



SUBMISSION

28 June 2024

Australian Agricultural Traceability Data Standards Working Group
Agricultural Traceability Branch, Trade and International Division
Department of Agriculture, Fisheries and Forestry
Agriculture House
70 Northbourne Avenue
CANBERRA ACT 2601

Via email: Credentials.innovation@aff.gov.au

Dear Working Group

Re: Submission to Data Interoperability Framework

Livestock SA is the peak industry organisation for South Australia's red meat and wool producers. Representing over 5,200 sheep producers and more than 2,700 beef cattle producers across the state, we work to secure a strong and sustainable livestock sector. South Australia's \$4.3 billion livestock industry is a key economic contributor to the state which supports 21,000 South Australian jobs across the red meat and wool industries.

Livestock SA welcomes the opportunity to provide a submission to the Australian Agricultural Traceability Data Standards Working Group (AATDSWG) on the Data Interoperability Framework (Framework), which is important to our members and industries.

Livestock producers participate in a national traceability system, managed by Integrity Systems Company (ISC). Livestock SA supports the submission provided by ISC, as our industry's on-farm assurance and through-chain traceability programs provider. We have included additional comments relevant to the Framework in this submission.

Investment at the producer level

South Australian livestock producers are part of the national traceability and integrity system and adhere to their requirements to record livestock movements using National Vendor Declarations (NVD) and the National Livestock Identification Systems (NLIS). In 2023-24, livestock producers contributed \$27 million nationally towards integrity systems through statutory levies¹.

¹ MLA Annual report 2022-23 (p.47), <https://www.mla.com.au/globalassets/mla-corporate/about-mla/documents/planning--reporting/2022-23-ar/mla-annual-report-2223.pdf>

South Australian sheep and cattle producers contribute additional funding annually to NLIS compliance activities performed by the State Government through state-based levies/contributions. In 2023-24 South Australian sheep producers contributed \$265,720² and South Australian cattle producers contributed \$174,078³ towards these activities.

South Australia is the only state which utilises producer levies/contributions to fund NLIS compliance. It is Livestock SA policy to reduce and eventually remove producer funds being used for state government compliance activities, but in the interim, producers contribute towards ensuring this critical activity is effectively discharged because they recognise the importance of livestock traceability for food safety, biosecurity and market access. For example, the South Australian Red Meat and Wool Blueprint 2030 – our industry’s strategic plan – contains key traceability targets including ‘100% of red meat and wool products are traceable through the supply chain’⁴.

South Australia’s red meat and wool producers have made significant commitments and investments (both sunk and ongoing) in the integrity and traceability programs in place. As such, Livestock SA support the sector specific standards into a national framework. The differences in requirements between sectors, makes a single data standard suitable for all sectors unlikely and we do not want to lose the system and data mechanisms the livestock sector already has in place.

There is also ongoing investment underway into the NLIS and livestock traceability system with the introduction of mandatory sheep and goat eID and NLIS data uplift project and it is vital this investment is not made redundant with a change in standards.

Federal government modelling estimated the total cost to transition to eID for sheep and goats will cost \$810 million to \$831 million (depending on scenario). NLIS device costs, which are borne solely by livestock producers, are the greatest proportion of these costs accounting for 82 per cent, or \$683 million, of the total cost of \$831 million. This is an ongoing cost that producers will bear following the transition, estimated to cost \$53 million in 2027 and \$63.3 million in 2032.

Livestock SA considers more information is required on the use of GS1 standards in the Framework. The red meat industry does not use GS1 standards, and we are yet to understand whether changes to the current livestock systems will be beneficial to the red meat industry. More consultation is needed on the potential application of GS1.

Recommendations

Ongoing and in-depth consultation with individual industries on the development of the Framework and industry specific standards must be a key focus to ensure standards are fit for purpose.

Sector specific standards should be aggregated into a single national Framework.

Data integrity

The Framework must adequately address the very real concerns about data sharing and/or breaches. Producer data including personal information is used in the traceability system, such as property addresses and Property Identification Codes (PICs). Data protection must be guaranteed to ensure data is not breached, leaked or used inappropriately.

² Sheep Industry Funds Approved Projects (2023/24) <https://livestocksa.org.au/industry-funds/sheep-industry-fund-sif/sif-approved-projects-2023-24>

³ Cattle Industry Funds Approved Projects (2023/24) <https://livestocksa.org.au/industry-funds/cattle-industry-fund-cif/cif-approved-projects-23-24>

⁴ South Australian Red Meat and Wool Blueprint 2030 (2024 Update). Yet to be released

Recommendation

Develop a clear and easily understood fact sheet that can be socialised through industry on the protection of data in the Framework.

Extension and adoption

Addressing adoption barriers is an ongoing issue across many facets of agriculture, including traceability. Livestock producers are currently undergoing significant reform in traceability with the introduction of mandatory sheep and goat eID from 2025, the uplift of the NLIS database and changes to NVDs including the increased use of and transition to eNVDs. Red meat producers also participate in assurance programs such as the Livestock Production Assurance (LPA) program and are audited through this program. Third party audit programs (e.g. individual processor requirements) and jurisdictionally unharmonised livestock movement requirements add to these pressures.

Various programs and compliance activities operate on different systems. This is time consuming, can be difficult to manage, and is frustrating for many livestock producers. In 2014-15, the time taken to comply with regulatory requirements for southern beef enterprises were around 15 per cent of total revenue, and around 16 per cent of total revenue for sheep producers⁵.

The demand on producer time and resources to ensure they adhere to regulatory requirements continues to increase and this is a significant barrier to adoption. Platforms such as MyMLA which integrate some red meat industry systems into one platform have proven to be valuable for producers.

Recommendation

Recognise and fully understand the increasing demands on producers to meet data collection requirements for assurance programs and traceability in the Framework.

Where possible, integrate systems without compromising the functionality, integrity and security to reduce the significant time and resource commitment for producers.

Conclusion

The level of compliance and regulatory related activities livestock producers need to satisfy is already more time consuming and difficult than it should be. Livestock SA remains concerned about the increased obligations that will be placed on producers as new reporting obligations, such as emissions profile and ESG, evolve.

Livestock SA welcomes the department's efforts to address data interoperability which can reduce this unproductive burden on farm business. Critically, any framework must maintain sector specific standards and ensure data security while providing sufficient levels of transparency. We look forward to further consultation on the Framework.

Yours sincerely



Travis Tobin
Chief Executive Officer

⁵ ProAnd Associated Australia Pty Ltd (2016). *Regulatory costs in the red meat and livestock industries*.