

AUSTRALIAN LIVESTOCK EXPORT CORPORATION LIMITED



STRATEGIC PLAN 2016-2020



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OUR VISION

Driving world leading Research Development & Extension, supported by innovative services, that underpins the sustainability of the livestock export sector as a trusted, valued and connected contributor to animal health and welfare.

LiveCorp – Trusted. Valued. Connected.



OUR MISSION

LiveCorp will maximise the productivity, sustainability and competitiveness of Australia's livestock export industry by undertaking RD&E, providing technical services and support, monitoring and communicating programs and issues that facilitate the following:

1	Continuous improvement in livestock management, health and welfare throughout the supply chain.
2	Improved market access and market development for Australian livestock exporters, which supports global food security for our trading partners.
3	Improved efficiency and productivity in the livestock export industry's supply chain capability and performance.
4	Collaboration with all stakeholders in the Australian and international livestock export industries including world health and standards organisations.

OUR STRATEGIC OBJECTIVES

1	Achieve continuous improvement in animal health and welfare across the supply chain.
2	Improve supply chain efficiencies and regulatory performance.
3	Enhance market access and conditions for both existing and new markets.
4	Develop and deliver targeted exporter, government and other stakeholder communications that serve to secure, promote and inform the activities of the livestock export sector.
5	Maximise collaboration with key Australian and international stakeholders involved in the livestock export industry.

SECTION 1

ABOUT LIVECORP

LiveCorp is a not-for-profit industry body established to undertake livestock export industry services to, among other things, promote Australian livestock overseas and undertake industry research for the benefit of Australian livestock exporters.

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).

LiveCorp does not engage in agri-political activities and responsibility for policy and advocacy clearly sits with Australian Livestock Export Council (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, as the declared Livestock Export Marketing Body and the Livestock Research Body under subsections 60 (3) and 60 (3A) of the Australian Meat and Livestock Industry Act 1997 (AMLI Act), is primarily funded by statutory levies on exports of cattle, sheep and goats. A voluntary levy is also received for dairy cattle exports. The levies on livestock exports are collected through a regulatory system with the Commonwealth of Australia represented Australian Government, Department of Agriculture and Water Resources (the Department). The statutory levies collected are provided to LiveCorp in accordance with a Funding Agreement (Agreement) with the Department.

The Agreement defines LiveCorp's responsibilities for the custody, management and application of the levy funds received. The requirements include the establishment of accounting systems, processes and controls to ensure the funds are used only in accordance with Sections 67 (3A) and 67 (3B) of the AMLI Act and the Agreement. The LiveCorp Strategic Plan and the Annual Operating Plan (AOP) are developed in accordance with the requirements of the Agreement.

LIVECORP PROGRAMS

LiveCorp invests the levy funds it receives into key program areas as defined in the AOP. The funds for investment into the LEP are paid to MLA which administers the LEP and the remaining funds are invested into LiveCorp's programs. The following programs enable LiveCorp to deliver against its key strategic objectives.

- LEP RD&E Program
- LEP In-Market Programs (SEA, Vietnam, Indonesia, and EMENA)

- LEP Industry Capability Program
- LiveCorp Exporter Program
- LiveCorp Services and Innovation Program
- LiveCorp Dairy Cattle Export Program
- LiveCorp Communications Program
- LiveCorp Corporate Governance Program

The program structure will continue with regular and ongoing changes and modifications to comply with all statutory, governance and market requirements.

LIVESTOCK EXPORT PROGRAM

The partnership between LiveCorp and MLA in delivering the LEP has provided a stable, consistent and valued mechanism to support Australia's livestock exporters and producers. It is recognised as the most efficient method to deliver RD&E and in-market technical services e.g. training, supply chain reviews, technical support and knowledge of Exporter Supply Chain Assurance System (ESCAS) requirements. This collaborative arrangement maximises the delivery of an integrated whole of supply chain approach while at the same time limiting duplication of effort and ensuring significant administrative efficiencies are achieved.

From the implementation of ESCAS in mid-2011 until July 2015, LEP training activities show that more than 9,167 people have been trained worldwide in animal welfare/handling/management. By region/program this included:

- Europe Middle East and North Africa (EMENA) – 3,410 participants;
- Indonesia – 3,346 participants; and
- South East Asia (SEA) – 2,411 participants.



LIVECORP'S OPERATING ENVIRONMENT

The Australian livestock export industry has achieved significant ongoing success in terms of the dollar value of overseas trade and the acceptance of Australian animal health and welfare standards locally and overseas. The Australian livestock export industry is an integral part of global food value chains, bringing added prosperity to Australian livestock producers and their communities.

LiveCorp and the livestock export industry operate in an often highly political, and contested environment and attempt at all times to operate in accordance with community expectations.

Industry Agreements

ALEC is the peak industry body responsible for setting industry policy, providing strategic direction and representing its members. LiveCorp together with ALEC are signatories to the Red Meat Industry Memorandum of Understanding (MOU) which outlines the industry partnership between the signatories and defines the agreed roles and responsibilities, service delivery and research and development arrangements. The Red Meat Advisory Council (RMAC) is the custodian of the MOU which is also responsible for consulting with the Minister for Agriculture and Water Resources to represent the collective interests of Australia's red meat and livestock industry. RMAC has a custodial role in developing the Meat Industry Strategic Plan (MISP) for the red meat industry which sets out the overarching priorities for the red meat and livestock industry.



Collaboration

LiveCorp will continue to partner with MLA in the guidance and delivery of the LEP (approximately 45 per cent of the total LiveCorp budget) and the LiveCorp CEO will continue to hold the position of LEP co-manager to oversee expenditure and program performance.

In addition to the LEP, LiveCorp is an active participant in the Council of Rural Research and Development Corporations (CRRDC) that enables information and outcomes to be shared across industry groups as well as providing opportunities to co-invest in broader industry aligned and cross-sectoral research initiatives. Collaboration with the individual RDCs will continue especially in relation to animal health and welfare research and development projects.

Opportunities for further collaboration on priority issues with industry, government and research providers is actively sought particularly in RD&E where there is potential to increase the investment through matched funding from the Commonwealth. However the livestock export industry is quite targeted and specific and often does not have alignment with other research projects.

Exporter Supply Chain Assurance System

Introduction of the Australian Government requirement to meet animal health and welfare standards, as laid down in ESCAS, has achieved far reaching benefits. Not only do these show significantly higher animal health and welfare outcomes and performance, but greater acceptance, use and extension of these standards by many of the Industry's trading partners in their own operating environments. The role of exporters and their overseas customers in the successful adoption and implementation of ESCAS is significant.

The impact of ESCAS cannot be underestimated. While animal welfare risks have not been eliminated, these risks can be managed far more efficiently and effectively. By November 2014, under the regulation of ESCAS, the export of livestock included the following statistics;

8 Million

head of feeder
and slaughter
livestock exported

1,139

consignments

18

countries

21

exporters

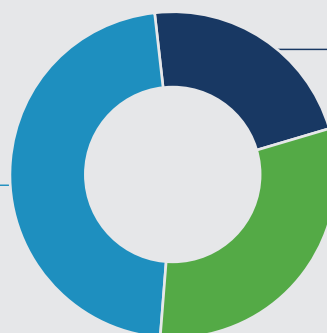
866

establishments
in 19 countries
independently
audited

59 incidents of non-compliance confirmed

**37 of these
– no direct
animal welfare
impact**

47%
detected by the
Department



22%
reported by others

31%
self-reported by
exporters

Source: Australian Government ESCAS Report January 2015

The January 2015 ESCAS Report also identified that:

1. Cattle exports declined prior to the introduction of ESCAS, but rebounded to record levels in 2013-14. The total trade volume of sheep has been declining since 2005-06 and has continued to decline following the introduction of ESCAS.
2. Some difficulties in maintaining individual markets under ESCAS have been experienced. There have been no sheep consignments to Saudi Arabia since 2012 and it has not been possible to reopen that market under ESCAS. Conversely, in 2014 ESCAS enabled the trade in live sheep to Egypt, which had ceased in 2006, to recommence. New markets have been opened under ESCAS including Vietnam, Iran, Cambodia, Thailand, Lebanon and China.
3. Despite its successes, the regulatory model for ESCAS is complex and imposes costs of over \$17.6 million a year on government and industry.

Export Licences

All livestock exporters are required by the Australian Government to hold a valid export licence. Currently there are:

- 72 licences;
- 55 of these licensees are LiveCorp members;
- 38 licences were active in 2014; and
- The top 10 licences accounted for 93.7% of exports in 2014.

AUSTRALIAN LIVESTOCK EXPORT INDUSTRY REFORM STRATEGY

The livestock export industry has developed and commenced implementation of a reform strategy, which aims to keep the industry aligned with community expectations on animal health and welfare and better demonstrate how it is meeting challenges and making improvements.

While responsibility for the strategy rests with ALEC and the livestock export industry, LiveCorp is cognisant of incorporating the principles, objectives and goals of the industry strategy in its planning, communications and programs.

LIVESTOCK EXPORT INDUSTRY – OVERVIEW

Australian livestock exports in 2014-15 reached a total value of A\$1.6 billion as shown in Chart 1. This represents around 12% of the total value of red meat exports and contributes significantly to the viability of Australian agricultural producers with higher farm gate prices through the increased demand created by live exports. This is evidenced by the decrease in beef and sheep meat prices following the 2011 ban on livestock exports, which have since recovered significantly with the resumption of live exports.

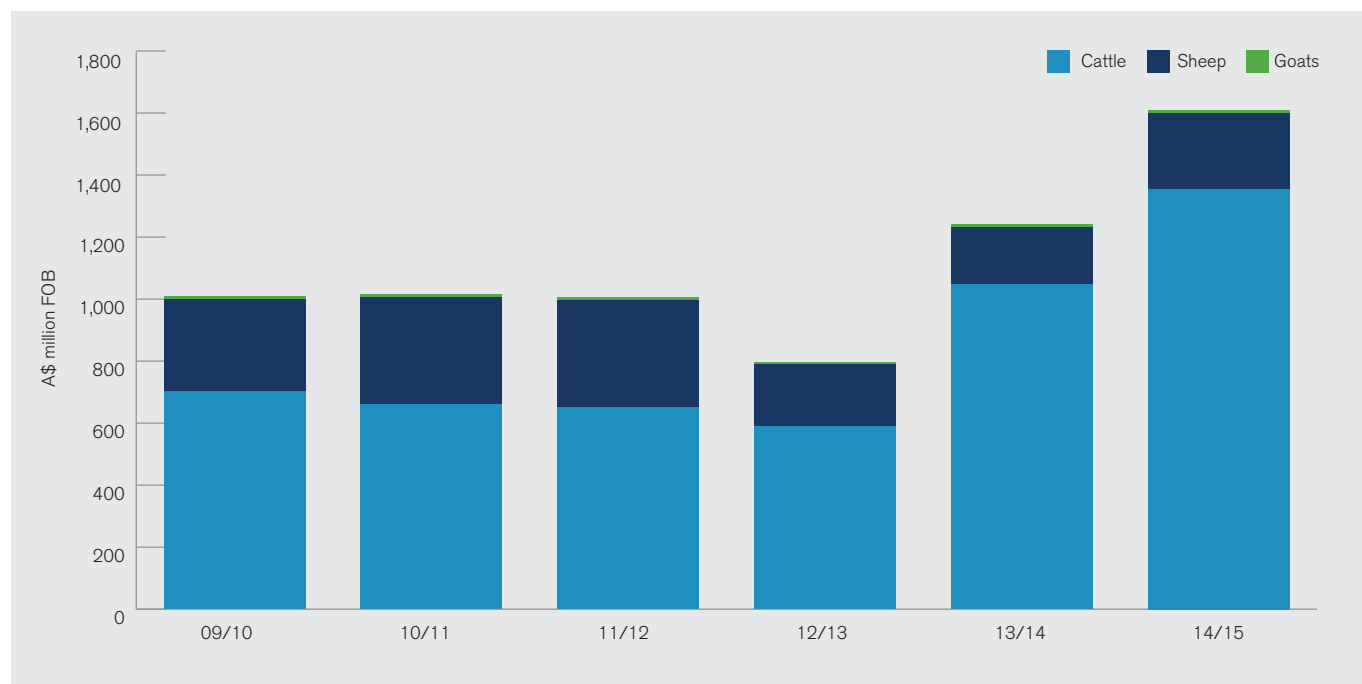
The livestock export industry is a significant contributor to the Australian red meat industry being in the top five Australian export industries in 2014-15.

Although representing only around 12% of total livestock turnover, livestock exports are important to producers in many regions of Australia. Many cattle producers in the Northern Territory and the Kimberly region of Western Australia, as well as sheep producers in the south of Western Australia, are reliant on the livestock export trade for a significant proportion of their farm income.

Livestock export levels have been significant for many years, but it was not until 2014 that the value of livestock exported reached the previous highest level achieved in 1994.

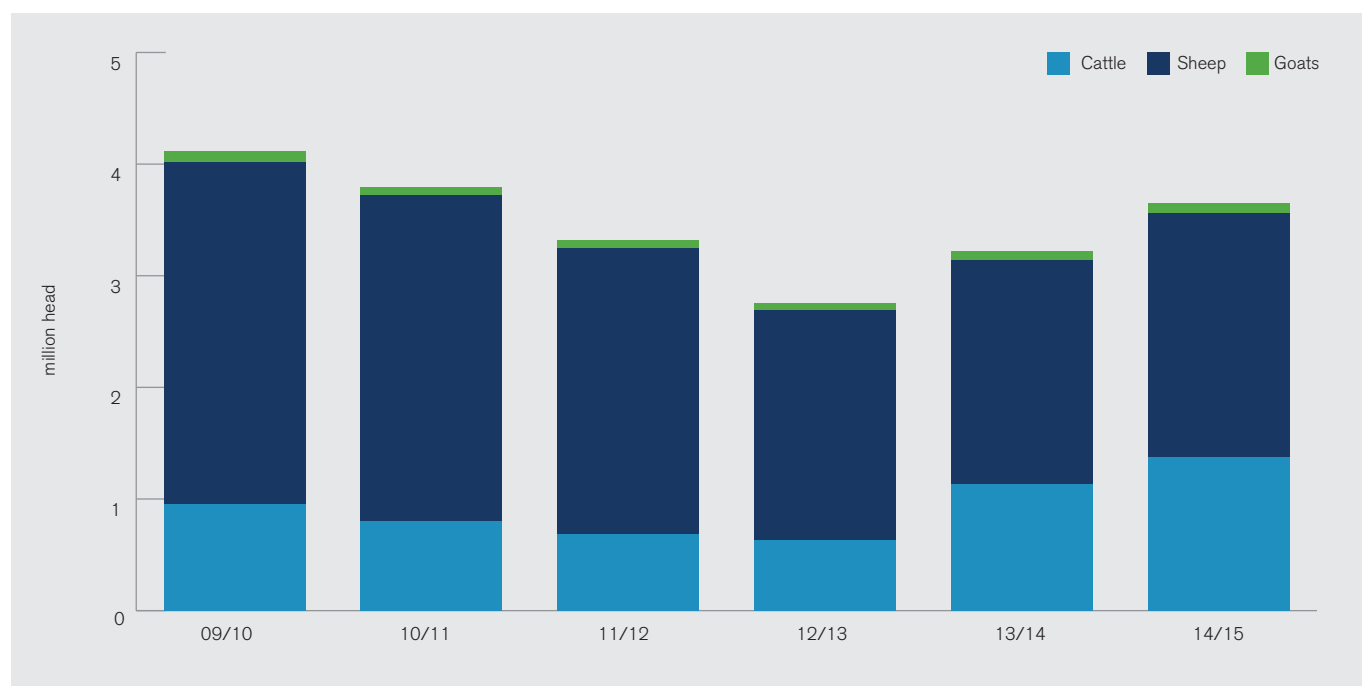


Chart 1. Value of Australian live cattle, sheep and goat export 2010 to 2015



Source: ABS

Chart 2. Volume of Australian live cattle, sheep and goat exports 2010 to 2015



Source: ABS

A breakdown of livestock exports for 2014-15 by animal type shows that:

- Cattle exports including beef breeding, feeder and slaughter and dairy cattle were 1,377,482 head, up 22% on the previous year with a value of A\$1,354 million.
- Dairy cattle exports decreased 20% from the previous year to 73,395 head, with a value of A\$167 million.
- Sheep exports were 2,180,006 head, up 8.5% on the previous year with a value of A\$244 million.
- Goat exports were 90,950 head, up 12% on the previous year, with a value of A\$9.6 million.

Further analysis of these livestock exports shows port and market details for 2014:

- Indonesia is Australia's largest market importing 729,955 head, or 56% of all live cattle exports, an increase of 61% year-on-year which is valued at A\$561 million.

- Australia's second largest cattle market was Vietnam importing 181,483 head, valued at A\$183 million which has increased by 171% year on year; followed by China with 117,906 head, valued at A\$245 million. The higher dollar value of imports to China reflects the greater value of dairy breeding cattle.
- China remained the largest dairy cattle export market, taking 62,640 head, valued at A\$142 million.
- For 2014, Darwin was the largest live cattle export port, shipping 540,775 head valued at A\$433million; Townsville was the 2nd largest port shipping 246,988 head valued at \$208 million; followed by Fremantle shipping 136,909 head valued at \$108 million. In dollar terms Portland was the second largest port for cattle valued at A\$234 million due to the high prices paid for dairy cattle shipped through the port.



FUTURE INDUSTRY TRENDS

There are a number of important factors which will impact the livestock export market during the next planning cycle.

Market Demand

- Increasing food security concerns in developing markets will expand demand for Australian livestock exports to meet these requirements.
- Many nations' escalating concerns regarding food security, due to growing population, is creating a greater demand for high quality affordable breeding livestock for their herd development and rebuilding programs.
- Continual strengthening of economies in key markets is creating a shift in purchasing trends leading to increased demand for processed meat.
- The newly completed protocol for the live export of feeder/slaughter cattle to China could significantly increase demand, potentially leading to higher cattle prices and supply challenges.
- Changes in the livestock specifications for live export based on changing market requirements and supply availability.
- Changing tastes and rising incomes in many traditional markets will create significant changes in market demand, product mix, purchasing and consumption patterns (e.g. wet markets, supermarkets, restaurants, home consumption).
- An increase in the number of countries and markets requiring livestock imports.
- A greater diversity of countries importing Australian livestock with a commensurate increase in the stability of demand.

Market Supply

- R&D will deliver further innovations to improve: animal welfare, animal genetics, productivity, performance and management of livestock in the supply chain.
- Increased investment in port and road infrastructure to provide better access for exporters.
- Delivery of skills and training for staff operating in livestock export on farm and in local and overseas facilities to improve the productivity of the industry.
- Australian sheep and beef producers' need to continue to increase their productivity and their capacity to supply the livestock export industry.

- Ongoing decrease of the national sheep flock, due partially to the changeover of grazing land to cropping.
- RMAC/MISP modelling indicates that the size of the Australian beef herd will not reach the 2014 level until 2030.
- Australia produces significantly more protein than its population requires which provides significant export opportunities for all types of red meat – processed and live export.
- The Australian Government negotiating additional new and revised export market protocols.

Competition

- Potential for major new markets to increase competition for supply with existing markets.
- Increasing competition for Australian livestock exports from countries, such as India and Brazil, as they become more price competitive.
- Rising prices for Australian export livestock will provide opportunities for competitors to access Australia's traditional export markets.
- Many Australian exporters are global companies and have branches overseas where they can source livestock to competitively supply Australia's traditional and new export markets.

Regulation and Regulatory Reform

- Continued growth in acceptance and application of the Industry Reform Strategy by operators in the livestock export supply chain.
- Improvements in the implementation and operation of ESCAS, including the potential development of industry/co-regulatory assurance systems to further improve and demonstrate animal health and welfare performance.
- Industry working with government to develop a more co-regulatory model for the regulation and management of livestock exports.

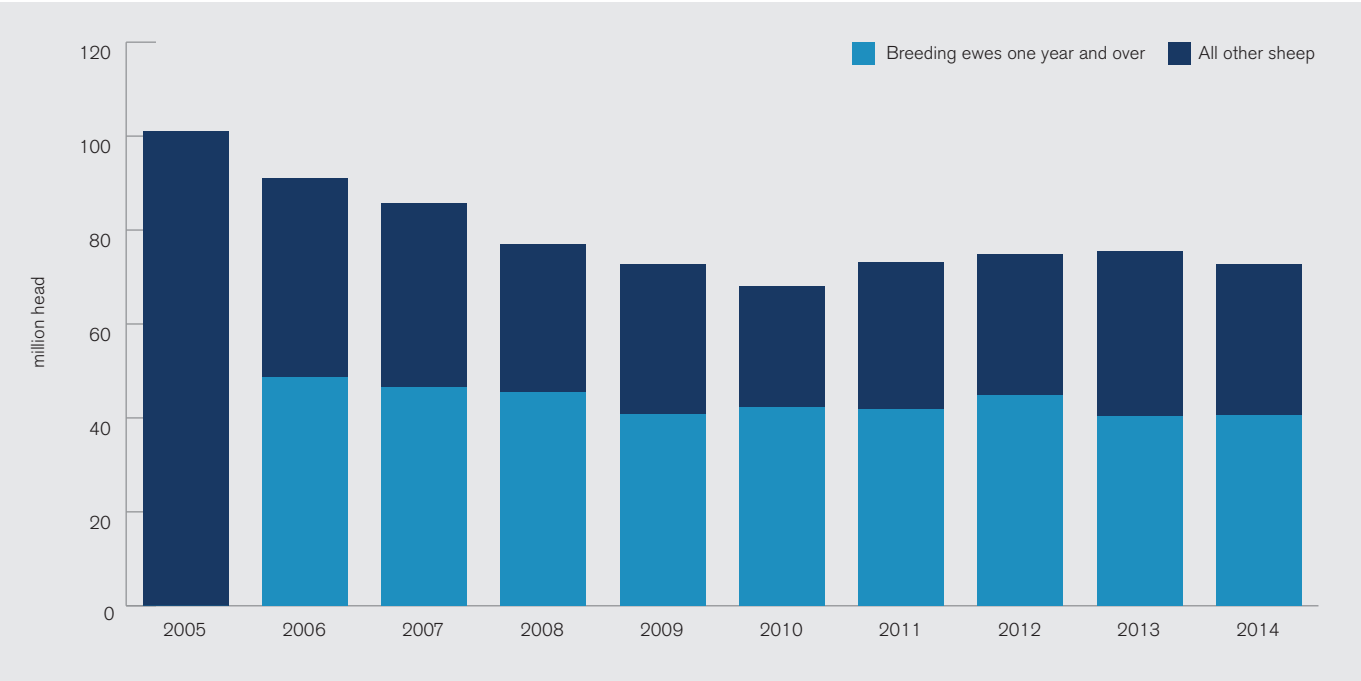
CHANGES TO FLOCK AND HERD SIZES

Issues which have an effect on the volume of Australian livestock exports are the decreasing national sheep flock size, particularly in south western, Western Australia and the decreasing beef herd particularly in northern Australia. Chart 3 highlights the decrease in total sheep and breeding ewes of 29 million animals over the past 10 years.

While drought is always a key factor for Australian farm production, it has been particularly so in Queensland with major rainfall deficiencies across much of the state over the last three years. The impact of drought on cattle numbers and the

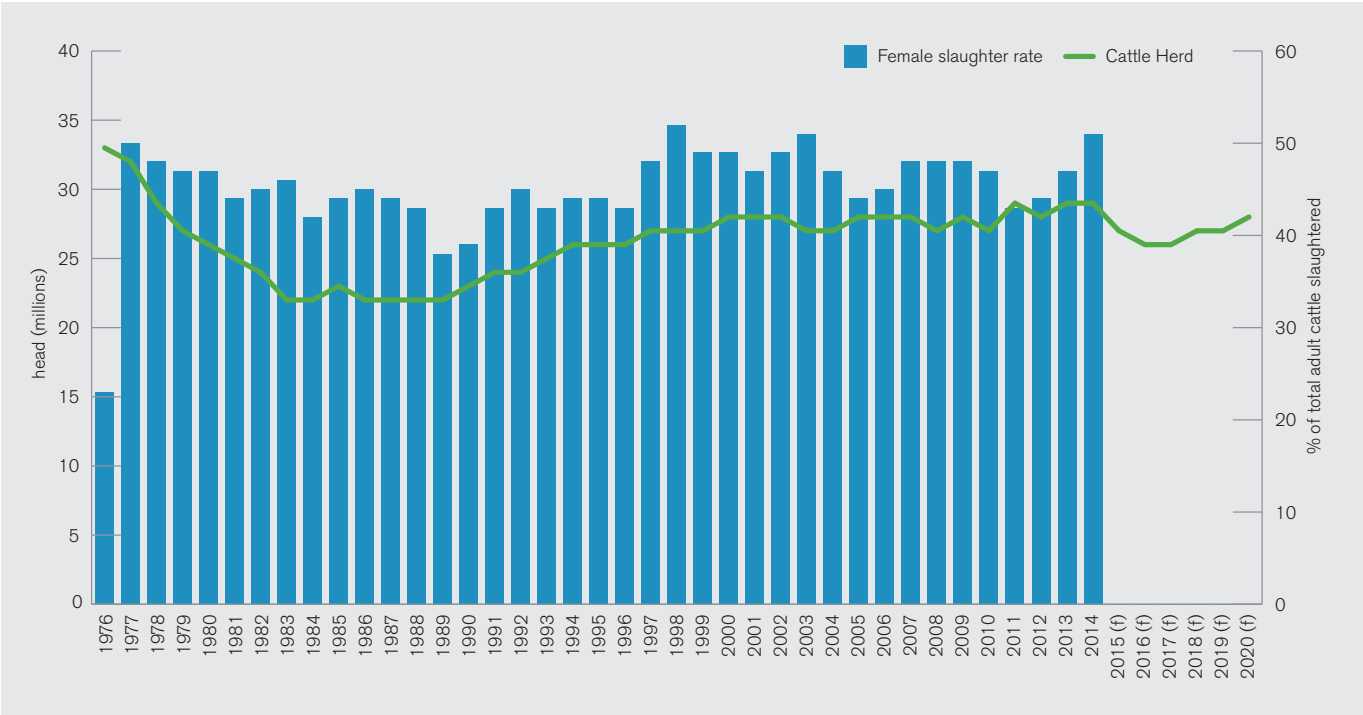
slaughter rates of cows and heifers has a much greater impact on the value of exports than sheep as the national beef herd decreases. It has taken only three years for Australia to move from the largest beef herd in 30 years to the smallest in 20 years due to poor seasons and increased demand. Currently female cattle make up 51% of the total cattle slaughter rate which is significantly reducing the number of calves produced with the result that the Australian beef herd will not reach prior levels of 28 million until 2030. Chart 4 highlights the current beef herd changes.

Chart 3. Australian sheep flock 2005 to 2014



Source: ABS

Chart 4. Australian cattle slaughter and herd estimates



Source: MLA



SECTION 2

LIVECORP STRATEGIC PLAN 2016-2020

To deliver against LiveCorp's mission, five key strategic objectives have been identified. These strategic objectives have been developed to align with the MISP and the ALEC /Industry Strategic Statement and to maximise the opportunities to partner with MLA through the LEP.

Key Strategic Objectives:

1	Achieve continuous improvement in animal health and welfare across the supply chain.
2	Improve supply chain efficiencies and regulatory performance.
3	Enhance market access and conditions for both existing and new markets.
4	Develop and deliver targeted exporter, government and other stakeholder communications that serve to secure, promote and inform the activities of the livestock export sector.
5	Maximise collaboration with key Australian and international stakeholders involved in the livestock export industry.

Each of these objectives has been developed in terms of the goals that industry requires to assist development of the Australian livestock export trade. These goals will be used to develop activities, programs and detailed budgets in the AOP for LiveCorp for the ensuing period.

These objectives do not show a radical change in direction for LiveCorp, but rather a continuation from its previous Strategic Plans. This is shown in Appendix A – Continuum of LiveCorp Strategic Plan Objectives 2007-2020.

The objectives and the resource allocations applied to them have been developed and agreed by the Board in strategic planning workshops in accordance with the planning imperatives and LiveCorp's cost allocation policy. This policy requires LiveCorp to allocate costs in a transparent manner between Marketing and R&D programs for the effective implementation of the Program Framework.



The Framework and the Strategic Plan identify that LiveCorp pursue two broad outcomes:

1. The generation of information and knowledge to improve livestock management and welfare and industry capacity through investment in R&D; and
2. Improved market access and market development through investment in marketing.

The strategic objectives and the respective spending priorities identified foster the development of best practice animal health and welfare outcomes in the livestock export industry and work towards continuous improvement in animal health and welfare outcomes.

Resource allocations and outcomes from previous strategic plans were reviewed in conjunction with current priorities and the anticipated available funding to set the proposed resource allocations.



KEY STRATEGIC OBJECTIVE 1:

Achieve continuous improvement in animal health and welfare across the supply chain

Strategies	<ol style="list-style-type: none"> 1. Improving the skills, knowledge and capability of people and increasing the availability, understanding and adoption of evidence based standards, systems and processes in livestock export supply chains to deliver good animal welfare outcomes. 2. Encouraging increased adoption/improvement of infrastructure in livestock export supply chains to support good animal welfare outcomes. 3. Supporting improvements in the understanding and performance of participants throughout the export supply chain in delivering against Australian animal welfare regulatory requirements. 4. Supporting livestock export supply chain stakeholders in implementing the ALEC Livestock Export Industry Reform Strategy. 5. Commissioning RD&E to support improved animal health and welfare consistent with the above strategies.
Deliverables/ Key Performance Indicators	<ol style="list-style-type: none"> 1. The provision of animal welfare technical support is identified through market research as adding significant value to exporters' businesses and the Australian livestock export industry. 2. Training programs are undertaken domestically and in-market with demonstrable improvements in animal welfare and implementation of regulatory requirements. 3. Increased adoption of training and support programs is evidenced through reduced animal health and welfare issues reported. 4. R&D outcomes that improve animal health and welfare are extended and communicated to industry stakeholders effectively.
Relevant Programs	<ol style="list-style-type: none"> 1. LiveCorp Exporter Program 2. LiveCorp Services & Innovation Program 3. LiveCorp Dairy Cattle Export Program 4. LEP Industry Capability Program 5. LEP In-Market – Europe, Middle East & North Africa Program 6. LEP In-Market – Indonesia Program 7. LEP In-Market – South East Asia Program 8. LEP In-Market – Vietnam Program 9. LEP RD&E Program
Resource Target	Approximately 30% requiring around \$6,402,851 for the 5 year planning period.

KEY STRATEGIC OBJECTIVE 2:

Improve supply chain efficiencies and regulatory performance

Strategies	<ol style="list-style-type: none"> 1. Developing the effectiveness and efficiency of the Australian livestock export industry regulatory structures by reducing red tape, regulatory burden and better aligning it with business structures. 2. Providing support for the adoption and enhancement of livestock control and traceability systems and innovative means to improve productivity in the industry, within the constraints of the regulatory environment. 3. Supporting and encouraging the efficiency, sustainability and productivity of Australian livestock export supply chains with the necessary knowledge, skills, systems, technologies and tools to comply effectively and efficiently with regulatory requirements. 4. Providing technical advice where appropriate and available to improve facilities, skills development and infrastructure that increases the efficiency of, and access to, primary and secondary ports and removes bottlenecks in supply chains. 5. Providing R&D support for ongoing improvements and refinements to existing regulation, including ESCAS and supporting industry led quality assurance systems.
Deliverables/ Key Performance Indicators	<ol style="list-style-type: none"> 1. Improved regulatory systems are adopted by industry and the level of red tape is reduced. 2. Peak Councils and the Australian Government regard LiveCorp's advice on livestock export industry issues as significantly valuable. 3. Improvements to skills development, infrastructure, port facilities, registered premises and other supply chain elements are identified to support supply chain efficiencies. 4. R&D input and support for the development and improvement of key regulatory or industry standards and systems (e.g. ASEL, ESCAS) leads to a more co-regulatory process. 5. The RD&E program outcomes are adopted and deliver new innovations and technical materials improving the performance of livestock throughout the Australian livestock export supply chain.
Relevant Programs	<ol style="list-style-type: none"> 1. LiveCorp Exporter Program 2. LiveCorp Services & Innovation Program 3. LiveCorp Dairy Cattle Export Program 4. LEP Industry Capability Program 5. LEP In-Market – Europe, Middle East & North Africa Program 6. LEP In-Market – Indonesia Program 7. LEP In-Market – South East Asia Program 8. LEP In-Market – Vietnam Program 9. LEP RD&E Program
Resource Target	Approximately 30% requiring around \$6,402,851 for the 5 year planning period.

KEY STRATEGIC OBJECTIVE 3:

Enhance market access and conditions for both existing and new markets	
Strategies	<ol style="list-style-type: none"> 1. Increased understanding and knowledge of new and existing market access issues and in-market conditions through the provision of technical support to government and industry. 2. Collaborating with the Australian Government to provide advice, input and support for trade and market access including delegations. 3. Investing in, and providing technical advice for, priority livestock biosecurity systems to enhance market access priorities (i.e. the National Arbovirus Monitoring Program). 4. Establishing priorities through the Protocol Committee to coordinate / facilitate industry input into protocol negotiations between governments. 5. Monitoring overseas governments' policies and market data to determine potential changes in demand which could materially affect Australian livestock exports; and initiating action to manage the effects of the changes.
Deliverables/ Key Performance Indicators	<ol style="list-style-type: none"> 1. Industry and government confirm their support of LiveCorp market access activities. 2. Maintain and improve access activities to existing markets and assist with the opening new markets. 3. Facilitation of trade delegations to and from Australia in support of market access objectives is increased. 4. RD&E projects are conducted to facilitate continued access to existing markets and the opening of new markets.
Relevant Programs	<ol style="list-style-type: none"> 1. LiveCorp Exporter Program 2. LiveCorp Dairy Cattle Export Program 3. LEP Industry Capability Program 4. LEP In-Market – Europe, Middle East & North Africa Program 5. LEP In-Market – Indonesia Program 6. LEP In-Market – South East Asia Program 7. LEP In-Market – Vietnam Program 8. LEP RD&E Program
Resource Target	Approximately 20% requiring around \$4,268,567 for the 5 year planning period.

KEY STRATEGIC OBJECTIVE 4:

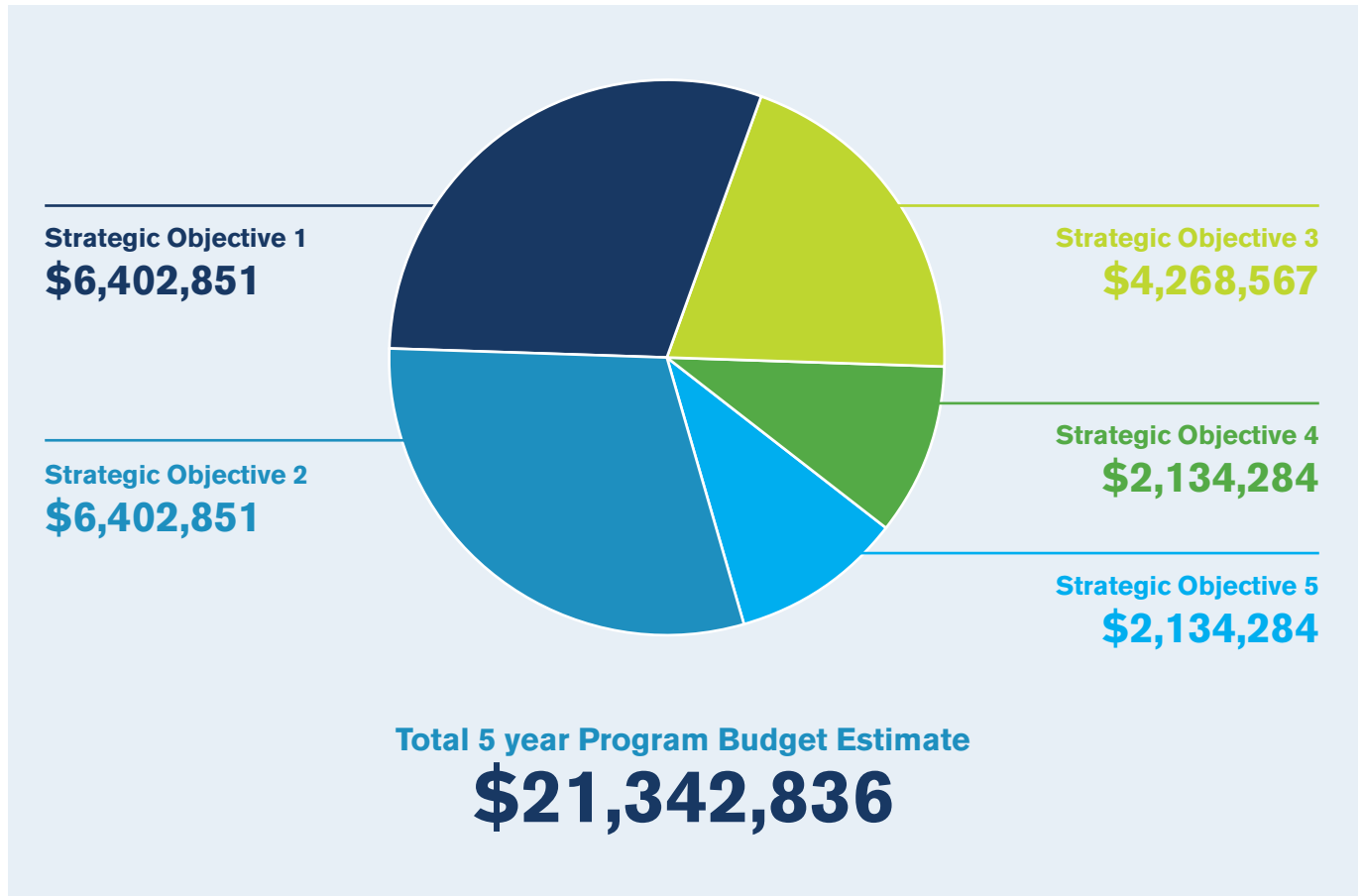
Develop and deliver targeted exporter, government and other stakeholder communications that serve to secure, promote and inform the activities of the livestock export sector

Strategies	<ol style="list-style-type: none"> 1. Enhancing communication to the Australian Government and industry are informed of the changing requirements of the livestock export industry. 2. Increasing the communication on the extension of R&D, and the positive benefits for the industry, exporters and the Australian community. 3. Supporting ALEC to ensure that all industry participants, the Australian community and stakeholders in overseas markets are aware of the Australian livestock export industry's commitment and progress towards achieving the industry reform strategy. 4. Ensuring that communications are appropriate, effective and inform government and industry stakeholders of the livestock export sector. 5. Improve the awareness and understanding of the livestock export industry by the Australian community.
Deliverables/ Key Performance Indicators	<ol style="list-style-type: none"> 1. LiveCorp communications are delivered to target audiences in a timely, accessible and professional manner. 2. Annual reviews of the effectiveness of LiveCorp communications are held with key stakeholder groups. 3. R&D programs and the benefits that they provide are reported to exporters and the Australian community via managed LiveCorp, ALEC and MLA channels. 4. Briefings are provided to producers, exporters and governments on key issues.
Relevant Programs	<ol style="list-style-type: none"> 1. LiveCorp Exporter Program 2. LiveCorp Dairy Cattle Export Program 3. LEP Industry Capability Program 4. LEP In-Market – Europe, Middle East & North Africa Program 5. LEP In-Market – Indonesia Program 6. LEP In-Market – South East Asia Program 7. LEP In-Market – Vietnam Program 8. LEP RD&E Program
Resource Target	Approximately 10% requiring around \$2,134,284 for the 5 year planning period.

KEY STRATEGIC OBJECTIVE 5:

Maximise collaboration with key Australian and international stakeholders involved in the livestock export industry	
Strategies	<ol style="list-style-type: none"> 1. Developing collaborative programs, potential joint industry projects, communications linkages, and long-term relationships with key livestock export industry stakeholders in order to increase the impact of LiveCorp and LEP investment. 2. Identifying R&D projects where Australian Government overseas aid can be leveraged to develop collaboration programs with trading partners and livestock importing industries. 3. Developing multi-level collaboration with international agencies, foreign governments and industries to improve livestock export programs and their acceptance in-market (including animal health and welfare programs). 4. Collaboration at a national level with other RDCs, research providers and the Australian livestock export industry to deliver RD&E and marketing services.
Deliverables/ Key Performance Indicators	<ol style="list-style-type: none"> 1. Key projects involving collaboration with Australian and international livestock and livestock export related, health or welfare organisations including aid programs are investigated and developed. 2. Linkages with major international organisations with an interest in collaborating on animal health and welfare projects are investigated and developed. 3. Collaboration is achieved at a national level with RDCs, research providers and the Australian livestock export industry delivering RD&E and marketing services.
Relevant Programs	<ol style="list-style-type: none"> 1. Corporate Operations Program 2. LiveCorp Exporter Program 3. LiveCorp Services & Innovation Program 4. LEP Industry Capability Program 5. LiveCorp Dairy Cattle Export Program 6. LEP Communications Program 7. LEP RD&E Program
Resource Target	Approximately 10% requiring around \$2,134,284 for the 5 year planning period.

Chart 5. Total LiveCorp investment in Key Strategic Objectives 2016-2020.



SWOT ANALYSIS 2016-2020

A Strengths, Weaknesses, Opportunities and Threats analysis is shown in Appendix B which has been developed to assist LiveCorp and its stakeholders in identifying the issues that need to be:

- Taken advantage of;
- Managed;
- Capitalised on; or
- Defended against.

Some of the key points have been included in the future trends in section one above.

ALIGNMENT OF THE PLAN WITH AUSTRALIAN GOVERNMENT PRIORITIES

The table below highlights the alignment between the Australian Government's Science and Research Priorities and its Rural R&D Priorities and LiveCorp's Key Strategic Objectives in this plan.

Science & Research Priorities	Rural R&D Priorities	LiveCorp Key Strategic Objectives
Knowledge of the social, economic and other barriers to achieving access to healthy Australian foods.	Productivity and Adding Value Improve the productivity and profitability of existing industries and support the development of viable new industries.	2, 3 & 4
Knowledge of global and domestic demand, supply chains and the identification of country specific preferences for food Australia can produce.	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 & 4
Enhanced food production through: Better management and use of waste and water; increased food quality, safety, stability and shelf life.	Natural Resource Management Support effective management of Australia's natural resources to ensure primary industries are both economically and environmentally sustainable.	2
Enhanced food production through: Genetic composition of food sources appropriate for present and emerging Australian conditions.	Climate Variability and Climate Change Build resilience to climate variability and adapt to and mitigate the effects of climate change.	2
Enhanced food production through: Protection of food sources through enhanced biosecurity.	Biosecurity Protect Australia's community, primary industries and environment from biosecurity threats.	1, 2 & 3
Enhanced food production through: Novel technologies, such as sensors, robotics, real-time data systems and traceability, all integrated into the full production chain.	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, 3 & 5

The Australian Government's new National Science and Research Priorities replaced the Strategic Research Priorities on 26 May 2015, with 2015-16 a transitional period. LiveCorp will ensure, wherever possible that these new National Science and Research priorities and the Rural Research and Development Priorities are directly reflected in planning and reporting processes and documents, including the AOP.

LiveCorp is committed to supporting the Government priorities which have been developed to target rural RD&E funding as shown in the Agricultural Competitive White Paper, see: <http://agwhitepaper.agriculture.gov.au/SiteCollectionDocuments/ag-competitiveness-white-paper.pdf>.

The new priorities are: advanced technology, biosecurity, soil, water and managing natural resources and adoption of R&D.

ALIGNMENT OF THE PLAN WITH INDUSTRY OBJECTIVES

LiveCorp's Key Strategic Objectives have been developed in direct alignment with the Red Meat Industry Strategic Objectives identified in the MISP 2020, as shown in the table below.

MISP 2020 Strategic Objectives	LiveCorp Key Strategic Objectives
Consumer and community support <ul style="list-style-type: none"> Welfare of the animals within our care 	1, 3 and 5
Market growth and diversification <ul style="list-style-type: none"> Efficiency and value in trade and market access Marketing and promoting Australian red meat and livestock 	3, 4 and 5
Supply chain efficiency and integrity <ul style="list-style-type: none"> Optimising product quality and cost efficiency Guaranteeing product and systems integrity 	2, 4 and 5
Productivity and profitability <ul style="list-style-type: none"> Live export productivity 	1, 2, 4 and 5



SECTION 3

SUPPORTING INFORMATION

Details of information and material to support this plan are included below.

CONSULTATION PLAN

Significant consultation was undertaken in developing this 2016-2020 Strategic Plan involving workshops, face to face meetings and audio and video interviews. The consultation program included LiveCorp Directors and staff, MLA, ALEC, exporters, shipping companies, producers and Peak Industry Councils. This extensive program was essential to obtain input on industry requirements, directions, sensitivities and priorities and to ensure that the plan is relevant.

This extensive consultation allowed for members and stakeholders priorities to be clearly identified for the 2016 -2020 planning period.

A detailed list of the individuals and organisations involved in interviews, meetings and discussions held to develop and review the Strategic Plan is included in Appendix C. Over 65 stakeholders were involved in the consultation program with four board meetings and six industry workshops held in Perth, Darwin, Brisbane and Melbourne.

LIVECORP PERFORMANCE REVIEW

Under the Agreement with the Commonwealth, LiveCorp is committed to completing a three-year review of its performance. This review is scheduled to occur prior to 31 December 2016.

The Performance Review will assess LiveCorp's performance against its strategic and operating plans and take into account the:

- a. Performance of LiveCorp in meeting its obligations under the Agreement;
- b. Implementation of annual operating plans and strategic plans and the effectiveness of LiveCorp in meeting the targets and budgets set out in those plans; and
- c. Delivery of benefits to the industry foreshadowed in those plans.

A key measure of LiveCorp's success will be what impact its programs and services have had on the industry in:

1. improving animal health and welfare outcomes;
2. improving supply chain efficiency and regulatory performance;
3. maintaining/improving market access for Australian livestock,
4. delivering well managed communications; and
5. increasing collaboration with a range of organisations.

CORPORATE GOVERNANCE STATEMENT

The LiveCorp Board is committed to governance systems that enhance performance and compliance. In particular the Board pays rigorous attention to ensuring that the Australian Government's interests and expectations are considered in managing and investing funds. LiveCorp has adopted the eight core principles from the ASX Corporate Council's Corporate Governance Principles and Recommendations, Third Edition, March 2014 into its corporate governance framework.

The Annual Report includes a description of how strategic directions, policies and processes have been applied. Each year the Board reviews its policies and processes concerning all major areas of operations, including:

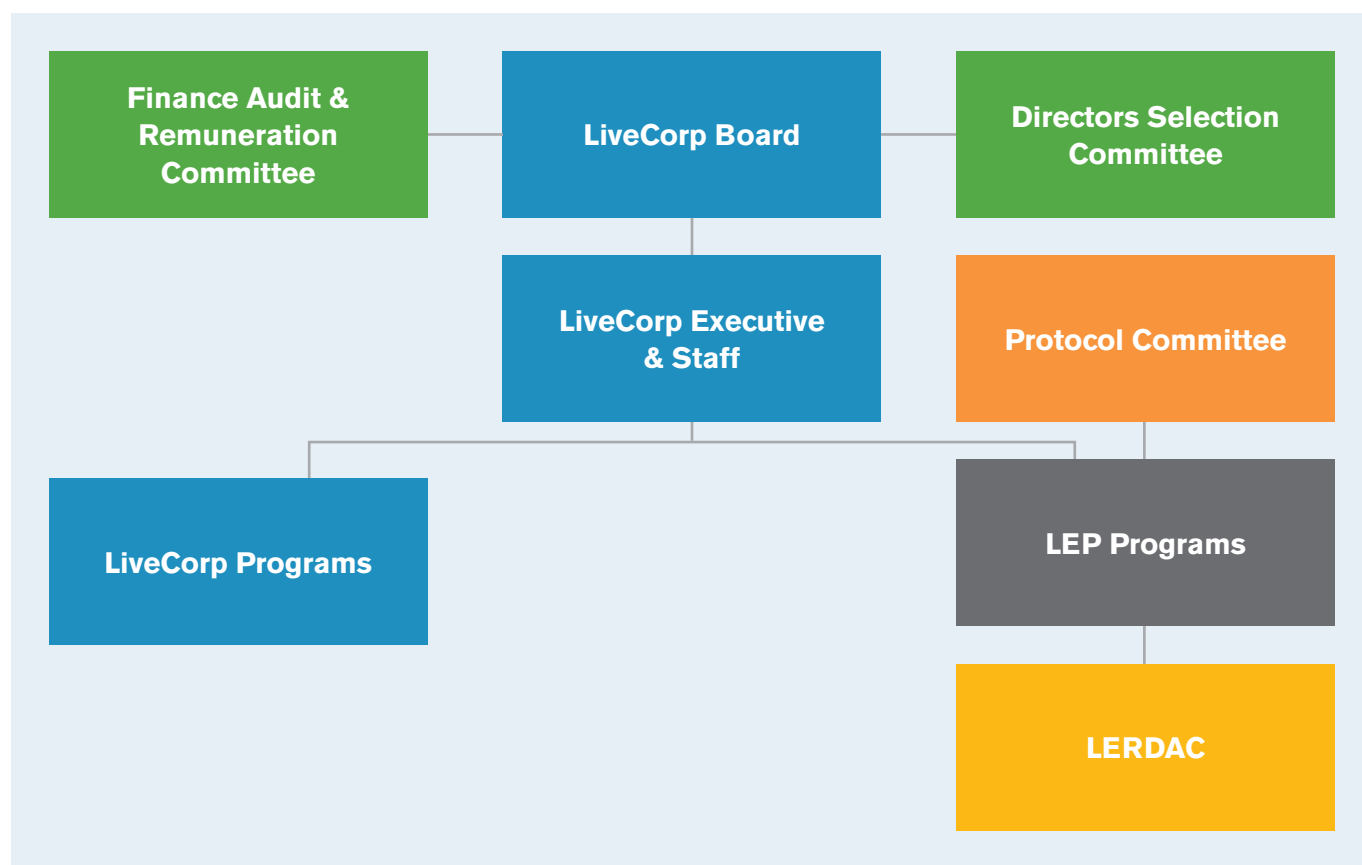
1. Director and Board performance;
2. Risk management;
3. Conflicts of interest;
4. Board sub-committees;and
5. The Chief Executive Officer's performance.

LiveCorp's management policies and procedures will continue to be refined and updated as standard practice within the organisation.

The Board gives strong leadership to LiveCorp, and requires through management that all staff have their qualifications, skills and experience enhanced with formal and on-the-job training. A Finance, Audit and Remuneration Committee operates routinely and other committees of the Board are established from time to time. Appropriate advisory committees with relevant skills are also established to ensure that research projects are properly guided and that industry and government funds are spent prudently.

The governance structure is shown in Figure 1 highlighting the management and control exercised by the Board and LiveCorp staff over the delivery of programs and the conduct of RD&E.

Figure 1: LiveCorp governance structure



CONSOLIDATED BUDGET AND INVESTMENT INFORMATION

LiveCorp is funded by statutory levies on livestock exports of beef cattle, sheep and goats. These levies are collected on either a live weight or per head basis. Voluntary levies are also provided for dairy cattle exports on a per head basis.

Table 1 opposite provides estimates of the export levels for each levied species over the planning period of 2016-2020. On the basis of the export estimates, average net levy income per financial year over the planning period for LiveCorp is anticipated to be around \$4.72 million. Anticipated expenditure is in line with income.

LiveCorp has a policy to maintain reserves that are equivalent to one full year of LEP commitment, plus one year of LiveCorp external program commitment and six months of operational costs. These reserves can be used on occasions where anticipated income is reduced to avoid disruptions in the delivery of key programs.

Table 2 opposite provides an overview of anticipated income and expenditure for LiveCorp.

LiveCorp invests levies collected into RD&E through the LEP and through this process the RD&E program receives matching funding, on a dollar for dollar basis, from the Australian Government. These funds are spent on eligible RD&E projects in accordance with the structures in place under the MLA RD&E system and the LiveCorp Agreement.

Budgeted annual RD&E expenditure by LiveCorp for the LEP is expected to average \$900,000 per annum. With co-investment by MLA and matching Australian Government funds, the estimated RD&E expenditure will be approximately \$3.6 million per annum.

Details of the LEP Budget Overview by Region for 2014-15 and 2015-16 are shown in Appendix E.

The remaining funds collected by LiveCorp will be attributed to the other programs, being LEP In-Market programs (SEA, Vietnam, Indonesia, and EMENA), LEP Industry Capability program, LiveCorp Exporter program, LiveCorp Services and Innovation program, LiveCorp Dairy Cattle Export program and LiveCorp Communications program. These programs undertake activities against the objectives set out in the current AOP and this Strategic Plan. Detailed information is provided opposite in Table 2.

Custody and Investment of Funds

LiveCorp as a party to the Australian meat and livestock industry MOU operates under the Agreement with the Department which incorporates requirements for LiveCorp to:

- Maintain plans for Risk Management, Fraud Control and IP Management;
- Maintain a Cost Allocation policy;
- Ensure a relevant, up-to-date Strategic Plan; and
- Update the AOP each year which includes the operating budget.

As a part of this, LiveCorp's Records Finance policy is to ensure that LiveCorp manages and accounts for its finances in accordance with all relevant legislation, its constitution and the requirements of stakeholders including the Agreement.

This approach applies equally to the application of funds with the proviso that they must be applied in a manner that is efficient, effective and ethical.

Table 1. Estimated export levels by livestock species 2015-16 to 2019-20

	2015-16 (f)	2016-17 (f)	2017-18 (f)	2018-19 (f)	2019-20 (f)
Cattle	902,000	900,000	950,000	975,000	1,000,000
Sheep	2,550,000	2,218,500	2,375,000	2,256,250	2,143,438
Goats	80,000	85,000	90,000	95,000	95,000
Dairy Cattle (voluntary)	70,000	80,000	80,000	80,000	80,000

Table 2. LiveCorp forward budget estimates for 2015-16 to 2019-20

Income	2015-16 (f)	2016-17 (f)	2017-18 (f)	2018-19 (f)	2019-20 (f)
Levy Income	4,742,514	4,575,638	4,833,929	4,846,125	4,859,383
Levy Collection Fees	(\$45,000)	(\$50,000)	(\$55,000)	(\$60,000)	(\$65,000)
Other Income	371,000	400,000	400,000	400,000	400,000
Total Income	5,068,514	4,925,638	5,178,929	5,186,125	5,194,383
Expenditure	2015-16 (f)	2016-17 (f)	2017-18 (f)	2018-19 (f)	2019-20 (f)
Corporate Operations	775,099	833,231	895,724	962,903	1,035,121
LiveCorp Programs (Marketing)	2,110,836	1,772,000	1,890,000	1,810,000	1,800,000
LEP (Marketing)					
Animal health and welfare	905,000	900,000	905,000	910,000	915,000
Supply chain efficiency and performance	165,000	165,000	165,000	165,000	165,000
Market access & trade development	165,000	165,000	165,000	165,000	165,000
Industry communications	216,000	200,000	200,000	200,000	200,000
LEP (R&D)					
Animal health and welfare	710,000	650,000	700,000	700,000	700,000
Supply chain efficiency and performance	125,000	125,000	135,000	135,000	135,000
Market access & trade development	60,000	60,000	65,000	70,000	75,000
Industry communications	54,000	55,000	60,000	70,000	75,000
Total Expenditure	\$5,285,935	\$4,925,231	\$5,180,724	\$5,187,903	\$5,190,121
Net Surplus / (Deficit)	(\$217,421)	\$407	(\$1,795)	(\$1,779)	\$4,262

LEP RD&E PROGRAM

Through the LEP RD&E program, LiveCorp achieves 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 are set in the LEP Strategic Plan and focus on projects that will address key areas of risk, hazard or opportunity across the strategic areas (animal health and welfare, supply chain efficiency and regulatory performance and market access).

Within its RD&E investment system, LiveCorp and the LEP have established review and approval processes that ensure representative exporter and stakeholder (e.g. producer) involvement and opportunities to influence. The RD&E approval process is outlined in Figure 2.

The key mechanism for RD&E prioritisation is through the Livestock Export R&D Advisory Committee (LERDAC). The role of LERDAC is to advise the LEP RD&E Management Committee on the strategic direction of the program, project terms of reference, RD&E expenditure, project approvals and reports, communication to industry and the need for the establishment of Consultative Committees (which provide additional advice / guidance on specific projects from relevant members and stakeholders).

The LERDAC membership is comprised of representatives from LiveCorp, MLA, the LEP, Cattle Council of Australia (CCA), Sheepmeat Council of Australia (SCA), LiveShip and ALEC. An independent technical advisor also provides specialist advice to LERDAC on projects and research proposals. The composition of LERDAC is inclusive of the production and export sectors, this ensures balance is maintained across the various elements of livestock research, e.g. Australian versus overseas priorities, and a balanced spread across sheep, cattle and goats.

Overarching LERDAC is the LEP RD&E Management Committee which is responsible for approving project terms of reference / applications, contract schedules, final reports, the RD&E budget and ensuring adherence with relevant strategic, operational and governance requirements.

The Management Committee is comprised of the Chairman of LERDAC, LiveCorp CEO, MLA Live Export Manager, MLA Animal Health and Welfare Manager, LEP R&D Manager and the LEP Industry Capability Manager.

Increased focus is being given to marketing activities as well as extension and adoption of R&D outcomes, such as the production of the bi-annual LEP Livestock Export Industry RD&E Update, a publication targeted at livestock export industry stakeholders. A copy of the May 2015 R&D project listing is included at Appendix D.

LiveCorp addresses extension, technology transfer, and commercialisation of research and development in the project planning and approval process. Briefing documents prepared for LERDAC's consideration outline research recommendations and identify strategies to address and implement the outcomes either through extension or undertaking the appropriate additional research where knowledge gaps are identified.

While the requirements of the new Funding Agreement for LiveCorp are yet to be negotiated it is anticipated that they will require continued focus on the translation of its R&D to genuine improvements in:

- animal health and welfare;
- market access and development;
- improved efficiency and productivity in the supply chain; and
- collaboration with international livestock export industries including world health and standards organisations.

LiveCorp will develop the following strategic imperatives for extension of R&D during the life of the 2016-2020 Strategic Plan:

Accessible: LiveCorp will develop extension materials that are accessible, by ensuring that platforms, language and translations are tailored to the target stakeholders.

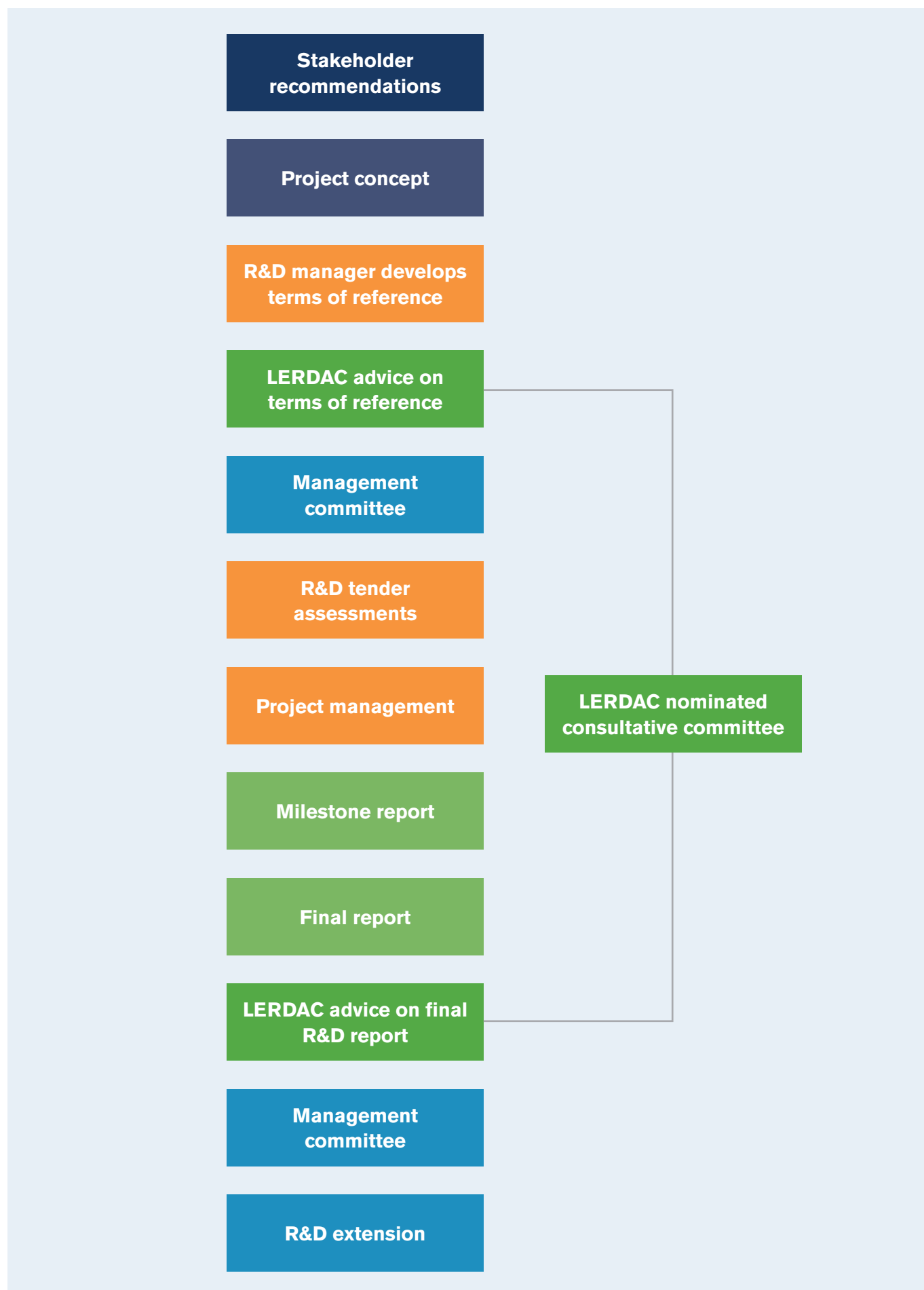
Effective: LiveCorp will ensure that extension investment is focussed on activities and materials that drive practice change among stakeholders.

Professional: LiveCorp will develop extension materials that are of a high quality and protect and build the brand of LiveCorp and the LEP.

Innovative: LiveCorp will invest in innovative approaches, platforms and technologies that will enhance and drive continuous improvements in the accessibility, effectiveness and professionalism of extension materials and activities.



Figure 2. Livestock export industry R&D project review and approval process



Intellectual Property & the Commercialisation of R&D

LiveCorp follows MLA's commercialisation strategy which targets the innovation gap to maximise the return on R&D investment by facilitating the transition of new technologies and processes from the R&D phase to commercialisation and adoption. In order to manage, protect and deliver R&D outcomes MLA has formulated a set of guiding principles for the commercialisation of R&D innovation.

Corporate knowledge, research outcomes and brands have become recognised as key elements in the new

innovation-based business paradigm underpinning economic development and growth. Accordingly, MLA and LiveCorp recognise the importance of maximising the benefits of investment in marketing and research by ensuring that appropriate mechanisms are in place to identify, protect, develop and commercialise intellectual property (IP) arising from these investments. The principles that govern the commercialisation and management of IP, which is owned (wholly or partly), controlled or licensed by MLA and LiveCorp, are included in MLA policy documents. Complete details of the policy documents relating to commercialisation and IP are available from MLA.





APPENDIX A - LIVECORP SWOT ANALYSIS

The Strengths, Weaknesses, Opportunities and Threats analysis has been developed to assist LiveCorp and its stakeholders in identifying the issues that it needs to capitalise on or to protect against.

Strengths

Issue		Strategy required to support issue
1	Australia has long term mature relationships with its key Asian and EMENA markets based on 30 years of supply arrangements.	Ensure that mature market relationships are continually nurtured and supported. Communicate any changes in relationships prior to actions.
2	Australia is a leader in the development and extension of practical animal welfare and expertise (e.g. skilled trainers, infrastructure design experts, butcher experts etc.).	Continue to develop programs to train and skill appropriate personnel in-market and Australia.
3	Australian livestock are of a high quality and perform well in overseas markets.	Market and publicise the benefits of Australian livestock regularly with targeted programs.
4	The Australian livestock export industry is firmly committed to continually improving animal welfare across all markets and the export supply chain.	Maintain strong in country LEP programs and support to ensure animal welfare is expanded along the supply chain.
5	The Australian Government currently provides strong ongoing support to the livestock export trade, particularly under the ESCAS regulatory framework.	Provide technical advice and support for ALEC in their role of advising the Australian Government in relation to livestock export and its value to the Australian economy.
6	Livestock producers in key cattle, sheep and goat supply regions are committed to supplying livestock that meet overseas customers' requirements.	Conduct RD&E and market analysis and communicate with producers to ensure that they have the best genetic, productivity and economic data available to improve herds and supply.
7	Increasing food security concerns in developing markets will expand demand for Australian livestock to meet these requirements.	Research and identify food security issues and concerns in developing markets and ensure that protocols and ESCAS requirements are in place to access each market.
8	Australia is well positioned geographically to capitalise on expanding Asian markets.	Manage protocols and ESCAS requirements for each market.
9	Australian animal welfare and transport standards support animals being delivered to overseas markets fit and healthy.	Ongoing RD&E, LEP and management programs to achieve continuous improvement across the supply chain. Liaise with local and international organisations to improve worldwide standards.
10	ESCAS currently provides the industry with the regulatory controls to defend animal welfare outcomes through the overseas supply chain.	Monitor and review ESCAS to ensure that it is used efficiently and effectively and is upgraded for future requirements.
11	ESCAS regulation provides for individual cases of welfare breaches to be managed through the supply chain rather than at a whole of industry level.	Utilise components of the ESCAS program so that any welfare breaches are identified and are clearly attributable.
12	The in-market involvement of the Australian livestock export industry is expanding animal welfare awareness, knowledge and skills across overseas countries, i.e. the Australian livestock export industry is exporting animal welfare practice.	Conduct ongoing RD&E into animal health and welfare issues across the supply chain to support improved animal welfare practices.
13	With a small and dedicated staff LiveCorp can respond quickly to issues and demands as they arise and rapidly identify R&D that is practical and relevant.	Manage LiveCorp to retain its responsiveness to industry issues and R&D requirements.

Weaknesses

Issue	Strategy
1 <p>There is strong ongoing community and political unease about the welfare of Australian livestock in overseas markets.</p>	<p>ESCAS and/or an alternate quality assurance system continues to manage animal welfare standards throughout the export supply chain.</p> <p>Any issue that does arise is to be managed using the ALEC Industry Reform Strategy Toolkit 2014 guidelines.</p> <p>Communications concerning livestock export issues are to be managed by ALEC.</p> <p>Promote the fact that the total value of Australian livestock and processed meat exports provides major benefit to the Australian economy.</p>
2 <p>The Australian livestock industry currently relies on two major markets for live beef cattle (Indonesia and Vietnam), one major market for goats (Malaysia), one major market for dairy cattle (China) and several markets in the Middle East for sheep.</p>	<p>Work with a number of countries, exporters and the Australian Government to establish protocols and specifications that are commercially viable for Australian exporters and producers.</p>
3 <p>The supply of sheep for live export is likely to decline to a point where the Australian livestock export industry is unable to meet overseas demand.</p>	<p>Monitor and encourage MLA activities to support the increased size of the national sheep flock.</p>
4 <p>The continual strengthening of economies in key markets is creating a shift in purchasing trends leading to increased demand for processed meat.</p>	<p>Identify and expand markets in countries which have good livestock fattening capabilities.</p> <p>Improve the shipping and processing of animals in market.</p>
5 <p>The increasing cost of complying with Australian government regulatory requirements is reducing the competitiveness and attractiveness of Australian livestock exports.</p>	<p>Conduct RD&E to develop new systems, processes and capabilities that will reduce duplication of processes, reduce costs and improve the management and control of animal welfare.</p>
6 <p>Access to new markets is subject to each overseas government's policies and protocols.</p>	<p>Assist the Australian Government to establish additional export protocols.</p>
7 <p>The requirements of ESCAS can make it difficult for parts of the supply chain to comply.</p>	<p>Identify areas where ESCAS compliance is difficult and research ways and means to improve Industry compliance.</p>
8 <p>Staff working throughout the supply chain in overseas markets are generally low paid and have little incentive to comply with animal health and welfare requirements.</p>	<p>Develop programs and training to achieve staff productivity improvements in processing facilities to improve their performance.</p>

Opportunities

Issue	Strategy
1 ESCAS provides the livestock export industry with the mechanism to strengthen community and political confidence in the trade.	Assist ALEC in reviews and research to into animal welfare.
2 Expanding Asian and Middle East economies have the potential for significant market demand and growth.	Manage existing and emerging markets so that suitable protocols are in place to enable trade, including the requirements created by ESCAS with appropriate in country training and education programs.
3 Many nations' escalating concerns regarding food security, due to growing population, is creating a greater demand for high quality affordable breeding livestock for their herd development and rebuilding programs.	Manage existing and emerging markets so that suitable specifications and protocols are in place to enable trade including the requirements created by ESCAS.
4 R&D to deliver further innovations to improve: animal welfare, animal genetics, productivity, performance and management of livestock in the supply chain.	Monitor and manage R&D programs to maximise the high priority issues in the livestock export supply chain.
5 Development of detailed monitoring and reporting systems to collect critical data to identify whole of industry R&D priorities and provide actual data on the performance of the livestock export trade.	Monitor and manage R&D programs to maximise the high priority issues in the livestock supply chain.
6 Continual improvement in animal welfare and security through the use of ESCAS and the introduction of new systems will strengthen community and political support for livestock exports.	Conduct objective reviews and research and report and publicise the findings.
7 Development of a quality assurance system operated by industry is likely to reduce the potential for greater government cost recovery and price pressures on Australian livestock exports.	Undertake RD&E as appropriate to assist in the development of improved systems including ESCAS and an industry quality assurance system.
8 ESCAS or alternative models have the potential to streamline supply chain assurance and reduce compliance costs.	Provide RD&E as appropriate to assist in the development of improved systems including ESCAS and an industry quality assurance system.

Threats

Issue	Strategy
1 The continual strengthening of economies in key markets is creating a shift in purchasing trends leading to increased demand for processed meat.	Provide education, training and support to importers to develop processed meat capacity from Australian livestock exports.
2 There is a continual focus of animal welfare groups on closing the livestock export trade.	Work with ALEC, exporters and all members of the livestock export supply chain to support adherence to the industry reform strategy.
3 A major animal welfare crisis will reduce community and political confidence in the livestock export trade.	Utilise the industry reform strategy to educate the public on the animal welfare performance and management of the trade.
4 Animal welfare groups will continue to lobby against the trade and increase their focus on areas which have significant risks in the supply chain.	Maintain continual adherence to the industry reform strategy with openness and disclosure to negate the impact when an issue arises. Work with international organisations such as FAO and OIE to further improve and enhance animal health and welfare actions.
5 The cost of regulatory compliance will reduce Australia's competitiveness and open opportunities for alternative suppliers.	Manage RD&E to ensure that the most efficient and cost effective regulatory systems are implemented. Collaborate with international organisations to promote improved animal health and welfare programs and that they are implemented worldwide by exporting and importing countries.
6 Introduction by government of a 100% user pays approach for ESCAS and the monitoring of livestock exports would make it difficult for Australian exporters to compete globally.	Conduct RD&E to develop new systems, processes and capabilities to reduce duplication of processes, improve management and control of animal welfare and reduce costs with an industry managed or co-regulatory compliance system.
7 Increasing restrictions may be imposed on overseas market access, conditions, policies and protocols as political agendas drive self-sufficiency goals.	Assist the Australian Government to promote protocols and free trade agreements which provide advantages to both sides of the trade.
8 Australian competitiveness will be reduced in key markets if they change their purchasing patterns to cheaper low cost producers such as India.	Continue to manage and promote the quality of Australian animals and the benefit to local populations.
9 Poor animal welfare performance by individual supply chain operators has significant whole of industry ramifications.	Seek government support to manage and control the issue of new exporter licences to ensure that licence holders are competent. Provide training and development programs to maintain competencies.

APPENDIX B – CONTINUUM OF STRATEGIC PLAN OBJECTIVES 2007-20

LiveCorp has developed plans on a formal basis since its establishment. Details of the Key Strategic Objectives for each planning cycle are shown in the table below. Significantly animal health and welfare improvements have become increasingly important over time in response to industry, government and community concerns about performance throughout the supply chain.

While market access has become less critical as supply and demand level out there is greater industry demand for protocols with countries which could

benefit from Australian livestock exports as well as those protocols which need to be revised or replaced due to changes in the operating environment such as ESCAS. Governance and corporate operations while critical issues are the responsibility of the LiveCorp board as part of their standard operating procedure.

Collaboration is a new key area and this reflects the need for a worldwide view and extensive management of the issues which affect the livestock export industry particularly in terms of animal health and welfare and a bio secure food supply chain.

Key Strategic Objective for Each Planning Cycle

Strategic Plan 2007-11	Strategic Plan 2011-14	Strategic Plan 2013-15	Strategic Plan 2016-20
Market access and development	Ongoing improvement in animal welfare outcomes	Improving animal health and welfare outcomes – across the supply chain	Achieve continuous improvement in animal health and welfare across the supply chain.
Industry capability	Improve industry efficiencies, capabilities and livestock performance through the supply chain	Improve supply chain efficiencies and regulatory performance	Improve supply chain efficiencies and regulatory performance.
Livestock management and welfare	Build Government and community support for the industry and increase stakeholder awareness and satisfaction	Enhance market access conditions – for existing and new markets	Enhance market access and conditions for both existing and new markets.
Stakeholder communication and consultation	Improve market access conditions and build demand for Australian livestock	Enhance communication – providing information and services on program progress and issues to industry and government	Develop and deliver targeted exporter, government and other stakeholder communications that serve to secure, promote and inform the activities of the livestock export sector.
	Deliver member and stakeholder confidence and value through strong governance , planning, evaluation and review	Improve corporate operations – governance , planning, evaluation and review to ensure efficient and effective investment	Maximise collaboration with key Australian and International stakeholders involved in the livestock export industry.

APPENDIX C – DETAILS OF INDIVIDUALS AND ORGANISATIONS INCLUDED IN THE CONSULTATION PROGRAM

LiveCorp/MLA AOP Taskforce – Perth:

Sam Brown – LiveCorp
Wayne Collier – LiveCorp
Felicity Cox – LiveCorp
Imogen Goode – LiveCorp
Susan Mills – LiveCorp
Liesel Alexander – LiveCorp
Peter Dundon – MLA
Sharon Dundon – MLA
Allister Lugsdin – MLA
Rashelle Levonian – MLA
Alison Penfold – ALEC
Simon Crean – ALEC
Amy Minahan – ALEC
David Galvin – LiveCorp
Dr David Jarvie – LiveCorp
Angus Adnam – AAA Livestock Services
Lisa Dwyer – LiveCorp
Jeff Murray – Sheepmeat Council of Australia
Kim Haywood – National Farmers Federation WA
Dale Park – National Farmers Federation WA
Michael Schroeder – Elders International
Lach MacKinnon – Landmark Global Exports
Tom Slaughter – Australian Rural Exports
Malcolm Foster – ARCBA
Dr Richard Trivett – Australian Rural Exports
Tim O'Donnell – Wellard Rural Exports
James Leftwich – Australian Rural Exports
Dr Holly Ludeman – Livestock Shipping Service
Annabel Johnson – Cattle Council of Australia
John Cunnington – Halleen Australasian Livestock Traders
Mike Gordon – Rural Export & Trading (WA)
John Edwards – Rural Export & Trading (WA)
Peter Cory – South East Asian Livestock Services
Ashley James – Frontier International Northern
Hamish Browning – Frontier International Agri
Harold Seely – Wellard Rural Exports
Richard Dougan – Australian Strategic Planning Pty Limited (ASP)

LiveCorp Board Planning Workshop

David Galvin – Chairman
Sam Brown – CEO
Angus Adnam – Director
Dr David Jarvie – Director
Terry Enright – Director
Lisa Dwyer – Director
Simon Crean – Director (Ex Officio) ALEC
Imogen Goode – Project Officer LiveCorp
Richard Dougan – Facilitator ASP

ALEC Board – Perth

Simon Crean – Chairman
Alison Penfold – CEO
Nick Daws – State Director
Andy Ingle – Industry Director
Amy Minahan – Minute Secretary

MISP Review – Perth

Angus Hobson – Red Meat Advisory Council
Mike Gordon – Rural Export & Trading (WA) Pty Ltd
John Edwards – Rural Export & Trading (WA) Pty Ltd
Dr Holly Ludeman – Livestock Shipping Services
Peter Dundon – MLA
Peter Cory – South East Asian Livestock Services
Tim O'Donnell – Wellard Rural Exports
John Webster – AgStrat Associates
Dr Peter Barnard – MLA
Alison Penfold – ALEC
Imogen Goode – LiveCorp
Richard Dougan – ASP

Exporters Interviews – Melbourne

Cameron Hall – Elders International
Dr Tony Brightling – Harris Park Group (Elders International)
Alan Schmidt – Otway Livestock Exports
Fiona Landers – Capricorn Pastoral

Exporters Workshop – Darwin

Patrick Underwood – Northern Australian Cattle Company
Hamish Shannon – Northern Australian Cattle Company
Matthew Reed – Northern Australian Cattle Company
Ashley James – Frontier International Northern
Cameron Jenkins – Frontier International Northern
Kevin Mulvahil – South East Asian Livestock Services
Wayne Collier – LiveCorp
Peter Dundon – MLA
Imogen Goode – LiveCorp
Alison Penfold – ALEC
Richard Dougan – ASP

Exporters Workshop – Brisbane

David Galvin – LiveCorp
Angus Adnam – LiveCorp
John Kaus – South East Asian Livestock Services
Elizabeth (Libby) Thompson – Australian Rural Exports
Dr Richard Trivett – Australian Rural Exports
Kim Lane – Australian Rural Exports
James Leftwich – Australian Rural Exports
Jake Morse – Australian Rural Exports
Angus Grieves – Lembiru Livestock Pty Ltd
Peter Cory – South East Asian Livestock Services
Simon Jackson – Stockair
Peter Dundon – MLA
Alison Penfold – ALEC
Sam Brown – LiveCorp
Wayne Collier – LiveCorp
Imogen Goode – LiveCorp
Richard Dougan – ASP

Australian Government Department of Agriculture and Water Resources

RDC Governance, Agricultural Policy Division

Exporters Workshop – Perth

Graham Daws – Emanuel Exports Pty Ltd
Dr Holly Ludeman – Livestock Shipping Services
Will Watson – Livestock Shipping Services
Cara Johnson – Livestock Shipping Services
Mike Gordon – Rural Export & Trading (WA) Pty Ltd
Dr David Jarvie – Wellard Rural Exports
Tim O'Donnel – Wellard Rural Exports
Alison Penfold – ALEC
Sam Brown – LiveCorp
Imogen Goode – LiveCorp
Richard Dougan – ASP

Peak Council Interviews

Simon Crean – Chairman, Australian Livestock Exporters' Council
Alison Penfold – CEO, Australian Livestock Exporters' Council
Jeff Murray – President, Sheepmeat Council of Australia
Jed Matz – CEO, Cattle Council of Australia
Rick Gates – President, Goat Industry Council of Australia
Fiona Landers – Director, Goat Industry Council of Australia
Malcolm Foster – Director, ARCBA
David Losenberg – Senior Policy Advisor – Australian Dairy Farmers Limited
Kevin Shields – Consultant, Australian Dairy Farmers Limited
Tom Ryan – Executive Officer, Northern Territory Cattlemen's Association
MISP Development Team

LEP Australian and In-Country Personnel Interviews

Joffrid Mackett – MLA Dubai
Dr Helen Fadma – MLA Jakarta
Alastair Lugsdin – MLA
Peter Dundon – MLA
Sharon Dundon – MLA
Peter Barnard – MLA
Wayne Collier – LiveCorp
Sam Brown – LiveCorp

APPENDIX D – LIVECORP R&D PROJECTS – MAY 2015

Project ID	Project Name	Life Plan \$
W.LIV.0142	Strategies to reduce inanition in sheep	1,124,352
W.LIV.0159	Preparation of rangeland goats for live export	302,800
W.LIV.0168	Phase 2 - DAM Attenuated Salmonella Vaccine	926,542
W.LIV.0169	LERDAC Independent Technical Committee Member	74,535
W.LIV.0173	A review of black organs (acquired visceral melanosis)	81,501
W.LIV.0175	Importation of Dam attenuated S. Typhimurium	39,825
W.LIV.0177	Saudi Vaccinator Training Course	65,000
W.LIV.0180	Veterinary Handbook for the live export	157,200
W.LIV.0181	Pinkeye on Long Haul Cattle Voyages	79,000
W.LIV.0182	CMA - LERDAC associated expenses 14/15	40,000
W.LIV.0183	CMA: Live export vet student development	45,000
W.LIV.0184	Livestock Export Industry Emergency Response	26,800
W.LIV.0185	Governance of the Implementation of the Social License to Operate	90,380
W.LIV.0186	Standards and Performance Benchmarking the Live Export Industry	104,538
W.LIV.0252	Developing cattle data collection system	638,000
W.LIV.0277	HotStuff Version 4.0 – Revised methodology	260,500
W.LIV.0286	Premature Lactation in Exported Dairy Cattle	39,700
W.LIV.0287	LiveCorp Training Services Review – Stockman's course	250,800
W.LIV.0288	Live Export Shipboard Mortality Report	122,500
W.LIV.0289	Within Crate Ventilation on board aircraft	270,900
W.LIV.0290	Further improving the environment on board vessels	49,900
W.LIV.0317	Best Practice Beef Breeding Cattle Management	228,430
W.LIV.0379	Monitoring Middle East feedlot temperatures	48,474

Project ID	Project Name	Life Plan \$
W.LIV.2015	Live Export Program Support Costs 2015	290,721
W.LIV.3017	Determining temperature/humidity thresholds	310,440
W.LIV.3018	Heat load in sheep exported to Middle East	200,535
W.LIV.3019	Dairy Export Industry Review	93,000
W.LIV.3020	Beef Breeder Husbandry Manual for Overseas markets	69,900
W.LIV.3021	Alternative restraint devices for sheep	77,600
W.LIV.3022	Sheep, Cattle and Goats Yard Manual	92,100
W.LIV.3024	Quantifying Welfare Improvements in the Live Export Industry	157,587
W.LIV.3025	CMA: R&D Project start-up and monitoring	50,000
W.LIV.3026	CMA: Production of communication materials	60,000
W.LIV.3027	Development of a Global Assurance Program	817,251
W.LIV.3028	Vietnam Processing and News Video	80,505
W.LIV.3029	Indonesian feedlot performance comparison	12,000
W.LIV.3030	Optimising Stunning Methods for Halal Livestock Processing	20,000
W.LIV.3031	CMA : LEGAP consultative committee	35,000
W.LIV.3032	Development and Assessment of Livestock Indicators	155,400
W.LIV.3033	ESCAS, Meat Quality, Food Safety & Hygiene	51,800
W.LIV.3034	Translation LEP Training Materials	80,939
W.LIV.3035	Russian Training and Resource Video	78,000
W.LIV.3036	LGAP Communications Strategy Plan Development	22,250
	Total	\$7,821,705



APPENDIX E – LEP BUDGET OVERVIEW BY REGION 2014-15, 2015-16

LEP Budget Overview by Region

Project description	2014-15 (\$)	2015-16 (\$)	MLA (\$)	Livecorp (\$)	Govt (\$)	Total (\$)
Indonesia						
Animal health and welfare	1,197,000	820,000	600,000	220,000	-	820,000
Supply Chain efficiency and performance	125,000	125,000	90,000	35,000	-	125,000
Market access & trade development	230,000	202,000	167,000	35,000	-	202,000
Indonesia	1,552,000	1,147,000	857,000	290,000	-	1,147,000
Other Asia						
Animal health and welfare	968,000	750,000	600,000	150,000	-	750,000
Supply Chain efficiency and performance	117,000	115,000	85,000	30,000	-	115,000
Market access & trade development	113,000	95,000	65,000	30,000	-	95,000
Other Asia	1,198,000	960,000	750,000	210,000	-	960,000
Vietnam						
Animal health and welfare	-	824,000	524,000	300,000	-	824,000
Supply Chain efficiency and performance	-	100,000	-	100,000	-	100,000
Market access & trade development	-	40,000	-	40,000	-	40,000
Vietnam	-	964,000	524,000	440,000	-	964,000
Middle East and North Africa						
Animal health and welfare	1,164,000	1,175,000	940,000	235,000	-	1,175,000
Supply Chain efficiency and performance	68,000	68,000	68,000	-	-	68,000
Market access & trade development	290,000	277,000	217,000	60,000	-	277,000
Middle East and North Africa	1,522,000	1,520,000	1,225,000	295,000	-	1,520,000
Industry capability						
Supply Chain efficiency and performance	134,000	134,000	134,000	-	-	134,000
Market access & trade development	-	-	-	-	-	-
Industry capability	134,000	134,000	134,000	-	-	134,000
Industry communications						
Stakeholder Communications	320,000	305,000	225,000	80,000	-	305,000
Communications Support	241,000	242,000	52,000	190,000	-	242,000
Industry communications	561,000	\$547,000	277,000	270,000	-	547,000
Research and Development						
Animal health and welfare	1,700,000	2,220,000	400,000	710,000	1,110,000	2,220,000
Supply Chain efficiency and performance	500,000	500,000	125,000	125,000	250,000	500,000
Market access & trade development	200,000	200,000	40,000	60,000	100,000	200,000
Research and Development	2,400,000	2,920,000	565,000	895,000	1,460,000	2,920,000
Total combined	7,367,000	8,192,000	4,332,000	2,400,000	1,460,000	8,192,000
In-market Resources (Marketing)						
Animal health and welfare						
Supply Chain efficiency and performance						
Market access & trade development						

LIST OF ABBREVIATIONS

Agreement

Statutory Funding Agreement

ALEC

Australian Livestock Exporters' Council

AMLI Act

Australian Meat and Livestock Industry Act 1997

AOP

Annual Operating Plan

ASEL

Australian Standard for the Export of Livestock

ASP

Australian Strategic Planning Pty Limited

CCA

Cattle Council of Australia

CEO

Chief Executive Officer

CRRDC

Council of Rural Research & Development Corporations

Department

The Department for Agriculture and Water Resources

EMENA

Europe Middle East and North Africa

ESCAS

Exporter Supply Chain Assurance System

FAO

Food and Agriculture Organisation of the United Nations

IP

Intellectual Property

KPI

Key Performance Indicator

LiveCorp

Australian Livestock Export Corporation Ltd

LEP

Livestock Export Program

LERDAC

Livestock Export R&D Advisory Committee

MLA

Meat and Livestock Australia

MOU

Memorandum of Understanding

OIE

World Organisation for Animal Health

RD&E

Research, Development and Extension

R&D

Research & Development

RDC

Research and Development Corporation

RMAC

Red Meat Advisory Council

MISP

Meat Industry Strategic Plan

SCA

Sheepmeat Council of Australia

SEA

South East Asia

SWOT

Strengths, Weaknesses, Opportunities & Threats



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