

2022-23

Annual Operational Plan

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LiveCorp Vision

Leading the world in the health and welfare of livestock exports

LiveCorp Mission

- **Generate positive animal health and welfare outcomes along the length of the livestock export supply chain**
- **Introduce innovative solutions and technical improvements to the performance of the livestock export supply chain**
- **Contribute to the opening and development of livestock export market access**

Annual Operational Plan

The Australian Livestock Export Corporation (LiveCorp) is the rural Research and Development Corporation (RDC) for the Australian livestock export industry.

LiveCorp provides research, development and extension (RD&E) and marketing services (promoting best practice animal welfare standards, and the benefits of Australian livestock). These are targeted to improve the profitability, productivity and competitiveness of the livestock export industry, and enhance its preparedness for future opportunities and challenges.

The Annual Operational Plan (AOP) provides an overview of the investment LiveCorp will make in the relevant financial year, on a program basis. It aims to inform Australian livestock exporters, peak industry councils, the Department of Agriculture, Water and the Environment (the department), and the wider livestock export industry about LiveCorp's planned activities.

AOPs are prepared each financial year through extensive consultation and engagement with members and the Australian Livestock Exporters' Association (ALEC). They outline the core, strategic and responsive activities to deliver on LiveCorp's investment priorities.

Strategic direction is taken from the LiveCorp *Strategic Plan 2025*, the Australian red meat and livestock industry's *Red Meat 2030*, the Australian Government's Science and Research Priorities, and its National Agricultural Innovation Policy Statement.

Overview

LiveCorp is the service provider and research body for the Australian livestock export industry. LiveCorp works closely with exporters and other stakeholders to continuously improve performance in animal health and welfare, supply chain efficiency and market access.

Image © Maddie Staff

Opportunities and challenges for 2022-23

The Australian livestock export industry provides nutrition and food security in its key markets. It increases the ability of other countries to expand their livestock and meat production capacity, as well as fostering business development and employment opportunities, and providing education and training across the whole supply chain.

In Australia, the industry provides jobs both on and off farm, especially in rural and remote regions. It also supports livestock prices through increased competition, and provides a key marketing option for livestock in times of high turn-off.

The welfare of livestock during sea transport remains a concern for the Australian community, and a focus for LiveCorp. Our activities support the industry's commitment to high animal welfare standards and continual improvement.

Several key opportunities and challenges have been identified for the 2022-23 operating period.

Supply and price of livestock

The price of Australian cattle is expected to remain historically high, as re-stockers, processors and livestock exporters continue to compete for limited numbers. While nationally the herd is in a re-building phase, a less than ideal wet season at the beginning of 2022 has slowed recovery in the north.

Exports to Indonesia and China have remained relatively resilient, while exports to other markets like Vietnam, which have fewer opportunities to value-add to live cattle, have reduced. Underlying demand for Australian cattle across Asia remains strong, and export numbers are expected to increase once price and supply challenges ease.

High prices are also expected to impact sheep export numbers. The flock re-build is underway, with the main live export supply state of Western Australia following the national trend of a move away from Merino breeding stock, albeit more slowly.

While importers in the Middle East have found new suppliers to fill the gap in supply due to the summer prohibition, long term demand remains strong due to the quality of Australian sheep. Export numbers are expected to grow as sheep prices ease.

Goat export numbers are expected to increase as international passenger air travel begins to recover and freight costs ease, as goats are exclusively exported by plane. As increased supply brings a lowering of prices, Australian goats will also become more competitive with local animals and imported sheepmeat in destination markets.

Exotic disease risk

Indonesia confirmed the detection of lumpy skin disease (LSD) in March 2022, and Foot & Mouth Disease (FMD) in May 2022. These announcements prompted a swift response from industry and government in both countries, including offers of assistance from Australia.

LSD is a serious disease of cattle and buffalo, which is transmitted by biting insects and has been spreading rapidly through South East Asia over recent years. FMD is a highly contagious viral disease affecting cattle, sheep, goats and pigs. It is endemic on several continents, and spread through close contact between animals, or being carried on animal products or short distances by the wind.

These diseases present significant challenges for Indonesia, and Australia's long-term partners there, and it will be a difficult time as efforts are made to control them.

The presence of these diseases in one of our nearest neighbouring countries has resulted in revised risk assessments from the Australian Government regarding a possible incursion here. The detection of either disease would have significant impacts on the Australian red meat industry, including the livestock export trade.

LiveCorp will contribute to the development of the AUSVETPLAN for LSD, as well as working closely with the department's Animal Biosecurity branch to provide support and technical advice to ensure the industry is prepared as much as possible for a potential incursion. LiveCorp is also a member of industry taskforces and sub-committees established through the Red Meat Advisory Council, contributing to preparation and response activities.

Political landscape

The Australian Labor Party went to the May 2022 federal election, which it won, with a policy to phase out the live sheep export trade. This has the potential to create uncertainty among Australia's trading partners, prompting efforts to source sheep from other countries beyond the current prohibition period in the northern hemisphere summer. No timeline has been put on the implementation of the policy, and Labor has assured live cattle exporters that there are no plans to stop that trade.

Market access

Many of Australia's livestock export markets are price sensitive. Record high prices have put Australian market share under pressure and pushed some markets to explore alternative suppliers of meat and livestock.

Efforts therefore continue to support exporters to communicate the changes and challenges in the livestock production cycle to their importing partners, and to

promote the benefits of Australian livestock in market.

LiveCorp also continues to work closely with industry and the department, providing support and technical advice to the Protocol Committee on a range of market access priorities, and acting as secretariat. Protocol negotiations will continue throughout 2022-23 with markets in the Middle East, South America and more broadly.

Government reviews

The department has committed to an annual review of the Australian Standards for the Export of Livestock (ASEL) and has flagged a review of the Exporter Supply Chain Assurance System (ESCAS). The Inspector-General of Live Animal Exports also has an ongoing workplan of reviews.

It is anticipated these, and additional unforeseen reviews, will require technical input and/or resource support from LiveCorp.

Regulatory reform

Regulatory reform continues to be a key priority for both industry and the department, following a 2018-19 federal budget decision to move toward full cost recovery of export activities.

LiveCorp will continue to provide expertise and resources to a joint industry and government 'regulatory reform roundtable', which has identified a range of initiatives to streamline livestock export regulation, certification and approval processes to deliver cost savings.

A co-design approach will help to ensure regulatory and business needs are aligned, particularly in the area of data. For instance, ongoing development and refinement of LIVEXCollect will continue throughout 2022-23.

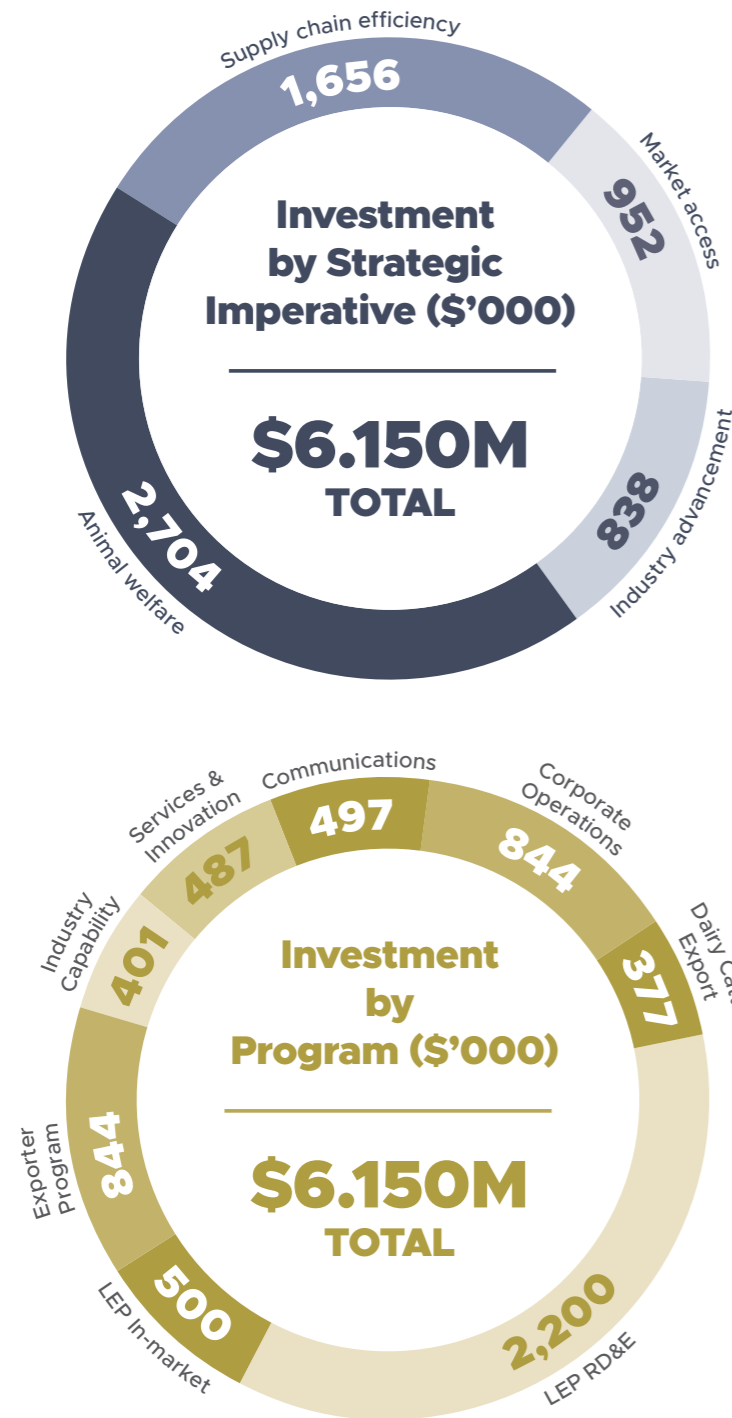
Community sentiment

The livestock export industry has a complex relationship with the Australian community. A growing number of people recognise the benefits it delivers to families in overseas countries, by providing access to safe and affordable meat, and its economic contribution to regional communities in Australia. However, animal welfare outcomes are under constant scrutiny, especially on ships and in destination countries, by the regulator, animal welfare groups, the community and industry participants themselves.

The industry's multi-year project to understand community sentiment will continue, with LiveCorp using the findings to develop information that addresses public concerns and fosters a better understanding of the industry, and to support supply chain participants to tell their own stories.

Budget Summary

In 2022-23 LiveCorp's investment in research, development and marketing activities is forecast to be \$6.150 million.



Levy rates

LiveCorp is funded by statutory levies on the export of live beef and dairy cattle, sheep and goats under the legislative framework of the *Primary Industries Levies and Charges Collection Act 1991*. These levies are collected on either a weight or per head basis.

	LEVY RATES (\$)		
	Marketing	Research	Total
Beef cattle (per kg)	0.007936	0.001587	0.009523
Dairy cattle (per head)	5.00	1.00	6.00
Sheep (per head)	0.50	0.10	0.60
Goats (per head)	0.40	0.10	0.50

The levies are divided into two components: marketing (approximately 83%) and research (approximately 17%), as set out in the *Primary Industries (Customs) Charges Act 1999*. In accordance with the Cost Allocation Policy, the ratio of levy income informs LiveCorp's allocation of expenditure across research and marketing activities.



LiveCorp's mandate is defined in its constitution. It is required to:

- **lead the way in the advancement of animal health and welfare along the export supply chain through its research and development efforts**
- **facilitate the introduction of ongoing improvements to animal health and welfare within the framework provided by Australian Government standards and industry codes and benchmarks**
- **improve the efficiency of the export supply chain, within ASEL and the associated regulation, and**
- **promote the export of Australian livestock to overseas countries through its market access services.**

With these responsibilities in mind, LiveCorp has identified four strategic imperatives that form the core of its *Strategic Plan 2025*. In each of these mission-related areas, LiveCorp has set goals and nominated the initiatives through which these goals are to be realised over the five year period covered by the plan.

The plan was developed in 2020 through an extensive consultation process involving members, the Australian Livestock Exporters' Council (ALEC) as the peak industry body, the Department of Agriculture, Water and the Environment as the regulator, and other stakeholders.

Strategic Imperatives

LiveCorp exists to deliver for its members and levy payers and, through them, the livestock export industry. Direction and priorities for the investment of levies are set through consultation and engagement with a range of stakeholders.

Image © Austock



Image © Anna Weir

1 • Animal welfare

Lead in materially advancing animal health and welfare along the export supply chain through research, development and extension.

GOALS

1. By 2025, LiveCorp will have developed and introduced in the Australian livestock export industry an effective framework for monitoring and reporting on the health and welfare of animals across the various stages of the export supply chain.
2. By 2025, LiveCorp will have generated, through investment in R&D, information to increase the skills, knowledge and capability of people in the livestock export supply chain.
3. By 2025, LiveCorp will have extracted maximum value from its research by investing in extension and adoption pathways from research inception to completion, and effectively communicating the progress and outcomes.
4. By 2025, LiveCorp will have raised knowledge and awareness of the livestock export sector and its commitment to animal health and welfare through engagement and communication activities among the audiences that matter, including exporters, but also in the wider community, its industry partners, and with the department as the industry regulator.

2 • Livestock export supply chain efficiency improvement

Spearhead efficiency gains in the livestock export supply chain through innovative solutions and technical and technological improvements, within the framework of relevant regulation (e.g. ASEL and ESCAS).

GOALS

1. By 2025, LiveCorp will have assisted the industry to introduce the information and communication technology (ICT) capabilities required for the close monitoring, management and reporting of animal health and welfare throughout the supply chain and the operational and environmental conditions that underpin it.
2. By 2025, LiveCorp will have put in place (a) those mechanisms that enable it to access the industry-wide, reliable and quality live export data essential to its evidence-based research and advice; as well as (b) the data gathering, quality control, management and storage infrastructure that offers the robustness, resilience and functionality required to serve the organisation's purpose.
3. By 2025, LiveCorp will have produced effective research that translates to real, measurable performance enhancements along the livestock export supply chain.

3 • Livestock export market access

Advance the export of Australian livestock to overseas countries through services in market access, development and growth.

GOALS

1. By 2025, LiveCorp will have maintained and enhanced its reputation as a particularly valuable expert in, and contributor to, the development and maintenance of market access for Australian livestock.
2. By 2025, LiveCorp will have established a solid reputation for innovative approaches and contributions to the promotion of Australian livestock in overseas countries.
3. By 2025, LiveCorp will be able to point to a record of continuous investment in, and technical advice on, priority livestock biosecurity systems, as a material contribution to the development and advancement of market access priorities.

4 • Livestock export industry advancement

Contribute materially to a growing acceptance of the livestock export industry within the community; to the industry's ability to present its case; and to the ongoing development of a world-leading regulatory framework for the export of livestock.

GOALS

1. By 2025, LiveCorp will have made a material contribution to the greater acceptance of the livestock export industry in the community at large.
2. By 2025, LiveCorp will have fostered a significantly better understanding of the industry's nature, of its operations and of its performance among influential stakeholder audiences.
3. By 2025, LiveCorp will have demonstrated its unique expertise and value in the collaborative shaping of well-balanced regulation for the livestock export industry, through research products that speak to the insightful use of high quality data.

Our Approach

LiveCorp delivers research and marketing activities and investments through a suite of programs.

Image © Lisa Devlin

Our programs

LiveCorp Programs

LiveCorp's Programs are focused on delivering the *Strategic Plan 2025* and addressing key issues facing members and the livestock export industry.

Activities are developed through an industry-wide consultation process over several months to identify innovative outcomes central to the delivery of continuous improvement in livestock management, health and welfare throughout the supply chain, supply chain efficiency, market access and the sustainability of the industry.

Since the introduction of a statutory levy on the export of dairy cattle in 2021, LiveCorp has increased its consultation and collaboration with Australia's dairy industry. Services to support the export of high value breeding animals continue to be delivered as part of normal operations, as well as through dairy-specific activities and projects.

FOR FURTHER DETAILS SEE PAGE 22

The Livestock Export Program

LiveCorp and Meat & Livestock Australia (MLA) jointly invest in the Livestock Export Program (LEP) to support the growth, productivity and sustainability of the livestock export industry for the benefit of both producers and livestock exporters.

The LEP leverages exporter and producer levies, as well as government matching of expenditure for eligible research, development and extension (RD&E) projects.

Day-to-day management of the LEP RD&E Program is the responsibility of LiveCorp, while MLA manages and administers three in-market programs.

Jointly, the LEP provides:

- RD&E to improve animal health, welfare and productivity throughout the livestock export supply chain
- In-market activities to support the growth, productivity and sustainability of the livestock export industry through the delivery of risk mitigation strategies and extension of best practice livestock management in destination countries.

FOR FURTHER DETAILS SEE PAGES 28 & 36

Operating Environment

Research, development and extension

The LEP RD&E Program invests in a balanced portfolio of research projects, targeting outcomes that inform the industry and government, and those with practical outputs that have a tangible and positive impact on the industry. As well as building knowledge, there is a strong focus on communication and extension to encourage changes to existing practices through the adoption of outcomes.

LiveCorp directs its investment through the LEP via a donor arrangement with MLA, which allows every dollar invested in eligible RD&E to be matched by the Australian Government, maximising the return on exporter levies.

The Program has a strong focus on delivery and accountability, with clear processes, structures and reporting in place.

The skills-based Livestock Export Research and Development Advisory Committee (LERDAC) is comprised of both producer and exporter representatives and is overseen by an independent Chair. It serves to provide advice to ensure projects are aligned with both industry priorities and community expectations.

Management Committee (representing LiveCorp and MLA) provides oversight of the program as the decision-making group.

Together, LERDAC and Management Committee ensure there is a balanced portfolio of RD&E activity, by identifying short, medium and long-term projects; aligning the funding with industry and government priorities, and LiveCorp's *Strategic Plan 2025*; identifying opportunities to increase industry returns on research investments; and evaluating the risk profile of projects.

RD&E Blueprint

Investments made by the LEP RD&E Program are guided by the *RD&E Blueprint*, which was developed after extensive consultation with producers, livestock exporters, the department and others. It provides visibility and clarity on the industry's priorities for funding, helps to ensure they are addressed in a structured and consistent way, and also takes into account the strategic goals of the broader red meat industry.

The Blueprint identifies five RD&E goals with 14 priorities to be targeted across a five year timeframe:

1. **Greater transparency of animal health and welfare in the supply chain**
2. **Understanding and addressing animal health and welfare risks in the supply chain**

3. **Improving the uptake, adoption and commercialisation of better animal health and welfare practices and tools**
4. **Improving supply chain efficiency and regulatory performance**
5. **Supporting better market access conditions for Australian producers and exporters**

Collaboration

LiveCorp recognises the importance of cross-industry and cross-sectoral collaboration with industry, research partners, the department and other organisations to leverage expertise and to enhance capacity and capability.

In addition to the LEP, LiveCorp seeks to identify opportunities for collaboration where the outcomes and value-for-money justify such engagement. This extends across open innovation partnerships, federal government grant programs, and national monitoring programs that include all production sectors, State, Territory and Commonwealth agencies.

Cross-sectoral engagements include LiveCorp's participation in the Council of Rural Research and Development Corporations; collaboration with other rural RDCs, including through the grow^{AG} platform and Emerging National Rural Issues forum; liaison with the government's Innovation Hubs; contributions to the National Primary Industries RD&E Framework for Animal Welfare and Animal Biosecurity Strategies; and involvement in Animal Health Australia's National Arbovirus Monitoring Program.

LiveCorp is also a founding member of Agricultural Innovation Australia (AIA). Established in 2020, it seeks to facilitate investment from public, private and not-for-profit entities to help address the opportunities and challenges confronting the agriculture sector where individual industry investment is unlikely to be effective.

Evaluation and monitoring

LiveCorp applies an annual cycle of planning and accountability. The cycle includes interlocking processes of strategic and operational planning, budgeting, implementation, evaluation, performance review and accountability to members, levy payers and stakeholders.

The LEP RD&E Program has also introduced an annual snapshot survey to collect feedback on the industry's priority areas for research investment and to identify knowledge gaps, areas of need and communication preferences. It also evaluates stakeholder satisfaction and the adoption of outputs. The results are used to inform research activities for the following year.

Monitoring and reporting of LiveCorp activities

Monitoring and reporting mechanisms include oversight of LiveCorp's performance, conduct and compliance by an independent skills-based Board. It reviews, on an ongoing basis, a suite of reports that cover LiveCorp's operational and strategic performance:

- Operational reports, such as finance, workplace health and safety, and risk management
- Annual external audits
- Program and project activities and outcomes against priorities.

Additional monitoring and consultation are conducted through regular meetings (eg the Annual General Meeting) with levy payer members, the Australian Livestock Exporters' Council (ALEC), state and territory Livestock Exporter Associations (LEAs) and other stakeholders. This consultation includes consideration of both strategic and operational performance, and LiveCorp uses the feedback to continually improve the quality of research and investment processes, programs and activities.

The strategic evaluation of LiveCorp activities is conducted in alignment with key governance and planning cycles – particularly in relation to the five-year strategic plan and LiveCorp's Funding Agreement with the Australian Government.

The Funding Agreement for 2021-31 outlines five principles against which LiveCorp is required to monitor and evaluate its performance.

- To engage stakeholders to identify RD&E priorities and activities that provide benefits to the industry
- To ensure RD&E priorities and activities (and marketing activities) are strategic, collaborative and targeted to improve profitability, productivity, competitiveness and preparedness for future opportunities and challenges through a balanced portfolio
- To undertake strategic and sustained cross-industry and cross-sectoral collaboration that addresses shared challenges and draws on experience from other sectors
- For governance arrangements and practices to fulfil legislative requirements and align with contemporary Australian best practice for open, transparent and proper use and management of funds
- To demonstrate positive outcomes and delivery of RD&E and marketing benefits to levy payers and the Australian community in general, and show continuous improvement in governance and administrative efficiency.

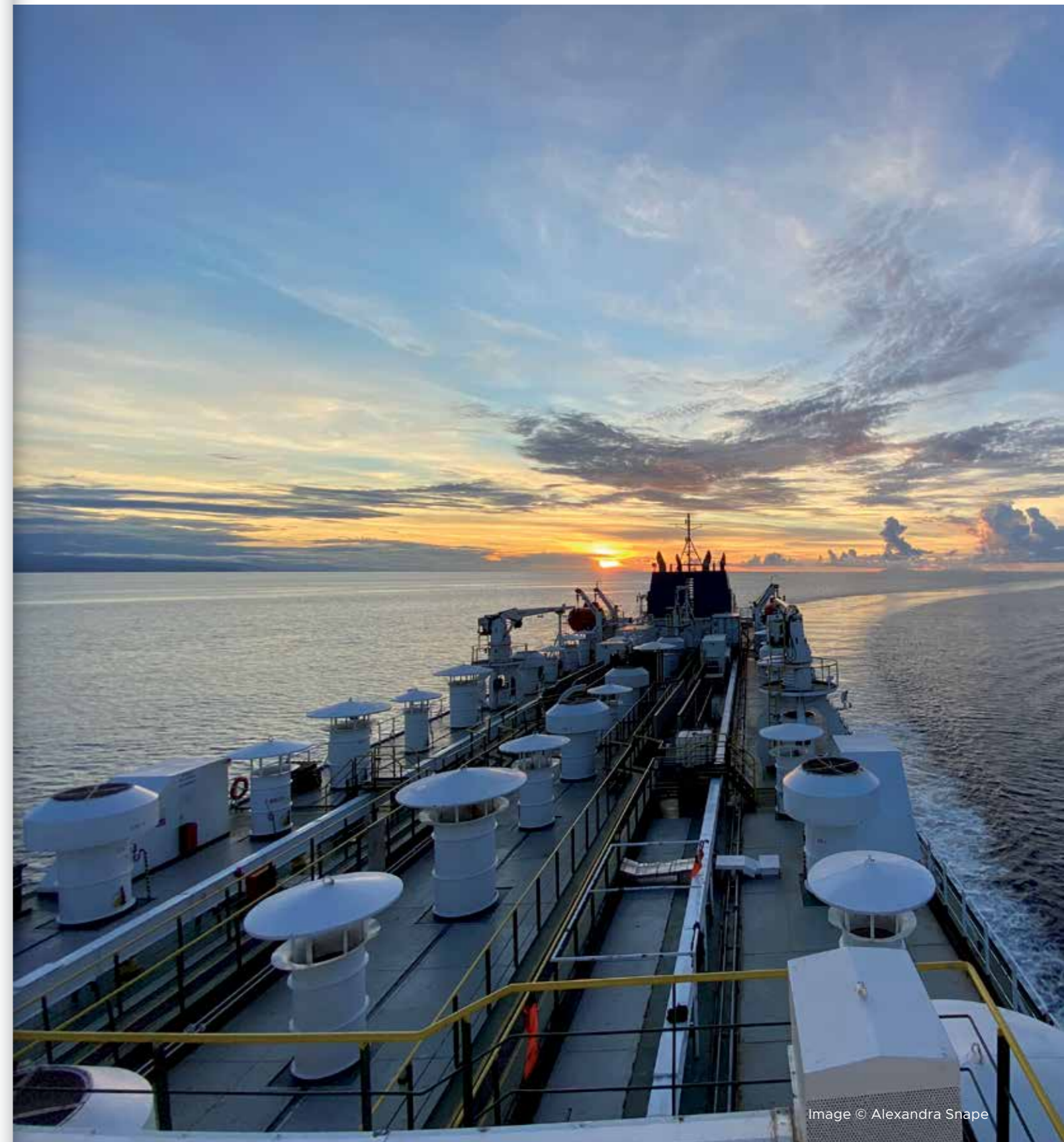


Image © Alexandra Snape

Delivery

LiveCorp Programs are focused on addressing key issues facing members and the livestock export industry, and delivering against the *Strategic Plan 2025*.

Exporter Program

PURPOSE

The Exporter Program facilitates and coordinates issues management, stakeholder engagement and specific animal welfare related initiatives. It is also the main source for regular consultation with the department regarding regulatory reform and reviews, and with ALEC on new and emerging industry issues, policy support and reform implementation.

PROPOSED ACTIVITIES

- Consult with ALEC as the peak industry council on industry priorities, issues, planning, and policy direction and implementation.
- Participate in and contribute to industry/government roundtables and working groups, such as the Livestock Export Government and Industry Regulatory Roundtable, to bring about improvements and efficiencies in the industry's regulatory processes.
- Identify and respond to key emerging sensitivities and issues for market access and the supply chain, such as Lumpy Skin Disease and Foot & Mouth Disease, including through the provision of technical advice.
- Coordinate and participate in meetings of the Strategic Response Group, including crisis simulation exercises, and the Community Sentiment Steering Group.
- Support industry, ALEC and the department with expert advice and valuable resources to respond to the federal government's policy to phase out the live sheep export trade and establish an Inspector General of Animal Welfare.
- Explore opportunities to develop new livestock export indicators for inclusion in red meat sustainability frameworks, and to better communicate livestock export-specific positioning on ESG-style topics.
- Engage with the LEP on priority in-market projects, including support for biosecurity activities.
- Support initiatives that enhance animal welfare and the sustainability of the trade, including the Livestock Global Assurance Program.
- Support joint investment and collaboration in cross-industry agricultural issues of national importance, including through Agricultural Innovation Australia.

Industry Capability Program

PURPOSE

The Industry Capability Program provides technical advice to support improvements and efficiencies in the livestock export regulatory framework, and services, support and advice to assist in implementing regulatory reforms.

It also works to ensure diversity and increased opportunities for exporters and producers by maintaining or improving existing markets and gaining access to new markets.

PROPOSED ACTIVITIES

Regulatory reform and implementation

- Prepare submissions to industry and government reviews, using analysis of industry data where possible.
- Conduct analysis and provide technical advice to industry bodies and the department to support regulatory reform and effective and scientifically informed regulation.
- Support the implementation of changes to regulatory and legislative frameworks.
- Review ad hoc regulatory updates from the department and provide technical advice.

Market access

- Provide secretariat support and technical advice to the Protocol Committee to set market access priorities and develop technical strategies to guide discussions for priority markets, including associated ad hoc exporter consultation.
- Provide expert advice to support the department in its protocol and market access negotiations, protocol issues management and engagement with trading partners, and assist with the coordination of international delegations.
- Provide funding, representation and advice on the ongoing management of the National Arbovirus Monitoring Program to support access to livestock export markets (particularly for dairy), including through participation in the steering and technical committees.

- Provide exporters with technical support and advice on export certification, market access and the department's negotiation and policy activities.
- Contribute to industry and government taskforces and committees set up to develop plans and identify preparation, response and support activities for Lumpy Skin Disease and Foot & Mouth Disease.

Services and Innovation Program

PURPOSE

The Services and Innovation Program supports industry sustainability and capability through skills development and training programs that equip stakeholders with the knowledge to deliver superior animal welfare outcomes. The program also develops and manages innovative systems and tools to create efficiencies and regulatory improvements.

PROPOSED ACTIVITIES

People, skills and capability development

- Deliver the Shipboard Stockperson Accreditation Program to provide key industry participants with training to achieve optimal animal welfare and regulatory outcomes.
- Consider and implement recommendations from the review of industry training needs, and ensure any courses and materials reflect current regulatory standards and increase the consistency of animal welfare monitoring.
- Support skills and capability development in the next generation of people in the industry.
- Support the implementation and ongoing delivery of key research outcomes.

Digital transformation

- Continue to progress LiveCorp's digital transformation strategy to enable efficiency and standardisation in collecting and storing data, and facilitate integration with other data sources, to improve the industry's access to insights and analytics.
- Continue to develop and improve governance and IT systems to allow secure access to industry data managed by LiveCorp, in line with privacy policies, including by exporters and researchers, and to support industry submissions and LiveCorp projects.
- Administer and maintain the LIVEXCollect data system in line with the digital transformation strategy, including regulatory amendments and other routine updates as appropriate.

- Investigate opportunities to include commercially relevant measures into LIVEXCollect, and to develop welfare performance reporting frameworks using the data.
- Manage the development of a LIVEXCollect digital application prototype, through a special grant.
- Support the implementation and maintenance of the updated, online Heat Stress Risk Assessment platform.

LEP RD&E Program

PURPOSE

The livestock export RD&E program invests in projects which help to improve animal health and welfare, supply chain efficiencies and market access. Outputs range from highly practical solutions for immediate implementation, to those which build knowledge and inform industry thinking.

PROPOSED ACTIVITIES

- Manage the ongoing community sentiment project to understand the expectations of the Australian public regarding the livestock export industry.
- Conduct a survey of producers and livestock exporters to identify knowledge gaps and priority areas for investment.
- Continue research into shipboard bedding management, stocking densities and environmental monitoring technologies, and validate findings on voyages, to support improved animal welfare and achieve efficiencies.
- Develop training materials and resources to support the consistency of objective assessments of animal welfare indicators, and to encourage the uptake of best practice animal health and welfare practices.
- Build on the identification of animal welfare indicators and the data being collected by industry, to investigate thresholds for acceptable and unacceptable animal welfare along the supply chain.
- Identify and trial innovative technology and initiatives, including those used in other industries, to enhance animal welfare, efficiency and sustainability, and to overcome issues with shipboard connectivity.
- Investigate the impact of regulations at a practical level, and identify potential areas for cost savings, increased efficiency, and improved animal welfare.
- Review and implement findings of the supply chain data stocktake, to streamline data collection and help to develop a feedback loop between producers and exporters.
- Implement and fast track the adoption and commercialisation of automated sheep counting technology.

- Update the online ASEL Handbook application to reflect any changes to the standards.

Extension and adoption

- Incorporate adoption pathways and goals into the planning phase of projects.
- Develop communication and extension materials to encourage the adoption of best practice systems, tools and techniques to achieve continuous improvements in animal welfare and productivity.
- Provide targeted communications to ensure stakeholders have visibility of RD&E investments, priorities and achievements.
- Engage with a range of stakeholders to gain feedback and provide updates on active projects and recent outputs, including through regular webinars for exporters and a dedicated forum for Australian Accredited Veterinarians.
- Engage with the grow^{AG} platform to list appropriate research projects and commercialisation opportunities.

Communications Program

PURPOSE

The Communications Program supports the effective transfer of information to exporters, industry stakeholders and the government on research, marketing and other activities undertaken by LiveCorp.

The program also supports the industry response to community sentiment. This includes developing communication materials that provide information and visibility about the industry, especially in areas where there are community concerns.

PROPOSED ACTIVITIES

- Support the community sentiment research project and assist the industry to demonstrate and communicate to the community its commitment to animal health and welfare throughout the supply chain.
- Develop informative, fit-for-purpose materials and publications, and maintain the LiveCorp website, to support increased awareness and understanding of industry practices, requirements and regulations.
- Develop valuable resources and participate in select events to communicate LiveCorp's marketing and research activities to exporters and stakeholders.
- Develop resources to encourage the supply of dairy cattle for export and promote the benefits of Australian livestock overseas.
- Communicate the contribution of livestock exports to sustainability goals for the wider red meat industry and international consumers.
- Develop the program and deliver the 2022 LIVEXchange conference.

Corporate Operations

PURPOSE

Corporate Operations provides a framework of rules, relationships and processes through which LiveCorp's strategies can be set, delivered and monitored. The governance systems are designed to deliver the best interests of members, support the values of the company, and meet the obligations of the Funding Agreement.

PROPOSED ACTIVITIES

- Manage LiveCorp's reporting requirements, including the delivery of the AOP, annual report and AGM.
- Monitor the alignment of projects and activities to LiveCorp's *Strategic Plan 2025*, including through consultation with ALEC and members.
- Support the LiveCorp Board, including through secretariat functions and managing the director selection and induction process.
- Manage legal compliance, contractual obligations and the principles of good governance, including through the regular review of policies and procedures.
- Manage the governance and administration of MLA and Commonwealth funds relating to the LEP RD&E and in-market programs.
- Manage finance and administration activities, including budgets, audits, human resources and IT systems.
- Support LiveCorp's relationships with a range of stakeholders, including the department, ALEC, MLA and other industry bodies.

Key Performance Indicators

General

- 75% of members contributing 80% of export levies are consulted at least twice during 2022-23, including on RD&E priorities.
- LiveCorp and ALEC are aligned and coordinated on industry priorities.
- LiveCorp's technical advice to industry and government reviews are well informed and support best practice animal welfare, with 50% of applicable regulatory review submissions making use of industry data.
- RD&E projects and commercialisation opportunities are listed on the grow^{AG} website, where relevant, and updated at least annually.
- RD&E investments are aligned with the *Strategic Plan 2025* and the *RD&E Blueprint*, with >65% support from industry stakeholders for those activities demonstrated through the annual snapshot survey.
- Satisfaction with communication about current RD&E activities and their impact increases, with an improvement of 5% against the 2021 baseline (5.9/10) in the annual snapshot survey.
- 85% of approved research projects have extension and adoption plans.
- 65% of exporters who participate in LiveCorp supported extension and adoption programs make changes to their existing practices, including the adoption of heat stress risk assessment and LIVEXCollect tools.
- Proposals are presented to relevant sustainability frameworks for improved livestock export indicators.
- LiveCorp maintains governance arrangements and practices which fulfil legislative requirements and align with best practice, including obligations set out in the Funding Agreement and *Corporations Act 2001 (Cth)*.

Animal welfare

- Exporters have access to LiveCorp Accredited Stockpersons trained in best practice animal handling, husbandry and ASEL requirements.
- Training in the standardised collection of animal welfare monitoring data is delivered to 75% of active LiveCorp Accredited Stockpersons and 50% of active shipboard AAVs.
- Progress is demonstrated on the development of thresholds for acceptable animal welfare outcomes, informed by the animal welfare indicators and analysis of industry data managed by LiveCorp.

Supply chain efficiency

- LiveCorp's input and technical advice contribute to the identification and implementation of efficiencies in the livestock export supply chain and in the regulatory framework.
- A prototype LIVEXCollect digital application is developed using special grant funding, is tested by users, and roll-out is commenced.
- Standardisation and automation of export processes improves administrative efficiency by 10% for exporters who adopt the outcomes (measurement methodology to be determined).

Market access

- There is continued member support and demand for LiveCorp's input and technical advice in the development of market access opportunities, and 80% of priority one market negotiations identified by Protocol Committee are advanced.
- LiveCorp is represented and contributes to all relevant National Arbovirus Monitoring Program meetings.
- LiveCorp is represented at, and contributes to, relevant national red meat industry and department exotic disease (LSD & FMD) risk management and preparation meetings.
- Strong relationships and on-going engagement exist between the livestock export industry and overseas and Australian governments, to establish market priorities and monitor in-market conditions.
- 60% of Australian producers supplying dairy cattle for export are provided with information on the value and benefits of the export of live dairy cattle.

Industry advancement

- 75% of public communication materials developed by LiveCorp adopt learnings from the community sentiment research to enable the industry to increase community understanding of livestock exports, particularly in key areas identified to have an impact on trust and acceptance.
- The third community sentiment survey demonstrates an improvement in trust and acceptance of the livestock export industry.
- The inaugural industry animal welfare performance report is published, using industry data from LIVEXCollect.
- Livestock exporters and stakeholders are informed of LiveCorp's activities and research and development projects.
- LiveCorp's website provides a valued and well-utilised source of information and resources on the industry, RD&E activities and training resources.
- The LIVEXchange conference in Darwin is successfully delivered in November 2022.

LiveCorp Investment 2022-23 (\$'000)

INCOME			
Source	Marketing	Research	Total
Export levies	2,059	412	2,471
Other sources	741	1,650	2,391
Total income	2,800	2,062	4,862
EXPENDITURE			
Expense	Marketing	Research	Total
Exporter Program	822	22	844
Industry Capability Program	401	-	401
Services and Innovation Program	487	-	487
Communications Program	497	-	497
Dairy Cattle Export Program	377	-	377
Corporate Operations	844	-	844
LEP RD&E Program	-	2,200	2,200
LEP In-Market Program	500	-	500
Total expenditure	3,928	2,222	6,150
Total	(1,128)	(160)	(1,288)

LEP Investment by Funding Source 2022-23 (\$'000)

	LiveCorp \$	MLA \$	Govt. \$	Total M\$	Total R\$	Total \$
Livestock export research and development	550	680	1,230	-	2,460	2,460
Livestock export in-market activities	500	1,950	-	2,450	-	2,450
Total	1,050	2,630	1,230	2,450	2,460	4,910



Image © MLA

Livestock Export In-market Program

Livestock export in-market activities are managed and delivered by MLA to support the growth, productivity and sustainability of the livestock export industry.

Image © Yudhi Tobias

LIVESTOCK EXPORT IN-MARKET PROGRAM

LEP In-Market Program

The livestock export in-market program is delivered by MLA through the livestock export welfare, market access and productivity group.

The LEP in-market team operates across three key livestock export regions – Indonesia; the Asia Pacific; and Europe, the Middle East and North Africa (EMENA) – to support the growth, productivity and sustainability of the livestock export trade for the benefit of both producers and exporters.

A shift in recent years from intensive industry compliance-related support to productivity, efficiency and business development focused work will continue. The LEP has a whole of supply chain focus, with particular emphasis on Australian producer stakeholders and linking the entire livestock export supply chain through data capture and sharing.

Operating environment

The current operating environment contains a number of challenges, the most significant being outbreaks of Foot & Mouth Disease (FMD) and Lumpy Skin Disease (LSD) in Indonesia, and ongoing high livestock prices as the Australian herd and flock start to rebuild.

However, as global economies recover from the impact of the COVID-19 pandemic, the demand outlook remains positive, underpinned by growth in population and household wealth in the developing markets of Asia.

Indonesia

Outbreaks of FMD and LSD occurred in swift succession in Indonesia, Australia's largest market for live cattle exports, in early 2022. Providing support for the cattle industries in both countries will remain a priority for the LEP, including maintaining a regular flow of information and updates.

Asia Pacific

Cattle numbers being exported to Vietnam have dropped significantly over recent years due to high prices in Australia. The LEP continues to partner with lotfeeders and abattoirs to increase local capability and consolidate supply chains, creating opportunities to value add and/or differentiate beef produced from locally processed Australian cattle. The LEP will also continue to support moves by the Vietnamese Government to develop animal welfare regulations, in line with Australian standards. In addition to Vietnam, the LEP Asia Pacific in-market program incorporates Malaysia, Brunei, Cambodia, Thailand, Japan, the Philippines and China.

Europe, Middle East and North Africa (EMENA)

Provenance is highly valued in the Middle East, and demand for Australian livestock remains strong. However, the industry is facing increasing competition from other livestock exporting nations and chilled meat, especially in the face of high prices and COVID restrictions which have prevented importers travelling to Australia to select stock.

The LEP is collaborating with industry to identify new and emerging market opportunities, and supporting importers on market development initiatives for locally processed Australian beef and lamb products.

CORE ACTIVITIES

The 'livestock export welfare, market access and productivity' product group supports industry with initiatives that:

- identify and mitigate animal welfare risks
- implement adoption of best practice welfare systems
- maintain access to key overseas markets
- improve supply chain efficiency.

A key investment includes the Co-Funding Program, which supports commercial participants to develop and implement strategic welfare and supply chain improvements.

KEY PERFORMANCE INDICATORS IN 2022-23

- Facilitate installation of four stunning boxes in existing non-stun abattoirs in Indonesia.
- Produce one program of work case study per region that showcases livestock export activities that have mitigated industry trade risk or improved industry's ability to maintain market access or have contributed to industry's trade competitiveness, resulting in demonstrated supply chain change and positive economic benefit to industry.
- Produce one program of work case study per region that showcases livestock export activities that have provided insights and informed government/industry policy, resulting in demonstrated capacity for making decisions that reduce trade risk and support on-going trade.

Red Meat 2030

Red Meat 2030 is the overarching framework that sets the collective strategic direction for the Australian red meat and livestock industry. All industry signatories to the Red Meat Memorandum of Understanding have formal obligations for the implementation of *Red Meat 2030*.

The Red Meat Advisory Council coordinates the development of the plan. The industry's service companies – LiveCorp, MLA and the Australian Meat Processor Corporation – work with their respective peak industry councils to implement it.



FOR FURTHER DETAILS SEE PAGE 42.

Australian Government National Science Priorities and Agricultural Innovation Policy Statement

The Government has a set of nine National Science and Research Priorities, and corresponding Practical Research Challenges, designed to ensure that appropriate levels of public funding are allocated to research that addresses the most immediate and critical areas of importance to Australia.

A National Agricultural Innovation Policy Statement was released in October 2021, as the latest step in the modernisation of Australia's R&D system. The statement establishes four long-term priorities:

1. Australia is a trusted exporter of premium food and agricultural products by 2030.
2. Australia will champion climate resilience to increase the productivity, profitability and sustainability of the agricultural sector by 2030.
3. Australia is a world leader in preventing and rapidly responding to significant pests and diseases through futureproofing our biosecurity system by 2030.
4. Australia is a mature adopter, developer, and exporter of digital agriculture by 2030.







The primary objective of LiveCorp and LEP RD&E investment is to improve and implement best practice animal health and welfare outcomes as directed by LiveCorp's Constitution and Funding Agreement. Investment will be made, where possible, into areas that align with the Government's priorities.

FOR FURTHER DETAILS SEE PAGE 43.

Alignment of Objectives

Strategic direction is taken from the LiveCorp *Strategic Plan 2025*, *Red Meat 2030*, the Australian Government's Science and Research Priorities and the National Agricultural Innovation Policy Statement.

Image © Brooke Barkla

LIVECORP'S ALIGNMENT TO RED MEAT 2030 OBJECTIVES		Programs in 2022-23					2022-23 Investment (\$'000) LiveCorp exporter levies
		Exporter program	Industry capability program	Services and innovation program	Communications	Livestock export RD&E program	
Our people				✓	✓	✓	491
	People see being part of the Australian red meat and livestock industry as attractive now and into the future.						
Our customers, consumers and communities		✓	✓		✓		579
	People feel good about eating Australian red meat. Our customers, consumers and communities recognise the vital role our industry plays in food production and food security, and trust us to deliver high value, high quality products.						
Our livestock		✓	✓	✓	✓	✓	1,148
	We set the standard for world class animal health, welfare, biosecurity and production practices.						
Our environment		✓			✓		368
	We demonstrate leadership in sustainability, delivering on community expectations in the areas of land, water, biodiversity, climate variability and biosecurity						
Our markets		✓	✓		✓	✓	922
	We improve the economic resilience for our industry by increasing access to, and the performance of existing and new markets.						
Our systems		✓	✓	✓	✓	✓	992
	We are a trusted brand because of our integrity systems, built on trust and respect that supports strong partnerships and sharing of information, reducing unnecessary industry and government regulation.						

LIVECORP'S ALIGNMENT TO AUSTRALIAN GOVERNMENT PRIORITIES	Animal health and welfare	Supply chain efficiency	Market access
National Science and Research Priorities			
Food	✓		✓
Soil and Water			
Transport	✓	✓	
Cybersecurity			
Energy			
Resources			
Advanced Manufacturing			
Environmental Change			
Health			
National Agricultural Innovation Policy Statement			
Premium food	✓		✓
Climate resilience		✓	
Biosecurity	✓		
Digital agriculture	✓	✓	

Industry consultation

LiveCorp has an extensive engagement and planning process for the development of its Annual Operational Plan. This starts in January with a round of exporter meetings and culminates in a gathering of levy payers and industry representatives in April.

Four activities put forward by levy payers in 2022 have not been incorporated into the AOP, as they do not align with current strategic priorities and capacity.

MEET

15 one-on-one meetings with exporter companies (5 face to face, 10 virtual)

STRATEGISE

1 strategy session
with LiveCorp board

PLAN

1 planning day with LiveCorp staff
2 planning meetings with LEP in-market staff

CONSULT

Detailed table of proposed activities and performance measures circulated for feedback.
1 formal consultation meeting with 45 participants representing eleven exporter companies, industry representative bodies, and LiveCorp directors (combination of face to face and virtual)

List of Abbreviations

AIA	Agricultural Innovation Australia
ALEC	Australian Livestock Exporters' Council
AMPC	Australian Meat Processor Corporation
AOP	Annual Operational Plan
ASEL	Australian Standards for the Export of Livestock
AUSVETPLAN	Australian Veterinary Emergency Plan
EAN	Export Advisory Notice
EMENA	Europe, Middle East and North Africa
ESCAS	Exporter Supply Chain Assurance System
FA	Funding Agreement
FMD	Foot & Mouth Disease
HSRA	Heat stress risk assessment model
IGLAE	Inspector-General of Live Animal Exports
LEA	Livestock Exporter Association
LEP	Livestock Export Program
LERDAC	Livestock Export Research and Development Advisory Committee
LGAP	Livestock Global Assurance Program
LiveCorp	Australian Livestock Export Corporation Limited
LSD	Lumpy Skin Disease
MLA	Meat & Livestock Australia
MoU	Memorandum of Understanding
NAMP	National Arbovirus Monitoring Program
PIC	Peak Industry Council
R&D	Research and Development
RD&E	Research, Development and Extension
RDC	Research and Development Corporation
RMAC	Red Meat Advisory Council



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