

Australian Livestock Export Corporation Limited



ANNUAL REPORT 2014-15



TABLE OF CONTENTS

About LiveCorp	1
Chairman's Report	2
CEO's Report	4
Planning Roadmap	6
Alignment of Strategic Objectives	7
Delivery of Strategic Objectives	8
Collaboration	10
Industry Overview	12
Investment of Levies	14
Program Delivery and Outcomes	
» Research, Development & Extension Program ...	15
» In-Market Programs	20
» Industry Capability Program	24
» Exporter Program	26
» Services and Innovation Program	28
» Communications Program	30
» Dairy Cattle Export Program	31
» Corporate Governance	32
Compliance Report	34
Membership	35

LiveCorp Annual Financial Statements

» Directors' Report	36
» Auditor's Independence Declaration	41
» Statement of Income	42
» Statement of Financial Position	43
» Statement of Changes in Equity	44
» Statement of Cash Flows	45
» Notes to the Financial Statements	46
» Directors' Declaration	55
» Independent Auditor's Report	56
» Audit Compliance Report	58
Livestock Exports by Destination 2014-15	59
List of Abbreviations	60

The Australian Livestock Export Corporation Limited (LiveCorp) is a not-for-profit industry body owned and funded through contributions by livestock exporters. It is primarily funded by statutory levies on exports of beef cattle, sheep and goats. A voluntary levy is also received for dairy cattle exports.

- The current levy rates are:
- Beef cattle - \$0.009523 per kg
- Sheep - 60 cents per head
- Goats - 50 cents per head
- Dairy cattle - \$6 per head (voluntary)*

*At the 2014 Australian Livestock Exporters Council (ALEC) Annual General Meeting (AGM) livestock exporters voted to increase voluntary dairy levy from \$3 to \$6 per head.

LiveCorp is focused on enhancing the productivity, sustainability and competitiveness of the livestock export industry by undertaking research, development and extension (RD&E), providing technical services and support, and monitoring and reporting on programs and issues. In recognition of the benefit of livestock exports to businesses throughout the entire supply chain, including producers, much of LiveCorp's investment occurs in partnership with Meat and Livestock Australia (MLA), through the joint Livestock Export Program (LEP). The partnership with MLA to deliver the LEP is widely recognised as the most efficient mechanism for delivering RD&E and in-market technical support.

LiveCorp does not engage in agri-political activities and responsibility for policy and advocacy clearly sits with ALEC. This demarcation is not only necessary, it helps to reinforce that LiveCorp's operations are focused on service delivery within the arrangements put in place by the industry.

LiveCorp's Mission

LiveCorp's mission is to enhance the productivity, sustainability and competitiveness of Australia's livestock export industry by undertaking RD&E, providing technical services/support and monitoring and reporting on programs and issues that facilitate:

- Continuous improvement in livestock management, health and welfare throughout the supply chain;
- Improved market access and market development for Australian livestock exporters; and
- Improved efficiency and productivity in the livestock export industry's supply chain capability and performance.

LiveCorp's Strategic Objectives

To deliver against its mission, LiveCorp has five key strategic objectives. These strategic objectives align with the Meat Industry Strategic Plan (MISP) and the ALEC Strategic Plan and aim to increase opportunities to partner with MLA through the LEP.

The five strategic objectives are:

1. Improve animal health and welfare outcomes across the supply chain
2. Improve supply chain efficiency and regulatory performance
3. Enhance market access conditions for existing and new markets
4. Enhance communications, stakeholder engagement and industry planning
5. Improve corporate operations

With the LiveCorp Board now settled into its new five member structure, it has been able to sharpen its focus on the needs and challenges of industry in what has been a typically busy year for exporters and the industry.

Over the reporting period, the Board welcomed Mr Simon Crean, the newly elected Chairman of ALEC to the Board as an ex-officio member. Mr Crean replaced former ALEC chairman Mr Peter Kane and I would like to pay special tribute to Mr Kane for his outstanding and dedicated service to LiveCorp and the industry. I, along with my fellow directors, wish him all the best for the future.

I would also like to thank LiveCorp members for supporting my re-election to the Board and my fellow directors for re-appointing me as Chairman. It is a great honour and privilege to lead a company that is at the forefront of delivering improvements to an industry that is of such critical importance to the economic prosperity of rural and remote Australia.

Cattle exports set an industry record of 1,377,492 head over the reporting period. This industry record is a direct reflection of the very strong demand for red meat protein across SEA. In particular, Vietnam continued to surpass industry forecasts with 136 per cent growth year on year. This had a positive impact on revenue and allowed LiveCorp to further invest in service provision through the joint LEP with MLA and enabled it to also deliver additional priority projects.

Exporters have also responded quickly to improved trade opportunities delivered through the market access program. The year involved the opening of Thailand, Cambodia and Lebanon. Exporters' responsiveness to trade opportunities is an asset to the red meat sector and instrumental in achieving the best possible farm gate returns for producers.

Entering into the 2014-15 Annual Operating Plan (AOP), the industry feedback we were receiving through the consultation process was clearly and urgently directing our time and resources towards addressing productivity issues associated with the administration the Export Supply Chain Assurance System (ESCAS). With over 18 months of experience in ESCAS implementation and close to 8 million head of livestock exported to over 18 countries, the industry was well equipped with detailed knowledge and practical experience on how and where ESCAS could be reformed and improved.

With a firm commitment to delivering equivalence or where possible, improved animal welfare outcomes, LiveCorp set about addressing the excessive administrative burden and unnecessary duplication and costs associated with ESCAS.

With the government announcing its intention to undertake a review of ESCAS in line with one of the 14 recommendations made within the Independent Review of Australia's Livestock Export Trade (the Farmer Review), LiveCorp and the LEP aligned industry's effort and took the lead in bringing together a comprehensive industry submission. The industry submission provided a balanced and objective summary of the strengths, weaknesses and future challenges of the regulatory framework. It was also an opportunity to document a market by market analysis of the collective industry effort to improve welfare outcomes. LiveCorp also took the lead on preparing a detailed technical submission that provided the Department of Agriculture (DoA) a framework for refining ESCAS and delivering both improved regulatory, administrative efficiencies and animal welfare outcomes.

LiveCorp, along with the entire industry, welcomed Minister Barnaby Joyce's ESCAS report and its findings which were released in January 2015. The Minister acknowledged the industry's achievements had been truly remarkable with supporting data that indicated more than 99 per cent of livestock exported experiencing a positive welfare outcome since ESCAS had been implemented in 2011. The report also highlighted the level of extension in training and improvements in animal handling and husbandry skills that has been undertaken by industry. The collaboration and close working relationship shared between LiveCorp, the LEP, Peak Industry Councils and DoA has also delivered significant reforms to ESCAS, which has resulted in improved welfare measures, more efficient administration and cost savings to supply chains.

At the same time, LiveCorp was also conscious of the emerging debate around industry structures and systems governing the imposition and disbursement of marketing and research and development levies in the agricultural sector. This provided LiveCorp with an opportunity to communicate with the Senate Rural and Regional Affairs and Transport References Committee and highlight the challenges faced by the industry and the key role that LiveCorp's investment of compulsory levies has in sustaining its future.

CHAIRMAN'S REPORT

LiveCorp was also able to demonstrate the strong link between industry support for a compulsory levy and its ability to receive matching RD&E contributions from the Government through the LEP. However, as a small industry-owned company with limited funds there is a constant tension between delivering outcomes for the industry and managing the costs of meeting the governance and reporting requirements of Government. Therefore, an appropriate balance needs to be further explored with DoA.

As the industry operates in a globally competitive marketplace it is also important our programs and services continue to evolve and adapt to changing needs. Over the past 12 months I visited several of our key export markets including Jordan, United Arab Emirates (UAE) and Indonesia. Whilst in Jordan, I was able to assist exporters deliver their on the ground Eid Al Adha program for 2014. Working with exporter's staff during this important religious festival has been a highlight and I am encouraged by the remarkable year on year animal welfare improvements across the region. It is most important to acknowledge we have a reputation as a reliable constant supplier of a high quality livestock that our customers trust. We also enhance food security for millions of people around the world and that is an issue that is often lost in the debates about animal welfare.

During December 2014, fellow Director Mr Terry Enright and I travelled to Indonesia to meet with key members of the Indonesian importers' association (APFINDO) and to visit a range of feedlots and abattoirs across Bogor, Cianjur and Bandung. We were both thoroughly impressed with the level of investment in the supply chains and the level of partnership between exporters, importers and the LEP in driving animal welfare improvements. I also returned to Indonesia in March 2015 to attend the inaugural LEP expo. This was an excellent event which allowed a huge range of supply chain participants to showcase their services and highlighted the significant benefits – economic, social and animal welfare – the trade brings to Australia and Indonesia.

LiveCorp, partnering with ALEC and the South Eastern Australian Livestock Exporters' Association (SEALEA), delivered in October the 2014 LiveEx Forum in Melbourne. The Forum attracted over 250 delegates, including a large number of producers who came from across Australia to listen to an excellent group of presenters covering the key issues for the industry. My thanks go to the tireless work of the LiveCorp, ALEC and SEALEA personnel who made it such an outstanding success.

In bringing the year to a close, I am pleased to report that LiveCorp has again successfully delivered on its 2014–15 AOP, albeit with a larger than expected surplus of \$1.251 million as a result of the resurgent cattle trade. A key feature of our ability to respond to issues throughout the year was the collaboration and hard work between LiveCorp and ALEC in promoting the industry's achievements and best interests. I would like to thank the ALEC Board and particularly Mr Simon Crean, Chairman and Ms Alison Penfold, CEO for their cooperation and support. In September 2014 the Board's of both LiveCorp and MLA met to discuss the strategic objectives of the LEP. I am pleased to report both organisations share a common vision and approach to collaboration. I would like to thank MLA and in particular Dr Michelle Allen, Chairperson and Mr Richard Norton, Managing Director, Directors and staff for their continued support for the joint LEP and RD&E programs.

Lastly, I wish to thank my fellow Board directors for their commitment, hard work and advice over the last year. Similarly, I wish to thank LiveCorp's CEO, Mr Sam Brown, and his staff for their tireless efforts in supporting the Board's policies and functions, as well as servicing LiveCorp's Members.



David Galvin
Chairman



I am proud of LiveCorp's achievements over the last twelve months. LiveCorp's strong culture of maintaining low overheads has allowed the organisation to extract the greatest possible program value from additional funds, generated by record levels of live exports, and drive the delivery of a wider suite of programs.

The increased revenue gave LiveCorp the opportunity to develop new programs and target greater allocations to areas of most significant return on investment and importance to the industry. This included providing further resources and an additional \$1 million in funding to the LEP partnership with MLA. LiveCorp committed \$2.385 million to the LEP in 2014-15, including \$635,000 to the RD&E program. This was a 107 per cent increase in year on year contribution to the LEP.

As a small research, development and service body, LiveCorp is inherently agile and flexible. Over the past year these attributes have been used to great effect to actively establish programs required by exporters and adapt to changing market priorities. A core example of this was the delivery of an Infrastructure Grants Program. This program built upon the successful model developed in 2013-14 when LiveCorp took responsibility for prioritising and distributing grants from the Australian Government for ESCAS infrastructure improvements. With revised guidelines, LiveCorp was able to attract more than \$1 million of eligible applications from exporters.

Unfortunately, the program budget was limited and did not allow for co-funding to extend to all the requested projects. As a result, a comprehensive and independent process was established to assess the merits of all applications against the program guidelines and provide funding recommendations. The program was an outstanding success for LiveCorp in driving further investments in animal welfare infrastructure upgrades.

Other successes during the year came from the ability of LiveCorp to collaborate on projects of importance. These included the drafting of the comprehensive submission for the Senate Inquiry into Agricultural Levies which drew on skills from all staff, as well as the development of submissions on regulatory reforms and the review of ESCAS.

Success in market access was another feature of 2014-15 with agreements reached on a number of protocols, particularly in the SEA region. The efforts of LiveCorp and the LEP in consulting with industry, providing technical advice and coordinating delegations were rewarded with the agreement of feeder / slaughter cattle protocols for Thailand, Cambodia and – at the technical officials level – China.

China in particular reflected an extremely positive step with LiveCorp and the LEP continuing to progress their long term relationship building and market access strategies. It is to be hoped that 2015-16 will see ratification and ministerial agreement of the draft Chinese protocols and the commencement of a long-term trade.

The Europe, Middle East and North Africa (EMENA) region also had improvements in market access through the opening of Lebanon for feeder / slaughter cattle, sheep and goat protocols. It is pleasing to see our model and approach to market access is delivering dividends to the industry. Critically our approach to market access involves strong consultation processes and collaboration with exporters and the DoA.

The increased cattle exports and levy revenue from the SEA trade, in turn increased demand for resources in the region, which LiveCorp and the LEP responded to rapidly. The LEP established a program with a fulltime manager based in Vietnam. The growth in Vietnam was rapid and, pleasingly, it built upon the rebounding trade volumes with Indonesia, increasing overall exports rather than simply spreading the existing trade. This delivered both increased demand and prices for cattle for producers, as well as introducing a more diversified export environment.

There were, of course, challenges with Vietnam the first market in many years to develop at such a rate and the first to develop almost wholly after the introduction of ESCAS. Equally, however, there were significant benefits and ongoing, important lessons learned to guide activities moving forward.

Throughout the year I was able to visit a number of markets, including attending Eid al Adha in Jordan along with the Chairman. I also visited Vietnam to assist the LEP and ALEC with high level importer and Embassy meetings. The Chairman and LiveCorp staff visited Indonesia several times, and we have been struck by the commitment of the importers and trading partners to animal welfare and ESCAS. It is pleasing to see the Indonesian industry taking such a strong lead in setting its future directions.

CEO'S REPORT

In Australia, the DoA focused on the review of ESCAS, together with the identification and implementation of reforms aimed at reducing the regulatory costs for exporters and its own administration costs. LiveCorp developed detailed technical advice to support the discussions and continued to work with the DoA to identify possible efficiencies within the system. This led to a number of reforms being introduced which increased both the effectiveness and efficiency of regulations upon the industry, including risk based auditing, outcomes based animal welfare audits and the de-coupling of ESCAS approvals from consignment approvals.

The 2014 LiveEx Forum in Melbourne and Beef Week in Rockhampton were outstanding successes for LiveCorp and the livestock export industry. The enthusiasm, interest and attendance at the LiveEx Forum demonstrated a demand for greater industry knowledge. LiveCorp also coordinated and funded a live export session at Beef Week and, with the LEP and ALEC, operated a trade stand.

Importantly, LiveCorp continued to recognise that the key to its success in delivering programs of value and benefit was its strong consultative processes and relationships with its members, the government and key stakeholders. This included its close consultation and collaboration with ALEC. It has provided ALEC with technical advice on a range of specialist areas such as standards development, animal welfare and cross-industry challenges, as well as receiving policy direction and advice from ALEC.

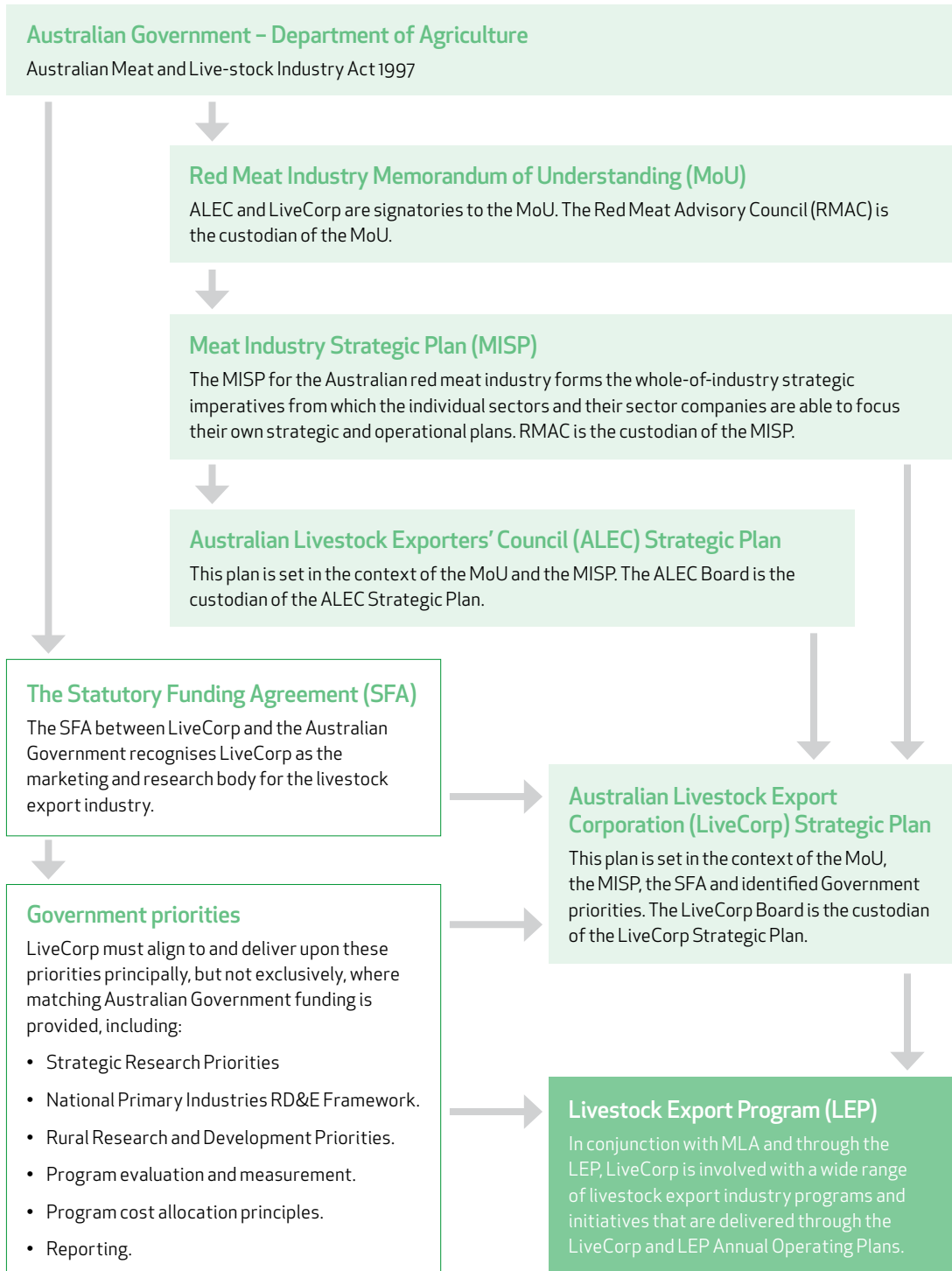
In concluding, I would like to thank my colleagues in MLA, the LEP and ALEC for their ongoing support – many of the outcomes achieved would not have been possible without their support and collaboration. I would also like to sincerely thank the LiveCorp Chairman and Board directors for their guidance and oversight. Most importantly, I would like to recognise and thank the team at LiveCorp for their dedication and unrelenting commitment to delivering outstanding outcomes for the industry and for our exporter members.



Sam Brown
CEO



PLANNING ROADMAP



ALIGNMENT OF STRATEGIC OBJECTIVES

LiveCorp is the livestock export marketing body and livestock research body under Section 60(3) of the Australian Meat and Industry Livestock Act 1997 (Cth) and is one of the 15 Research and Development Corporations (RDCs). LiveCorp operates under a Statutory Funding Agreement (SFA) with the DoA which sets out provisions relating to the receipt and use of levy funds as well as appropriate reporting and accountability arrangements.

As part of LiveCorp's operating environment it is required to align its strategic objective outcomes with the Australian Government's Rural Research and Development Priorities and the Strategic Research Priorities (from July 2014 the Strategic Research Priorities replaced the National Research Priorities).

The table below shows which of LiveCorp's strategic objectives align to the Government's priorities for 2014-15:

Strategic Research Priorities	Rural Research and Development Priorities	LiveCorp Objectives
Managing our food and water assets Optimise food and fibre production using our land and marine resources. Maximise the effectiveness of the production value chain from primary to processed food.	Productivity and adding value Improve the productivity and profitability of existing industries and support the development of viable new industries.	1, 2 & 4
	Natural resource management Support effective management of Australia's natural resources to ensure primary industries are both economically and environmentally sustainable.	2
Securing Australia's place in a changing world Understand political, cultural, economic and technological change, particularly in our region.	Supply chain and markets Better understand and respond to domestic and international market and consumer requirements and improve the flow of such information through the whole supply chain, including to consumers.	2 & 3
	Climate variability and climate change Build resilience to climate variability and adapt to and mitigate the effects of climate change.	2
	Biosecurity Protect Australia's community, primary industries and environment from biosecurity threats.	1 & 2
Lifting productivity and economic growth Maximise Australia's competitive advantage in critical sectors. Deliver skills for the new economy.	Supporting the Rural Research and Development Priorities: Innovation skills Improve the skills to undertake research and apply its findings. Technology Promote the development of new and existing technologies.	1 & 2

LiveCorp has also been engaged in the priority cross-sectoral RD&E strategies under the National Primary Industries RD&E Framework, particularly where issues align with industry priorities and demonstrate value for money for livestock exporters. To date, focus has been on the Animal Welfare RD&E Strategy and Animal Biosecurity RD&E Strategy. These efforts allow for a more effective research focus by removing the risk of duplication, better sharing information and ultimately understanding where new work across research agencies should be targeted.

How LiveCorp delivers against its Strategic Objectives

The strategic plan sets out LiveCorp's mission, its objectives for the next five year period, the strategies to achieve these objectives, performance indicators to monitor progress towards the objectives and an estimated allocation of expenditure to strategies.

At an operational level, each year LiveCorp and the LEP develop an Annual Operating Plan (AOP) to set out the priorities and programs for the year ahead. The AOP defines the deliverables and Key Performance Indicators (KPIs) for each LiveCorp and LEP program. These deliverables are developed during the annual planning and industry consultation process to set out a practical, operational framework for managers to deliver against in support of the relevant strategic objectives.

The LEP as an Efficient Delivery Structure

Since it was established in 1998, LiveCorp has worked in partnership with MLA through the LEP. The LEP is widely recognised as the most efficient mechanism for delivering RD&E and in-market technical support to the livestock export industry. This collaborative arrangement maximises the delivery of an integrated whole of supply chain approach, while at the same time limiting duplication of effort to ensure significant administrative efficiencies are achieved.

The LEP operates under four key strategic imperatives which align with the MLA and LiveCorp strategic plans:

- Ongoing improvement in animal welfare outcomes,
- Improve industry efficiencies, capabilities and livestock performance through the supply chain,
- Build government and community support for the industry and increase stakeholder awareness and satisfaction, and
- Improve market access conditions and build demand for Australian livestock.

The integration of marketing and RD&E within the LEP partnership has also ensured that the RD&E has a strong market and customer focus. In fact, much of the RD&E that has led to improvements in livestock management and welfare along the supply chain has been initiated by information from LEP staff operating domestically and in key live export markets.

Programs

LiveCorp invests the levy funds into key AOP program areas, with funds for the LEP programs paid to MLA who administers the LEP. The remaining funds collected through the levies, which are not invested in the LEP, are used by LiveCorp to provide other programs and services including industry capability, industry services and innovation and communication.

Below is a summary of each program.

RD&E Program

Outputs from the RD&E program deliver directly against LiveCorp's strategic objectives (1-3), as well as enabling and supporting other programs to deliver against these three objectives.

Through the joint investment in the RD&E program, LiveCorp and MLA achieve efficiencies by using the existing MLA research framework and systems. The RD&E program coordinates the management and completion of a range of projects targeted at industry priorities. The priorities for the RD&E program focus on projects that will address key areas of risk or hazard across the program areas of animal health and welfare, supply chain efficiency, regulatory performance and market access.

RD&E projects are assessed and prioritised through Livestock Export Research and Development Advisory Committee (LERDAC), which is composed of representatives from LiveCorp, MLA R&D, the LEP, the Cattle Council of Australia (CCA), the Sheepmeat Council of Australia (SCA), LiveShip and ALEC. An independent technical advisor also provides specialist advice to LERDAC on projects and research proposals.

In-Market Programs

There are three in-market programs that deliver animal health and welfare services, technical and market access support overseas. They are EMENA, Indonesia and SEA.

The in-market programs target their activities in three key areas of training, gap analysis and risk analysis. Additional activities include supporting awareness and understanding of ESCAS and its animal welfare requirements, technical support during festivals and technical animal welfare advice.

Industry Capability Program

The Industry Capability Program is responsible for domestic supply chain activities, including working with government and industry to provide advice and support on regulatory

DELIVERY OF STRATEGIC OBJECTIVES

matters and operational issues. It also works closely with the Australian Government to pursue market access protocol developments, including through the coordination of the industry/government Protocol Committee.

Exporter Program

The Exporter Program provides services that are of direct benefit to LiveCorp's members and the livestock export industry. Its objective is to deliver priority, time critical projects such as developing industry plans, conducting consultation, driving specific animal welfare related initiatives, and preparing and responding to government inquiries or reviews. It is also the main source for regular consultation with ALEC on industry issues, planning and policy direction and implementation.

The Exporter Program reaches across all of LiveCorp's programs to initiate activities and deliverables to address cross organisation priorities and co-ordinate service or program input from all staff.

Services and Innovation Program

The Services and Innovation Program supports industry to increase its capacity to meet and exceed existing standards, regulation and reporting obligations. It achieves this by providing training in livestock handling and compliance requirements to on board stockpersons.

The Services and Innovations Program also provides services to assist in the development of improved information management systems to enhance communication and create regulatory efficiencies.

Communications Program

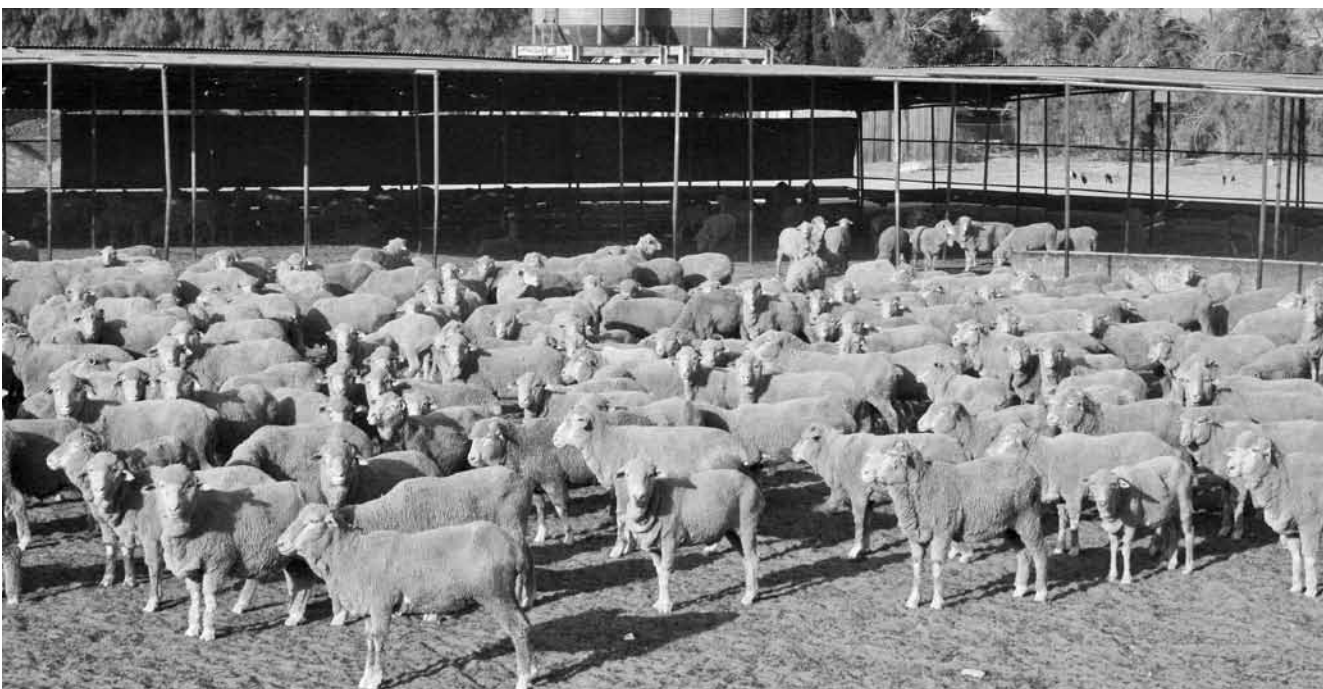
The communication activities focus on the effective transfer of information to and between exporters and key industry stakeholders, including government. LiveCorp provides this through its website and other mechanisms such as the industry circular. The LEP also has its own communications program through which LiveCorp conducts most of its communications activities. Communications with the media and the public are primarily through ALEC.

Dairy Cattle Export Program

The Dairy Cattle Export Program is funded by the contributions from the voluntary dairy levy. The activities under this program include providing advice and support for market access through the Protocol Committee, conducting RD&E for dairy cattle and funding, representation and advice on the National Arbovirus Monitoring Program (NAMP) to underpin market access opportunities. It does not include any in-market programs.

Corporate Governance

LiveCorp's corporate governance activities support the efficient and effective management of levy revenue and its operations. The program ranges from day to day operations and activities in delivering LiveCorp and LEP programs, administrative obligations under the SFA, ASIC requirements, the Board and associated committees and oversight of management accounts and general industry obligations (AGM etc.).



The Livestock Export Program

LiveCorp partners with MLA in the LEP to deliver animal welfare improvements in Australia and overseas markets funded by Australian producers, exporters and the Australian Government. The LEP is widely recognised by LiveCorp members as the most efficient mechanism for delivering RD&E and in-market services to the livestock export industry in support of LiveCorp's strategic objectives.

In 2014-15, LiveCorp invested \$2,385,000 - 44% of its expenditure (2013-14 \$1,150,000 - 35%) in the LEP. This investment was in line with LiveCorp's 2013-15 Strategic Plan and 2014-15 AOP. The ongoing commitment to the LEP in 2014-15 allowed LiveCorp to exceed MLA's funding contribution to the RD&E Program and increase its investment across the in-market programs.

LiveCorp maintains a balance between management and investment of its contribution to the LEP through close communications, collaborative planning processes and leadership (the LiveCorp CEO and the MLA Livestock Exports Manager co-manage the LEP). LiveCorp is appreciative of MLA's ongoing commitment to the livestock export industry and its strong partnership with exporters and producers.

Collaboration – Other

In 2014-15, LiveCorp continued to identify opportunities for further RD&E collaborations with RDCs, industry and other research providers.

National Animal Bio-security RD&E Strategy (NABRDES)

The NABRDES is one of eight agreed cross-sectoral strategies under the National Primary Industries RD&E Framework. This strategy aims to provide the Australian livestock industries with innovative and integrated ways of preparing for, responding to and recovering from disease, pest and weed incursions. It has the engagement from all nine animal based RDCs, Animal Health Australia (AHA) and the Australian Government. LiveCorp continued its commitment and support for this strategy.

National Animal Welfare RD&E Strategy (NAWRDES)

The NAWRDES is a component of the National Primary Industries RD&E Framework. Its purpose is to deliver strong collaboration amongst existing RD&E provider groups and effective partnership between investors and research providers to address the seven strategic themes of:

- Animal welfare assessment,
- Pain assessment and management,
- Management, housing and husbandry,
- Transport, euthanasia and slaughter,
- Public attitudes, social science and community,
- Education, training and extension, and
- Policy and market access.

During the year LiveCorp continued its membership on the NAWRDES Steering Committee and partnered with the Australian Egg Corporation, Australian Meat Processor Corporation, Australian Wool Innovation, Dairy Australia, MLA and Rural Industries Research and Development Corporation on the project, 'A Systematic Review of Novel Approaches for the Measurement of Pain in Animals.'

National Arbovirus Monitoring Program (NAMP)

Since 1989, the NAMP has provided industry and government with valuable information to support international market access for Australian livestock and to provide early warning of potential changes to insect-borne (arboviral) livestock diseases. There continues to be a growing interest in Australia's bluetongue virus (BTV) status and monitoring from overseas countries, particularly China.

LiveCorp continues to support and provide funding for this valuable program along with the Cattle Council of Australia, Sheepmeat Council of Australia, Wool Producers of Australia, Goat Industry Council of Australia, Australian Dairy Farmers, Australian Lot Feeders' Association and ALEC.

Council of Rural Research and Development Corporations (CRR&DC)

LiveCorp maintained a strong and active involvement in the Council of Rural Research and Development Corporations (CRR&DC), of which the LiveCorp Chairman is a member.

Along with the other 14 RDCs, LiveCorp actively participated in the regular chairperson, CEO and manager meetings that were held through the year.

Dairy Export Industry Review

This was a collaborative study undertaken through the LEP RD&E program with Dairy Australia on the dairy heifer export industry.

COLLABORATION

The first phase was a stock take of the market trends and barriers, demand and supply analysis, identification of market alternatives including reproductive technologies and a market value assessment. The second phase was the review of the typical arrangements in key dairy cattle importing countries and assessment of market specific issues, risks and sensitivities.

Temperate Beef Husbandry Manual

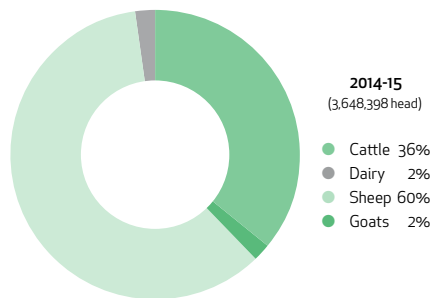
This was a collaboration between the LEP RD&E program and the International Livestock Resources & Information Centre (ILRIC) to create a manual, technical notes and training materials on Australian beef cattle in temperate climates.



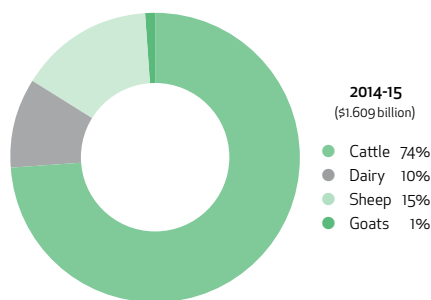
Volumes and Values

Total livestock export volumes continued to achieve year on year growth in 2014-15, primarily due to increased cattle exports as a result of strong Indonesian imports and surging demand for beef in Vietnam.

Beef breeding cattle exports also reported steady growth, largely driven by Chinese demand, however dairy cattle exports declined. Goat exports reported consistent growth, with the majority exported to Malaysia. Sheep exports to EMENA remained flat in 2014-15, with a slight year on year increase as a result of a number of factors including strong competition from other exporting nations.



Export Volume



Export Value

Source: ABS

Cattle

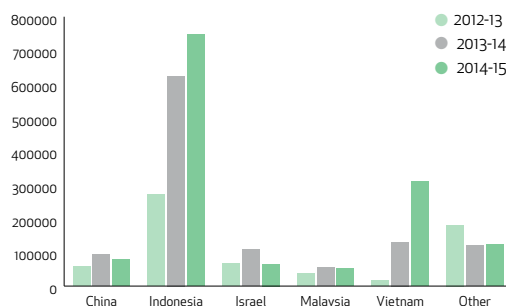
Over the reporting period, cattle exports reached 1.38 million head, up 22% on the previous year and the highest volume on record. Total live cattle exports were valued at \$1.4 billion in 2014-15, up 29% on the previous year.

The record cattle exports were driven by the demand for red meat across SEA, particularly in Indonesia and Vietnam. Indonesia continued to demonstrate its importance to the livestock export industry importing 746,193 head in 2014-15 (up 20% year-on-year). Vietnam also continued to experience substantial growth, with exports reaching 309,505 head (up 136%). There was also growth in Thailand, which imported 7,728 head following the agreement of a feeder / slaughter cattle protocol during the year, and the Philippines. Exports to Malaysia declined by 4%.

The record cattle exports to SEA had a positive impact on cattle prices ex Darwin, which peaked at \$2.75 / kg liveweight. Across the year, the average price for a light steer ex Darwin was \$2.33 / kg liveweight, which reflected a significant increase on the 2013-14 average price of \$2.06 / kg liveweight and echoed the surging national cattle prices. While the demand and pricing signals are positive, the capacity of northern producers to supply is likely to be tested with ongoing drought in much of Queensland.

Breeding cattle exports to China declined 15%, to 79,517 head in 2014-15 due to a weakening in the import demand for dairy heifers. This decrease in demand reflected an oversupply in milk and milk powder on both the domestic Chinese and global markets. However, beef breeding cattle exports increased and there were signs towards the end of the year that the demand for heifers was again improving. Vietnam, Sri Lanka, Indonesia and Malaysia also emerged in 2014-15 as smaller volume export markets, providing diversification in the dairy export sector.

Total cattle exports to the EMENA region declined in 2014-15 with key markets such as Israel and Russia taking fewer shipments. Egypt took slightly more cattle and Turkey took one small shipment following the decision to re-issue import permits.



Cattle Exports by Destination

Source: ABS

INDUSTRY OVERVIEW

Sheep

Almost 2.2 million head of live sheep were exported during 2014-15, up 9% on the previous year. Overall export values also increased, up 32% year-on-year, to \$244 million. Kuwait remained the dominant market for Australian sheep importing around 617,000 head. This accounted for 28.3% of sheep exports for the year.

Bahrain, Egypt, Oman also increased their year on year imports offsetting a decline in exports to Jordan (and to a lesser extent Israel and Qatar).

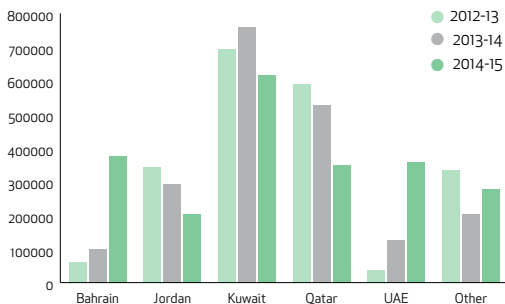
There are a range of factors that continue to play a role in suppressing further increases in sheep exports to the EMENA region including competition within the region (Romania, Somalia), increased imports of chilled carcasses, the inability to access the Saudi Arabian market and logistical and shipping schedule challenges.

The re-establishment of trade to Saudi Arabia remains a priority for the industry, which in addition to sheep sales could have a positive impact on shipping logistics to the region and allow a significant increase in export volumes.

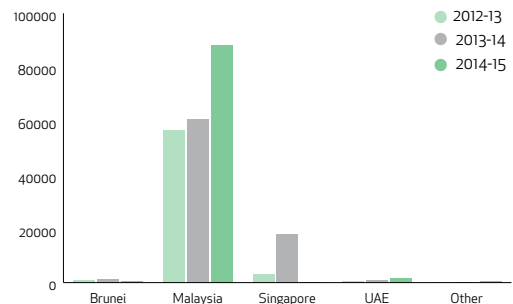
Goats

In 2014-15 goat exports continued to climb on a year on year basis to 90,950 head – an industry record for recent times. The total value of these exports was over \$9.6 million – an increase of around 18% on 2014-15.

Malaysia was again the primary market for live goats, followed by the UAE and Brunei. Goat exporters reported strong demand within SEA as a result of low domestic goat numbers. However, over the second half of the year monthly exports trended downward. This was due to strong competition between exporters and meat processors, increasing pressure on domestic supplies.



Source: ABS

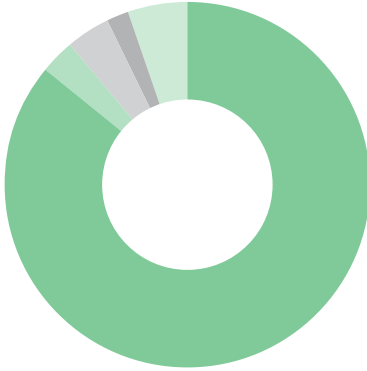


Source: ABS

INVESTMENT OF LEVIES

LiveCorp Investment of 2014-15 Levies

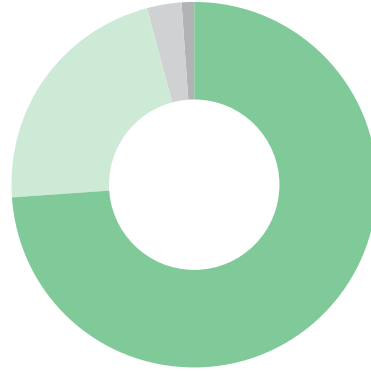
Revenue Streams



Revenue
(\$6.864 million)

● Statutory Levies	86%
● Dairy Levies	3%
● Investment Income	4%
● Grant Funds	2%
● Other Income	5%

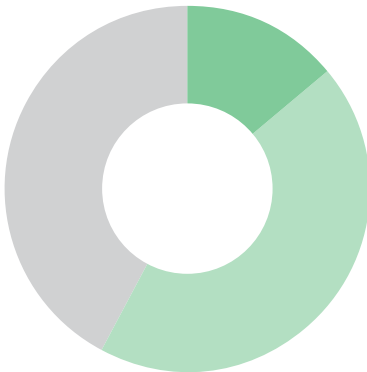
Levy Income Streams



Levy Income
(\$5.996 million)

● Cattle	74%
● Sheep	22%
● Dairy	3%
● Goats	1%

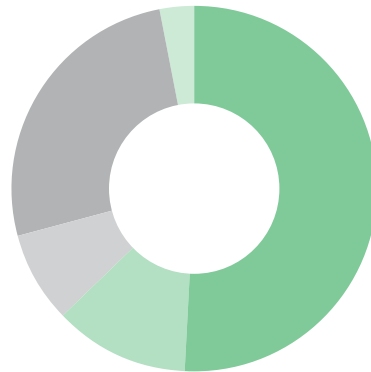
Expenditure



Expenditure
(\$5.613 million)

● Corporate Operations	14%
● LEP	44%
● LiveCorp Programs	42%

LEP Expenditure



LEP Expenditure
(\$2.385 million)

● Animal Welfare	51%
● Communications	12%
● Market Access	8%
● RD&E	26%
● Trade Development	3%

RESEARCH, DEVELOPMENT & EXTENSION PROGRAM (RD&E)

Key Priorities

In 2014-15 a key priority project for the LEP RD&E program has been the development of a Livestock Global Assurance Program (LGAP). Other key project areas included salmonella, inanition, animal welfare indicators, heat stress and further development and evaluation of training materials. Completion of a long term project 'Investigating the causes of cattle mortality on long haul voyages' was a key program deliverable. The RD&E program extended its resources into translation of training materials into languages that complement our export markets.

Performance Highlights

Livestock Global Assurance Program (LGAP) development

A R&D report was completed in 2013 scoping and determining a framework for the development of a livestock export risk management and quality assurance program. This report was the first step in demonstrating industry's progress towards implementing the Farmer Report recommendation that 'industry develop and implement a through chain quality assurance system'. This project represents an ongoing effort by industry and has been subject to extensive consultation and consideration by many parties within and outside industry.

The objective of the LGAP project is to develop, pilot and deliver a global assurance program for the Australian livestock export industry that includes all supporting materials including templates, standards and rules, implementation and communication plans and detailed costing.

A consultative committee comprised of industry and government representatives has been formed to oversee and guide the direction of the project. The project is advancing quickly towards the design of an unprecedented and ambitious program that will demonstrate the industry's commitment to animal welfare, as well as a sustainable and secure future.

LGAP is being developed and piloted in 2015 with the aim to enhance the long-term sustainability of the live export trade. As a certified, independent conformance program, the aim is that LGAP will improve audit robustness and apply more effective and direct accountability measures to assure animal welfare throughout the supply chain. To assist with the understanding of LGAP as it develops, a webinar has been produced and a series of frequently asked questions can be found at:

www.livestockglobalassurance.org

The project development is due for completion early 2016.

Program Report

The LEP RD&E program focuses on three key strategies that form the basis of LiveCorp's 2013-2015 Strategic Plan:

- Improve animal health and welfare outcomes across the supply chain
- Improve supply chain efficiency and regulatory performance
- Enhance market access conditions for existing and new markets

The largest area of investment for the RD&E program for 2014-15 continues to be delivery of animal health and welfare (71%), which is consistent with previous years. Supply chain efficiency and regulatory performance received 21% of the RD&E program funding and the remaining 8% is allocated to market access and trade development.

The RD&E program has continued to focus on projects to address key priority areas such as: salmonella, inanition, animal welfare indicators and heat management.

It remains committed to investment in supporting exporters to meet ESCAS requirements through the translation of numerous training and resource materials such as standard operating procedures, stunning maintenance DVDs, work instructions and training DVDs. The resources developed have been translated into various languages including Russian, Vietnamese, Chinese, Indonesian, Khmer, Thai and Hebrew.

A summary of some of the key projects that have commenced or were completed in 2014-15 are outlined below, under each of the three strategic objective headings applicable to RD&E.

Improve Animal Health And Welfare Outcomes Across The Supply Chain (Strategic Objective 1)

Measuring heat load and thermal management strategies in sheep

The purpose of these two projects is to collate and analyse data on heat load in sheep exported to EMENA. Data has been being collected on vessels sailing to EMENA, in feedlots in EMENA, under different shade types in EMENA and in climate controlled laboratory situations in Australia.

A key component of the project is a 'tips and tools' that summarises the strategies developed from the research for managing the risks of heat load. This project is due for completion by the end of 2015.

Backgrounding and feedlot strategies to address inanition in sheep

This project has electronically tracked and monitored the feeding and drinking patterns of approximately 14,254 sheep since September 2011 to February 2015. The overall mortality for the sheep monitored was 0.74%.

Sheep that spend less than 30 minutes total time per day at the feed trough are considered to be at high risk of developing disease or dying. Based on this, it takes 5 days for more than 90% of sheep to spend an acceptable time at the trough eating pellets. Of the remaining sheep there are approximately 2% in the groups that do not spend adequate time feeding per day.

The next phase of this project has been investigating the use of additives or other influences to increase the uptake and consumption of a pellet based diet in the registered premise feedlot. Early indications are that there was no benefit to housing sheep outside of sheds with access to hay and or pellets for a short period. The study identified that housing in raised sheds, where the animals have limited contact with faecal material, are dry and undercover and may be protected from exposure to salmonella. Further testing of feeding pellets on farm prior to arriving at the registered premises is being undertaken. The impact of shearing prior to export is also being investigated. This project is due for completion early 2016.

The results of this project will provide guidance on any potential improvements to export preparation practices and the Australian Standards for the Export of Livestock (ASEL).

DNA Adenine Methylase (DAM) attenuated Salmonella vaccine

The overall goal of the project is to develop a commercial modified live salmonella vaccine that is safe, well tolerated and confers robust cross protection in vaccinated animals.

The project has constructed derivatives of salmonella DAM vaccines that reduce the risk of the vaccine resulting in clinical disease in vaccinated animals by improving safety without compromising effectiveness. The vaccine will be administered in drinking water to allow mass medication of animals at the point of entry into export facilities and will provide rapid protection. Rigorous studies have been undertaken that demonstrate a high level of vaccine safety and efficacy with minimal toxicity.

Regulatory approval to return the biological material to Australia from the United States is being undertaken. Once obtained, an industry partner will undertake large animal studies with the aim of producing a commercial vaccine that can be delivered orally for sheep. The aim is to have a commercially available vaccine early 2017.

Investigating cattle morbidity and mortality to the Middle East

This project originated in part from concerns over respiratory disease as a cause of mortality in cattle exported from Australia to the Middle East.

The objectives of the study were to produce valid and credible descriptions of the causes of death in cattle exported from Australia to the Middle East and to gain a better understanding of the causes of morbidity and mortality on long haul voyages.

The project has developed and implemented systems, associated training and resource materials to standardise and improve understanding of common diseases and management of health and welfare in export livestock. The study identified the major cause of mortalities from 20 voyages as respiratory disease (50% of all deaths that were studied), followed by musculoskeletal and injury conditions (15% of deaths). For the first time, advanced molecular diagnostic techniques have been applied to samples collected at pre-export feedlots and during the voyage to identify respiratory disease pathogens. The detailed pathology investigations, molecular testing and patterns of mortality all supported the hypothesis that the epidemiology of bovine respiratory disease (BRD) in export cattle is likely to be very similar to the

PROGRAM DELIVERY & OUTCOMES

epidemiology of BRD in land based feedlot cattle. The project was completed in June 2015.

As a result recommendations for follow up work include the development and implementation of risk mitigation strategies aimed at reducing BRD risk during export.

Within crate ventilation on-board aircraft

Ventilation conditions experienced by animals inside live animal air export crates are virtually unknown. The objective of this project is to investigate the ventilation conditions (e.g. carbon dioxide, ammonia, temperature and relative humidity) within animal crates during short and long haul air transport. The expected outcome from this project will be a set of recommendations for air-freighted livestock that will significantly reduce the risk of mortalities during air transport. This project is due for completion early to mid 2016.

Alternative sheep restraint devices

This project has considered existing sheep restraining systems in use in Australia and internationally whilst focusing on devices that are relatively 'low-tech' and simple to retro-fit into existing facilities where power supplies may be intermittent. A restraint device has been selected from the review to prototype and trial in market in the Middle East to deliver improved animal welfare and operator safety that aligns with ESCAS and World Organisation for Animal Health (OIE) requirements. The restraining systems will be promoted in our sheep export destinations, in particular in new markets that are converting from traditional manual slaughter methods to ESCAS-compliant procedures. The project was completed in March 2015.

Pinkeye on long-haul cattle voyages

Severe eye diseases may sometimes be a significant problem in *Bos taurus* cattle on long-haul voyages. The objectives of this project are to review current literature, identify micro organisms associated with the disease and develop prevention strategies to improve animal health and welfare on long haul voyages to destination markets. This project is due for completion mid 2016.

Development and assessment of livestock welfare indicators for the livestock industry

The aim of the project is to identify internationally accepted and currently used indicators of animal welfare for sheep, cattle and goats and develop key animal welfare indicators relevant to each point along the livestock export supply chain.

A list of key welfare indicators will be developed to determine the most practical, economical and quantifiable indicators to measure livestock welfare along the export supply chain. A proposed method to benchmark current performance will be developed and this project will identify areas of improvement (such as husbandry and management) with an integrated assessment of welfare using a specified level of performance for outcome assessments such as environmental, physical, physiological and behavioural indicators. This benchmarking will allow for collection of data, provide a continuous feedback loop and suggest remedial procedures that can be implemented immediately. This project is due for completion early 2016.

Further improving the environment on livestock vessels leaving Australia

This is a review that is nearing completion to identify innovations or developments that have the potential to continuously improve the environment within livestock vessels and facilities. The comprehensive literature review will identify best practice recommendations, new developments and assist in the development of future research and development. This project is due for completion at the end of 2015.

Beef breeder husbandry manual for overseas markets

As beef breeder markets continue to expand to destinations such as Russia, there is a need to support exports of these cattle with highly relevant and customised materials. The Beef Breeding Manual is an addition to industry's suite of resources that contribute to improved animal welfare outcomes in overseas markets. The manual will provide highly relevant and customised technical and training materials, especially for cold climates and further add to the productivity and efficiency of Australia's beef breeder customers. This resource is to be translated into languages that complement our export market destinations. This project is due for completion in September 2015.

Optimising stunning methods for halal livestock processing

The objective of the project is to undertake a literature review of stunning methods for halal processing to identify knowledge gaps and challenges that may contribute to in-market resistance to the uptake of stunning and determine areas for further research. This project is due for completion in September 2015.

Improve Supply Chain Efficiency And Regulatory Performance (Strategic Objective 2)

Sheep, cattle and goat yard manual

The aim of this project has been to produce a manual of livestock handling facility designs that are suitable for ports, farms/feedlots and abattoirs in export markets. Truck specific designs for pens, gates, side and flooring options will also be included. The manual will be a 'one stop shop' of facility designs for the livestock export trade. This project is due for completion in October 2015.

Standards and performance benchmarking the livestock export industry

The objectives of this study are to compare the welfare standards of the Australian livestock export industry throughout the export supply chain with other exporting countries. The Australian export industry standards will also be compared with Australian domestic standards. The scope of the study includes: policy and planning, personnel, animal health, facilities and equipment, handling, feed and water, environmental conditions, journey length, stunning and slaughter and monitoring. The project will also make recommendations for improvements in the content, scope, structure, implementation and verification of the Australian livestock export standards. This project is due for completion in October 2015.

Meat quality, food safety and hygiene fact sheets

The advantages and benefits of the ESCAS pathway from production systems through to the point of slaughter and beyond to meat quality, safety and hygiene are extensive. The primary focus of this research project is the impact of ESCAS on meat quality, food safety and hygiene.

Fact sheets are being developed that demonstrate, through a transfer of knowledge, the advantages of adopting and implementing the ESCAS pathway on meat quality, meat safety and hygiene for importers, government organisations, processors and consumers. This project is due for completion in October 2015.

LEP in-market training evaluation

A key gap identified in 2013-14, following the finalisation of the LEP training packages, was the need for objective data to evaluate the impact and effectiveness of the animal welfare training.

In mid- late 2013-14, the RD&E program engaged the Animal Welfare Science Centre to undertake a project to assess the impact and effectiveness of the animal welfare standard operating procedure (SOP) training packages. The project aims are to determine the short and long-term effects of LEP's Livestock Export Training Program on the behaviour of animals during handling and the behaviour of workers and their understanding of good animal welfare. The project pilot was undertaken in Indonesia during May - July 2014. This project concept will now be tested in a new market in 2015-16. The results will also identify key performance indicators that can be used to measure and benchmark animal welfare and handling. This project is due for completion towards the end of 2016.

The ASEL handbook app and website development

The ASEL handbook is currently available in printed form and can be downloaded from the DoA website in an electronic format. The development of an electronic ASEL handbook app and website with included stocking density calculators for feed, fodder and water will provide participants throughout the live export supply chain with a portable, readily accessible resource that is well suited to on-farm, feedlot, land transport and on-board conditions. The ASEL handbook app will assist to increase awareness and compliance with the regulations and ultimately assist to fulfill its animal welfare objectives. The handbook app and website will be launched in the 2015-16 financial year.

Enhance Market Access Conditions For Existing And New Markets (Strategic Objective 3)

Indonesian feedlot performance comparison of Brahman and F1 Senepol steers

The project investigated whether first generation (F1) Senepol cross Brahman steers perform as well as or better than purebred Brahman steers in Indonesian feedlots. F1 Senepol and Brahman steers were fed for 121 days in the Elders feedlot near Lampung (Sumatra, Indonesia). The average daily gain over the feeding period was 0.17 kg/day higher in the F1 Senepol steers compared to Brahman (1.71 vs 1.54 kg/day). As a result the F1 Senepols put on 21.6 kg more weight over the 121 day feeding period. The study also found that growth of steers in this Indonesian feedlot was very good and is similar to the growth achieved in Australian feedlots.

*Note that the F1 Senepols were slaughtered about a week after the Brahman and may have put on more weight during this time.

PROGRAM DELIVERY & OUTCOMES

Best practice beef breeding management in Indonesia

The project documented key issues common to Indonesian systems for breeding cattle in feedlots and describes potential solutions and best practices. Key recommendations of the project include: the use of tropically adapted cattle breeds; housing of cattle in well-ventilated, clean, dry, pens (to prevent the build-up of pathogens); hazard-free pens and handling facilities (to prevent injuries) and good equipment, restraint facilities and trained people (to enable low stress animal handling).

The project recommends colostrum of high quality and quantity is administered to calves within a few hours of birth - to prevent many diseases and promote optimal growth. Further research is currently being undertaken

to measure the quantity and quality of colostrum from heifers and second calf cows. The results will influence the management guidelines for colostrum production and husbandry practices. Best practice videos and guidelines for breeding in intensive situations have been produced.

Intellectual Property And The Commercialisation Of RD&E

Intellectual property and its ownership is decided and clearly defined at the time of project establishment. This is managed by the LEP on behalf of stakeholders. A plan for commercialisation and extension of key outcomes of projects is determined to ensure that deliverables are disseminated.

AUSTRALIAN STANDARD FOR THE EXPORT OF LIVESTOCK

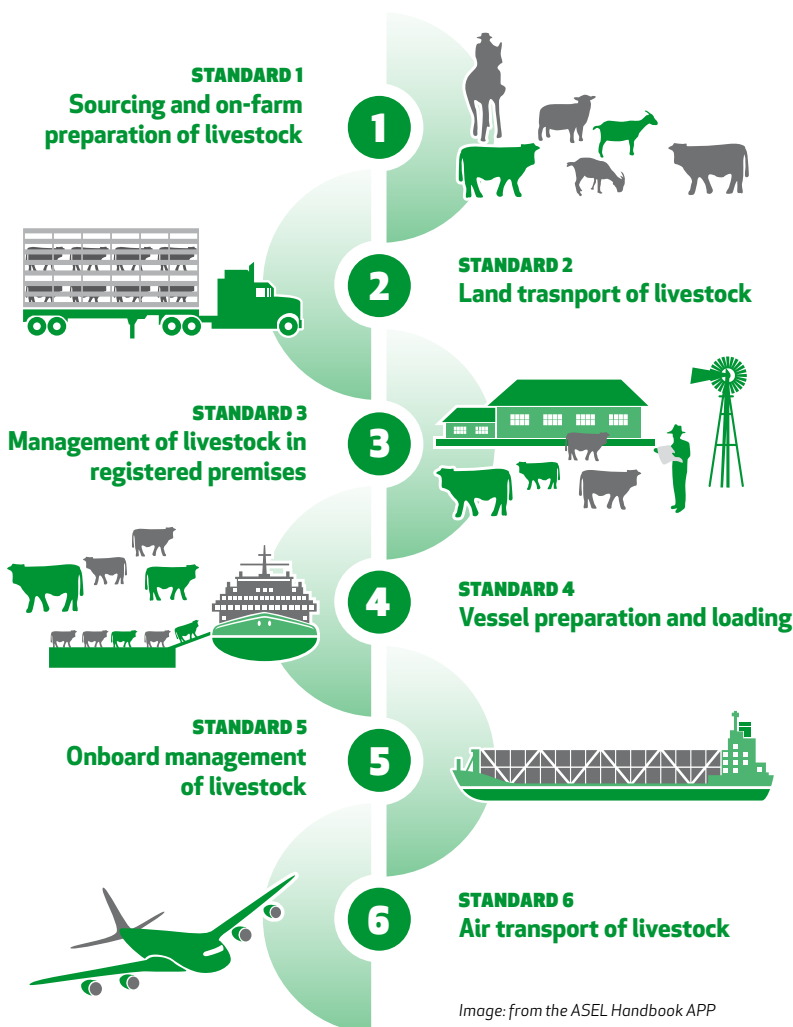


Image: from the ASEL Handbook APP

IN-MARKET PROGRAMS

In 2014-15 MLA went through a restructure that resulted in changes to the LEP staff and their reporting lines in order to bring together all international activities within one coordinated business unit. In March 2015 Mr Michael Finucan was appointed to the role of General Manager International Markets based in Beijing, China with responsibility for China, Hong Kong, Korea and Taiwan. In February 2015 Mr Andrew Simpson was appointed International Business Manager based in Singapore with responsibility for Indonesia, Singapore, Malaysia, Thailand, Philippines, Vietnam, Burma and India. In March 2015 Dr Helen Fadma was appointed Manager Livestock Services - Indonesia based in the Jakarta office. In March 2015 Dr Joffrid Mackett was appointed Manager Livestock Services - EMENA based in the Dubai office. In May 2015 Dr Valeska Valeska was appointed Country Manager - Indonesia based in the Jakarta office. In May 2015 Dr Michael Patching was appointed Manager Livestock Services - Vietnam based in Ho Chi Minh City.

Through 2014-15 there were three LEP in-market programs covering EMENA, Indonesia and SEA.

Key Priorities

In 2014-15 animal health and welfare activities were delivered in accordance with the AOP by the in-market programs.

The programs continued to target their activities in three key areas of training, gap analysis and risk analysis, consistent with previous years. Additional activities to support awareness and understanding of ESCAS and its animal welfare requirements were also delivered across existing and new markets.

Performance Highlights

A summary of the key projects conducted are outlined below under each of the three strategic objectives applicable to the in-market programs.

Improve Animal Health And Welfare Outcomes Across The Supply Chain (Strategic Objective 1)

Training

Throughout 2014-15, the in-market programs have conducted training across their regions including the growing extension of the standard training packages (since their completion and translation).

This training is targeted at key supply chains at the request of exporters and importers and is delivered by a number of qualified consultants. Further in-market training with animal welfare benefits have also been delivered under the Supply Chain Efficiency and Regulatory Performance strategic objective.

Since the implementation of ESCAS in 2011, the LEP in-market programs have delivered training to more than 9,167 participants through the LEP coordinated and funded training activities. The allocation of those participants across the regions was 3,410 in EMENA, 3,346 in Indonesia and 2,411 in SEA.

In 2014-15, the in-market programs achieved the following successful outputs from their training activities:

EMENA

A combination of both formal and hands on training were delivered to 717 participants over 69 consultant days.

Indonesia

Over 206 consultant days of training and technical advice were supplied to industry, with over 110 individual activities conducted and over 440 industry employees trained.

SEA

Training was provided to 755 participants over 91 consultant days in Vietnam, Malaysia, Brunei and Thailand.

Gap and risk analysis

The purpose of gap analysis is to assess new supply chains against animal welfare guidelines, SOPs and ESCAS materials to identify possible improvements that will help minimise and/or remove animal welfare hazards and risks.

Gap and risk analyses continued to form key components of the LiveCorp/LEP ESCAS and animal welfare extension efforts into supply chains in 2014-15. The gap analysis targeted new supply chains and played an important role in helping exporters and importers establish facilities/supply chains in key markets across the regions. This included established markets (Indonesia, Turkey, UAE and Israel), growing markets (Vietnam) and new markets (Thailand).

Risk analysis activities target existing supply chains and are focused on supporting continual compliance and improvement over and above ESCAS standards.

PROGRAM DELIVERY & OUTCOMES

In-market assessments in 2014-15 were conducted widely throughout the regions and materials to support the adoption of exporter/importer driven risk assessments (developed within the LEP) were communicated to support continual risk management efforts.

EMENA

54 gap and risk analyses were completed during 2014-15 at the request of exporters and/or importers. The risk assessments proved particularly useful tools for the LEP, exporters and importers to gauge the potential risks within supply chains and to guide mitigation activities.

Indonesia

During 2014-15, 79 facilities from the existing Indonesian supply chains undertook a risk assessment. Risk assessments are well regarded by the industry and are regularly used as management tools by importers and exporters. Looking forward to 2015-16 a higher number of risk assessments are expected as a result of the 100% increase in the number of Indonesian supply chains during 2014-15.

SEA

Nine gap and risk analyses were completed in 2014-15 in Vietnam. These assessments helped exporters manage risk and meet the rapid increase in the Vietnam market. The LEP technical advice and training program in Vietnam expanded rapidly throughout the year in response to increased trade volumes.

Industry Collaborative Animal Welfare Program

The LEP continued to providing funding through the in-market programs to support the Industry Collaborative Animal Welfare Program (ICWP) which is 50/50 funding by the LEP and exporters in-market to engage supply chain managers/animal welfare officers to support animal welfare improvements.

The program has allowed exporters/importers to provide animal welfare and technical support in addition to LEP driven programs. The following describes the ICWP activities for 2014-15:

EMENA

Two exporters participated in the ICWP for 2014-15 and delivered ESCAS animal welfare improvements across their respective supply chains.

Indonesia

Six out of seven main exporters received funding in 2014-15. The high uptake from the exporters is due to the increase in the number of supply chains and to accommodate animal welfare improvements into those supply chains.

SEA

There was participation by six exporters in the ICWP for SEA during 2014-15. The program enabled exporters' staff and consultants to extend the delivery of animal welfare programs in Vietnam, Malaysia, the Philippines, China, Cambodia and Laos.

Eid al Adha 2014

Planning for the LEP's Eid al Adha 2014 program commenced a few months after the 2013 program ended with the establishment of a joint working group with the LEP, importers, Jordanian Government authorities and the Princess Alia Foundation. The focus of the working group was to identify and develop opportunities to improve systems and minimise risk of ESCAS animal welfare non-compliance during Eid al Adha following observations from 2013.

The Eid Al Adha religious festival occurred between 4 and 7 October 2014 with the LEP Eid program providing a critical role in planning advice and 'on-the-ground' support during the festival. The LEP Eid program worked collaboratively with importers in Qatar to continue the carcass-only sales policy and was able to successfully extend and implement this approach in Bahrain, Oman and one Kuwaiti facility.

With a focus on continuous improvement over and above ESCAS standards, a combined total of 29 resources from the LEP, exporters and industry were present in 12 approved slaughter facilities across UAE, Oman, Qatar, Bahrain, Egypt, Jordan and Kuwait for the duration of Eid al Adha. Importer representatives were also active participants in many markets.

Technical support during festival periods

The LEP in-market programs provided additional technical support for the key festival periods of Ramadan and Eid al Adha.

Technical advice

The provision of additional technical animal welfare advice was provided across the three regions and included:

- Lairage and abattoir design,
- Feedlot design and nutrition,
- Breeding livestock management and health,
- Repairs, maintenance and new infrastructure, and
- Food safety, hygiene and productivity.

The SEA program provided 343 days of technical advice across the region with a particular focus on Vietnam, Singapore, the Philippines, Thailand and Malaysia.

The EMENA program provided 250 days of technical advice across the region with a particular focus on Jordan, Israel, Bahrain, Oman, Qatar and the UAE.

Other highlights

During 2014-15 the Indonesian Government began internal discussions to increase their national herd through a breeding program. In response the LEP Indonesian in-market program focused on breeding and animal health, even though breeder cattle do not fall under the ESCAS requirements. It was identified that the lack of knowledge and skill in managing and handling Australian breeders can result in adverse consequences in animal welfare.

The LEP provided 30 consultant days of technical breeding advice and 10 consultant days of animal health training. Looking forward to 2015-16 the number of consultant days for technical advice in breeding and animal health is expected to increase as the Indonesian Government implements their breeding program of importing more than 30,000 pregnant heifers into Indonesia.

In April 2015, the LEP delivered its first mini exhibition in Indonesia entitled the 'LEP EXPO 2015'. The objective of the exhibition was to provide a 'one stop shop' for customers and suppliers to meet and interact. The exhibition facilitated Australian companies to open new network connections in Indonesia and gain interest from the industry. 20 companies participated as exhibitors and more than 320 visitors attended the event.

The exhibitors varied from livestock companies, abattoir equipment, suppliers and designers, animal health and feed products, feedlot software and construction, traceability systems, banking and human resources. Visitors to the exhibition included government authorities from both Indonesia and Australia, universities, industry bodies from the region as well as importers and exporters.

Improve Supply Chain Efficiency And Regulatory Performance (Strategic Objective 2)

Delivery against this objective through the LEP in-market programs was focused on the provision of technical support relating to breeding livestock management and health, animal performance (e.g. nutrition and heat management) and infrastructure/facility performance and productivity (e.g. abattoir throughput and employee safety improvements).

The following key activities were undertaken across the programs throughout the year:

EMENA

The LEP has been undertaking numerous activities in the region to improve supply chain efficiency, including:

An international conference, coordinated by the LEP and supported by the Bahrain Livestock Company, was held in Bahrain (March 18 and March 19). Thirty-five attendees, including importers, feedlotter and processors of Australian sheep and cattle from seven EMENA countries, along with the regional representative from the OIE shared knowledge and local experience on topics including feedlot management, animal handling and nutrition, facility design, meat quality and training. The conference, which included theoretical sessions as well as practical demonstrations at a local feedlot, were well received and it is hoped it will become an annual event hosted in a different country each year.

An awards ceremony was also held during the conference with a number of regional facilities and individuals recognised for outstanding achievements in husbandry, handling and processing of Australian livestock.

Indonesia

LEP is continuing to improve skills and knowledge available to the industry through a technical expert program. The technical expert program continued in 2014-15 with experts in breeding, nutrition and palm integration entering the market and conducting industry seminars.

PROGRAM DELIVERY & OUTCOMES

Three specialised consultants were made available in 2014-15 to assist and support breeding programs undertaken by importers. This included the provision of small farm holder programs and traditional breed lot programs in relation to husbandry, fertility, bull selection and palm integration.

SEA

Supply chain efficiency programs in SEA in 2014-15 included the provision of nutrition and breeding advice in cattle supply chains in Vietnam, the Philippines and Laos. As the Vietnamese feedlot sector grew rapidly during the year, the LEP consultants' advice helped the development and delivery of improved rations and making better use of local feed resources. Breeding assistance has been provided to feedlotter and to potential cattle under palm projects. The SEA program delivered 566 consultant days devoted to improving supply chain efficiency during 2014-15.

Other highlights

Indonesia

Two importer/exporter meetings were held in Jakarta (March 19 and April 8) with participation from representatives of the seven main exporters and their importing partners. The meeting on March 19 focused on providing an overview about the supply chain and cattle industry to the Indonesia Ministry of Trade. The annual importer/exporter meeting was held on April 8 and discussed the Red Meat Partnership (Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector) and provided the opportunity for the LEP to introduce the RD&E LGAP project to Indonesian importers.

SEA

Two importer/exporter meetings were held in Vietnam (August 14 and March 15) with participation from representatives from all exporters to Vietnam and their importing partners. These meetings provided important opportunities to raise and address key issues.

Enhance Market Access Conditions For Existing And New Markets (Strategic Objective 3)

In addition to the in-market programs providing technical support to protocol negotiations through the Industry Capability Program, they undertook a range of activities to build new, and support ongoing, trade relationships. These included:

EMENA

Over 45 visits to countries in the EMENA region covering high level market access visits, workshops and meetings with key stakeholders including government authorities in Bahrain, Egypt, Israel, Jordan, Kuwait, Oman, Qatar, Kingdom of Saudi Arabia, Turkey and Lebanon. The LEP also facilitated a number of in-market visits for a range of Australian based stakeholders.

Indonesia

In Indonesia the following activities were undertaken:

- The LEP held monthly meetings with APFINDO to discuss ongoing trade relations including market access, LGAP and ESCAS reform.
- A meeting was held with the Indonesian Ministry of Trade, exporters and importers to discuss quotas and provide an overview of the Australian livestock industry with a view to support Indonesia's food security needs through the supply of beef.
- In January 2015, as part of the official opening of the Trade and Investment Queensland's Jakarta office, the LEP in-market manager presented on market activities and issues to the Australian delegation.
- The Australia / Indonesia Red Meat Partnership Program has continued with support from industry and government in both countries.

SEA

Ten visits to countries in the SEA region covering high level market access visits, workshops and meetings with key industry and government authorities in Cambodia, Malaysia, Thailand and Vietnam. In addition, the LEP provided logistical and technical support for the delegation visits to Australia from the Department of Livestock Development in Thailand from 21 to 26 July 2014 and the Chinese AQSIQ delegation from 19 to 31 October 2014.

INDUSTRY CAPABILITY PROGRAM

Key Priorities

LiveCorp's Industry Capability Program supports industry to improve its domestic supply chain efficiency and regulatory performance and to pursue market access developments. It achieves this by working closely with industry and the DoA to provide technical advice and support on regulatory and operational issues. It also coordinates the industry / DoA Protocol Committee and is responsible for supporting the DoA and exporters to expand market access.

Performance Highlights

Improve Supply Chain Efficiency And Regulatory Performance (Strategic Objective 2)

Supply chain efficiency and regulatory performance is a core strategic imperative under the 2013-2015 LiveCorp Strategic Plan. Under this strategic imperative the LEP's Industry Capability Program, in close consultation with ALEC and industry stakeholders, regularly reviews and identifies challenges and inefficiencies within the current livestock export regulatory framework.

The focus of this work is to provide technical insight into possible changes to the regulatory framework that could deliver improved animal welfare outcomes, while reducing costs lost to inefficiencies within the regulatory structures and operations.

Livestock Export Regulatory Reform proposal

In 2014-15, LiveCorp, the LEP and ALEC undertook to develop a whole of supply chain reform proposal, outlining interrelated opportunities to improve ESCAS (auditing and compliance) and other regulatory administration processes (licensing and approvals). The Industry Capability Program and Services and Innovation Programs led this process and developed a comprehensive paper exploring solutions and options for improvement. Seventeen priorities were identified and developed into detailed, implementation ready concepts.

Livestock Export Regulatory Reform progress

Through 2014-15, LiveCorp, the LEP and ALEC continued to support the priorities identified in the Livestock Export Regulatory Reform proposal as part of the DoA's review processes.

This has included attendance at industry – government roundtable meetings and ongoing submissions and input into technical elements of DoA reform initiatives.

In 2014-2015, key outcomes and improvements achieved from the priorities identified included:

- Separation of ESCAS approvals from consignment approvals, saving significant duplication and cost,
- The introduction of risk based and facility based auditing under ESCAS,
- Refinements and improvements to the ESCAS animal welfare audit materials and checklist,
- Removal of variation requirements to move livestock between an exporter's own ESCAS approved supply chains, including between markets, and
- Commencement of the development of approved arrangements to streamline and remove duplication in the approval of consignments.

Additional input was also provided on a range of DoA Export Advisory Notices (EANs) and supporting materials - such as the development of risk management plans for air exports.

Australian Senate inquiry into agricultural levies

In late 2014, the Australian Senate Rural and Regional Affairs and Transport References Committee commenced an inquiry into the 'Industry structures and systems governing the imposition of and disbursement of marketing and research and development (R&D) levies in the agricultural sector'.

LiveCorp as an industry owned, service and R&D provider prepared a comprehensive submission to the inquiry. The submission was prepared across the Industry Capability, Services and Innovation and Exporter Program of the LEP and LiveCorp. The comprehensive submission detailed the role of LiveCorp in efficiently and effectively using levy funds for the benefit of the livestock export industry.

Enhance Market Access Conditions For Existing And New Markets (Strategic Objective 3)

Protocol Committee

Two face-to-face Protocol Committee meetings were held in 2014-2015, with key representatives from the DoA, exporters and industry bodies attending. Each meeting provided the opportunity to review the livestock export industry's market access priorities

PROGRAM DELIVERY & OUTCOMES

and discuss relevant technical issues. The Committee meeting held in May 2015 provided a significant highlight with the event held at Beef Australia in Rockhampton.

The Industry Capability Program coordinated multiple out of session consultations with the Committee and worked closely with the DoA and industry to progress the identified priority markets.

LiveCorp also continued an initiative commenced in 2013-14 to establish stronger relationships and information sharing with the Australian state and territory governments. This included increased opportunities for involvement in delegations and frequent communication of industry market access priorities.

In addition, the Industry Capability Program, in conjunction with LEP in-market managers and other LiveCorp staff, provided coordination, technical input and logistical support for three international government delegations in 2014-15. These delegations from China, Thailand and Papua New Guinea were hosted by the DoA and the LEP and were graciously supported by the livestock export industry and state and territory governments.

The following is a summary of the key market access progress achieved in 2014-15:

China

In October 2014, a delegation of officials from China's Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and China Inspection and Quarantine (CIQ) travelled to Australia to hold protocol negotiations with the Australian Government. The delegates travelled to Western Australia, the Northern Territory and Queensland visiting cattle properties, quarantine yards and exporters. The visit culminated with technical officials from China and Australia agreeing to draft feeder / slaughter cattle health conditions. Since the delegation there have been ongoing government to government discussions towards obtaining final agreement to the health conditions and the LEP is hopeful that 2015-16 will see this finalised and the trade commence.

Thailand

In July 2014, a delegation from the Department of Livestock Development in Thailand travelled to Australia to conduct a review of Australia's animal health and quarantine systems. The delegation provided an excellent opportunity for officials to progress protocol discussions, with agreement on feeder and slaughter cattle health conditions finalised shortly after the visit.

This agreement allowed trade to commence in early 2015, with around 5,000 head of cattle exported.

Cambodia

The opportunities for Australian cattle producers in Asia expanded further in 2014-15 with the agreement of health conditions for feeder and slaughter cattle to Cambodia. The agreement was announced by the Hon. Barnaby Joyce MP, Minister for Agriculture and it is hoped that exports will commence in the near future.

Lebanon

Following discussions between Australian and Lebanese officials, agreement was reached on feeder and slaughter cattle, sheep and goat protocols in 2014-15. This provided the second EMENA market to be opened in the past two years, following the finalisation of protocols with Iran in 2013-14.

Papua New Guinea

A delegation from Papua New Guinea travelled to Cairns to view cattle production and export facilities in Queensland and to learn more about cattle tick inspection and management in Australia. The involvement of Queensland Department of Agriculture, Fisheries and Forestry cattle tick experts with the group was a highlight of the visit and the Australian and Papua New Guinea Government officials were able to discuss in detail technical elements of a possible feeder / slaughter cattle protocol.

Other markets

Significant progress has been made on other market access priorities identified by the livestock export industry. This will form the basis of the work program in 2015-16.

EXPORTER PROGRAM

Key Priorities

LiveCorp's Exporter Program continued to work with exporters, industry, peak councils, government, associated bodies and relevant international organisations to deliver against the 2014-15 AOP objectives and respond to high level, fast moving priority projects.

The exporter program also includes industry memberships to SAFEMEAT and National Livestock Identification System (NLIS); Animal Health Australia (AHA) National Animal Welfare & Biosecurity RD&E Strategy; Consultation (ALEC services agreement); and Disease Monitoring Programs (NAMP).

Performance Highlights

Improve Animal Health And Welfare Outcomes Across The Supply Chain (Strategic Objective 1)

Russian training program and DVD production

In line with the range of LEP services provided to Russian importers, LiveCorp on behalf of the LEP, developed a one off program to deliver a 'train the trainer' program in low stress animal handling, feedlot and farm husbandry and management of cattle and horses.

The project involved a group of training specialists to work with Russian feedlot and farm staff to provide them with an intensive train the trainer program. Additionally the project was filmed in order to develop a training DVD resource for broader use within the market and region. The filming also captured examples of common veterinary advice in feedlots, as well as animal health and nutrition, with particular emphasis on recognising, treating and managing sick and injured livestock.

Egypt stunning workshop

In early September 2014, on behalf of the LEP, LiveCorp directly funded a stunning workshop in Egypt. The workshop was the first of its kind for the region and brought together welfare, scientific, religious and government authorities in an attempt to explain the benefits of stunning to Egyptian authorities. Attendees included representatives from the OIE, Food and Agriculture Organization of the United Nations (FAO), Compassion in World Farming, General Organisation of Veterinary Services (GOVS),

Al Azhar Institution (religious authority) and Egyptian Society Animal Friends (ESAF) who coordinated and hosted the event.

The key objective of the project was to partner local Egyptian animal welfare organisations to promote and potentially gain approval for stunning livestock in Egypt. Whilst the approval to introduce stunning to Egypt was an objective, it was also an opportunity for the Australian live export industry to be proactive in bringing together a group of recognized and respected animal welfare organisations to discuss stunning in the region.

The workshop was successfully delivered with over 30 participants agreeing to a series of animal welfare recommendations that were signed by Al Azhar Institute representatives. Included in the recommendations was the acceptance and use of electrical stunning of livestock in Egypt. The signed recommendations will be presented to the Grand Mufti for his consideration.

LiveCorp Infrastructure Grants Program

During 2014-15 LiveCorp established the LiveCorp Infrastructure Grants Program (LIGP) which was modelled from the 2013 ESCAS Capacity Building Partnership Program that operated in partnership with the DoA, MLA and LiveCorp.

The objective of LIGP was to assist ESCAS compliance capacity within new, emerging and existing supply chains, by reimbursing Australian exporters up to 50% of eligible investments in infrastructure (capital only) that increased and/or strengthened their compliance capacity and animal welfare performance.

An amount \$250,000 was made available across the three regions of EMENA, Indonesia and SEA which resulted in applications to the value \$1.16m being put forward by exporters. The structure of LIGP was designed to ensure the selection process was independent, transparent and delivered against the animal welfare objectives of the program. An independent skills based advisory panel was established to provide expert assessment on which of the applications would provide the greatest improvement to animal welfare, ESCAS compliance and capacity. The program was a success for LiveCorp in driving further investments in animal welfare infrastructure upgrades and improvements.

Vietnam technical support

Considerable technical support was provided to ALEC and the LEP in addressing the challenges arising in Vietnam as a result of the rapid increase in cattle exports from 131,026 head in 2013-14 to 309,505 head in 2014-15.

PROGRAM DELIVERY & OUTCOMES

ESCAS requires exporters to maintain control and traceability of livestock within their ESCAS approved supply chain.

Following the rapid growth in exports to Vietnam and in response to increased reports of leakage of livestock outside of approved supply chains, the industry through ALEC, created additional control and traceability standards - Minimum Standards of Accountability, Traceability and Oversight for Cattle Exports to Vietnam (Standards).

Point 6 of the Standards requires all ESCAS approved feedlots and abattoirs to have CCTV cameras, with remote monitoring and recording capability, installed at critical control points. To support exporters in the delivery of the additional industry standards, LiveCorp extended the LIGP to fund up to 50% of the purchase cost of the CCTV equipment in facilities that have been nominated by exporters (who are signatories to the Standards in Vietnam).

Improve SupplyChain Efficiency and Regulatory Performance (Strategic Objective 2)

The Exporter Program in close consultation with ALEC and industry stakeholders, and with collaboration from the Industry Capability and Services and Innovation Program, took the lead in managing fast moving, priority issues such as: the drafting of the comprehensive submission for the Senate Inquiry into Agricultural Levies; the development of submissions on regulatory reforms and the review of ESCAS. An overview of the regulatory reform, review of ESCAS and the levy submission is reported under the Industry Capability Program.

Through the year the Exporter Program continued to identify areas of new research and develop project proposals / terms of reference for LERDAC consideration. Through the LERDAC Management Committee LiveCorp provided R&D project oversight, LGAP technical input and report reviews.

Enhance Market Access Conditions for Existing and New Markets (Strategic Objective 3)

Under this strategic imperative, the Exporter Program works closely with various Federal, State and Territory Government agencies and the Industry Capability Program to facilitate and coordinate the logistical organisation for delegations to Australia. The delegations in 2014-15 included China, Thailand and Papua New Guinea.

The successful delivery of these delegation visits requires extensive administrative support from LiveCorp and the generous contribution of time and access to facilities from a wide range of industry stakeholders.

Industry contributions to the NAMP budget are reviewed and monitored within the Exporter Program.

Enhance Communications, Stakeholder Engagement And Industry Planning (Strategic Objective 4)

Through close consultation, the Exporter Program provides communications support to ALEC and a wide range of stakeholders as well as regular engagement and consultation with exporters and industry stakeholders.

Key activities include: service agreement contributions and consultation with ALEC as the peak industry council; industry issue management, planning and policy direction and implementation; implementation of the livestock export industry reform strategy; attendance at State Livestock Export Association chapter meetings to provide operational and industry updates; and manage LiveCorp's relationship and engagement with the broader livestock and agricultural production sectors and associated bodies.

SERVICES AND INNOVATION PROGRAM

Key Priorities

LiveCorp's Services and Innovation Program supports industry to increase its capacity to meet and exceed existing standards, regulation and reporting obligations. It achieves this by providing training in livestock handling and compliance requirements to on board stockpersons and undertakes activities in response to industry requirements.

The Program also provides services to assist in the development of improved information management systems to enhance communication and create regulatory efficiencies.

Performance Highlights

Major activities for 2014-15 are detailed below under each of the three strategic objective headings. Other activities undertaken during the year include contributing to the ESCAS Regulatory Reform and the Senate levy enquiry submissions, providing support for the development and delivery of RD&E extension materials, assisting with the development of the AOP and the planning and coordination of the October 2014 LiveCorp AGM and industry conference in Melbourne.

Improve Animal Health And Welfare Outcomes Across The Supply Chain (Strategic Objective 1)

Stockperson training course

Two stockperson training courses were delivered in 2014-15 to support the understanding and continuous improvement of livestock management, health and welfare. The courses were attended by a total of 43 people which included participants from the DoA.

To continuously enhance and develop the course and training materials, the LEP funded a RD&E project to review LiveCorp's training services and accreditation processes (for stockpersons, stevedores and scabby mouth vaccinators), which is ongoing. Training materials have been piloted at the course with the review and further development continuing in 2015-16. The two courses held in 2014-15 were both cost recovered and positive feedback was received from participants.

Improve Supply Chain Efficiency And Regulatory Performance (Strategic Objective 2)

Exporter-Government meetings and templates

LiveCorp facilitated exporter-government meetings to identify and refine export application processes and regulatory and export efficiencies. Based on the discussions and feedback provided, LiveCorp developed numerous templates to assist exporters achieve the identified efficiencies and include:

- Basis of certification (for numerous markets),
- ESCAS application,
- Due diligence declarations,
- Investigation reporting, and
- Self-reporting.

The templates are available within the members section of the LiveCorp website.

Audit duplication project

This project aimed to identify the extent of audit duplication under the current ESCAS arrangements, propose a more efficient auditing system and develop a blueprint for a cost-recovered independent service provider or model. In consultation with stakeholders, analysis identified that 34% of performance audits of in-market abattoirs and feedlots in a two-year cycle are duplicated. This duplication is estimated to cost the industry more than US\$1.9 million over the two-year audit cycle. The project was designed to be conducted in four phases. Following the identification of the extent of duplication (phase 1), the development of a third party audit service (phases 2 - 4) was not undertaken as it was determined the project would incur substantial costs and duplication in itself, as it was likely the system would need to be redeveloped within the RD&E LGAP project.

Scabby mouth vaccinator course review

LiveCorp provides a range of training services to the industry which includes the Saudi Vaccinator Training course. These training services are highly valued by industry and in some cases are required under regulations (ASEL/Export Orders). The Scabby Mouth Vaccinator Training Program must produce trained and accredited vaccinators for the Saudi Livestock Export Program to enable the export of Australian sheep to Saudi Arabia. Currently there are no systems or requirements in place to ensure the skills of previously accredited vaccinators are maintained by means of refresher training.

PROGRAM DELIVERY & OUTCOMES

The course structure, delivery, training materials and accreditation process of vaccinators was reviewed during the year and a pilot course conducted to ensure the ongoing training of vaccinators and the provision of training materials represented best practice techniques.

Enhance Communications, Stakeholder Engagement And Industry Planning (Strategic Objective 4)

LiveCorp website review

The LiveCorp website has undergone a number of reviews since it was redesigned back in 2013. The final stage of the review process was completed in May 2015, with the launch of an updated website design to enhance the usability and user experience of the site and improve stakeholder communication and access to resources. The ongoing maintenance and enhancement of the website will continue within the Communications Program.

Livestock export roadmaps

Throughout 2014-15 LiveCorp developed a number of livestock export roadmaps to visually show industry processes and regulations. An ASEL - ESCAS roadmap as well as market specific roadmaps have been developed for:

- Slaughter and feeder cattle to Indonesia, Vietnam and China,
- Dairy cattle to China, and
- Sheep to the Middle East.

Copies of the roadmaps are available within the members section of the LiveCorp website and have been distributed in market.

Below: The Director General of Livestock and Animal Health Services (DGLAHS) receiving a framed copy of the Australia - Indonesia roadmap from Dr Helen Fadma, LEP Manager Livestock Services and Dr Valeska Valeska, Country Manager - Indonesia.



COMMUNICATIONS PROGRAM

Key Priorities

LiveCorp is increasingly looking for opportunities to proactively engage with its stakeholders. In 2014-15 this growing focus saw LiveCorp engage in a number of key communications activities detailed below.

Performance Highlights

Enhance Communications, Stakeholder Engagement And Industry Planning (Strategic Objective 4)

LIVEX Forum

The LIVEX Forum was held in Melbourne in October 2014. The 2014 forum focused on the industry in southern Australia, specifically dairy and breeder cattle and sheep. The forum was an opportunity for attendees to share information about the livestock export trade, which included discussions about both the challenges within and opportunities for the industry.

LGAP communication

The LEP started work in 2014 to investigate the implementation of a global conformity assessment program across industry which could be applicable to any market. The LGAP project commenced in July 2014 and in February 2015 LiveCorp initiated supporting communication activities. Project updates have been presented to a range of stakeholder groups, a research communication website has been established and updates have been distributed across industry and government.

LiveCorp website

In 2014-15 LiveCorp conducted a significant review of its website, which has included an expansion of the members section and the resources available. The improvements include: an events calendar, the ability to view and download LEP DVDs, LiveCorp submissions and reports and other industry resources, along with trade enquiries and trade and market access information.

Tell your animal welfare story

The 'Tell your animal welfare story' competition was screened in May 2015 at the Beef Australia 2015 – Live Export Forum. Entrants were required to produce a short three to five minute film documenting their experiences and approach to achieving good animal welfare.

Feedback on the event was extremely positive with many groups wanting access to the films to share more broadly. The films can be viewed at the LiveCorp website.

Beef Australia

Beef Australia 2015 proved to be a very positive event with good attendance at a number of livestock export activities. The key initiative of LiveCorp was hosting a half day livestock export forum for over 200 attendees with ALEC. The event commenced with an industry breakfast and trade expo, followed by a forum with a range of industry and international speakers. The Consul General of Indonesia, Mr Yayan Ganda Hayat Mulyana, also attended. The forum provided opportunities for industry to meet with stakeholders and enabled producers to gain an understanding of the dynamics of the Australian livestock export industry.

LiveCorp and ALEC shared a trade stand for the duration of Beef Australia which provided a valuable opportunity to share information and exchange ideas with Australian and international industry representatives and producers.

Other ongoing communications support activities that LiveCorp provided include:

- Technical advice to support ALEC to respond to media inquiries and critical incidents such as ESCAS reform and market related issues (Vietnam and Israel) and general issues such as country briefings, protocol negotiations, incident management, contingency planning and various submissions.
- Regular coordination of teleconferences with members and relevant stakeholders to facilitate the sharing of industry information and discussion.
- Distribution of a fortnightly LEP Update to members outlining the latest industry developments, statistical information, events, trade, market access and media updates and the progress of industry programs and RD&E.
- Presenting at and attending industry functions, producer forums and Senate Estimates hearings.

DAIRY CATTLE EXPORT PROGRAM

Key Priorities

LiveCorp's Dairy Cattle Export Program is focused on the efficient and effective investment of the voluntary levy contributions for live dairy cattle exports. The priorities for this investment are identified and coordinated by LiveCorp, with consultation and advice from the Breeding Cattle Committee. In 2014-15 the Dairy Cattle Export Program priorities were animal health and welfare, supply chain efficiency and regulatory performance and market access.

Performance Highlights

Improve Animal Health And Welfare Outcomes Across The Supply Chain (Strategic Objective 1) & Improve Supply Chain Efficiency And Regulatory Performance (Strategic Objective 2)

In 2014-15, LiveCorp continued to coordinate and provide support for regular meetings of the livestock export Breeding Cattle Committee. The Committee provided the opportunity for exporters to discuss issues relating to market access, pedigree certification and RD&E.

The Dairy Cattle Export Program also continued to provide resources on animal health and welfare and supply chain efficiency. These included the continued distribution of translated versions of the Guide to Dairy Herd Management and the development of an 'Industry Road Map' publication for the Chinese dairy trade.

Enhance Market Access Conditions For Existing And New Markets (Strategic Objective 3)

The Dairy Cattle Export Program provides partial funding, representation and advice on the ongoing management of NAMP to support market access. The ongoing promotion of NAMP to exporters, importing country governments/officials and funding partners is critical in maintaining and improving market access to bluetongue virus sensitive markets.

A key activity undertaken by the program was the provision of technical advice to DoA on operational breeding cattle market access issues. This included the coordination and collation of exporter views to inform DoA considerations. In 2014-15, this particularly related to the provision of advice around exports of breeding cattle to China, engagement with the Australian based CIQ Working Group and processes and procedures that underpin export certification of dairy cattle.

Dairy cattle exports are also considered within the Protocol Committee, with new markets or refinements to existing markets discussed at both of the meetings held.



CORPORATE GOVERNANCE

Improve Corporate Operations (Strategic Objective 5)

LiveCorp's corporate governance framework is set by the Board having regard to the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations, our values and the best interests of our members. This framework has been established to ensure that we remain accountable to our stakeholders. LiveCorp regularly reviews its governance arrangements as well as industry developments, stakeholder expectations and regulation.

The Board composition

The Board comprises six Directors with a broad range of skills, experience and expertise necessary to guide LiveCorp. The three skills based Directors are nominated through the Selection Committee, with the two exporter representative Directors nominated by the members. ALEC nominates the Ex-officio Director. Directors are appointed at LiveCorp's AGM for a maximum three year term under LiveCorp's constitution, after which time a Director may reapply. Each Director can serve no longer than nine consecutive years. The Chair of the Board was re-elected in 2014 and is an independent Director.

Board members

The names and details of the Directors in office during the financial year and until the date of this annual report are listed on pages 36 to 37 of the financial report. All Directors were in office for the entire year unless otherwise stated.

Board roles and responsibilities

The roles and responsibilities of the Board are formalised in the Governance Manual which underpins the conduct of the Board.

The Board's responsibilities include:

- Provide the strategic direction of LiveCorp,
- Provide input into and approval for management strategies, budgets, programs and policies,
- Compliance and risk management,
- Oversight of financial, operational and capital management, including approving and monitoring significant capital and program expenditure,

- Oversight of management, including the appointment of the CEO and the assessment of LiveCorp's performance against the KPIs and objectives set by the Board, and
- Oversight of the accounting and management systems establishing a culture of good governance.

Board meetings

The Board planned and convened six meetings during 2014-15. Meeting agendas are formulated in preparation for each meeting and also incorporated items from an annual agenda to ensure regular review of key aspects of the business. The Board continually strives to ensure its meetings are conducted efficiently to enable sufficient discussion and contribution from all directors.

Board evaluation

The Chairperson of the Board evaluates its performance through an annual performance review. In 2015-16 an external Board performance evaluation will be performed.

Independence

The Board considers each Director's independence on an annual basis. Directors are considered to be independent if they are not a member of management and are free of any business or other relationship that materially interferes with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement. The Board has determined that all of the non-executive Directors are independent.

Conflicts of interest

In accordance with the requirements of the Corporations Act 2001 (Cth) and its conflict of interest policy and procedures, Directors must declare any conflict of interest they may have, and must follow the procedures set out in the policy. The procedures include in certain circumstances, abstaining from participating in any discussion or voting on matters in which they have a material personal interest. At the time of their appointment and as notified from time to time, each Director provides to the Board information about their business and other interests. The Board records such notifications and maintains a register.

Board committees

There was one Board committee that met during the year - the Audit, Finance and Remuneration (FAR) Committee. It met five times during 2014-15.

PROGRAM DELIVERY & OUTCOMES

Reporting framework

LiveCorp is operating under the 2010-14 SFA with the Commonwealth of Australia. The SFA sets out the requirements for LiveCorp's expenditure of levy funds and provides a framework under which LiveCorp must report to the DoA.

Key reporting obligations include:

- Strategic Plan - the Strategic Plan sets out the company's objectives, performance indicators and resource allocations,
- Annual Operating Plan - the AOP covers intended operations of LiveCorp for the current year and R&D and marketing programs and activities to be undertaken,
- Risk Management Plan - specifies measures to manage risk,

- Fraud Control Plan - sets out measures to minimise the risk of fraud within LiveCorp, and
- Intellectual Property Plan - specifies procedures for the management, adoption and commercialisation of intellectual property.

Evaluating performance

To determine the value and efficiency of the work of LiveCorp and its impact, the organisation sets targets through the annual planning process and measures performance each year against agreed KPIs, which enables assessment of program outcomes against the strategic imperatives. The AOP also reports on the alignment of programs with the applicable Australian Government's Science and Rural R&D Priorities.



Through 2014-15 LiveCorp has continued to operate under the 2010-2014 SFA.

In accordance with the reporting requirements of the SFA, the Board wishes to advise that during the year the following reports and plans were presented to the Minister for Agriculture and the DoA:

- a) Per clause 14.1, the 2013-14 Annual Report was submitted on 26 November 2014, with 144 copies of the Annual Report being forwarded on 21 January 2015.
- b) Per clause 17.1, the Compliance Audit Report for the year ended 30 June 2015 prepared by LiveCorp's auditors, Nexia Court & Co., was submitted on 26 November 2014.
- c) Per clause 17.3, the Certification Report for the year ended 30 June 2015 signed by the Chairman and the Chief Executive Officer of LiveCorp was submitted on 25 November 2014.
- d) Per clause 12.5, the AOP for 2015-16 was submitted on the 24 June 2015.
- e) Per clause 13.1(a), the Risk Management Plan was submitted on 26 June 2015.
- f) Per clause 13.1(b), the Fraud Control Plan was submitted on 26 June 2015.

The Board wishes to confirm that the Annual Report for the year ended 30 June 2015 has been prepared in accordance with Schedule 2 of the SFA, noting the following:

- a) The financial statements included in the 2014-15 Annual Report comply with the reporting requirements of the Corporations' Act 2001 (Cth).
- b) The sources of income provide separate identification of marketing and research and development funds.
- c) The Annual Report provides disclosure of the significant activities undertaken in the year and the actions and outcomes of LiveCorp in relation to the KPIs included in the Strategic Plan and AOP.
- d) The RD&E program report includes commercialisation of RD&E, intellectual property creation and agreements entered into relating to RD&E.
- e) Collaboration with other RDCs, industry and other research organisations.
- f) Contribution to the National Science and Rural Research and Development Priorities.
- g) LiveCorp continued to operate the LEP in conjunction with MLA and did not form any subsidiary companies during the year.

At the AGM held in Melbourne on 29 October 2014 there was one resignation, one re-appointment and one new appointment to the Board of LiveCorp with no material changes to the Membership.

Per clause 14.2, the LiveCorp Chairman and the DoA held the six monthly review meetings on 11 December 2014 and 11 June 2015.

Exporter Members

AAA Livestock Services Pty Ltd
Agricon Services (Aust) Pty Ltd
AH & R Schmidt Pty Ltd
Atlas Exports Pty Ltd
Austock Rural Pty Ltd
Australian Livestock Exports Pty Ltd
Australian Rural Exports Pty Ltd (AUSTREX)
Ausvision Rural Services Pty Ltd
Capricorn Pastoral (Davies Lander) Pty Ltd
Carpenter International Pty Ltd
Central Pacific Livestock Pty Ltd
CharterAir Pty Ltd
Dairy Livestock Exports Pty Ltd
DW Moyle, Basin Exports Pty Ltd
Elders International Australia Ltd
Emanuel Exports Pty Ltd
EMS Rural Exports Pty Ltd
Expo-Trade Pty Ltd
Flinders International Pty Ltd
Frontier International Agri Pty Ltd
Frontier International Northern Pty Ltd
Global Cattle & Beef Exports Pty Ltd
Global Livestock Corporation (Aus) Pty Ltd
Global Livestock Marketing Pty Ltd
Grant Agri (Australia) Pty Ltd
Halleen Australasian Livestock Traders Pty Ltd
Hassad Australia Operations Company Pty Ltd
Hedley John Exporters Pty Ltd
HXA Pty Ltd
Independent Livestock Services Pty Ltd
International Livestock Export Pty Ltd
Kennedy Creek Livestock Exports Pty Ltd
Landmark Global Exports Pty Ltd
Landmark Operations Ltd
Lembiru Livestock Pty Ltd
Livestock Air Corporation Pty Ltd
Livestock Australian Exports Pty Ltd
Livestock Shipping Services Pty Ltd
Mariah Hill Alpacas and Exports
Minderoo Group Pty Ltd
North Australian Cattle Company Pty Ltd
Oceanic Cattle Stations Aust Pty Ltd
Oryx Australia Pty Ltd
P&D Exports Pty Ltd
Premier Meats Australia Pty Ltd
Purcell Brothers Pty Ltd
Samex Australian Meat Company Pty Ltd

South East Asian Livestock Services Pty Ltd (SEALS)
Success Pastoral Company
Sugarbag (Qld) Pty Ltd
Total Livestock Genetics
Vickstock Pty Ltd
Viscount Agricultural Developments Pty Ltd
Wellard Rural Exports Pty Ltd
ZhonguoAudlia Meats Pty Ltd

Associate Members

Rural Export & Trading (WA) Pty Ltd
JK & CL McLoughlin
LiveAir
National Indigenous Pastoral Enterprises Pty Ltd
Zoetis Australia Pty Ltd

Industry Members

Australia Livestock Exporters Council
New South Wales Livestock Exporters Association
Northern Territory Livestock Exporters Association
Queensland Livestock Exporters Association
South East Australia Livestock Exporters Association
Western Australia Livestock Exporters Association

ANNUAL FINANCIAL STATEMENTS

Directors' Report

Your directors present their report on LiveCorp for the year ended 30 June 2015.

Directors

The following persons were directors of LiveCorp during the whole of the financial year and up to the date of this report:



David Galvin

Chairman (Non-Executive)

Qualifications

Masters Degree in International Development Studies, Bachelor of Arts

Experience

Mr Galvin comes from an extensive rural background in the Northern Territory and overseas. He studied at the University of Queensland, Deakin University and in the United States. He is the former CEO of Indigenous Land Corporation (ILC), a position that he held for nearly 12 years before standing down in 2012. The ILC is a major beef producer and has considerable pastoral holdings and pastoral enterprise agreements on the Indigenous held land across Northern Australia to Tasmania. Mr Galvin was a Director of Voyages Indigenous Tourism Australia Pty Ltd and currently a Director of Tubarao Investments Pty Ltd a property investment company.



Terry Enright

Non-Executive Director

Experience

Mr Enright is a primary producer in the south of Western Australia and as well as operating a successful farming operation with sheep, beef cattle and grain, he has played a leading role in the administration of agricultural research in the Grains industry. He chaired the Grains Research and Development Corporation for five years to 2007 and chaired the Council of Rural Research Corporations for four years.

Mr Enright was chairman of the Albany Port Authority for ten years and has experience in development of Government policy and port planning. Mr Enright has experience in Government and stakeholder relations, industry strategic planning and animal production. He retains a number of industry positions including Director of the Crawford Fund associated with international agricultural research in the developing world, Chairman of the Australian Export Grains Innovation Centre and Chairman of the Industry Advisory Board for the Institute of Agriculture at University of WA.

Special Responsibilities

Mr Enright is the Chairman of the Finance, Audit and Remuneration Committee.



Dr David Jarvie

Non-Executive Director

Qualifications

B.VSc (Hons)

Experience

Mr Jarvie is a Veterinarian with 39 years experience in livestock export, meat and stockfeed manufacturing industries, initially with Metro Meat Ltd as Live-export Manager and Divisional Manager for a regional abattoir in Geraldton, and later as supervising export veterinarian with AQIS in Victoria. He is currently Group Veterinarian with Wellard Rural Exports and General Manager Feeds and Animal Production. Mr Jarvie is a member of Biosecurity Council of Western Australia and Chairman of management Committee of Biosecurity Industry Funding Schemes for Cattle in Western Australia.

Special Responsibilities

Mr Jarvie is a member of the Finance, Audit and Remuneration Committee.

Directors' Report



Angus Adnam

Non-Executive Director

Experience

Mr Adnam has over 35 years' experience in the red meat and livestock sector through both practical experience and government representative roles. Mr Adnam is currently Managing Director of AAA Livestock Services Pty Ltd with extensive experience and background across Asian markets (including China). He previously held Director of Australian Livestock Export Council (ALEC) between 1999-2006 and 2007-10. In both capacities Mr Adnam has developed strong working relationships with Australian Livestock Exporters, producers and importers of Australian livestock in key overseas markets.



Lisa Dwyer

Non-Executive Director

Qualifications

GCert (AgrBus), AdvDip(Agr), Grad AICD, ARLF, GCert Australian Rural Leadership

Experience

Mrs Dwyer has over 11 years of experience in operating a dairy farm, beef and export dairy enterprise. Prior to that role she undertook the role of Region Services Manager for Racing Victoria Limited. Mrs Dwyer is a dairy industry leader with extensive experience in the engagement and representation of multiple groups and concentrates on strong governance, animal welfare and strategic input.

Mrs Dwyer is currently a non-executive director with Dairy Australia. She is also an advisory committee member to the State Minister for Agriculture on animal welfare and a member of the Victorian Farmers' Federation Animal Welfare Committee.

Special Responsibilities

Mrs Dwyer is a member of the Finance, Audit and Remuneration Committee.



Simon Crean

Ex-Officio Director (Appointed 29/10/2014)

Qualifications

Bachelor of Economics and Bachelor of Law

Experience

Simon served as the Member for Hotham in the Australian Parliament from 1990 to 2013. During this time Simon was leader of the Australian Labor Party and Federal Leader of the Opposition and held various ministerial portfolios, including as Minister for Primary Industries and Energy, Minister for Trade and most recently, Minister for Regional Australia, Regional Development and Local Government. Prior to joining politics, Simon worked in a number of trade unions and was President of the Australian Council of Trade Unions (ACTU) from 1985 to 1990.

Peter Kane

Ex-Officio Director (Resigned 29/10/2014)

Qualifications

B.Comm

Experience

Mr Kane retired in 2009 after nearly 20 years with Austrade. During that time he was Senior Trade Commissioner at five overseas posts – Seoul, Toronto, New Delhi, Milan and Kuala Lumpur. He also held a number of management positions in Australia. In the late 1980's Mr Kane was Dalgety Australia's European Manager, based in Hamburg. He was Chairman of ALEC for four years from 2010 to 2014.

Directors' Report

Objectives and Strategies

LiveCorp's mission is to enhance the productivity, sustainability and competitiveness of Australia's livestock export industry by undertaking RD&E, providing technical services/support and monitoring and reporting on programs and issues that facilitate:

- Continuous improvement in livestock management, health and welfare throughout the supply chain.
- Improved market access and market development for Australian livestock exporters.
- Improved efficiency and productivity in the livestock export industry's supply chain capability and performance.
- Through engagement, education and communication, build government and community acceptance of the industry and increase stakeholder awareness and satisfaction.
- Build member and stakeholder confidence and deliver value through strong governance, planning, evaluation and review.
- Comply with the SFA, which provides the major revenue source for the company.

These strategies are underpinned by research and development.

Principal Activities

The principal activities during the financial year were as follows.

1. Livestock Export Program (LEP) in conjunction with Meat and Livestock Australia (MLA).

This includes funding and management of agreed joint activities covering:

- Trade support and market access.
- Animal welfare programs.
- Communications - incident management and market intelligence.
- Research, development and extension.

2. Other Corporate Functions

- Corporate communications and relationship management - with industry, government and other stakeholder groups.
- Corporate management - further development of LiveCorp's membership, funding and administrative arrangements.
- Application of corporate governance and compliance with the SFA.

3. Issues Management

The focus of industry resources on issues of critical importance to the future of the livestock export trade, in consultation with the industry peak policy body, ALEC.

Operating Result

The surplus of LiveCorp for the financial year amounted to \$1,251,120 (2014: Surplus of \$1,936,413).

ANNUAL FINANCIAL STATEMENTS

Directors' Report

Performance Measures

LiveCorp's performance against its strategic plan and AOP takes into account:

- The performance of LiveCorp in meeting its obligations under the SFA which is reviewed twice annually by the DoA, and at both times LiveCorp was found to have complied with the SFA;
- The development and implementation of the AOP measured by the effectiveness of LiveCorp in meeting the targets and budgets and the responsiveness to the stakeholder survey. Stakeholder feedback in 2014 - 15 showed a level of strong satisfaction, rating the provision of services as adding value to their business.
- Independent performance reviews of delivery of benefits to the industry foreshadowed in the strategic plan and AOP.
- Increased collaboration between LiveCorp, MLA and other RDCs; and
- Greater adoption of RD&E outcomes and industry services.

KPI's have been developed to monitor performance against the strategic themes. In addition over the planning period, LiveCorp will increase its information and data collection activities to further improve its monitoring and measurement of progress against individual projects and programs.

LiveCorp is committed to achieving continuous performance improvement, accountable through the annual survey of stakeholder satisfaction and the external performance review that is undertaken every three years. These outcomes are communicated to the members and stakeholders.

Meetings of Directors

Directors	Directors' Meetings		Finance, Audit & Remuneration Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
David Galvin	6	6	-	-
Terry Enright	6	6	5	5
David Jarvie	6	5	5	4
Angus Adnam	6	6	-	-
Lisa Dwyer	6	6	5	5
Simon Crean	3	3	-	-
Peter Kane	3	3	-	-

ANNUAL FINANCIAL STATEMENTS

Directors' Report

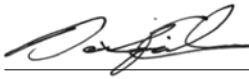
Members' Guarantee

Australian Livestock Export Corporation Limited is a company limited by guarantee. If LiveCorp is wound up, the constitution states that each member is required to contribute a maximum of \$100 towards any outstanding obligations of LiveCorp. At 30 June 2015 the number of members was 52 (2014: 47) and the maximum amount which could be contributed is \$5,200 (2014: \$4,700).

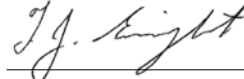
Auditor's Independence Declaration

A copy of the Auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on page 41.

Signed in accordance with a resolution of the Board of Directors:



David Galvin
Director



Terry Enright
Director

Dated this 20th day of August 2015

Auditor's Independence Declaration



To the Board of Directors of Australian Livestock Export Corporation Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Australian Livestock Export Corporation Limited.

As lead auditor for the audit of the financial report of Australian Livestock Export Corporation Limited for the year ended 30 June 2015, I declare that to the best of my knowledge and belief there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

A handwritten signature in black ink that reads 'Nexia Court & Co'.

Nexia Court & Co
Chartered Accountants

A handwritten signature in black ink that appears to read 'Lester Wills'.

Lester Wills
Partner

Sydney
20 August 2015

Sydney Office

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info@nxiacourt.com.au, www.nexia.com.au

Independent member of Nexia International



Nexia Court & Co (ABN 71 502 156 733) is an independent New South Wales firm of chartered accountants using the Nexia International trademark under licence. It is affiliated with, but independent from, Nexia Australia Pty Ltd, which is a member of Nexia International, a worldwide network of independent accounting and consulting firms. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

ANNUAL FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income

	Note	2015 \$	2014 \$
Revenues from continuing operations	2(a)	6,794,850	5,415,200
Other income	2(c)	69,306	131,972
		<u>6,864,156</u>	<u>5,547,172</u>
Consultancy expenses		(665,276)	(586,972)
Depreciation and amortisation expense		(13,399)	(10,845)
Director and staff related expenses		(1,223,604)	(1,002,597)
Direct program expenses		(588,121)	-
Joint program expenses	3	(2,385,000)	(1,150,000)
Occupancy expense		(35,014)	(35,461)
Travel costs		(201,749)	(268,067)
Other expenses		(500,873)	(556,817)
		<u>(5,613,036)</u>	<u>(3,610,759)</u>
Surplus before income tax		1,251,120	1,936,413
Income tax expense		-	-
Surplus for the year		<u>1,251,120</u>	<u>1,936,413</u>
Other comprehensive income		-	-
Total comprehensive income		<u>1,251,120</u>	<u>1,936,413</u>

The accompanying notes form part of these financial statements.

ANNUAL FINANCIAL STATEMENTS

Statement of Financial Position

	Note	2015 \$	2014 \$
Current Assets			
Cash and cash equivalents	5	1,800,852	1,947,865
Trade and other receivables	6	1,238,232	752,268
Other current assets	7	6,356	19,349
Total Current Assets		3,045,440	2,719,482
Non-Current Assets			
Financial assets	8	3,140,822	1,970,419
Property, plant and equipment	9	35,011	11,938
		3,175,833	1,982,357
Total Assets		6,221,273	4,701,839
Current Liabilities			
Trade and other payables	10	476,564	223,779
Employee entitlements	11	64,531	62,642
Total Current Liabilities		541,095	286,421
Non-Current Liabilities			
Employee entitlements	11	38,635	24,995
Total Non-Current Liabilities		38,635	24,995
Total Liabilities		579,730	311,416
Net Assets		5,641,543	4,390,423
Equity			
Statutory Marketing accumulated funds	12(a)	5,027,831	3,923,707
Statutory R&D accumulated funds	12(b)	613,712	466,716
Total Equity		5,641,543	4,390,423

The accompanying notes form part of these financial statements.

ANNUAL FINANCIAL STATEMENTS

Statement of Changes in Equity

	Retained Earnings \$
Balance at 30 June 2013	2,454,010
Total comprehensive income	<u>1,936,413</u>
Balance at 30 June 2014	4,390,423
Total comprehensive income	<u>1,251,120</u>
Balance at 30 June 2015	<u>5,641,543</u>

ANNUAL FINANCIAL STATEMENTS

Statement of Cash Flows

	Note	2015 \$	2014 \$
Cash Flows from Operating Activities			
Receipts from customers		6,572,376	5,456,389
Payments to suppliers and employees		(5,744,269)	(4,178,153)
Net cash flows from operating activities	14(a)	828,107	1,278,236
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(41,095)	(3,666)
Net payments for investments		(1,101,097)	(134,090)
Dividends received		130,847	57,677
Interest received		36,225	30,521
Net cash flows from investing activities		(975,120)	(49,558)
Net (decrease)/increase in cash held		(147,013)	1,228,678
Cash and cash equivalents at beginning of the year		1,947,865	719,187
Cash and cash equivalents at end of the year	5	1,800,852	1,947,865

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. Statement of Significant Accounting Policies

The following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Reporting Basis and Conventions

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

b) Income Tax

LiveCorp is exempt from income tax under section 50-40 item 8.2 of the Income Tax Assessment Act 1997.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure that it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Office Equipment is depreciated on a straight line basis. Leasehold improvements are depreciated on a straight line basis over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Computer Equipment and Plant and Equipment is depreciated on a diminishing value basis.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	20%
Office equipment	20%
Computer equipment	37.5%
Plant & equipment	25%

d) Financial Instruments

Recognition

Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in profit or loss in the period in which they arise.

Notes to the Financial Statements

1. Statement of Significant Accounting Policies (continued)

Held-to-maturity investments

These investments have fixed maturities, and it is LiveCorp's intention to hold these investments to maturity. Held-to-maturity investments are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are recognised at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Fair value

The company has complied with Accounting Standard AASB7 *Financial Instruments: Disclosures* which requires disclosure of fair value measurements by level of the following fair value measurements hierarchy:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1),
- (ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2), and
- (iii) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Fair value for all financial assets at fair value through profit or loss is determined as follows:

- (i) Listed fixed interest securities: at published bid prices ie Level 1.
- (ii) Investments in unlisted managed funds: at exit prices published by fund managers ie Level 2.
- (iii) Term deposits: at cost
- (iv) Other fixed interest securities: at exit prices published by fund managers ie Level 2.

e) Impairment of Assets

At each reporting date, LiveCorp reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

f) Research and Development

Expenditure on research is recognised as an expense when incurred.

g) Employee Benefits

Provision is made for LiveCorp's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Provision for Long-term Employee Benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data.

h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Notes to the Financial Statements

1. Statement of Significant Accounting Policies (continued)

i) Revenue

Revenue from the collection of levies is recognised upon the export of livestock. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when it is received. All revenue is stated net of the amount of goods and services tax.

j) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

l) Trade Receivables

Trade receivables are recognised at the amount invoiced and are generally due for settlement within 30 days.

m) Trade & Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

n) Significant Management Judgement in Applying Accounting Policies and Estimation Uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Accrued levy revenue

Management uses the most up to date information available in determining the number of livestock exported to determine the year end accrual. Uncertainties related to data provided by Australian Quarantine and Inspection Service and the time delay of payments made by exporters.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Fair value of financial instruments

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

ANNUAL FINANCIAL STATEMENTS

Notes to the Financial Statements

	Note	2015 \$	2014 \$
2. Revenue			
a) Revenue from continuing operations			
Statutory levies	2b)	5,819,630	4,416,321
Non statutory levies		176,436	149,578
Dividends received		130,847	57,677
Interest received		36,225	30,521
Grant funding		118,755	300,000
Other revenue		512,957	461,103
		6,794,850	5,415,200
b) Statutory Levies			
Marketing levies		4,817,526	3,576,687
R&D levies		1,002,104	839,634
		5,819,630	4,416,321
c) Other Income:			
Revaluation of investments		69,306	131,972
		69,306	131,972
3. Joint Program Expenses			
Livestock Export Program			
Animal welfare		1,215,000	321,600
Communications		284,000	45,600
Market access		184,000	90,880
Research and development		635,000	600,000
Trade development		67,000	91,920
		2,385,000	1,150,000
4. Auditors' Remuneration			
Remuneration of Nexia Court & Co for auditing the financial report		18,000	18,000

ANNUAL FINANCIAL STATEMENTS

Notes to the Financial Statements

	2015 \$	2014 \$
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5. Cash and Cash Equivalents

Cash at Bank	1,800,852	1,947,865
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6. Trade and Other Receivables

Trade receivables	562,157	283,807
Other receivables - statutory levy accrual	676,075	468,461
	1,238,232	752,268

7. Other Current Assets

Prepayments	6,356	19,349
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8. Financial Assets

Designated as at fair value through profit and loss:

Fixed interest securities	1,217,688	858,444
Managed funds	1,758,134	941,975
Term deposits	165,000	170,000
	3,140,822	1,970,419

ANNUAL FINANCIAL STATEMENTS

Notes to the Financial Statements

	2015 \$	2014 \$
9. Plant and Equipment		
Office and computer equipment		
At cost	55,944	91,136
Accumulated depreciation	(21,312)	(79,776)
	<u>34,632</u>	<u>11,360</u>
Plant and equipment		
At cost	9,462	9,462
Accumulated depreciation	(9,083)	(8,884)
	<u>379</u>	<u>578</u>
Total plant and equipment	<u>35,011</u>	<u>11,938</u>

	Furniture and Fittings \$	Plant and Equipment \$	Total \$
Movement in the carrying amounts			
Balance at 1 July 2013	18,193	924	19,117
Additions	3,666	-	3,666
Disposals	-	-	-
Depreciation expense	(10,499)	(346)	(10,845)
Balance at 30 June 2014	<u>11,360</u>	<u>578</u>	<u>11,938</u>
Additions	41,095	-	41,095
Disposals	(4,623)	-	(4,623)
Depreciation expense	(13,200)	(199)	(13,399)
Carrying amount at 30 June 2015	<u>34,632</u>	<u>379</u>	<u>35,011</u>

ANNUAL FINANCIAL STATEMENTS

Notes to the Financial Statements

	2015 \$	2014 \$
10. Trade and Other Payables		
Payables and accrued expenses	375,694	146,009
Other liabilities	100,870	77,770
	<u>476,564</u>	<u>223,779</u>

11. Employee Entitlements

Current

Annual leave	64,531	62,642
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Non-current

Long service leave	38,635	24,995
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12. Accumulated Funds

a) Statutory Marketing funds

The Marketing funds records surpluses contributed by the Marketing portion of the exporter levy in accordance with the Statutory Funding Agreement 2010-2014:

Movements during the financial year:

Opening balance	3,923,707	2,044,927
Allocation of current year surplus	1,104,124	1,878,780
	<u>5,027,831</u>	<u>3,923,707</u>

b) Statutory R&D funds

The R&D funds records surpluses contributed by the R&D portion of the exporter levy in accordance with the Statutory Funding Agreement 2010-2014:

Movements during the financial year:

Opening balance	466,716	409,083
Allocation of current year surplus	146,996	57,633
	<u>613,712</u>	<u>466,716</u>

ANNUAL FINANCIAL STATEMENTS

Notes to the Financial Statements

	2015 \$	2014 \$
13. Capital and Leasing Commitments		
a) Operating lease commitments		
Minimum lease payments payable:		
- Within 12 months	33,736	33,736
- Later than 12 months but not later than five years	2,222	4,195
	<u>35,958</u>	<u>37,931</u>
Commitments include a sub-lease of premises. The sub-lease has no fixed term. The commitment disclosed is for the period of 12 months.		
b) Other commitments		
Service agreement - ALEC		
- Within 12 months	<u>306,250</u>	<u>231,250</u>
c) Research & development expenditure commitments		
Livestock Export Program		
- Within 12 months	<u>895,000</u>	<u>635,000</u>
d) Marketing expenditure commitments		
Livestock Export Program		
- Within 12 months	<u>1,505,000</u>	<u>1,750,000</u>

ANNUAL FINANCIAL STATEMENTS

Notes to the Financial Statements

	2015 \$	2014 \$
14. Cash Flow Information		
a) Reconciliation of cash flows from operations with profit after income tax		
Profit after income tax	1,251,120	1,936,413
Depreciation	13,399	10,845
Revaluation of investments	(69,306)	(131,972)
Investment income recognised in profit and loss	(167,072)	(88,198)
Loss on disposal of property, plant and equipment	4,623	-
(Increase)/decrease in trade debtors	(485,964)	22,772
(Increase)/decrease in other current assets	12,993	18,786
Increase/(decrease) in trade creditors	252,785	(455,410)
Increase/(decrease) in provisions	15,529	(35,000)
Cash flows from operations	828,107	1,278,236

b) Credit Standby Facilities

LiveCorp has a facility within investments held to enable a cash recall as required within 10 working days.

15. Key Management Personnel Compensation

Remuneration paid to key management personnel	688,623	539,287
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16. Capital Management

LiveCorp's capital is its retained earnings. The capital is managed by the Board, which acts to ensure that LiveCorp has sufficient capital to fund its progress, program commitments and debts as they fall due.

17. Company Details

The registered office and principal place of business of LiveCorp are at:

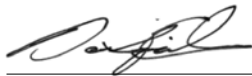
Australian Livestock Export Corporation Limited
Level 1, 40 Mount Street
North Sydney NSW 2060

Directors' Declaration

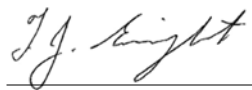
In the directors' opinion:

- a) The financial statements and notes, as set out on pages 42 to 54, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the period ended on that date; and
- b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



David Galvin
Director



Terry Enright
Director

Dated at Sydney this 20th day of August 2015

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN LIVESTOCK EXPORT CORPORATION LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Australian Livestock Export Corporation Limited ("the company"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the company.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Sydney Office

Level 16, 1 Market Street, Sydney NSW 2000
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Independent member of Nexia International



Nexia Court & Co (ABN 71 502 156 733) is an independent New South Wales firm of chartered accountants using the Nexia International trademark under licence. It is affiliated with, but independent from, Nexia Australia Pty Ltd, which is a member of Nexia International, a worldwide network of independent accounting and consulting firms. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

Independent Auditor's Report



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of Australian Livestock Export Corporation is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

A handwritten signature in black ink, appearing to read 'Nexia Court & Co'.

Nexia Court & Co

Chartered Accountants

A handwritten signature in black ink, appearing to read 'Lester Wills'.

Lester Wills

Partner

Sydney

20 August 2015

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Audit Compliance Report



INDEPENDENT AUDITOR'S REPORT TO THE COMMONWEALTH OF AUSTRALIA

We have audited Australian Livestock Export Corporation Limited's (the 'company') compliance with clauses 7 and 8 of the Statutory Funding Agreement 2010-2014 between the Commonwealth of Australia, represented by the Department of Agriculture and Australian Livestock Export Corporation Limited (the 'agreement') for the year ended 30 June 2015.

We are not required to form an opinion on whether the company has engaged in or financed Agri-Political Activity or applied the funds in a manner that is efficient, effective and ethical.

Respective Responsibilities

The directors of the company are responsible for maintaining compliance with the funding agreement and for such internal control as the directors determine is necessary to enable compliance with the requirements of the funding agreement, whether due to fraud or error.

Our responsibility is to express a conclusion on compliance with clauses 7 and 8 of the agreement, in all material respects. Our audit has been conducted in accordance with applicable Standards on Assurance Engagements (ASAE 3100 Compliance Engagements) to provide reasonable assurance that the company has complied with clauses 7 and 8 of the agreement.

Our audit involves performing procedures to obtain audit evidence about compliance with clauses 7 and 8 of the funding agreement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of non-compliance with the relevant terms of the funding agreement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's compliance with the relevant terms of the funding agreement in order to design audit procedures that are appropriate in the circumstances.

Use of Report

This compliance audit report has been prepared for the Commonwealth of Australia in accordance with Statutory Funding Agreement 2010-2014. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Commonwealth of Australia, or for any purpose other than that for which it was prepared.

Opinion

In our opinion, the company has complied, in all material respects, with clauses 7 and 8 (other than specific requirements not to engage in or finance Agri-Political Activity and to apply funds in a manner that is efficient, effective and ethical, which we are specifically not required to form an opinion on) of the agreement between the Commonwealth of Australia and Australian Livestock Export Corporation Limited for the year ended 30 June 2015.

Nexia Court & Co
Chartered Accountants

Lester Wills
Partner

Sydney

20 August 2015

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LIVESTOCK EXPORTS BY DESTINATION 2014-15

COUNTRY	VOLUME				MARKET %			
	Cattle	Dairy	Sheep	Goat	Cattle	Dairy	Sheep	Goat
Argentina	-	-	24	-	-	-	0.0	-
Bangladesh	-	2	-	-	-	0.0	-	-
Bahrain	-	-	374,640	-	-	-	17.2	-
Brunei	6,349	-	-	420	0.5	-	-	0.5
Chile	-	-	20	-	-	-	0.0	-
China	16,874	62,643	17,047	189	1.3	85.4	0.8	0.2
Egypt	19,900	-	79,000	-	1.5	-	3.6	-
Indonesia	744,679	1,514	-	-	57.1	2.1	-	-
Israel	65,677	-	56,100	-	5.0	-	2.6	-
Japan	9,852	12	-	-	0.8	0.0	-	-
Jordan	200	-	203,500	-	0.0	-	9.3	-
Kazakhstan	-	-	12	-	-	-	0.0	-
Kuwait	-	260	616,842	-	-	0.4	28.3	-
Malaysia	50,752	2,124	43,516	87,991	3.9	2.9	2.0	96.7
Mauritius	4,040	-	-	-	0.3	-	-	-
Nepal	-	-	-	79	-	-	-	0.1
New Caledonia	5	-	-	-	0.0	-	-	-
New Zealand	-	-	2	-	-	-	0.0	-
Oman	-	-	78,646	-	-	-	3.6	-
Pakistan	-	1,989	-	-	-	2.7	-	-
Philippines	26,962	-	41	153	2.1	-	0.0	0.2
Qatar	350	-	350,264	-	0.0	-	16.1	-
Russian Federation	39,342	-	-	-	3.0	-	-	-
Samoa	46	-	14	-	0.0	-	0.0	-
Singapore	-	30	2,200	345	-	0.0	0.1	0.4
Sri Lanka	-	1,250	-	-	-	1.7	-	-
Taiwan	-	3	-	-	-	0.0	-	-
Thailand	7,606	122	-	-	0.6	0.2	-	-
Turkey	2,400	-	-	-	0.2	-	-	-
UAE	2,981	23	358,133	1,723	0.2	0.0	16.4	1.9
Uruguay	-	-	5	-	-	-	0.0	-
Vietnam	306,122	3,383	-	50	23.5	4.6	-	0
Total	1,304,137	73,355	2,180,006	90,950				
FOB Value \$	\$1,187,242,438	\$167,455,451	\$244,440,915	\$9,610,706				

TOTAL BY REGION	VOLUME				MARKET %			
	Cattle	Dairy	Sheep	Goat	Cattle	Dairy	Sheep	Goat
EMENA	134,890	2,274	2,117,137	1,802	10.3	3.1	97.1	2.0
Indonesia	744,679	1,514	-	-	57.1	2.1	-	-
SEA	424,517	69,567	62,804	89,148	32.6	94.8	2.9%	98.0
Other	51	-	65	-	0.0	-	0.0%	-
	1,304,137	73,355	2,180,006	90,950				

Source: ABS

LIST OF ABBREVIATIONS

AGM	Annual General Meeting
AHA	Animal Health Australia
ALEC	Australian Livestock Exporters' Council
AOP	Annual Operating Plan
APFINDO	Indonesian Importers' Association
AQSIQ	Administration of Quality Supervision, Inspection and Quarantine
ASEL	Australian Standard for the Export of Livestock
ASIC	Australian Securities and Investments Commission
BRD	Bovine Respiratory Disease
BTV	Bluetongue Virus
CCA	Cattle Council of Australia
CEO	Chief Executive Officer
CIQ	China Inspection and Quarantine
CRR&DC	Council of Rural Research & Development Corporations
DAM	DNA Adenine Methylase
DoA	Department of Agriculture
EANs	Export Advisory Notices
ESCAS	Exporter Supply Chain Assurance System
ICWP	Industry Collaborative Welfare Program
ILRIC	International Livestock Resources & Information Centre
KPI	Key Performance Indicator
LiveCorp	Australian Livestock Export Corporation Limited
LEP	Livestock Export Program
LERDAC	Livestock Export Research and Development Advisory Committee
LGAP	Livestock Global Assurance Program
LIGP	LiveCorp Infrastructure Grants Program
EMENA	Europe, Middle East and North Africa
MISP	Meat Industry Strategic Plan
MLA	Meat and Livestock Australia
MOU	Memorandum of Understanding
NABRDES	National Animal Bio-security RD&E Strategy
NAMP	National Arbovirus Monitoring Program
NAWRDES	National Animal Welfare RD&E Strategy
OIE	World Organisation for Animal Health
R&D	Research and Development
RD&E	Research, Development and Extension
RDC	Research and Development Corporation
RMAC	Red Meat Advisory Council
SCA	Sheepmeat Council of Australia
SEA	South East Asia
SEALEA	South Eastern Australian Livestock Exporters' Association
SFA	Statutory Funding Agreement
SOP	Standard Operating Procedure
UAE	United Arab Emirates

