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MEDIA RELEASE

Industry launches new traceability guideline for Australian dairy

The use of technology to give dairy farmers a clearer view of transactions in the value chain got a boost today with the launch of a guide for traceability in the supply chain.

Today, during the eighth meeting of the National GS1 Traceability Advisory Group (NGTAG), Australian Government Senator Susan McDonald officially released the *Australian Dairy Traceability Guideline*.

GS1 Australia and Australian Dairy Farmers (ADF) welcome the announcement, signalling the second output of the Australian Government grant for the implementation of ADF's Blockchain and Traceability Framework.

"Improving the transparency of information flow through our supply chain is critical to address power imbalances, identified by the ACCC and the Senate's Rural and Regional Affairs and Transport References Committee, of which the Senator is Deputy Chair, in their dairy inquiries," says ADF president Terry Richardson.

"Trust is the foundation on which supply chain participants – from farm to shopping basket – rely. Traceability underpins trust. It enables us to provide assurances about what we produce, process, and sell.

"This is what makes today's launch so important to dairy farmers, and the industry as a whole."

The traceability standards in the guideline provide a common approach for the Australian dairy industry to identify and track product as it moves through the supply chain, capturing and sharing information of relevance to producers, transporters, manufacturers, retailers, exporters and government.

"Openly sharing information also helps industry to protect our clean, green and safe food image, and, importantly, reduce our costs to compete more aggressively in local and global markets," says Mr Richardson. "Without open, transparent and secure information systems in our value chain Australia's dairy farmers, processors and exporters will be competing on world markets with one arm behind their back."

Mr Richardson says the common language for traceability in the guideline will improve communication across industry. "It puts everyone on the same page and in doing so it increases efficiency across the value chain. It will help everyone in the sector implement traceability and improve safety and market access," he says.

The traceability guideline has been developed based on specialist technical advice from GS1 Australia, as well as a series of industry supply chain workshops and validation with a global food company.

Says Maria Palazzolo, CEO at GS1 Australia: "I commend the Australian Government for their assistance, support, capacity building and the innovation they are fostering within Australian agricultural supply chains and particularly the support for our primary producers.

"This is a great example of Federal Government alignment as these guidelines complement the National Freight Data Hub led by the Department of Infrastructure, given both initiatives are based on the same underlying global data standards for supply chains. The guidelines also support federal government initiatives to simplify trade systems via export regulatory reform and a more automated exchange of trade documents."

Download the Australian Dairy Traceability Guideline here

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About Australian Dairy Farmers

Australian Dairy Farmers (ADF) is the recognised national policy and advocacy organisation working to improve profitability and sustainability of dairy farming in Australia. Representing Australia's six dairying states, Australian Dairy Farmers state membership comprises representatives from Victoria, Tasmania, New South Wales, Queensland, South Australia and Western Australia. These state bodies are known as State Dairy Farmer Organisations (SDFOs). ADF provides the SDFOs with support and representation on a national level.

About GS1 Australia

GS1 is a neutral, not-for-profit organisation that develops and maintains the most widely used global standards for efficient business communication. It is best known for the barcode, named by the BBC as one of "the 50 things that made the world economy". GS1 standards and services improve supply chain efficiency, traceability and food safety across physical and digital channels in the food and beverage sector. With local member organisations in 115 countries, two million user companies and six billion transactions every day, GS1 standards create a common language that supports systems and processes in 25 sectors across the globe.

About the ACCC's Dairy inquiry

In 2018 the Australian Competition and Consumer Council (ACCC) found there was a power imbalance between farmers and processors. This power imbalance, together with uncertain world market prices, supermarket milk discounting and falling processor margins impacted negatively on farmgate milk prices. To address power imbalance, ensure viability and meet industry sustainability challenges, a national industry reform program includes measures explicitly addressing how information is captured, shared and used across the dairy supply chain. ADF's Blockchain and Traceability Framework is one of these measures.

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