adoption of new research.

This priority also seeks to improve welfare by ensuring the continued freedom of herds and flocks from exotic diseases and minimising the impact of endemic diseases.

Equally, it's important to clearly communicate these improvements to the Australian and global community to earn their trust and maintain their support for the industry.

2019–20 investment by funding source
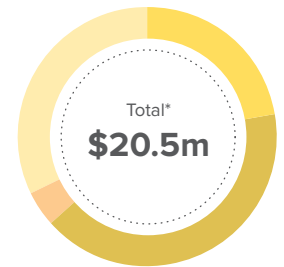
Total*
$20.5m

- Producer levies **$4.6m**
- Government funding **$8.4m**
- LiveCorp contributions **$0.9m**
- Other sources **$6.6m**

* Total includes $12.2m invested via MLA Donor Company

OVERVIEW

Effectiveness of registered antimicrobials proven

A two-year project aimed at determining the status of antimicrobial resistance for bovine respiratory disease pathogens in feedlot cattle has resulted in significant findings for the Australian lot feeding sector.

Surveillance of resistance of bovine respiratory disease pathogens to common veterinary antimicrobial agents was conducted across 10 Australian feedlots in 2019 to encourage antimicrobial stewardship practices.

The main bacteria which cause the disease were tested for antimicrobial resistance and, in general, most bacteria were sensitive to all tested antimicrobials. This means the antibiotics Australian feedlots use to treat bovine respiratory disease have been proven effective.

Going forward, lot feeders are being encouraged to participate in ongoing surveillance and integrate this into their antimicrobial stewardship plans because:

- measuring levels of antimicrobial resistance contributes to the national bovine respiratory disease isolate database, which may be important for future vaccine development
- the data can be shared with consulting feedlot veterinarians to devise management practices to reduce further antimicrobial resistance development.

Deworming delivers production benefits

New research has confirmed the productivity benefits of administering effective parasite control to feedlot cattle. The MLA-funded project evaluated the effectiveness of six different deworming treatments to determine the level of resistance to dewormers present in Australian feedlot cattle, as well as the benefits of deworming on productivity.

Researchers found:

- an average 3.3kg hot carcase weight advantage for treating cattle with a dewormer, compared to no treatment

- no economic advantage to combination treatment over any of the single-active dewormers tested
- the presence of hydatid cysts in livers reduced hot carcase weight by 7.2kg, which reemphasised the need for wild dog control and appropriate deworming strategies within farm dogs.

This research also produced several practical recommendations for lot feeders, including:

1. Cattle should be dewormed at induction to the feedlot with the anthelmintic of choice, with consideration of the types of parasites targeted.

2. Feedlots should aim to reduce faecal egg counts to 25 eggs/gram following treatment in order to prevent the impact of gastrointestinal parasites on animal productivity.

3. Consider incorporating a low-intensity parasitological component into feedlot management systems to monitor the effectiveness of dewormer treatments and ensure worm burdens don't impact productivity.

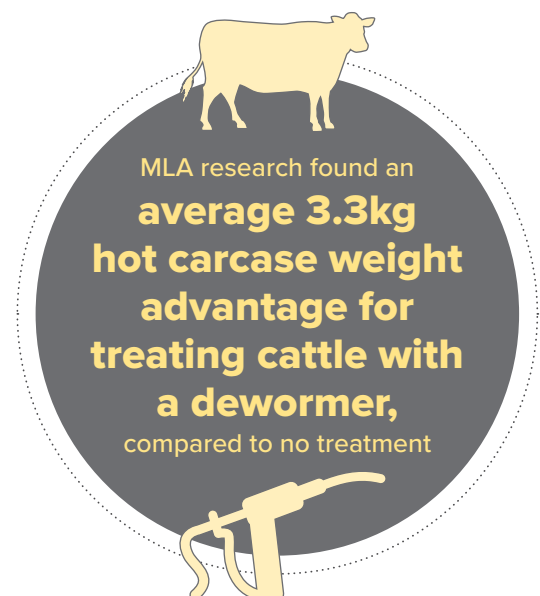MLA research found an **average 3.3kg hot carcase weight advantage for treating cattle with a dewormer,** compared to no treatment

Strategic approaches to reducing flystrike in sheep

An extensive review of flystrike control and technological developments has been conducted, identifying possible pathways towards short, medium and long term solutions for eliminating flystrike in sheep.

Flystrike is a continuing issue and is estimated to cost the Australian sheep industry more than $170 million/year. In addition to the large economic cost, flystrike is a serious animal welfare issue. Reducing flystrike by non-chemical, non-surgical means has the triple impact of:

- improving animal welfare
- reducing chemical use
- ensuring sustainable and ethical production of sheep in Australia.

The final report for this review provides producers with the essential tools and information to reduce the incidence and prevalence of flystrike. Recommendations from the report include:

Immediate solutions (1–3 years)

- more efficient use of available tools, including management of fly resistance to chemicals
- improved identification and management of affected animals to minimise pain, suffering and mortality.

Medium term solutions (3–8 years)

- breeding sheep that are less susceptible to flystrike
- enhancing producers' ability to predict and respond to fly waves.

Longer term solutions (5–15 years)

- addressing the problem of blowfly population control
- gaining a better understanding of the complex host-parasite relationship.

Lamb loss project wins Science and Innovation Award

Dr Thomas Clune, Murdoch University

Murdoch University researcher Dr Thomas Clune was awarded the Australian Wool Innovation Award at the 2020 Science and Innovation Awards for his work on the MLA-funded project 'Reducing foetal and lamb losses in young ewes'.

The Science and Innovation Awards recognise innovative scientific projects which will contribute to the ongoing success and sustainability of Australia's agricultural industries.

Although the project has so far shown disease to be a small component of lamb loss causes, Thomas received the award for his work on exploring how chlamydia is impacting the health and welfare of ewes (and their lambs) and whether it contributes to lamb loss. By May 2021, the project aims to deliver a quick, low-cost and portable tool for diagnosing chlamydia in sheep so vets can work with producers to control chlamydia outbreaks.
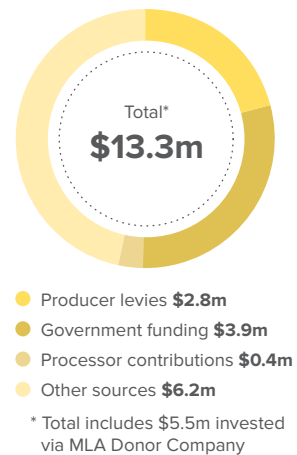
Stewardship of environmental resources

Livestock production relies on natural resources. Future increases in production will depend on efficiently and effectively managing soil health, weeds, invasive animals, water, methane emissions, biodiversity and climate variability. These aims provide the focus for MLA's research and development work to assist the industry in improving productivity and sustainability.

Maintaining the industry's environmental impact in line with community expectations is also a primary goal. This is achieved by the red meat and livestock industry engaging with consumers to demonstrate it is an ethical and responsible custodian of livestock, land and natural resources.

2019–20 investment by funding source

Total*
$13.3m

- Producer levies **$2.8m**
- Government funding **$3.9m**
- Processor contributions **$0.4m**
- Other sources **$6.2m**
- * Total includes $5.5m invested via MLA Donor Company

OVERVIEW

Teaching school children about Australian red meat production

MLA's school education program continues to offer free, curriculum-linked resources to improve teachers' and students' understanding of the Australian red meat and livestock industry.

MLA collaborates with a variety of education experts and school teachers to produce a range of interactive materials:

- downloadable lesson plans
- study guides and classroom activities
- digital farm visits and online board games
- virtual classrooms livestreamed from the farm
- live Q&As with industry experts on topics such as biodiversity, nutrition and technology.

In 2019–20, these online resources were accessed 15,500 times from goodmeat.com.au and MLA's partner websites – a 200% uplift from last year.

The virtual classrooms, supported by MLA's producer advocacy program, saw 11 producer advocates host 22 livestream classes and reached more than 13,880 students (a 20% increase from 2018–19). This program enables students to engage with beef, lamb and goat producers via livestream and experience what they do on-farm while taking part in educational activities, quizzes and interacting with other students.

In response to COVID-19, MLA also launched 'Your Expert Classroom', a new program tailored to home-schooled students aged 5–14 years which covers topics such as biodiversity, the use of technology in agriculture and red meat nutrition as part of healthy balanced meals.

Australian Beef Sustainability Framework update

The Australian Beef Sustainability Framework (ABSF) was developed in 2017 in response to the changing expectations of customers, consumers, investors and other stakeholders around sustainable production practices.

The ABSF released its third *Annual Update* in June 2020, highlighting significant progress in how the industry cares for natural resources, animals and people.

MLA is the Secretariat for the Red Meat Advisory Council (RMAC)-led framework, which acts as a sustainability scorecard for the Australian beef industry from paddock-to-plate. It's led by an independent, grassroots Sustainability Steering Group.

Sustainability highlights from the ABSF's 2020 *Annual Update* include:

- reduced CO_2e emissions by 56.7% since 2005*
- cattle properties covered by documented biosecurity plans increased from 25% to 90%
- 99.9% compliance with Australian standards for chemical residues
- improved pain relief usage from 15% to 21%
- 59% of feedlots have an antimicrobial stewardship plan, up from 39%.

* *Note: The figure from last year's report has been revised from 55.7 to 52.1%. The Department of Industry, Science, Energy and Resources review and update activity data and the inventory methodology each year, and changes are applied retrospectively to past inventories.*

The Australian Sheep Sustainability Framework update

The Australian Sheep Sustainability Framework (ASSF) is currently under development by Australia's sheepmeat and wool industry.

MLA is the Secretariat for the Sheep Producers Australia and WoolProducers Australia-led framework, which aims to demonstrate sustainable practices, identify areas for improvement and better communicate these with customers and consumers.

The demonstration of sustainable production of sheepmeat and wool is critical in securing access to local and global markets.

The ASSF will:

- identify opportunities, challenges and impacts for sheep production

- promote the sheep industry to the community and customers

- inform industry investment for improvement in priority areas

- help protect and grow access to investment and finance by providing evidence of performance and improvement

- foster constructive relationships with stakeholders to work collaboratively

- report on the industry's sustainability performance.

Considerable progress has already been made:

- **September 2019**: the framework board (comprising members from Sheep Producers Australia and WoolProducers Australia) appointed a Sheep Sustainability Steering Group to lead the development of the framework.

- **March 2020**: a consultative review was completed with key industry bodies across the sheepmeat and wool sector, with a focus on the sheep industry's key issues, and the principles and structure of the sustainability framework.

- **May 2020**: the first draft of the framework was approved by the framework board and the steering group.

- **June 2020**: a first draft framework consultation with internal and external stakeholders was undertaken; from this, the second draft framework was developed.

Carbon neutral by 2030 progress

The Australian red meat industry continues to make progress towards its ambitious target to be carbon neutral by 2030 (CN30).

MLA is working on a range of tools and technologies for producers to reduce net greenhouse gas (GHG) emissions, boost the value of red meat sales and communicate the environmental stewardship practices to customers, consumers and the community.

During 2019–20, MLA has:

- worked with producers to develop 50 carbon accounting case studies which will inform a carbon accounting training manual (due for release in late 2020)

- conducted six workshops on carbon accounting, on-farm practices for reducing emissions and increasing stored carbon, with 36% of participants implementing a carbon account for their business within a few months of completing the workshop

- invested in technologies for reducing emissions and storing carbon on-farm, including:

  – importation, rearing and release of dung beetles to improve soil health and soil carbon storage

  – legumes such as desmanthus and leucaena which reduce enteric methane emissions and improve livestock productivity/soil health

  – devices such as multi-sensor soil core scanning system and flux towers to help producers measure soil carbon storage

  – livestock supplements such as biochar, red asparagopsis and 3-NOP to reduce enteric methane emissions and improve livestock productivity.

Producers share red meat's story

Red meat producers were front and centre in a new series of on-farm videos designed to showcase the industry's strong environmental, social and animal welfare credentials to consumers.

Produced by MLA for the Australian Good Meat program, the 11 videos featured beef and lamb producers sharing their own stories about how they care for their animals and natural resources. The videos transport viewers onto farms across the country as producers explain their approaches to consistently producing the clean, green and safe red meat for which Australia is renowned.

As at 30 June, 63,350 people had viewed the videos, with 243 of these sharing the posts on social media.

To view the videos, visit: goodmeat.com.au/producers

Role of red meat in a healthy diet

Red meat faces strong competition from protein sources like pork and chicken. Securing red meat's place in a healthy, balanced diet and giving consumers a compelling reason to purchase requires consistent messages to be delivered about the nutritional benefits of red meat.

Defending the role of red meat in a healthy diet also requires informing domestic and global nutrition policy and key opinion leaders with evidence on the amount and frequency of red meat consumption to achieve healthy living.

2019–20 investment by funding source

Total
$3.6m

- ● Producer levies **$2.9m**
- ● Government funding **$0.6m**
- ● Processor contributions **$0.1m**
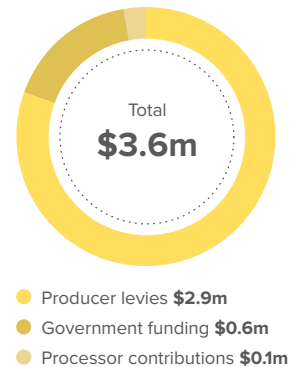
OVERVIEW

Communicating red meat nutrition insights to consumers

MLA's Healthy Meals program promotes the role of red meat in a healthy diet and was developed by generating and connecting data and insights about Australians' changing 'nutrition communication' needs.

The key findings from this program were published in the MLA *Healthy Meals* report and inform MLA's communication around nutrition, which is tailored around making it easier for Australians to enjoy red meat in line with the Australian Dietary Guidelines.

Key findings:

With increasing interest in health and wellbeing, Australians are looking for ways to make their meals healthier. Red meat is popular and its nutrition credentials are well established and appreciated, but consumers aren't always confident about how much is recommended for good health.

Through the provision of nutrition information along the 'path to purchase' (i.e. the steps taken before making a decision to buy a product), Australians can begin to understand how to enjoy three to four red meat meals a week as per Australian Dietary Guidelines. This approach will maintain current consumption (57g/day) in line with Australian Dietary Guidelines (65g/day).

>6,000 dietitians received a copy
of the MLA *Healthy Meals* report to help provide practical guidance on how much red meat is recommended for good health as part of a healthy diet.

The *Healthy Meals* report found Australians are most interested in receiving product information for meal planning that delivers value beyond price, including:

- guidance on portion size for purchasing and planning balanced meals, including how much to buy
- visual cues and guidance on how to cook lean cuts
- meal ideas for different cuts
- 'how to' practical cooking and storage tips.

Health professionals remain trusted sources of information when it comes to providing dietary advice. MLA provides red meat nutrition information to health professionals, such as dietitians and GPs, via the *Healthy Meals* website and targeted communication campaigns. More than 6,000 dietitians received a copy of MLA's *Healthy Meals* report this year.

Approximately 120,000 MLA nutrition resources were distributed during 2019–20. The resources were well received by both consumers and health professionals, with at least 60% of GPs and dietitians believing MLA's nutrition information and practical resources are credible and relevant.

At least 60% of GPs and dietitians
believe MLA's nutrition information and resources are credible and relevant.

New MLA Healthy Meals website

To coincide with the release of the MLA *Healthy Meals* report, a new MLA Healthy Meals website has also been launched. The website includes up-to-date, evidence-based nutrition information, FAQs on red meat consumption and practical guidance for health professionals on enjoying red meat in line with the Australian Dietary Guidelines.

The website also includes a range of resources to show Australians easy ways to get enough key nutrients, and how to mix and match meals for variety, balance and enjoyment.

The new website has received an 80% increase in traffic since the launch and has been well received by key stakeholders.

Market growth and diversification

Improving market access is the primary way for the Australian red meat industry to grow demand and diversify markets. This pillar strives to reduce economic and technical barriers to trade, defend existing gains in trade and proactively identify and develop new business opportunities. It also recognises the integrity systems that underpin marketing efforts to differentiate Australian red meat from other red meat competitors and proteins.

Investment over time

Year	Amount
2015–16	$67.2m
2016–17	$62.9m
2017–18	$67.0m
2018–19	$71.8m
2019–20	**$68.0m**

2019–20 investment by priority

Total **$68.0m**

- Efficiency and value in trade and market access **$8.7m**
- Marketing and promoting Australian red meat and livestock **$59.3m**

2019–20 investment by funding source

Total* **$68.0m**

- Producer levies **$52.2m**
- Government funding **$5.3m**
- Processor contributions **$4.5m**
- LiveCorp contributions **$0.2m**
- Other sources **$5.8m**
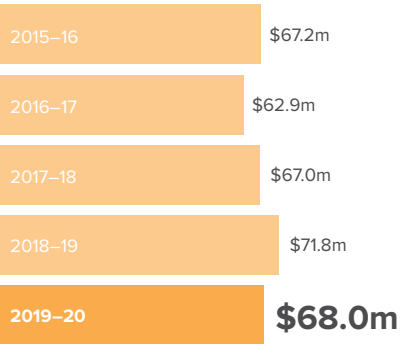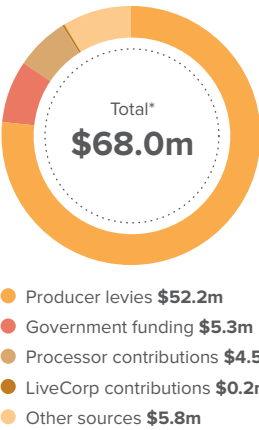
 * Total includes $6.1m invested via MLA Donor Company

Key performance indicators

41
KPIs

- 🟢 **34 achieved**
- 🟠 2 partly achieved
- 🔴 4 not achieved
- ⚫ 1 not available

See Appendix A for a full list of KPIs. Please note some KPIs may be relevant across several pillars.

Alignment to industry and government priorities

MEAT INDUSTRY STRATEGIC PLAN (MISP) 2020 **PRIORITIES**	
• Efficiency and value in trade and market access	
• Marketing and promoting Australian red meat and livestock	

AUSTRALIAN GOVERNMENT PRIORITIES	
Science and Research	**Rural Research, Development and Extension**
• Food	• Advanced technology
	• Adoption of research and development

HIGHLIGHTS

Two new free trade agreements
entered into force (page 24)

Trade negotiations
with the EU and the UK continue despite COVID-19 and Brexit (page 24)

Eased shelf-life restrictions
in the Middle East expected to generate >$100 million in additional returns to the Australian red meat industry (page 25)

Indonesia-Australia
Comprehensive Economic Partnership Agreement to provide more trade certainty (page 25)

25% of consumers
said they would pay more for Australian beef and lamb following MLA's summer marketing campaigns (page 26)

90% of exporters
at the True Aussie trade stand at Japan's Supermarket Tradeshow reported new business opportunities (page 26)

>300 beef, lamb and goatmeat brands received support
through MLA's CoMarketing program (page 27)

27 new beef and lamb dishes
were added to Australia's top three commercial caterers' menus following MLA masterclasses (page 27)
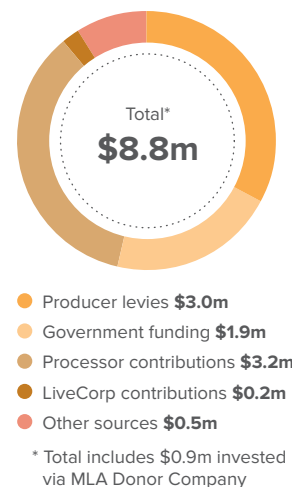
Efficiency and value in trade and market access

Australian red meat faces tariffs, quotas and technical barriers to trade across the globe, impose billions of dollars in additional costs across the value chain. These barriers also prevent or restrict trade which limits the diversity of markets and, consequently, reduces the number of potential customers for Australian red meat.

In response, MLA collaborates with industry stakeholders including the Australian Government, Australian Meat Processor Corporation (AMPC) and Australian Livestock Export Corporation (LiveCorp) to drive growth in exports. MLA does this by prioritising and taking action to reduce economic and technical barriers to trade in global markets.

2019–20 investment by funding source

Total*
$8.8m

- ● Producer levies **$3.0m**
- ● Government funding **$1.9m**
- ● Processor contributions **$3.2m**
- ● LiveCorp contributions **$0.2m**
- ● Other sources **$0.5m**

* Total includes $0.9m invested via MLA Donor Company

OVERVIEW

Tariff reductions continue to benefit red meat producers

Early 2020 signalled the annual flow of additional tariff reductions which not only aid Australian red meat's competitiveness in international markets, but help deliver a more open and diversified trading environment.

These tariff cuts were realised under various free trade agreements (FTAs) Australia has secured with China, Korea, Japan, the 11 nation Trans-Pacific Partnership, ASEAN, Thailand, and the US.

Reaping the benefits of these existing agreements was coupled with several other positive outcomes for Australia's market access (with MLA, on behalf of the Australian red meat and livestock industry, having an involvement with each initiative):

- **17 January 2020**: The Australia-Hong Kong FTA entered into force, providing greater trade and investment for Australian red meat
- **11 February 2020**: The Peru-Australia FTA entered into force, facilitating an additional gateway to Latin America and a potential new market for Australian red meat
- **23 March 2020**: The Australia-Singapore Digital Economy Agreement negotiations concluded, paving the way for export businesses to benefit from digitalisation, including electronic certification.

Free trade agreement negotiations with the EU and UK

MLA is the secretariat for the EU and UK Red Meat Market Access Taskforce and, over the past 12 months, has contributed to submissions associated with the ongoing A-EU free trade agreement (FTA) negotiations and the recently launched (17 June 2020) FTA negotiations with the UK.

This effort included representations and advocacy both in Australia and across Europe and maintaining negotiating momentum with the EU (albeit via video conference during the COVID-19 disruption). MLA will be assisting the Australian government to continue this effort well into 2020–21 as negotiations continue.

MLA also provided input into the industry's 'defence of access' arrangements under the EU grainfed beef quota regime (which has now been amended to favour US beef), as well as opposition to the split of Australia's existing small beef and sheepmeat/goatmeat EU quotas as a consequence of the UK's impending 'Brexit'.

These latter two instances indicate that despite being in the midst of bilateral discussions to improve market access, circumstances can also arise to reduce Australia's access.

Trade reform during COVID-19

Continued effort on trade reform is critical, particularly given:

- the drift towards the use of protectionist measures in some G20 countries since the global financial crisis
- indications the 'protectionist' trend could accelerate in the wake of COVID-19.

With many countries chasing improved trade as a stimulus to post-COVID-19 economic recovery, the Australian red meat industry will remain on the front foot to defend existing – and secure new – global access. This is equally relevant when it comes to technical (or non-tariff barrier) trade reform.

Despite the China-Australia free trade agreement ultimately eliminating tariffs on all red meat products entering China, non-tariff barriers remain, with a number of Australian export establishments remaining ineligible to supply this growing market and only limited access is in place for chilled product. The impact of a change in technical access was evident in the first half of 2020 following the suspension of four Australian export establishments by Chinese authorities.

MLA continues to build commercial relationships in China to minimise the risk of future supply chain disruptions. Work also continues in demonstrating to Chinese officials the Australian red meat industry's integrity systems and traceability capability. This program is being implemented with the support of industry's China Trade Group, led by the Australian Meat Industry Council.

Longer shelf life for Middle Eastern markets

A positive development on the non-tariff barrier front in 2019–20 was securing a longer shelf life for chilled meat products in many Middle Eastern markets. Previously, only a limited length of time was granted for meat to be stored and be considered safe for human consumption (despite the product potentially remaining suitable for a considerably longer period if the cold chain is controlled).

To address shelf life concerns, MLA's Dubai-based employees collaborated with the Department of Agriculture, Water and the Environment and the Department of Foreign Affairs and Trade, as well as the Australian Meat Industry Council and commercial alliances. It has been a concerted effort over many years, involving:

- collating and disseminating detailed scientific research
- undertaking advocacy with trade and various country governments
- sponsorship and presentations at food safety conferences
- compiling and lodging technical submissions
- actively engaging with in-country operatives to build an understanding of the trade implications of shelf-life constraints.

Countries which have allowed longer shelf life on chilled, vacuum-packed red meat products include:

- Kuwait approved shelf-life extension from 70 days to 120 days for beef and 90 days for sheepmeat
- Jordan approved a temporary shelf-life extension on beef from 90 to 120 days
- Qatar is in the final stage of amending beef shelf-life from 90 days to 120 days
- Saudi Arabia disseminated a draft regulation to take red meat shelf-life from a mandatory 70 days to being non-prescribed, meaning commercial entities can determine the expiry.

It's estimated that once these eased restrictions are fully implemented, the extension of shelf-life conditions will generate more than $100 million in additional returns to the Australian red meat and livestock industry.

This is a significant benefit as longer shelf life allows more time for product to be sold after entering the country, more product to be sent by sea rather than air and less product discarded at the expiry date.

MLA is currently assisting exporters in taking advantage of the changes and will continue to advocate for permanent changes in markets that have not yet made adjustments.

Overall, MLA's contribution to the reform of both economic access conditions and the alleviation of non-tariff barriers is assisting the delivery of the *Red Meat 2030* vision of 'doubling the value of red meat sales' and 'reducing trade barriers by $1 billion'.

More trade certainty for live cattle and red meat exports

The Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) entered into force on 5 July 2020, paving the way for more trade certainty for live cattle exports and the elimination of tariffs for all boxed product.

Benefits of the IA-CEPA to the Australian red meat and livestock industry include:

1. Duty-free quota for 575,000 head of live male cattle in the first year, which will grow by 4% a year over five years to 700,000 head

2. Import permits to be issued automatically on an annual basis and (without seasonal restrictions)

3. Liberalised access for live female cattle exported to Indonesia, with 0% tariff on entry into force of the agreement and no quota or import permit restrictions

4. Immediate or gradual liberalisation of tariffs applicable to boxed beef and sheepmeat exports to Indonesia — whereby those tariff lines not already benefiting from 0% tariffs secured under the ASEAN-Australia-New Zealand FTA, will benefit from either a 0% or 2.5% tariff on entry into force (down from 5%). The tariffs will be eliminated altogether over five years.

Marketing and promoting Australian red meat and livestock

With Australian red meat facing increasing competition from other red meat suppliers and protein products in global markets, the industry must aggressively promote its superior points of difference to global customers and consumers – safety, quality and traceability. MLA also segments markets based on the size of the opportunity and the risks.

MLA's focus in the domestic market is to ensure beef and lamb remain popular meal choices by focusing on Australian red meat's value proposition and business development.

2019–20 investment by funding source
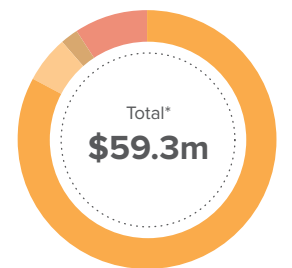
Total*
$59.3m

- ● Producer levies **$49.2m**
- ● Government funding **$3.4m**
- ● Processor contributions **$1.4m**
- ● Other sources **$5.3m**

  * Total includes $5.3m invested via MLA Donor Company

OVERVIEW

Australian beef continues to be 'the greatest'

MLA's 2019 pre-summer beef campaign inspired consumers to feel pride in choosing not just beef, but 'the greatest meat on earth' for their easy mid-week dinners.

The campaign responded to MLA consumer insights which identified that while beef is a desired protein, the decision to buy it is often impacted at the point of purchase. This is mainly driven by:

- lower prices of competitor proteins
- the fact that beef isn't usually considered for quick and easy meals

To change the perception that beef is hard to cook, the campaign showcased quick and easy beef recipes using outdoor advertising and shopping centre ad panels to appeal to shoppers as they entered supermarkets and butcher shops.

The six-week campaign built on the successful 'Australian Beef. The Greatest' tagline and featured Brian the Butcher. It resulted in 25% of consumers agreeing to pay more for beef (the campaign target was 21%). The integrated campaign ran across

TV, online, social, radio and in public spaces, generating strong engagement:

- 1.4 million online TV views
- reached >3.7 million people on social media (up 68% from previous campaign)
- 1.1 million online video views (up 24% from previous campaign).

Aussies reconnect face-to-face with lamb

MLA's highly-anticipated 2020 summer lamb campaign, 'Lambalytica', inspired Australians to disconnect from their devices and reconnect face-to-face with Australian lamb.

The six-week integrated campaign reminded a tech-obsessed nation about real-life connection and reunited Aussies – distracted by their phones, screens and social platforms – over delicious lamb meals. Following the campaign, 25% of consumers agreed to pay more for lamb (the campaign target was 21%).

Promoted across TV, radio, digital, social, outdoor and point of sale channels, Lambalytica generated strong national interest with 466 pieces of media coverage and 888,000 TV commercial views.

True Aussie around the world

Aussie red meat takes a trip to Japan

Australian beef and lamb featured prominently at the annual Supermarket Tradeshow held in Japan in February 2020, with MLA's True Aussie Beef and Lamb stand hosting 10 Australian exporters.

Visitors to the True Aussie stand enjoyed beef and lamb tastings prepared by celebrity Chef Kudo, as well as live cooking demonstrations and education sessions.

The tradeshow – attended by more than 80,000 people – provided an excellent opportunity for the 10 Australian exporters to connect with all major supermarket chains in Japan. As a result of this event, 90% of exporters who attended reported new business opportunities.

Bringing the taste of Australia to the US

The True Aussie brand set out on a mission to bring the taste of Australian beef and lamb to influential tastemakers in the American food industry by creating an exclusive and sensorial three-night dinner series held in Washington DC.

The overarching goal was to create conversations beyond the event and have True Aussie Beef and Lamb recognised as high quality and the preferred red meat choice.

Event highlights include:

- 176 attendees
- 26 industry influencers attended with a combined reach of 775,000
- 95 media articles published reaching 47.7 million
- 70 million social media impressions
- 780,000 people engaged on social media.

Consumer awareness activities such as these immersive dinners, TV appearances and hotel programs contributed to an increase in sales of 11.9% for Australian beef and 1.8% for Australian lamb in Washington DC.

Pivoting marketing campaigns during COVID-19

The volatile nature of COVID-19 is having an influence on the demand for red meat across the globe, with most international markets experiencing a spike in retail sales and a plunge in foodservice.

MLA is responding to these trends by implementing a global strategy to ensure red meat remains on plates around the world. The strategy focuses on:

1. **Food hacks**: Helping consumers learn how to cook at home with red meat through inspirational online content.

2. **Trust and immunity**: Consumers are gravitating towards brands they trust and foods with nutrition benefits therefore, reinforcing the nutritional benefits of Australian red meat is paramount.

3. **Digital development**: With large gatherings likely to be forbidden for some time, people are turning to online communications like never before, so MLA will move as many business development events and seminars online as possible.

4. **Tactical support**: COVID-19 has caused disruption to supply chains with an oversupply of some cuts and substantial revenue loss for some customers. MLA introduced short-term additional financial support measures via the CoMarketing program to support brand owners during this difficult trading environment.

5. **Clear communication**: MLA has adapted a number of its communication channels to provide a clear and consistent line of communication with global stakeholders.

CoMarketing

MLA continued to support the development and marketing of Australian red meat brands through the CoMarketing initiative.

CoMarketing assists producers, processors and licensed meat exporters with beef, veal, lamb and goat brands to develop superior marketing strategies, create customer loyalty and build sustainable brand growth. This investment delivers added value back down the supply chain to producers and effectively expands the reach of Australian red meat marketing programs through our global markets.

Beef:

- MLA worked with 60 beef brand owners promoting 285 beef brands, covering 675 individual activities across 29 countries/regions, with a total MLA contribution of $3.43 million.
- 88% of beef CoMarketing participants rated their overall satisfaction with their outcomes as 7/10 or higher.

Lamb:

- MLA collaborated with 20 lamb brand owners promoting 54 brands, covering 118 individual activities across 22 regions/countries, with a total MLA contribution of $585,000.
- 75% of lamb CoMarketing participants rated their overall satisfaction with their outcomes as 7/10 or higher.

Goatmeat:

- MLA contributed approximately $19,816 to 13 goatmeat activities in two countries.

Ensuring the best experience for foodservice customers

MLA's Corporate Chef Sam Burke

MLA is keeping red meat on menus by partnering with foodservice companies to build their employees' skills and knowledge of red meat through masterclasses.

MLA's Corporate Chef, Sam Burke, offers foodservice operators tailored menu solutions as well as in-house training to ensure the right red meat cut is used with the right cook method to get the best eating experience.

2019–20 MLA masterclass highlights include:

- >650 foodservice professionals attended 29 MLA masterclasses.

- MLA conducted menu development and delivered masterclasses to Australia's top three commercial caterers, with a total of 27 red meat recipes adopted into these businesses.

- Meat Standards Australia and culinary training was conducted with frontline chefs on-board the P&O Explorer cruise ship, leading to an additional 2.5 tonnes of beef and lamb consumed on-board the cruise ship over a three-day period.

- Estia Health Aged Care's annual beef and lamb purchases increased from 115 tonnes to 130 tonnes.

Supply chain efficiency and integrity

Satisfied customers and industry partners working in collaboration are signs of a well-functioning value chain. The red meat and livestock industry strives to achieve this through Meat Standards Australia, which guarantees consumers a minimum eating quality in their red meat purchases, and also through integrity systems that underpin clean, safe, natural and traceability claims. Integrity systems underpin marketing efforts to differentiate Australian red meat from other red meat competitors and proteins. Additionally, integrity systems underpin Australian strong reputation as a supplier of quality, safe and wholesome red meat products.

Investment over time
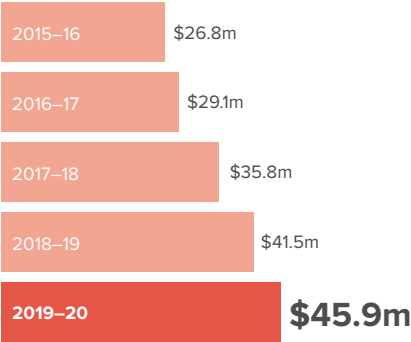
Year	Amount
2015–16	$26.8m
2016–17	$29.1m
2017–18	$35.8m
2018–19	$41.5m
2019–20	$45.9m

2019–20 investment by priority

Total **$45.9m**

- Optimising product quality and cost efficiency **$29.9m**
- Guaranteeing product quality and systems integrity **$16.0m**

2019–20 investment by funding source

Total* **$45.9m**

- Producer levies **$15.5m**
- Government funding **$13.8m**
- Processor contributions **$2.8m**
- LiveCorp contributions **$0.1m**
- Other sources **$13.7m**

* Total includes $14.0m invested via MLA Donor Company
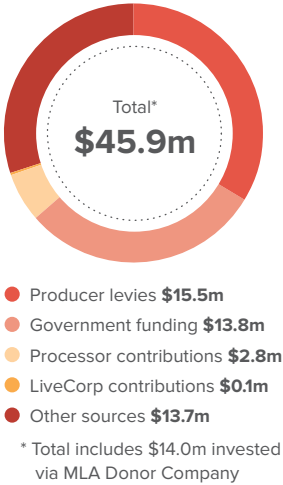
Key performance indicators

34 KPIs

- 24 achieved
- 1 partly achieved
- 9 not achieved

See Appendix A for a full list of KPIs. Please note some KPIs may be relevant across several pillars.

Alignment to industry and government priorities

MEAT INDUSTRY STRATEGIC PLAN (MISP) 2020 PRIORITIES	
• Optimising product quality and cost efficiency	
• Guaranteeing product quality and systems integrity	

AUSTRALIAN GOVERNMENT PRIORITIES	
Science and Research	**Rural Research, Development and Extension**
• Food • Transport	• Advanced technology • Adoption of research and development • Biosecurity

HIGHLIGHTS

$172 million in additional farm gate returns
through Meat Standards Australia (page 30)

Average MSA Index increased
to a record 58.03 (page 30)

57% of the national lamb slaughter
processed through MSA licensed processors (page 30)

Eating Quality Graded (EQG) cipher adopted
by the Australian beef industry (page 30)

2,021 producers
now have access to valuable carcase feedback through Livestock Data Link (page 32)

NLIS Early Warning
status made available to help the supply chain manage biosecurity and food safety risks (page 33)

A new, mobile-friendly version
of the electronic National Vendor Declaration (eNVD) system was launched (page 33)

New online hub for Australia's red meat integrity system
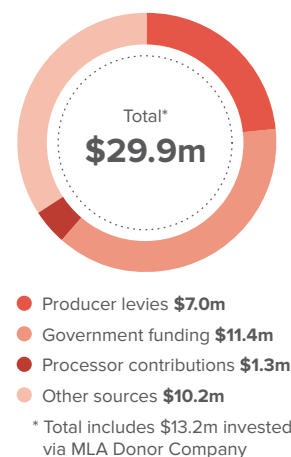(page 32)

Since its inception in 1998, the industry's uptake of Meat Standards Australia (MSA) has helped lift the eating quality of red meat in the domestic market. The opportunity now exists to broaden the reach of MSA to export markets by providing marketers with a tool to sell Australian beef and lamb with eating quality claims.

This priority also works with individual supply chains to reduce the eating quality variation within a production run and segregate and extract higher premiums for product with higher eating quality. There is also opportunity to improve the value of the carcase through value-based pricing, underpinned by accurate and transparent objective measurements.

2019–20 investment by funding source

Total*
$29.9m

- Producer levies **$7.0m**
- Government funding **$11.4m**
- Processor contributions **$1.3m**
- Other sources **$10.2m**
  * Total includes $13.2m invested via MLA Donor Company

OVERVIEW

Meat Standards Australia (MSA) update

Beef

MSA delivered an estimated $172 million in additional farm gate returns to beef producers during 2019–20. A record-breaking 3.8 million cattle were MSA graded, representing 46% of the national adult cattle slaughter, up 3% from last year. MSA compliance rates for beef increased to 94.4% from 93.8% in 2018–19.

The MSA Index is a score between 30 and 80, assigned to beef carcases to represent the eating quality potential of a whole carcase. It's a tool that producers and lot feeders can use to benchmark the impact of genetic and management interventions on eating quality, across time periods. In 2019–20, the national average MSA Index increased to a record 58.03, up from 57.48 in 2018–19.

Sheepmeat

The number of sheep following MSA pathways in 2019–20 represented 22% of the national lamb slaughter (4.3 million sheep), with 64% of these going on into MSA-trademarked brands. Out of the national lamb slaughter, 57% was processed through MSA licensed processors.

Brands

In June 2020, brand owners and processors (who represent 50% of MSA graded beef) adopted the Eating Quality Graded (EQG) cipher for both domestic and international markets.

The implementation of the EQG cipher is a recommendation from the Australian Beef Language Review. Estimated to potentially add $46 million to the supply chain each year, the EQG cipher is offered as an alternative to dentition-based ciphers, giving MSA brand owners the option to pack and label beef according to consumer eating quality outcomes.

Changes to MSA

MSA rolled out several changes to its beef model, the MSA Vendor Declaration Form and myMSA in 2020 to deliver more benefits throughout the value chain, particularly to consumers.

Although the changes were originally scheduled for June 2019, the implementation timeline was extended as per MLA's *Annual Investment Plan 2019–20*, with changes taking effect in June 2020.

These changes commercialise seven years and $12 million worth of investment in eating quality research, including doubling the amount of consumer taste test data, and are set to benefit the entire supply chain.

Key enhancements include:

- Hump height is now used as a direct predictor of eating quality rather than an estimate of tropical breed content.
- The number of 'cut by cook' combinations have increased from 169 to 275 to give cut options to the foodservice industry and provide increasingly popular cooking methods such as sous vide and combi-oven roasting.
- The MSA Vendor Declaration Form has been revised to simplify how producers record tropical breed content. It also provides an option for owners who use agistment or custom feeding to receive direct carcase feedback through the myMSA feedback portal.
- New myMSA features will enable producers to access an Opportunity Index on cattle that did not meet minimum MSA grading requirements, giving producers an indication of the potential value of those carcases if they addressed the reasons for non-compliance. The myMSA online portal has also been refreshed to be more user-friendly.

The upgrades were supported by the MSA Pathways R&D Committee, MSA Beef Taskforce and, the Australian Meat Industry Language and Standards Committee.

MSA producer awards

MSA-registered beef producers who consistently deliver superior eating quality beef were recognised through the biennial MSA Excellence in Eating Quality series.

The series included six state-based events, with the program including a producer education forum, and awards presentation which attracted 543 attendees.

The theme of the forum was 'Consumer trends driving on-farm change' which brought speakers from across the value chain including representatives from brands, processors, supermarkets and restaurants to help producers:

- understand the links between consumer trends, customer requirements and on-farm production
- learn how to use the *2019 Australian Beef Quality Insights* report as a tool to understand the on-farm production factors and choices that impact beef eating quality
- learn what tools and resources are available to make practical on-farm change to the benefit of their herd's eating quality outcomes.

Awards were announced in each state for 'Most Outstanding MSA Feedlot' and two awards for 'Most Outstanding MSA Beef Producers', to recognise producers of both larger and smaller (non-feedlot) MSA consignment volumes. One producer from each state also won the MSA Excellence in Eating Quality Progress Award for showing the greatest improvement in their MSA results since the last Awards series.

The event produced positive results, with 93% of attendees rating the information sessions as four or five out of five (one being poor and five being excellent) and more than one third said they would change their on-farm practices as a result of the information they heard in the forums.

Martin and Rosemary Walker, Flinders Island, won the MSA Progress Award for showing the greatest improvement in their MSA results since the last Awards series in 2017.

Early adopters of MSA reaping rewards

The Campbell family, Merriwa, NSW

A decision to register for Meat Standards Australia (MSA) 20 years ago is paying off for the Campbell family at Merriwa, NSW, who are reliably selling into domestic supermarkets all year round despite drought conditions.

The Campbell family won the 2019 MSA Excellence in Eating Quality Awards for Most Outstanding MSA Producer, Band 1, in NSW.

Peter Campbell and his family run a 2,640ha mixed-farming operation where they breed Angus cattle, run a crossbred lamb enterprise and crop around 600ha.

They supply 450 head of cattle a year to Woolworths under a supplementary-fed contract, which allows the Campbells to finish stock using grain.

The cattle are mostly managed in a rotational grazing system on native and improved lucerne-based pastures, but in recent times, Peter has finished them in drought paddocks using a grain ration of wheat, barley, sorghum and hay to help stock reach live weights of at least 500kg.

As well as nutrition, Peter says low stress stock handling plays an important role in meeting MSA compliance.

MSA figures show how stress in cattle has a direct correlation with high pH levels. Cattle that want to run or spook easily cause the pH levels to go up and that can make for tough beef. It's for this reason that MSA has a minimum requirement of meat pH to be lower than 5.71.

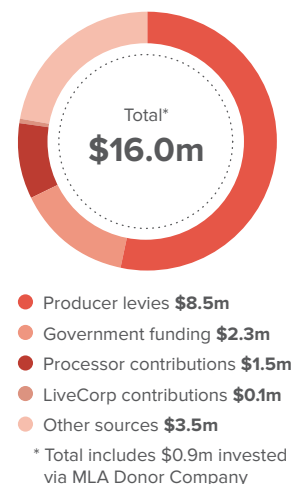To reduce stress in their livestock, the Campbell family:

- cart their own stock, so they can manage the animals right up until slaughter
- only use quad bikes and dogs in the paddock
- handle the stock daily in the yards without dogs.

The Campbell family was able to achieve 99.7% compliance to MSA requirements during 2017–19.

Australian red meat is marketed as clean, safe and natural, underpinned by its disease-free status and advanced food safety and integrity systems. As our competitors build their own capabilities to deliver a similar product claim, it is essential for Australia to enhance our systems and technologies to keep ahead of our competitors and maintain our point of difference.

Raising the bar of our integrity systems also helps Australia continue to access markets which demand higher levels of product assurance. With the development of the *Integrity System 2025 and Beyond Strategy*, investments will be made into sourcing the best technology and data systems available, which will strengthen the systems even further, while also reducing the complexity and demands of the system on the supply chain.

2019–20 investment by funding source

Total*
$16.0m

- Producer levies **$8.5m**
- Government funding **$2.3m**
- Processor contributions **$1.5m**
- LiveCorp contributions **$0.1m**
- Other sources **$3.5m**

* Total includes $0.9m invested via MLA Donor Company

OVERVIEW

Integrity System 2025 Strategic Plan update

Integrity Systems Company (ISC) has implemented several new initiatives as part of the *Integrity System 2025 and Beyond Strategy* (IS2025 Plan), which aims to:

- prepare the industry for the future
- guide valuable investment into the integrity system and its programs
- ensure the system remains recognised and trusted globally as underpinning a quality product, produced to rigorous standards and embedded in Australian livestock management.

One of the key activities undertaken in 2019–20 was the development of revised National Livestock Identification System (NLIS) device standards.

The revised standards promote assessment of animal identification technologies based on tangible outcomes, and provide customers with more clarity around the 'lifetime traceability' objectives of NLIS; for example, ensuring animals can be traced effectively for disease control and food safety purposes.

Other examples of new initiatives as part of IS2025 include:

- With the ultimate objective of the IS2025 Plan to integrate automation where possible, ISC is examining how other industries around the world are verifying products through technology, rather than relying on systems and paperwork.
- ISC has undertaken a global investigation to explore new approaches to compliance in different industries or sectors that have similar objectives to the Livestock Production Assurance (LPA) program.
- ISC has also started research and development on an implantable radio-frequency identification (RFID) microchip for cattle.

Livestock Data Link

A range of enhancements to the online carcase feedback resource, Livestock Data Link (LDL), were released in 2019–20.

Animal disease and defect feedback reporting in LDL was expanded beyond sheep to include beef consignments at participating processors. This allows producers to monitor disease prevalence in their livestock and make informed decisions to maximise carcase yield outcomes and profitability.

The beef disease and defect report in LDL is initially reporting on five conditions – liver abscesses, liver fluke, hydatids, nephritis and pneumonia – with feedback on additional conditions available in the future.

For producers consigning to participating processors, there is a Solutions to Feedback library available in LDL, providing information on the conditions and prevention and treatment options. As at 30 June 2020, LDL was used by 2,021 producers, an increase of 386 year-on-year.

Through its link with LDL, the National Sheep Health Monitoring Project has been able to supply 2019–20 animal health feedback for around 5.5 million sheep.

New online hub for Australia's red meat integrity system

Livestock producers and supply chain stakeholders can now access information and resources for Australia's red meat integrity system in the one location with the Integrity Systems Company (ISC) website launched in November 2019.

The website (integritysystems.com.au) houses all resources for the three key elements which make up Australia's red meat integrity system:

- the Livestock Production Assurance (LPA) program
- National Vendor Declarations (NVDs)
- the National Livestock Identification System (NLIS).

The website brings together all of the integrity system's resources that were previously housed on multiple websites, in a format that is easy to navigate for new and existing producers.

Since its launch, integritysystems.com.au had 192,678 visitors and 1,235,144 page views.

Integrity Matters e-newsletter is also distributed monthly to keep producers up-to-date on the latest integrity system developments.

Livestock Production Assurance update

The Livestock Production Assurance (LPA) program is the on-farm assurance program that underpins market access for Australian red meat. It provides evidence of livestock history and on-farm practices when transferring livestock through the value chain.

More than 152,000 producers have now completed the accreditation process under the Integrity Systems Company's (ISC) enhanced program since its launch on 1 October 2017. Of these producers: 28,705 were new accreditations, 18,835 were voluntary renewals and 104,460 were requested renewals.

While LPA is a voluntary program, it's recognised both domestically and internationally, and demanded by supply chains around the globe. As part of the program, ISC oversees close to 2,000 random audits and 1,000 targeted audits of LPA-accredited producers each year.

National Livestock Identification System update

The National Livestock Identification System (NLIS) is Australia's system for the identification and traceability of cattle, sheep and goats. NLIS reflects Australia's commitment to biosecurity and food safety and provides a competitive advantage in a global market.

NLIS movement recording compliance was 96.01% in 2019–20. This was just above the published key performance indicator of 96%. NLIS data showed cattle movements decreased by 3% to 22.7 million. NLIS sheep (mob) movements decreased by 4% to 36.6million and goat (mob) movements decreased by 16% to 2.1 million. Individual NLIS sheep movements increased 9% to 12 million and individual goat movements increased 14% to 8,835.

In 2019–20, the NLIS Early Warning status was made available to all account holders within the NLIS database to help the supply chain manage the biosecurity or food safety risks that come with buying and selling animals. The NLIS Early Warning status identifies whether the vendor's property has an animal on-farm that may be considered a risk to the buyer. It does not identify what the status relates to or which specific animal it is assigned to.

ISC Stakeholder Forum and Red Meat 2019

The opportunities available through data systems and technology to simplify yet strengthen Australia's red meat integrity system were among the key topics at the inaugural Integrity System Company (ISC) Stakeholder Forum. The forum was held in Sydney in August 2019 and attended by more than 80 producers and industry stakeholders.

ISC also shared developments in integrity system programs and assisted stakeholders with accessing the latest tools and resources at Red Meat 2019 (page 51). At the flagship industry event, ISC hosted a panel discussion of stakeholders from throughout the value chain. The panel agreed that improved use of data and technologies is key to ensuring transformational change in Australia's red meat integrity system in order to maintain Australia's competitive edge in the global market.

Updated eNVD system launched

A new, mobile-friendly version of the electronic National Vendor Declaration (eNVD) system was launched in April 2020, providing an efficient and convenient platform to complete livestock consignments and meet Livestock Production Assurance (LPA) program requirements.

The updated eNVD has a user-centric design that is easy to navigate, removes duplication and can be completed on a mobile device or desktop computer by LPA accredited producers, feedlots and value chain stakeholders.

Other changes include the release of updated versions of LPA NVDs for all species on 1 July and the decommissioning of the eDEC system at the end of 2020.

The development of updated versions of LPA NVDs for all species followed a review of all current NVD versions by SAFEMEAT in 2019, which recommended a number of changes be made.
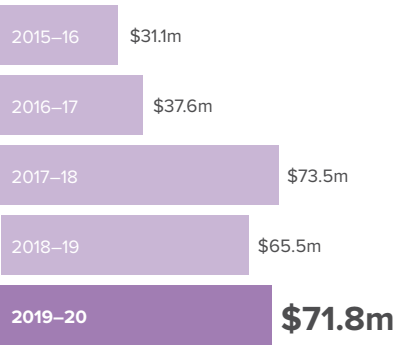
With the release of the new eNVD system – which does everything the eDEC does but in a more user-friendly way – the eDEC system will be decommissioned on 31 December 2020.
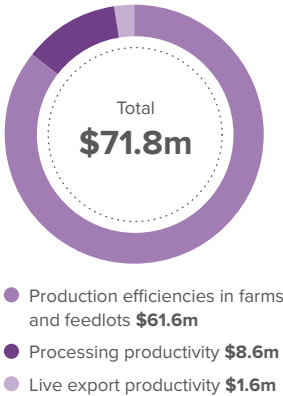
Productivity and profitability

Increasing productivity and profitability across the red meat and livestock industry will assist all supply chain participants to raise their competitiveness, improve long-term sustainability and help offset the long running cost–price squeeze.

Encouraging the red meat supply chain to increase its productivity requires a new approach to research adoption. Providing producers, lot feeders, live exporters and processors with compelling commercial benefits to implement research and development is another priority. Also critical is the supply of timely, accurate and relevant tools, technologies and information.

Investment over time

2015–16	$31.1m
2016–17	$37.6m
2017–18	$73.5m
2018–19	$65.5m
2019–20	**$71.8m**

2019–20 investment by priority

Total
$71.8m

- Production efficiencies in farms and feedlots **$61.6m**
- Processing productivity **$8.6m**
- Live export productivity **$1.6m**

2019–20 investment by funding source

Total*
$71.8m

- Producer levies **$16.1m**
- Government funding **$32.1m**
- Processor contributions **$3.0m**
- LiveCorp contributions **$0.4m**
- Other sources **$20.2m**
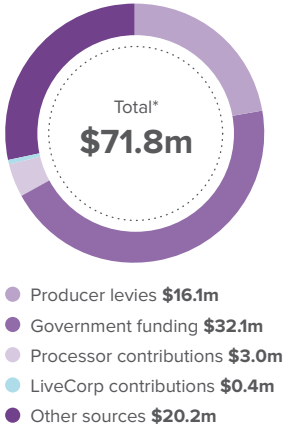
* Total includes $33.9m invested via MLA Donor Company

Key performance indicators

58 KPIs

- 🟢 **42 achieved**
- 🟠 3 partly achieved
- 🔴 12 not achieved
- ⚫ 1 not available

See Appendix A for a full list of KPIs. Please note some KPIs may be relevant across several pillars.

Alignment to industry and government priorities

MEAT INDUSTRY STRATEGIC PLAN (MISP) 2020 **PRIORITIES**
• Production efficiencies in farms and feedlots
• Processing productivity
• Live export productivity

AUSTRALIAN GOVERNMENT PRIORITIES	
Science and Research	**Rural Research, Development and Extension**
• Soil and water	• Advanced technology
• Food	• Adoption of research and development
• Transport	• Soil, water and managing natural resources
• Environmental change	
• Advanced manufacturing	
• Energy	

HIGHLIGHTS

Genetics data easier to access
(page 36)

>8,000 visitors
to MLA's new genetics hub (page 36)

30% improvement in phosphorus use
efficiency demonstrated (page 36)

$6.35 million worth of new R&D investment
funded through the producer-driven annual call process (page 37)

New feedlot technologies
progress towards commercialisation (page 37)

Adoption of DEXA technology
continues across Australia (page 38)

Two carcase value calculators developed
for beef and lamb (page 39)

620% increase in livestock imports
for a key Vietnamese supply chain (page 41)

For producers and lot feeders to remain competitive and sustainable in the long-term, MLA's research, development and adoption programs need to deliver outcomes that improve their bottom line. This priority is focused on providing producers and lot feeders with options to improve the efficiency of their operations through programs including genetics and genomics, feedbase, reproduction, animal nutrition, compliance to market specifications and feed efficiency.

MLA will support the uptake of new practices through outcomes focused on producer education, training and coaching.

2019–20 investment by funding source
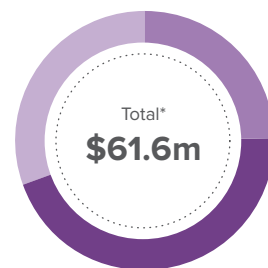
Total*
$61.6m

- Producer levies **$15.3m**
- Government funding **$27.6m**
- Other sources **$18.7m**
- * Total includes $31.7m invested via MLA Donor Company

OVERVIEW

Genetics: easier to access than ever before

In 2019–20, MLA's genetics team focused on widening the impact of their research by making its outputs more accessible to more people. Through upgrading web interfaces (see examples below) to offer a more user-friendly design, it's now easier than ever to access genetics data and use it on-farm to boost productivity and profitability.

To produce the data that will drive genetic progress across traits such as productivity and eating quality, MLA's genetics program focused on a number of key projects. These include:

Sheep and lamb genetics:

Genomics database. Sheep CRC's extensive genomics database was transitioned to MLA as a boost to the Sheep Genetics program. Genomic testing in the sheep industry has substantially increased over a 12-month period, with 70,000 parentage tests and 40,000 genomic tests being added to the database.

Research breeding values. Sheep Genetics has released research breeding values for four reproduction traits, including 'ewe rearing ability' as a measure of lamb survival. Lamb survival is a crucial factor in successful sheep operations but producers haven't been able to select for it until now. This development will allow producers to start selecting for it directly in the first example of improving lamb survival through genetics.

Terminal sire indexes. Ongoing research into eating quality is underpinning new terminal sire indexes that lead to an improvement in gains for intra-muscular fat while maintaining productivity traits. More than 2,000 lambs are currently being tested through consumer sensory testing for eating quality to provide information on this.

Beef genetics:

BREEDPLAN. In consultation with cattle breed societies, MLA has progressed the implementation of multi-breed BREEDPLAN evaluations. These evaluations are the result of a number of projects investigating technical and data barriers currently within the beef genetics space, and will focus on enabling producers to access multi-breed data.

Accelerating productivity with genetics

MLA's genetics hub (genetics.mla.com.au) was launched in mid-2019 with a suite of materials rolling out from July. This launch came after 12 months of pre-work: filming videos, developing animated resources, collecting case studies and building the new website.

The hub was designed to help producers navigate genetics fundamentals. It assists people who have very little knowledge in the genetics space to understand their importance in livestock operations and to consider using genetics in their business.

As at June 2020, there were more than 8,000 unique visitors to the website, with 16% of people returning for further information. There have also been more than 12,000 video views, and more than 50 industry stakeholders (such as breed societies) have shared the hub resources through their own communications channels.

A second round of short videos will be released in the second half of 2020 and will further assist producers seeking to accelerate their productivity with genetics.

Feedbase program delivering results

MLA's feedbase program focuses on creating producer resources to improve productivity, profitability, efficiency and resilience in livestock enterprises. The program produced a number of key outputs in 2019–20, including:

Phosphorus-efficient pastures project

This MLA-funded project demonstrated a 30% improvement of phosphorus (P) efficiency through the targeted use of P fertiliser to soils and the use of more P-efficient legumes. Researchers found the key is to fertilise pasture to its critical soil test requirement, as this is expected to slow the 'locking' of P in soil.

The project also identified P-efficient legumes that produce multiple benefits for producers, including pasture productivity, and using both rainfall and soil nutrients more efficiently.

This work provides producers with resilient pastures for the future, underpinning higher productivity and profitability of operations. To find out more, visit: mla.com.au/phosphorus

Pasture Trials Network

Producers can often have a lack of confidence in transitioning to new pasture varieties, driven by limited comparative variety performance data or a low level of trust in the data available.

Since 2014, the MLA-supported Pasture Trials Network project has conducted 104 pasture trials across 31 sites (encompassing 12 species) to provide objective measures of seasonal pastures. The results of these are now available at tools.mla.com.au/ptn and provide producers with the relevant variety performance data to make decisions on-farm.

Pasture dieback science forum

Pasture dieback causes death of grass pastures across a range of sown and native species in Queensland and the northern coast of NSW.

MLA's Pasture Dieback Science Forum in June 2020 was an opportunity for further collaboration among key researchers and red meat industry groups as work continues to find solutions to the destructive pasture condition, for which mealybug is the leading suspect.

Seven new MLA-funded projects focused on pasture dieback will soon commence which directly address the research, development and adoption priorities for grassfed beef and sheepmeat industries. To stay up-to-date on the latest pasture dieback news, visit: mla.com.au/dieback

Regional Consultation addresses producer priorities

MLA's Regional Consultation framework provides an opportunity for producers to have their say on how their levies are being spent and where they would like to see them drive improvements for the industry.

In the 2019–20 investment call, producers directly influenced the endorsement of 14 R&D projects worth a total of $6.35 million:

Refining body condition score for region, season, breed and responsiveness	A review of the impact of heat stress on reproductive performance in sheep
Increasing lambing percentages through better use of pregnancy scanning technology	Calf 48 hour – better detection of calving events for improved productivity
Improved calf output utilising real-time monitoring of cow reproductive behaviours	Boosting natural regeneration of the nitrogen capital in grazing lands
Quantifying spatial and temporal changes in feed supply and demand	Integrated management and development of additional agents for Parkinsonia
Quantifying neonatal mortality and reproductive performance in southern beef herds	Not enough nodules – impacts of herbicides, pesticides and other farm management tactics
A new hope for the biological control of blackberry	A novel amino acid approach to lamb survival
Calf loss consortium	Confinement feeding for sheep

For more information on the projects listed above, visit: mla.com.au/investmentcall

A win for feedlot technology

Alec Gurman and Dr Stuart McCarthy of Manabotix with BunkBot

MLA invests grainfed levies to increase the lot feeding industry's productivity and profitability through the development of innovative technologies.

After initially trialling 'BunkBot' and 'BunkScanner' – automated technology to objectively determine remaining feed in bunks at feedlots – in 2019, these technologies, developed by Manabotix, are progressing towards commercialisation.

The technology offers the potential for reduced feed waste and human resources to be allocated to other areas of the feedlot as feed calling becomes automated.

Experiments are currently underway across two separate feedlots to determine the value proposition of BunkScanner. Through analysing carcase weights, feed intake and animal health performance, clear indications of value will soon be evident to potential buyers.

BunkBot demonstrations are also set to be held at a Darling Downs feedlot from November 2020. The demonstrations will give lot feeders the opportunity to examine the technology in action and see how it's already benefiting the feedlot's bunk management regime.

Sales have already been initiated on both BunkScanner and BunkBot technologies, with the first commercial sale of a BunkBot unit to a lot feeder occurring in 2020. At the time of print, implementation at the feedlot was yet to occur due to COVID-19 restrictions.

Processing productivity

With Australian red meat facing intense price competition from other proteins and exporting nations, every cent counts during processing.

To help processors increase their efficiency and minimise production costs, this priority is focused on maximising value, addressing labour availability and workplace health and safety issues. Automation technologies and objective measurement will be the primary avenues to achieve this.

2019–20 investment by funding source
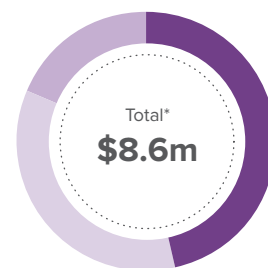
Total*
$8.6m

- Government funding **$4.0m**
- Processor contributions **$3.0m**
- Other sources **$1.6m**
- * Total includes $2.2m invested via MLA Donor Company

OVERVIEW

Adoption of DEXA systems across Australia

Dual energy X-ray absorptiometry (DEXA) is an objective management tool that accurately measures carcase composition through examining the levels of meat, fat and bone present.

Since the technology's launch in 2016, DEXA systems have continued to be adopted by meat processing plants across Australia, with ongoing integration at Bordertown, Brooklyn and Gundagai occurring in 2019–20. Although further installations were scheduled, they were postponed due to the impacts of COVID-19.

The precise measurements provided by DEXA improve the prediction of lean meat yield by two-to-three fold (compared with other weight and fat depth measures), significantly increasing the capacity of processors to provide carcase value feedback to producers.

In 2020–21, DEXA technology will separate the whole carcase yield into a fore, middle and hindquarter regional yield. This will further optimise lean meat yield predictions, which can increase the overall value of the carcase as processors identify which cuts to sell to specific markets.

Dual-energy X-ray absorptiometry has come a long way over the past five years and is already demonstrating long-term impacts for the red meat industry.

2014	Trials in New Zealand demonstrated the feasibility of DEXA technology to measure lean meat yield
2015	JBS Bordertown conducted a DEXA feasibility demonstration
2016	First lamb DEXA calibration completed by Murdoch University
July 2016	ALMTech Rural R&D for Profit Program established; DEXA calibration and test method developed
May 2017	MLA Board approved the roll-out of DEXA technology to the wider red meat industry
July 2017	Objective Measurement Adoption Committee established
August 2017	Installation of lamb DEXA technology at JBS Brooklyn
September 2017	Objective carcase measurement supported by the Senate Standing Committees on Rural and Regional Affairs and Transport
December 2017	Installation of beef DEXA technology at Teys Australia Lakes Creek
July 2019	MLA announced a world-first beef boning automation R&D room to be built at Teys Australia Lakes Creek, enabled by DEXA (page 39)
December 2019	Installation of lamb DEXA technology at Gundagai Meat Processors

Installations of lamb DEXA technology at Frew Group in Stawell and Wammco in Katanning are also expected in 2020–21, pending no COVID-19 related delays.

Carcase value calculators in development

Development of lamb and beef carcase value calculators, led by MLA through the Australian Livestock Measurement Technologies (ALMTech) program, is underway to estimate retail carcase cut weights and enable industry to implement value-based pricing models.

This work has resulted in two decision-support calculators, which are now being evaluated by various red meat supply chain participants:

- The Carcase Value Calculator will facilitate more precise predictions of primal and cut weights, and more accurate price modelling for carcase types.
- The Boning Room Optimiser is designed to allocate carcases to their most suitable market. This ensures the highest level of profitability is being achieved.

The adoption of these calculators will give processors, retailers and exporters enhanced ability to allocate carcases and cuts to their most valuable markets.

Objective eating quality improvements

While consumer preferences surrounding eating quality are subjective, the attributes which make up 'high quality red meat' tend to revolve around tenderness, juiciness and flavour, of which marble score and intramuscular fat are both important components.

In 2019–20, innovative grading cameras demonstrated their ability to measure beef marble score – as well as other grading characteristics – through spectral imaging, enabling processors to objectively score some parts of the beef carcase for their eating quality attributes.

Although there is currently no subjective or objective production measurement of marbling or intramuscular fat for lamb carcases, a number of candidate technologies begun assessment via the Australian Livestock Measurement Technologies (ALMTech) program in 2019–20. These potential technologies cover both eye-muscle cut surface and uncut carcase measurement opportunities.

Going forward, this individual carcase data for eating quality will complement DEXA technology and enable lamb producers to manage the balance required between yield and eating quality.

Differentiation through objective measurement is expected to reinforce the superior quality of Australia's red meat products and further strengthen the industry's reputation in global markets.

Higher carcase values through automation

The new beef boning automation room will leverage on findings from the current lamb boning automation technology, LEAP™

In collaboration with industry partners Teys Australia, Rapiscan Systems™, Scott Automation and Robotics and Greenleaf, MLA has invested in a five-year project (commencing in 2019–20) to establish the world's first beef boning automation research and development room.

Leveraging on learnings from the current lamb boning automation technology known as LEAP™, the beef boning automation room will be enabled by 3D X-ray computed tomography and DEXA (dual-energy X-ray absorptiometry) objective carcase measurement technology.

The boning technology will automate the critical horizontal and vertical carcase scribing cuts, as well as a more precise breakdown of valuable beef cuts such as the ribset and striploin primals to maximise meat yield while minimising trim losses.

The adoption of beef boning automation is expected to increase carcase value by more than $36/head and will provide long-term financial benefits to processors and beef producers around Australia.

Live export productivity

One of the significant challenges for the Australian livestock export industry is to remain internationally competitive while working within existing regulatory frameworks.

This priority addresses this by identifying cost savings, particularly in regulatory compliance and transport. This area also aims to improve animal health and welfare and productivity through the supply chain.

2019–20 investment by funding source

Total
$1.6m

● Producer levies **$0.8m**
● Government funding **$0.4m**
● LiveCorp contributions **$0.4m**
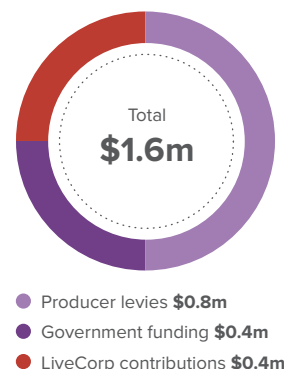
OVERVIEW

Eid Al Adha support for exporters

Australian exporters who transport livestock to the Middle East North Africa (MENA) region have been supported to mitigate compliance risks during the religious *Eid Al Adha* period.

Eid Al Adha is generally considered a high risk period for Australian livestock exports, as there is a cultural preference to sacrifice and consume home-grown livestock for the festival.

The *Eid Al Adha* Support Program was developed through MLA's Live Export Program (LEP) to provide assistance to exporters over the period, including the provision of reports based on market insights that highlight key risks around the festival and support with planning.

During the 2019 festival, held from 11–12 August, the LEP conducted site visits across Jordan, the United Arab Emirates, Kuwait and Oman to provide real-time, daily updates to exporters so they could adapt operations as necessary. Feedback from these exporters indicated they value the independent opinion of the LEP in these scenarios and often used this information in their discussions with the Australian government about their compliance during the festival.

This program demonstrates a wide-reaching response to industry challenges and the capacity of reliable insights to inform in-market strategies.

Animal Welfare Officers' Forum in Indonesia

A key challenge for the livestock export industry is to ensure the trade continues to meet community expectations and remains supported and profitable in global markets.

As part of a continued effort to meet these expectations, the Animal Welfare Officers' Forum in Indonesia was formalised through MLA's Live Export Program (LEP).

Along with the formalising process, the Animal Welfare Officers' Forum has broadened significantly over the past few years to include not only animal welfare management, but also business development, reporting, training and stakeholder communications for markets such as Indonesia.

The LEP facilitated a number of workshops and leadership seminars over the past year to assist the Animal Welfare Officers' Forum in revamping its committee and organisational structure so members are well prepared to lead their regions and present in public and academic forums.

Training Animal Welfare Officers' Forum members has helped bridge the communication gap between importers and exporters, and better inform the Australian Livestock Exporters' Council (ALEC) on supply chain and market access issues.

Business development in Vietnam

Through the Live Export Program (LEP), MLA has been working in Vietnam over the last three years to:

- understand the nature of Vietnamese supply chains and how they trade
- identify existing and future bottlenecks for Australian product
- develop resilience for Australian live export industries.

Vietnam has been a particularly challenging market to operate in due to the fragmented and developing nature of its cattle/beef industry. To combat this, the LEP placed supply chain business development officers on the ground to identify what's causing these fragmentations and how Australian exporters can maintain a consistent supply – regardless of the challenges.

Changing traditional mindsets within Vietnam to create a more sophisticated and mature market has been critical to the business development program's success, and has revolved around promoting the consistency and reliability of Australian beef.

Demonstrating Australian beef as a higher value product that could provide successful offerings in both foodservice and retail sectors resulted in a number of highlights for live export productivity.

One key Vietnamese supply chain that sources cattle from Australian producers increased livestock imports by 620% year-on-year in 2019–20. More than 10,000 head of Australian cattle are now being processed in this supply chain per year.

More importantly, this resulted in an in-market demonstration of the feasibility/advantages created by differentiating sales and distribution models, and how addressing technical barriers can increase business opportunities.

Now this concept has been successfully demonstrated, it will potentially open opportunities for its expansion to new markets and businesses in Vietnam. However, adoption into commercial operations such as these rely on businesses investing in change – something made more difficult amid COVID-19.

In contrast, COVID-19 has underpinned an opportunity in Vietnam to demonstrate the value in differentiating product lines. Supply chains that have the ability to differentiate their products in the market or to create a point of difference have demonstrated greater resilience, as they were not competing or dropping prices to achieve higher processing throughput – a promising development for Australian exporters.

Vietnam will remain a focus for the LEP to continue increasing Australia's livestock export productivity in the country.

Quality control in Vietnamese abattoirs

A traditional Vietnamese abattoir

MLA continues to support training in Vietnamese abattoirs to ensure the quality control of Australian product, and to transform them to meet modern consumer expectations around safety.

Traditional Vietnamese abattoirs (pictured) were recognised to have little-to-no control systems in place. As consumers grow increasingly health-conscious globally, this required a new approach to ensure Vietnamese abattoirs that import Australian red meat met standards of hygiene and safety.

A continued drive to support the growth of meat processing plants in the country to meet health standards has resulted in a more sophisticated system with best practice methods for assuring quality.

Leadership and collaborative culture

Securing the potential of the Australian red meat and livestock industry and delivering on the ambitions of the *Meat Industry Strategic Plan 2020* requires strong industry leadership, a capable workforce and the ability to attract the best and brightest minds to the industry. For MLA, the delivery of its own Strategic Plan relies on the strength of our team and the expertise of our people. Our progress will be continually monitored, objectively measured, and transparently communicated to all stakeholders.

Investment over time
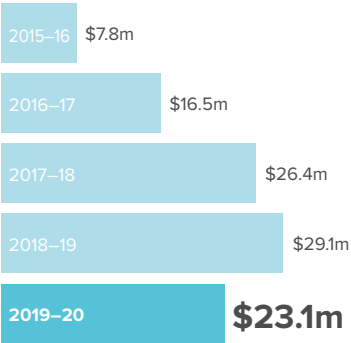
2015–16	$7.8m
2016–17	$16.5m
2017–18	$26.4m
2018–19	$29.1m
2019–20	**$23.1m**

2019–20 investment by priority

Total
$23.1m

● Building leadership capability **$21.3m**
● Protecting and promoting our industry **$1.8m**

2019–20 investment by funding source

Total*
$23.1m

● Producer levies **$4.9m**
● Government funding **$9.9m**
● Processor contributions **$3.8m**
● Other sources **$4.5m**

* Total includes $10.8m invested via MLA Donor Company
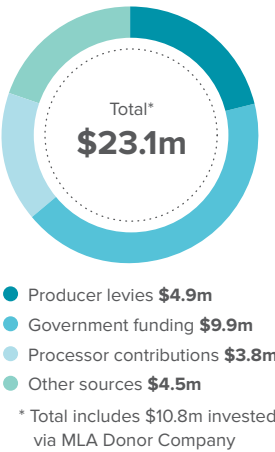
Key Performance Indicators

35 KPIs

- ● 29 achieved
- ● 1 partly achieved
- ● 1 not achieved
- ● 4 not available

See Appendix A for a full list of KPIs. Please note some KPIs may be relevant across several pillars.

Alignment to industry and government priorities

MEAT INDUSTRY STRATEGIC PLAN (MISP) 2020 PRIORITIES	
• Building leadership capability	
• Protecting and promoting our industry	

AUSTRALIAN GOVERNMENT PRIORITIES	
Science and Research	**Rural Research, Development and Extension**
• Food	• Adoption of research and development
• Environmental change	• Biosecurity

HIGHLIGHTS

60% of 2020 Nuffield Scholarship applicants
were from the red meat industry (page 44)

63% of Livestock Consulting interns
are still working with their initial program employers (page 44)

8/10 producers
found Farmers2Founders workshops useful and were willing to recommend them to their peers (page 45)

Livestock Leaders program
launched to build trust in the Australian red meat industry (page 45)

Short-term financial support measures
for red meat brands introduced through MLA's CoMarketing program (page 46)

Two new communication initiatives
announced to keep producers up-to-date amid COVID-19 (page 46)

102 producers received access
to one-on-one support following natural disasters (page 47)

1,300 people registered
to join MLA's 12 Back to Business webinars (page 47)

Building leadership capability

The red meat and livestock industry depends on leaders who are capable, skilled and experienced to deliver on its strategic plans.

In this priority, MLA works with the peak industry councils and other value chain participants to build the industry's capability and invest in current and emerging industry leaders through a range of professional development, graduate training, mentoring and scholarship opportunities.

Building capability extends to communicating with all industry stakeholders about the value of collaborative investment in marketing, research and development and ways for producers and other value chain participants to develop more productive and profitable businesses.

2019–20 investment by funding source

Total*
$21.3m

- Producer levies **$3.4m**
- Government funding **$9.6m**
- Processor contributions **$3.8m**
- Other sources **$4.5m**
  * Total includes $10.8m invested via MLA Donor Company

OVERVIEW

Livestock Consulting Internship begins third program

Following two successful Livestock Consulting Internship programs in 2016–17 and 2018–19, a third program has been launched. The program involves successful applicants undertaking internships with reputable livestock consulting businesses over a two-year period.

The project is co-funded by MLA, Meridian Agriculture (who manage the project) and the contributing employer to pay for the wages of interns. Ten employers from around Australia will take part in the program over the next two years to support 10 interns.

The Livestock Consulting Internship includes workshops and retreats to build skills useful to the consulting sector such as people management, network building and presentation skills. Taking on feedback from the previous programs, two new aspects were added in 2020 to improve the interns' development:

1. A skill development plan where interns and employers discuss expectations at the commencement of the program; areas of improvement are identified to ensure the experience is as developmental as possible.

2. A compulsory period of four weeks spent working with another livestock consulting business, to share and gain skills in an area where the intern's employer may not focus.

Much of the training has been moved to a virtual scenario since the outbreak of COVID-19, with interns accessing webinars run by guest speakers and experts to develop their training skills. Face-to-face retreats have been postponed until 2021.

From the first two programs, 63% of interns are currently working with the employer they signed up to the program with. A further 21% remain in livestock consulting and 10% still work in the livestock industry, reflecting the success of the program in boosting the number of new entrants to the livestock consultancy field.

Applying international research findings down under

MLA is focused on building a bright future in the red meat and livestock industry through its support of several scholarship programs that bridge the gap between education and agricultural research, including the Nuffield Australian Farming Scholarships.

Nuffield Australia's scholarships aim to increase practical farming knowledge and management skills through the study of international farming practices. Scholars are awarded the opportunity to travel overseas with the expectation they will return to Australia with research findings that can be applied across industry.

In 2020, MLA's Nuffield Scholar was Nicholas Krebs from Moura, Queensland, who currently works as the Aggregation Manager

The Livestock Consulting Internship's 2019 graduating class

Livestock leaders of the future

for Hewitt Cattle Australia across four adjoining properties. His research is focused on attracting and retaining people in agriculture through observing a number of different nations and their methods for achieving this.

Of Nuffield's 2020 scholars, 60% of applicants were from the red meat industry.

Entrepreneurial producers develop new skills

Farmers2Founders is a unique entrepreneurship program designed to attract proactive, innovative producers looking to grow their businesses through the adoption of new technologies.

The program focuses on developing producers' skills in entrepreneurship, as well as their technology development and commercialisation capabilities to solve critical industry challenges and bring new ag-tech and food-tech to the market.

The pilot year of the four-year Farmers2Founders program concluded in March 2020. Originally evolved from MLA's Producer Innovation Fast-Track program, the first workshop for the program was held in Atherton, Queensland in April 2019.

During the pilot year, Farmers2Founders delivered 16 workshops across Australia. More than 400 attendees were present at these workshops, including over 200 producers.

Each workshop focused on an industry-relevant theme and technology trials to raise awareness of the many opportunities producers have to involve themselves in both ag-tech and food-tech. This information was then expanded on to reveal how producers can receive commercial returns to their businesses through entrepreneurial engagement with each opportunity.

Eight out of 10 producers who attended workshops indicated they found them to be useful and were willing to recommend them to other producers. According to those in attendance, the most practical aspects of the workshops was the opportunity to network with experts and participants from their regions.

In 2020, MLA initiated 'Livestock Leaders', a program which identifies future leaders within the Australian red meat and livestock industry and upskills them so they can confidently represent and defend the industry to the wider community.

Livestock Leaders aims to engage a variety of 'advocates' from around Australia each year to ensure industry voices are heard from all sectors and are adding maximum value across the red meat supply chain.

These future leaders attend workshops to learn a range of new skills, including:

- how to engage with the media and the importance of this
- social media skills for management and brand building
- 'shared values' communication (engaging with people of different values and building trusting relationships)
- media training, including public speaking skills and interview techniques
- content creation, especially on-farm.

The Livestock Leaders program, managed by The Livestock Collective, empowers producers and industry representatives to speak on the Australian red meat and livestock industry's behalf for years to come.

Protecting and promoting our industry

Within this priority, MLA is supporting the creation of frameworks and collecting evidence to measure the progress of the red meat and livestock industry's development. MLA is also supporting the development and implementation of a framework for efficiently reporting on its sustainability credentials.

The ability for the red meat and livestock industry to respond quickly to a sudden or unexpected threat or risk can minimise the impact of a crisis. This priority addresses this need by reviewing and updating the industry's detailed Crisis Response Plan to prepare individual sectors to avoid or mitigate the impact of any crisis and to be ready and able to manage industry issues in a coordinated manner.

2019–20 investment by funding source

Total
$1.8m

● Producer levies **$1.5m**
● Government funding **$0.3m**

OVERVIEW

Supporting industry through COVID-19

MLA has been proactive in protecting and promoting the red meat industry throughout COVID-19 to ensure it's well placed to adjust to challenges and create new opportunities for livestock producers.

The key goal throughout the pandemic has been to inform industry stakeholders of the latest insights and to guarantee easy access to these resources.

A range of government and market resources have been made available online across a variety of MLA's new and existing communication channels. MLA's On the ground podcast and the COVID-19 market insights hub (mla.com.au/covid-19-insights) were both created to help producers and the wider red meat value chain stay up-to-date on market developments in an easy, digestible format.

Also in response to COVID-19, MLA's Collaborative Marketing (CoMarketing) program introduced additional short-term financial support measures for red meat brands. Through CoMarketing, MLA is collaborating with Australian red meat brand owners to market their brands and products globally amid the pandemic.

Responding to industry challenges

During 2019–20, MLA responded to several evolving situations in the Australian agriculture sector to support and protect the red meat industry.

Market information

Domestic and global markets have been particularly volatile over the past 12 months due to severe seasonal conditions in Australia and the impacts of COVID-19.

Reassurances around supply and product quality for diversified markets, and translating both domestic and international market forces and their impacts on Australian red meat, have been critical outputs MLA has managed over the past year to ensure relevant, timely information is provided to the industry (mla.com.au/prices-markets).

Red meat sustainability

Red meat is facing increasing demand from consumers who want to know more about where their food comes from and how it's produced, particularly regarding animal welfare and sustainability. In 2019–20, MLA focused on 'sharing the story' of red meat to inform the public of its sustainability, welfare and nutrition credentials.

On-farm videos, virtual classroom experiences and reinforcing MLA's target to be carbon neutral by 2030 (CN30) all address this consumer demand around the sustainable, ethical production of red meat. The Good Meat program also revolves around building and maintaining community trust for Australian beef, lamb and goatmeat (goodmeat.com.au).

Pasture dieback communications

The emergence of pasture dieback (page 37) has highlighted the importance of communicating with producers about the extent of the problem and ongoing research to address dieback.

The red meat and livestock industry is working in close collaboration to respond to the on-farm challenges presented by the disease.

MLA has remained committed over the past year to funding research and trials into potential causes and management of the issue, and delivering findings back to the industry (see mla.com.au/dieback).

Back to Business after natural disasters

In 2019–20, producers across Australia faced a number of unprecedented natural disasters such as bushfires, drought and flooding that caused widespread damage to enterprises. To support levy payers in recovering from these disasters, MLA initiated the Back to Business program as a means of providing practical information to those who needed it most.

The Back to Business program's face-to-face events, such as workshops and consultancy sessions, provided social and networking opportunities for affected communities to find support in shared experiences and to build a strong understanding of what's required for agricultural operations to recover.

As well as offering considerations on immediate actions in the wake of natural disasters, the workshops also focused on strategies to build long-term business resilience for farm management, succession planning and meeting goals.

Producers could also access free one-on-one support sessions with local farm management consultants for up to three sessions as part of the Back to Business initiative. As at 30 June 2020, 102 producers across Australia had accessed these services.

The Back to Business program also held 12 webinars in 2020, which 1,300 people registered for.

Rising from the ashes to build a resilient business

More than 100 producers in bushfire-affected regions across Australia have benefited from farm business advice to get back on track since MLA launched the free Back to Business program in January.

One producer who now knows the value of external expert advice is Deb Gray, who reckons the one-on-one sessions with a local farm business consultant was a ticket back to success when times were tough.

In early 2020, bushfires ravaged Deb's property at Araluen, NSW. More than half of her land was damaged and she lost livestock – on the back of recent severe drought, Deb said the emotional and financial toll to her and the business were extreme.

"We got through the drought and 2020 was already going to be a tight year financially, but then the fire hit and it just shattered us," Deb said.

"We came back after being evacuated and my last three paddocks of feed had been burnt to the ground.

"Our neighbours and Rural Fire Service volunteers had been amazing in saving our house and what stock and pastures they could, but in that moment I didn't know what to do."

Deb said they didn't have a set recovery plan after the fires – just the goal to reach May and sell their calves on the ground for cashflow.

"I was treading water during that period," Deb said.

"I was down to 42 head of cattle from 60, which I was keeping alive with the help of my family who got me in some feed. I had tight finances and my only plan was getting to May."

It was during this time Deb saw the Back to Business program advertised in MLA's e-newsletter, *Friday Feedback*.

"Accessing a consultant wasn't something I'd done before, but I was willing to try anything," Deb said.

"Alastair of RaynerAg was assigned to us and from the first session I had with him, we started to map out a plan of recovery."

Deb said the sessions stepped out short, medium and long-term plans for her business, and helped it grow in strength. Her goals are now:

Short-term
- weed management
- retaining calves originally earmarked to sell to rebuild the breeding program.

Medium-term
- shopping for bulls, using Estimated Breeding Values and growth weights to turn stock off sooner and to produce a genetically stronger herd.

Long-term
- developing strategies to increase carrying capacity from 60 to 80
- identifying additional revenue streams to complement the beef business, such as producing lucerne hay.

Transformation

Deb said the three consultation sessions she accessed through Back to Business have transformed her operation and her mental mindset.

"It really helped me to get back on my feet and feel excited about farming again," Deb said.

"If you're eligible for this sort of thing, give it a crack.

"Personally, the consultation sessions have been so valuable for us that we've actually renewed Alastair on a new 12-month contract.

"Having a consultant come in with an unbiased view to look at our business has seen its potential grow enormously, and it really was a godsend when we needed it most."
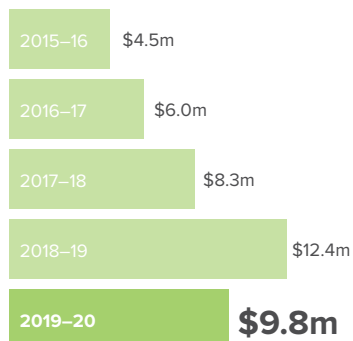

Listen to Deb's story in episode 2 of the Feedback podcast: mla.com.au/feedback-podcast

Stakeholder engagement

The successful delivery of MLA's *Strategic Plan 2016–2020* will require an enhanced level of collaboration between MLA and its many stakeholders. This pillar focuses on extending the breadth and depth of stakeholder engagement and communications across MLA. Genuine two-way consultation and collaboration will provide mutual benefit in the delivery of MLA's marketing, research and development services to industry. This pillar also includes the delivery of MLA's corporate reporting responsibilities within a culture of continuous improvement.
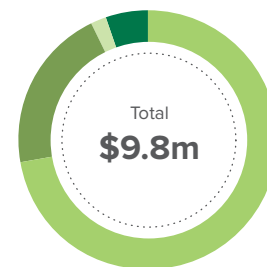
Investment over time

2015–16	$4.5m
2016–17	$6.0m
2017–18	$8.3m
2018–19	$12.4m
2019–20	$9.8m

2019–20 investment by priority

Total **$9.8m**

- Engagement with producers and stakeholders **$9.8m**

2019–20 investment by funding source

Total **$9.8m**

- Producer levies **$7.1m**
- Government funding **$2.0m**
- Processor contributions **$0.2m**
- Other sources **$0.5m**

David and Clare Lee hosted a producer tour at Windy Station, the property they manage for Romani Pastoral Company, during Red Meat 2019

Key performance indicators

22
KPIs

- 🟢 **17 achieved**
- 🟠 1 partly achieved
- 🔴 2 not achieved
- ⚪ 2 not available

See Appendix A for a full list of KPIs. Please note some KPIs may be relevant across several pillars.

Alignment to industry and government priorities

AUSTRALIAN GOVERNMENT PRIORITIES	
Science and Research	**Rural Research, Development and Extension**
• Food	• Adoption of research and development

HIGHLIGHTS

1,200 subscribers
signed up to receive the latest R&D via MLA's new e-newsletter, *R&D Round-Up* (page 50)

The Accelerated Adoption Initiative
allows producers to receive selected MLA products and services free of charge (page 50)

New partnership with Weatherzone
enhances online weather services (page 51)

Two new podcasts released
to cover red meat industry news and market (page 51)

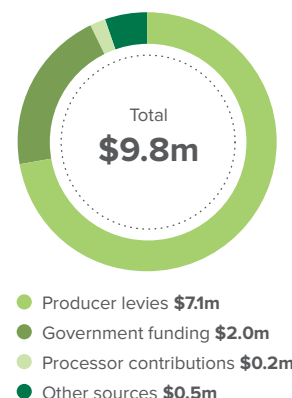**550 producers attended Red Meat 2019**
(page 51)

Engagement with producers and stakeholders

MLA engages with a wide range of producers and stakeholders, ensuring all levy payers are given the opportunity to provide feedback on its research, development and marketing activities.

This priority centres on stakeholder engagement and communication initiatives to build awareness of MLA's programs and demonstrate the value of these investments.

2019–20 investment by funding source

Total
$9.8m

- Producer levies **$7.1m**
- Government funding **$2.0m**
- Processor contributions **$0.2m**
- Other sources **$0.5m**

OVERVIEW

Translating science into plain English

MLA demonstrated its commitment to its core values of accountability through transparency, outcomes that make a difference and customer centricity through the release of the *R&D Round-Up* e-newsletter – a monthly publication of short, easy-to-read project summaries for the latest in red meat research and development (R&D).

The newsletter provides producers and industry stakeholders, including scientists, advisors and the government, easy access to the outcomes of MLA's recent R&D investments.

R&D Round-Up focuses on providing updates on technical projects in a simple format that ensures 'science jargon' is explained in plain English. To make the information even more accessible, the newsletter has been broken down by species to ensure readers can easily access projects relevant to them.

Since the release of the newsletter in February 2020, more than 1,200 people have signed up to receive *R&D Round-Up* each month via mla.com.au/enews. This indicates a growing interest in the R&D space and on new findings that can be used to improve business operations.

Accelerated adoption key to improving resilience

A new initiative to support producers to accelerate their adoption of cutting-edge R&D was launched by MLA Managing Director Jason Strong at Red Meat 2019 in November.

The Accelerated Adoption Initiative was designed to ensure that even when producers face challenges such as drought, bushfires and other financially straining circumstances, they're still able to access a number of MLA's products and support services free of charge.

Under the initiative, which runs until June 2021, MLA is providing relief to cattle, sheep and goat levy payers for costs incurred on the delivery of key products and services. This includes Livestock Production Assurance (LPA) accreditation and audits, LPA National Vendor Declaration books, eDEC tokens, and Meat Standards Australia (MSA) Vendor Declaration books.

The initiative has also provided free membership to Sheep Genetics, with LAMBPLAN and MERINOSELECT services both seeing an increase in clients since AAI was announced.

The volume of data being submitted to each service also increased, allowing for better representation of animals on each database.

Due to COVID-19 restrictions, many of the workshops that had been made freely available under the initiative (such as MeatUp and BeefUp forums) have been postponed. Prior to restrictions, MLA held four Bred Well Fed Well workshops which were attended by a total of 155 producers across Tasmania and NSW.

MLA online weather services enhanced

Reliable, up-to-date weather forecasts are critical for producers to access and use for decision making on-farm, so in 2019, MLA partnered with Weatherzone to provide a new and improved weather service that is freely available.

The service has been enhanced for users of myMLA, a free online tool where producers are able to personalise weather information and analysis to suit their location. There are also 28-day and 12-month rainfall forecasts available to let users know the seasonal outlook.

The enhancements to the service provide deeper weather insights, including extended rainfall forecasts, detailed historical observations and climatology.

Producers without a myMLA account can register for free via the MLA website. Along with access to enhanced weather services, the myMLA tool provides producers with personalised market indicators and reports, news, event listings and resources.

New podcasts released

In 2019–20, a producer survey revealed 70% of responders listened to podcasts at least once a week, with 'in car/truck' the most common listening setting and 'learning about what other producers are doing' the most popular interest.

In response to this information, MLA launched the new Feedback podcast. Covering stories, news, information and interviews from across the industry, it represents a new way for stakeholders to engage with MLA content, especially while occupied with other tasks on-farm.

Two episodes of Feedback were released in 2020, with more than 870 downloads as at 30 June 2020.

MLA has also developed On the ground, a fortnightly podcast series looking at the disruptions COVID-19 has caused around the globe and the effects on Australian red meat's international markets (page 46).

THE
FEEDBACK
PODCAST

PRESENTED BY

mla
MEAT & LIVESTOCK AUSTRALIA

Red Meat 2019

Killara Feedlot in Tamworth, NSW, hosted one of the producer tours as part of Red Meat 2019. Pictured here is Stuart McKechnie, Livestock Manager (left) and Peter Kearney, Commodity Manager.

Red Meat 2019, MLA's flagship event, was held in Tamworth from 18–20 November 2019. The event brought together producers and industry stakeholders to showcase Australian beef, lamb and goatmeat.

The program included two tours of cattle operations, an MLA showcase to demonstrate key programs of work across the supply chain, forum presentations covering the latest in R&D, marketing and sustainability and an industry breakfast to share red meat's story.

550 producers attended Red Meat 2019 across the three days. A survey emailed to attendees about the quality of the event revealed overall satisfaction was very high, with particular praise given to the networking opportunities and thought-provoking panel discussions that were held.