

Industry response to review recommendations

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Prepared by: JW Cudmore, PJ Watts¹; EJ McGahan¹ and TJ
Sullivan¹
FSA Consulting¹

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NFAS Review - Industry response to review recommendations

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NFAS REVIEW - Industry Response to Review Recommendations

No	Area of Review	Review Recommendation	Industry Response	Priority	Responsibility
1	1. NFAS REVIEWS	That FLIAC plan for NFAS to be reviewed, in whole or part, at regular five year intervals.	Industry agrees that an external review of all or part of NFAS, should be conducted every 5 years but a full review should be conducted no less than every 10 years. It was further agreed that the Review process will be initiated by ALFA, with Terms of Reference to be agreed between ALFA and FLIAC.	2	ALFA
2	2. FLIAC MEMBERSHIP & COMMUNICATIONS	That FLIAC approach those states where lot feeding is significant and encourage active participation and full resourcing of the state representatives on FLIAC.	Industry agrees that consultation with each State Government was required to reinforce benefits of the program and seek their continued support and active participation on FLIAC. It was agreed that a letter be forwarded to each State Government, with existing FLIAC State Representatives to assist in identifying the correct recipients of letter. Letter to be jointly signed by ALFA and FLIAC and will flag outcomes of review and need to discuss the review and outcomes. The letter will be followed up by a face to face meeting with each State government.	1	JOINT
3		That minutes of FLIAC meetings be made available to ALFA.	Industry supports that a full, unredacted copy of the Minutes of FLIAC meetings be provided to ALFA. Requirements for confidentiality and document control to be communicated.	2	AUS-MEAT
4		That, rather than a full copy of the FLIAC minutes going to the Australian Meat Industry Language Steering Group, an abbreviated version should be supplied where specific information about individual feedlots and other industry-sensitive information can be retained as confidential.	Industry disagrees with this recommendation and supports the continued supply of a full, unredacted copy of the Minutes of the FLIAC meeting to the AMILSC. Requirements for confidentiality and document control to be reiterated.	N/A	AUS-MEAT
5		That AUS-MEAT prepare an Annual Report to FLIAC.	Industry supports the introduction of an Annual Report commencing with calendar year 2015. The Annual Report will be approved by FLIAC and then be provided to ALFA Industry recognises that this will be an ongoing cost that will add to the current administration costs for the scheme.	1	AUS-MEAT

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			Industry further supported the development of a Communications Plan for NFAS to be prepared by AUS-MEAT in conjunction with FLIAC and ALFA. The plan would detail relevant industry stakeholders and how and when FLIAC/ALFA will interact with each of them		
6		That the Annual Report plus any subsequent analysis and recommendations by FLIAC be made available to ALFA.	As above	1	AUS-MEAT
7		That the Annual Report, including any subsequent analysis and recommendations by FLIAC, be posted on the AUS-MEAT and ALFA websites in a readily available location. This should be an abridged version of the annual report, excluding site specific and aggregated audit information, to prevent any misunderstanding and/or misinterpretation by the wider community.	Industry supports the publication of an abridged version of the Annual Report on the respective AUS-MEAT and ALFA websites.	1	JOINT
8		That Annual Reports, following the outline suggested above, be prepared for the past five years.	Industry considers that the additional cost of preparing an annual report for the past 5 years is not warranted and reaffirms its decision for annual reports to commence with the 2015 calendar year.	N/A	N/A
9		That FLIAC consider the appointment of an expert in quality assurance and auditing who is independent of AUS-MEAT be added to the FLIAC committee.	Industry rejects this recommendation but supports that the TOR for future Reviews include a requirement that an external QA expert be part of the review team.	3	ALFA
10		That AUS-MEAT instigate improved communication between ALFA and FLIAC ensuring the execution of continual improvement to the scheme and the performance of lot feeders in the scheme.	Industry supports that ALFA receive unredacted copies of FLIAC minutes, all NFAS Advice Notices to feedlots and an unabridged annual report starting with the 2015 calendar year.	1	AUS-MEAT
11	3. FEEDLOT DEFINITION	That the definition of a cattle feedlot be modified so that a "confined yard" specifically means a yard where the stocking density is 25 m ² /SCU or tighter.	<p>Industry considers that proposed changes to the definition of a cattle feedlot need careful consideration due to the mix of production systems, and that this was not as simple as referring to a yard where the stocking density is 25 m²/SCU or tighter</p> <p>Industry believes that the current definition will remain for now and ALFA will assume responsibility for reviewing this issue and will in due</p>	1	ALFA

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			course present a case for change to FLIAC.		
12		All feedlot definitions should use the term SCU, rather than head.	<p>Industry does not support this recommendation as this is a matter for State governments.</p> <p>Each State has different requirements and industry is of the view that it does not matter from a reporting perspective, as long as the relevant approved descriptor is captured.</p> <p>Industry notes that changes have been made to the NFAS Database to capture the head or SCU information on an individual feedlot basis in line with their regulatory authority licence.</p>	3	STATE GOVERNMENT
13		That a specific definition of intensive paddock feeding be developed that distinguishes this production system from a conventional feedlot and from supplementary feeding in a sustainable pasture or grazing situation.	<p>Industry agrees that a definition of intensive paddock feeding would be useful, and that this issue would be further considered by ALFA.</p> <p>Industry does not support the introduction of any additional schemes such as CFAS or PFAS into NFAS at this time.</p>	1	ALFA
14		That ALFA instigate action to address the issue of intensive paddock feeding.	As above.	1	ALFA
15	4. OTHER DEFINITIONS AND CLARIFICATION OF TERMS	That FLIAC consider the inclusion of a definition of animal welfare in the NFAS definitions due to the importance of this issue and the varying degrees of wider community understanding	<p>Industry agrees that a specific definition of animal welfare be introduced into NFAS.</p> <p>ALFA will progress this issue with its Animal Welfare Committee and advise FLIAC of preferred definition.</p>	1	JOINT
16		That a generic definition of what constitutes a reportable incident be developed.	<p>Industry agrees that the current Incident Reporting Process and associated criteria needs to be reviewed.</p> <p>ALFA to progress this issue and where necessary consult with State & Federal CVO's and recommend any proposed changes to FLIAC for incorporation in the scheme Rules & Standards.</p>	1	ALFA
17		Furthermore, specific definitions in relation to product integrity, food safety, environmental management and animal welfare should be developed.	Industry agrees that the proposal to include specific definitions in relation to product integrity, food safety, environmental management and animal welfare be considered as part of the broader review of Incident Reporting.	1	ALFA

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18	5. FEEDLOT LICENSING DATA FOR AUDITS	That more information is extended to all stakeholders to clarify that NFAS accreditation does not constitute any form of state or local government approval and does not have any relationship to membership of ALFA.	<p>Industry agrees that the AUS-MEAT website and NFAS Application Form be updated to highlight that NFAS accreditation does not constitute any form of state or local government approval and does not have any relationship to membership of ALFA.</p> <p>It was noted that ALFA and AUS-MEAT have already made some changes to their respective websites to clarify the responsibilities and roles of each entity.</p>	2	JOINT
19		That all NFAS auditors receive training for the locality in which they conduct audits, so that they are aware of the thresholds requiring state and local government approvals.	Industry considers that current AUS-MEAT training to Auditors is sufficient to reinforce the requirements for the Scheme.	2	FLIAC
20		Each NFAS audit should confirm that, either approvals are not required, or that the limit specified in the approval for both state and local government approvals is documented in the QA manual. Both state and local government approvals should be available as they are listed as Reference Materials for accreditation.	<p>Industry notes that the Approval processes are complex issues due to changes in requirements by State & local governments over time.</p> <p>It was noted that Auditors are currently confirming that relevant approvals are in place as part of the annual audit and refer any queries to State authorities.</p>	2	AUS-MEAT
21		That during audits, both the licensed feedlot capacity and the current constructed pen capacity (physical) are verified, audited and recorded.	<p>Industry notes that the current NFAS Audit report captures both the licensed feedlot capacity and the current constructed pen capacity (physical).</p> <p>It was also noted that the NFAS database has previously been amended (per ALFA request) to capture SCU and Head information separately.</p>		
22		That for each NFAS audit, documentation of the approved stocking density is sighted (if relevant) and that the full-capacity stocking density of the feedlot be verified through examination of scale plans or other data describing the pen area of the feedlot. A rough sketch plan of the feedlot pens may be inadequate to confirm pen capacity and stocking density.	<p>Industry agrees that construction plans (and associated documentation) be sighted at audit in relation to approved stocking density and that the full-capacity stocking density of the feedlot be verified.</p> <p>It was agreed that the NFAS Audit Report should be updated as required to capture this requirement.</p> <p>It was further agreed that an Advice Notice will need to be issued to feedlots highlighting the requirements for a stocking density map to be available for audit.</p>	2	AUS-MEAT

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23	6. IMPROVEMENTS AND CHANGES TO AUDITS	That only 7-10 days' notice be given for audits and that unannounced audits are not recommended except where an audit is addressing a specific issue.	<p>Industry rejects this recommendation and considers that provision of 7-10 days' notice is not practical from an audit scheduling, clustering and auditor rotation perspective. It was further noted that some concurrent QA programs require audits to be booked more than once (1) month in advance.</p> <p>Industry supports the status quo noting that FLIAC can schedule unannounced audits on an as required basis.</p>	3	N/A
24		That AUS-MEAT take steps to ensure greater consistency between auditors and to ensure that all auditors are fully trained in specific issues such as Excessive Heat Load and licensing	<p>Industry considers that AUS-MEAT continues to provide adequate training to Auditors and reinforces the requirements for the Scheme.</p> <p>Whilst supportive of the need to continue to ensure Auditors are calibrated, industry supports the existing processes implemented by AUS-MEAT including the ongoing Witness Audit Program and Auditor rotation.</p>	2	N/A
25		That steps be taken to streamline audits via database development so that similar or identical questions are only asked once.	<p>Industry supports that steps continue to be taken to streamline the audit reporting processes.</p> <p>It was noted that AUS-MEAT has (and continues) to develop audit reporting tools to streamline reporting processes.</p> <p>Industry recognised the complexities in having to report to different program owners (in sometimes different reporting formats) where bundled (multi-program) audits occur during a single site visit.</p> <p>Industry also agrees that where practicable an Auditor will only seek to ask similar questions once but recognised that subject to the nature of the audit that questions of a similar nature may need to be raised throughout the course of an audit.</p>	2	AUS-MEAT
26		That AUS-MEAT investigate the development of independent reporting functions across industry programmes (LPA, NFAS, WQA, EUCAS) that have common questions (so that similar or identical questions are only asked once).	As above	2	AUS-MEAT
27	7. NFAS MISSION AND LOGO	It is recommended that FLIAC review the NFAS Mission in light of the stakeholder feedback.	Industry supports that FLIAC review the current NFAS Mission Statement and that this be considered at the next FLIAC	3	FLIAC

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			meeting. Any changes agreed by FLIAC will be passed to ALFA for support.		
28		That the current NFAS logo be reviewed to better reflect the scheme and industry, or the new NFAS logo that conveys a message around cattle and grain feeding be more widely adopted throughout NFAS and scheme materials.	Industry supports the broader use of the current NFAS Promotional Logo and for AUS-MEAT to seek advice regarding the legalities and accreditations associated with changing the logo.	2	AUS-MEAT
29	8. TENDERING OF NFAS AUDITING	That the auditing of NFAS not be contestable.	<p>Industry supports this recommendation and recognises the various processes that are in place through AUS-MEAT with different State jurisdictions and the benefits these arrangements provide participants and the industry.</p> <p>Industry also recognises that the current socialised fee rate system that has been provided by AUS-MEAT (as the industry auditing service provider) was also a key and unique feature of the long standing audit arrangements.</p>	2	N/A
30		That open tendering should not occur.	Industry agrees with this recommendation. See above.	2	N/A
31		FLIAC should explore mechanisms for independently assessing the performance of AUS-MEAT so that accountability and financial competitiveness is ensured and transparently recorded.	Industry agrees that a review of the financial competitiveness of AUS-MEAT services in terms of both auditing and administration should be included as part of future external reviews of NFAS.	2	ALFA
32	9. QA MANUALS, REFERENCE MATERIALS AND INITIAL ACCREDITATION	That AUS-MEAT and/or ALFA provide access or links to all current reference materials on a single website page.	Industry agrees that links to relevant external documents (excluding the NFAS Rules and Standards) that serve as reference documents for NFAS should be available on the AUS-MEAT and ALFA Websites.	2	JOINT
33		That the Rules and Standards are carefully reviewed to identify any additional reference materials that should be included in the reference material list.	Industry agrees that the NFAS Rules and Standards be reviewed to identify any additional reference materials that should be included in the reference material that forms part of the NFAS Self Learning Kit.	2	AUS-MEAT
34		That an electronic version of a sample (template) QA manual and procedures be readily available at the same location as the links to all reference materials.	<p>Industry reinforces the importance of feedlots seeking accreditation to develop their own Quality Management System.</p> <p>Industry supports the inclusion of a QA Manual framework in electronic format being provided as part of NFAS Self Learning Kit.</p>	3	AUS-MEAT

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35		That FLIAC investigate the possibility of providing an on-line mechanism for lot feeders to apply for initial accreditation, including a preliminary log-in and password, supply of accreditation information, on-line application forms and for document upload and review. The log-in and password could convert to a membership log-in once accreditation has been achieved. This would allow AUS-MEAT to monitor the number of potential applicants, applicants and feedlots that complete the accreditation process. The member information may also allow improved access to NFAS information for the lot feeder, and improved communication of information from AUS-MEAT and FLIAC.	Industry is supportive of the principle of having an on-line mechanism for lot feeders to apply for initial accreditation but does not support the implementation of the functionality recommended given the relatively small numbers of applications received each year. Industry noted that AUS-MEAT can currently track the number of applications/QA manuals received for desk audit, and the status of the outcomes of the desk audit; and can report statistical information on the number of applications and status of applications.	N/A	N/A
36	10. MODIFIED ACCREDITATION RATING SYSTEM	That FLIAC consider a modified accreditation rating system. FLIAC should consult with AUS-MEAT and ALFA to understand the system as it applies to abattoirs, the reasons for its adoption and the benefits.	Industry has considered the recommendation for application of a rating system and the current process that applies to AUS-MEAT accredited processing establishments. It was noted that the abattoir rating system rewarded effective and mature quality Management Systems with a reduced audit frequency with ineffective systems audited once per month. Industry considers that a reduced audit frequency from the current annual cycle was outside the scope of expectation from key stakeholders.	N/A	N/A
37	11. QA OFFICER TRAINING AND COMPETENCY	That the Responsible Person should not only ensure that the correct number of authorised QA Officers are maintained, but also that they are appropriately trained.	Industry agrees that ALFA should investigate what additional training should be considered for QA Officers. It was noted that FLIAC supports additional QA Training and that FLIAC will consider any specific recommendations from ALFA in due course.	2	ALFA
38		That ALFA investigate the possibility of providing an on-line training scheme for quality management similar to the recently developed on-line training scheme for agricultural and veterinary chemical usage. The training should cover general principles of quality assurance and specific aspects of NFAS.	As above ALFA to consider this delivery option when reviewing the need for additional training.	2	ALFA

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39		That once an on-line QA training scheme has been developed, the Responsible Person and all QA officers at a feedlot complete the on-line training.	As above	2	ALFA
40		It is recommended that a feedlot QA manual for a new feedlot accreditation cannot be approved until the Responsible Person and the QA officers have completed the on-line QA training.	As above	2	ALFA
41		That all persons at a feedlot seeking to be accredited as QA officers complete the on-line training prior to approval by AUS-MEAT auditors.	As above	2	ALFA
42		That ALFA investigate the possibility of providing an on-line training scheme for cattle welfare similar to the recently developed on-line training scheme for agricultural and veterinary chemical usage. The training should cover all aspects of cattle well-being, care, handling, transport and excessive heat load.	As above	2	ALFA
43		That ALFA consider specific training programs for quality management and cattle welfare. Over time these training modules could contribute to a formal accreditation for participants in NFAS.	As above	2	ALFA
44	12. REVIEW NFAS RULES AND STANDARDS	That a review of the current NFAS Rules document be undertaken to identify improvements.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with the various recommendations made in the NFAS Review. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the Rules and/or Standards.	2	FLIAC
45		That the term – management representative – be replaced with the more commonly used term – Responsible Person - to better reflect the role across all feedlots.	Industry agrees that the term Management Representative be replaced with Responsible Person and that the NFAS Rules be updated accordingly.	2	FLIAC
46		That FLIAC consider additional NFAS Rules and/or Standards addressing the issues raised below by a number of stakeholders.			

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47		- Intensive paddock feeding guidelines - feedback related to covering specific areas in relation to this production method that could be in parallel with NFAS, but not incorporated into NFAS.	Industry agrees that the issue of paddock feeding and the determination of a specific definition required further consideration by ALFA. Industry agrees that no action required in relation to the NFAS Rules/Standards at this time	1	ALFA
48		- Transport guidelines - feedback related to developing a consistent approach across industry for the pre-transport preparation of feedlot cattle for processing.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with this recommendation. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the NFAS Rules and Standards in relation to Transport Guidelines .	2	FLIAC
49		- Stronger environmental guidelines - feedback from a narrow group of stakeholders encouraged industry to consider the potential for “raising the bar” in relation to environmental considerations in NFAS.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with this recommendation. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the NFAS Rules and Standards in relation to Stronger environmental guidelines .	2	FLIAC
50		- Minimised use of antibiotics - feedback from stakeholders across the value chain perceived antibiotic use in feedlot cattle as the “next” issue for industry to confront, suggesting NFAS may be the mechanism to ensure cultural change around responsible use and behavioural change.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with this recommendation. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the NFAS Rules and Standards in relation to Minimised use of antibiotics .	2	FLIAC
51		- By-product handling - feedback from a number of lot feeders that NFAS could encapsulate standards around the appropriate handling of manure and effluent.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with this recommendation. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the NFAS Rules and Standards in relation to By-product handling .	2	FLIAC
52		- Sustainability - feedback suggested that industry could formulate references in NFAS to sustainability in order to build community acceptance of the industry in the future.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with this recommendation. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the NFAS Rules and Standards in relation to Sustainability .	2	FLIAC

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53		- Social responsibility - feedback suggested that many quality assurance schemes are now embracing the concept of social responsibility, addressing areas such as the hiring and development of local people, working with local supply chains, commitment to minimising the impact of enterprise activities on the environment by conserving resources, reducing waste and emissions and preventing environmental pollution.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with this recommendation. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the NFAS Rules and Standards in relation to Social responsibility .	2	FLIAC
54		- Stronger animal welfare guidelines - feedback suggested industry can evolve increased demonstration of cattle welfare in feedlots with additional criteria (not specified) in NFAS.	Industry agrees that the NFAS Rules and Standards should be reviewed in line with this recommendation. It was further agreed that FLIAC will consult with ALFA in relation to any suggested changes to the NFAS Rules and Standards in relation to Stronger animal welfare guidelines .	2	FLIAC
55	13. INCIDENT REPORTING AND CONTINGENCY PLANNING	That a separate Element for incident reporting and contingency planning be included under every Module and specific Performance Indicators be prepared for each module to cover these aspects of the quality assurance program.	Industry does not support the inclusion of separate Incident Reporting and Contingency Planning under each Module of the Standard. Industry confirmed that Contingency Planning should be a stand-alone Element addressing all aspects of the NFAS Standards and affirmed its support for the review of the Incident Reporting Requirements to be completed by ALFA.	2	ALFA
56		That clarification is obtained on which body / entity to which incidents should be reported. Furthermore, it should be clarified if all reportable incidents should be reported to FLIAC and ALFA, the reason for this reporting and the likely actions that may be taken by AUS-MEAT and / or ALFA.	Industry agrees that the current Incident Reporting Process and associated criteria needs to be reviewed. ALFA to progress this issue and where necessary consult with State & Federal CVO's and recommend any proposed changes to FLIAC for incorporation in the scheme Rules and Standards.	1	ALFA
57	14. FUNDING OF NFAS ADMINISTRATION	That a dedicated portion of the grain fed livestock transaction levy be allocated to industry support programs which include the administration of NFAS.	Industry agrees with the recommendation and ALFA will be seeking to amalgamate the four (4) current streams of the Grain Fed Transaction levy into a single Grain Fed beef transaction levy to increase flexibility to fund key industry programs such as NFAS.	1	ALFA

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58	15. COMMUNITY AWARENESS OF NFAS AND AUDIT INFORMATION	That ALFA investigate ways to improve community awareness that grain fed beef production is supported with a certified and verified quality assurance program which addresses environmental sustainability, animal welfare, food safety and product integrity.	<p>Industry supports the recommendation and ALFA will investigate ways to improve community awareness that grain fed beef production is supported by a certified and verified quality assurance program which addresses environmental sustainability, animal welfare, food safety and product integrity.</p> <p>Industry further supports that these key areas will be considered as part of the NFAS Communications Plan to be developed by AUS-MEAT in conjunction with FLIAC and ALFA.</p>	1	JOINT
59		That AUS-MEAT work with FLIAC and ALFA in identifying potential aggregated audit information that can be used as a basis for continual improvement of the scheme. It is not recommended this information be made publically available.	Industry agrees that aggregated information on audit findings will be part of the NFAS Annual Report.	1	AUS-MEAT
60	16. NFAS DELIVERY DOCKETS	That FLIAC and ALFA promote the uptake of electronic versions of the NFAS Delivery Dockets.	<p>Industry supports the need for continued promotion for the use of electronic delivery documentation.</p> <p>It was noted that promotion of NFAS documentation should be part of the broader rollout of the electronic NVD (eDEC) System.</p> <p>ALFA will approach SAFEMEAT to include NFAS Documentation as part of the eDEC software system development.</p>	1	ALFA
61		The current NFAS Delivery Dockets (Forms A and B, electronic versions) confirm the production system, compliance to the scheme and cattle specifications in relation to the AUS-MEAT Beef Language and Minimum Standards for Grain Fed Beef.	As above	1	ALFA
62	17. AUSMEAT MINIMUM STANDARDS FOR GRAIN FED BEEF	That ALFA initiate a review of the current AUS-MEAT Minimum Standards for Grain Fed Beef.	Industry notes the recommendation and supports ALFA initiating a review of the AUS-MEAT Standards for Grain Fed Beef.	1	ALFA