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Northern Beef Futures Update

Newsletter of the Department of Agriculture and Food, Western Australia

A more prosperous, sustainable and resilient northern beef industry through:

- increase in value of production from the Kimberley and Pilbara beef industry
- reduced reliance on current markets through the establishment of alternate, economically viable beef export markets
- increased employment levels in the northern cattle industry.

Northern Beef Futures was launched by the Hon Ken Baston, MLC Minister for Agriculture and Food in August 2014. Its goal is to transform the northern beef sector to become a more prosperous, sustainable and resilient pastoral industry through market diversity and improved business models and supply chains.

This \$15 million initiative is part of Seizing the Opportunity Agriculture, funded by the State Government's Royalties for Regions program, with the Department of Agriculture and Food, Western Australia (DAFWA), as the lead agency.

Foreword

Welcome to the first edition of the Northern Beef Futures Update.

The Western Australian Government is investing in the future of the WA beef industry as it recognises the economic importance and opportunities in the sector.

Northern Beef Futures (NBF) will assist pastoralists, exporters and processors to rise to the growing beef demand from greater Asia.

Preliminary analysis indicates that the establishment of a range of new markets will deliver an additional \$127 million gross value of agricultural production over the life of the project.

The project is underpinned by the principle that 'export market growth will drive beneficial change throughout the supply chain.'

Expanding market options and aligning production to meet customer preferences will stimulate investment, leading to increased turnover, production and value for the WA beef industry.

NBF will support individual businesses to better supply alternate markets by providing training, information and demonstrations, resulting in improved production systems, business practices and infrastructure.



NBF project manager Brad McCormick

A Northern Beef Futures Reference Group has been established and the group's input over the past 12 months has been instrumental in the overall design of this project.

In consultation with the reference group, we will work together to secure and deliver exciting new opportunities for the beef industry.

Many of you would already know me in my capacity as WA State Beef Leader. I have worked in the beef industry in both the Kimberley and the South West over the past 30 years, initially as a vet in Broome.

Sandra Van Vreeswyk has been appointed as the NBF Operations Manager in the Kimberley. Sandra has worked in the public sector delivering services to Western Australia's rangelands for 25 years. She has worked in aspects of rangeland management including mapping and assessment, monitoring, land management and pastoral land administration and is based in Broome.

Manus Stockdale is NBF's Manager of Market and Supply Chain Development. Manus has worked with DAFWA in beef industry development for the past eight years. Initially based in the Pilbara region, Manus has a detailed understanding of both northern and southern production systems.

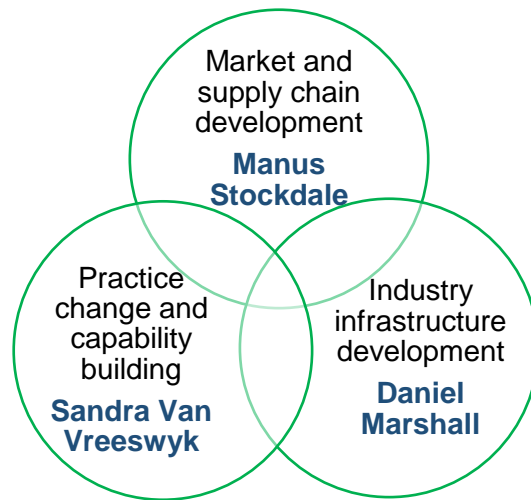
Most recently, Manus has been leading DAFWA's supply chain development team and specifically working with producers and processors to identify alternative markets for northern cattle.

The team has also been working to identify opportunities in Indonesia and Vietnam and on the development of live export of feeder and slaughter cattle to China.

I would also like to welcome to DAFWA Daniel Marshall as the Manager of Beef Agribusiness and Investment Development. Daniel joins us from the South West Development Commission with experience in facilitating the development of major capital infrastructure, in addition to an extensive background in agribusiness and commercial banking.



NBF team Manus Stockdale, Sandra Van Vreeswyk, Brad McCormick and Daniel Marshall



Read more about Northern Beef Futures and various activities to date in this newsletter.

Until next time, kind regards

Brad McCormick, NBF Project Manager

Northern Beef Futures reference group

Members of the Northern Beef Futures reference group are key stakeholders who meet to provide high level advice and guidance. The first meeting was held in Broome in September 2014.

The group includes representatives from the Kimberley Cattleman’s Association – Peter Camp (Kalyeeda), Rick Ford and Philip Hams (GoGo), Kirsty Forshaw (Nita Downs), David Stoate (Anna Plains) and Mike de Long (Dampier Downs). Pastoralists Kurt Elezovich (Country Downs) and Annabelle Coppin (Yarrie) represent the WA Beef Council. Christine Pitt and Josh Whelan represent Meat and Livestock Australia.

Ralph Shannon, the outgoing Chair of the Northern Australian Beef Research Council has attended and the new chair Lee Fitzpatrick will be invited to join the group.

Peter Cunningham (Indigenous Land Corporation) and representatives from the Kimberley and Pilbara development commissions are also members. The Minister for Agriculture and Food (or his representative) has a standing invitation and other stakeholders will be invited to join the reference group as required.

At the second reference group meeting, held in December 2014, the group provided input into the Practice Change and Capability on-station work plan.

A technical workshop involving industry specialists from across northern Australia was also held in Broome on 17 and 18 December 2014.



Attendees included Ian Braithwaite (private veterinary practitioner), Geoffry Fordyce (University of Queensland), Andrew Ash (CSIRO), Steve Petty (industry consultant), Trudi Oxley (Northern Territory Department of Primary Industries and Fisheries) and Fred Chudleigh (Queensland Department of Agriculture, Fisheries and Forestry).

The workshop prioritised beneficial interventions and technologies, which have the potential to substantially increase on-station productivity. Details will be included in the next newsletter.

Northern Beef Futures key components

1. New markets and supply chains

This component will work to identify and establish new markets for WA beef and build sustainable and robust supply chains to service these new markets. These markets will be for both live cattle and boxed beef. Some will be new markets, while several existing markets will be expanded or strengthened. The markets identified for initial investigation and development include:

- commercial breeder heifer exports to Indonesia
- feeder and slaughter cattle exports to China
- expanded boxed beef exports to China
- expanded live cattle exports to a range of ASEAN markets including Vietnam, Cambodia and Thailand.

Market and supply chain manager, Manus Stockdale will work with Kimberley and Pilbara cattle producers, live exporters, beef processors and other supply chain participants to better understand these markets and capitalise on the opportunities by building robust and enduring supply chains.

To increase producers' understanding of the markets and opportunities, a market insights tour is being planned for early 2015 to Indonesia and Vietnam. More details will be announced shortly.

2. Developing mature supply chains

The mature supply chains component of NBF aims to build on new and existing supply chains and facilitate greater collaboration and trust that will lead to robust and enduring business relationships. The activities in this component include:

- creating and implementing innovative business models
- supporting north-south WA supply chain integration
- improving delivery of market intelligence and customer insights
- increasing beef product innovation
- developing and integrating Indigenous pastoral supply chains.

In September 2014, manager Manus Stockdale visited Vietnam as part of a Northern Australian delegation with representatives from the WA, Northern Territory and Queensland governments. Manus also recently conducted a market visit to Indonesia.

In October, DAFWA hosted a live export development visit to Western Australia by technical experts from China. The experts assessed the logistical and technical requirements of establishing feeder and slaughter trade from WA to China once the protocol is agreed.

NBF agribusiness and investment manager, Daniel Marshall recently joined a livestock delegation to Thailand, with representatives from several WA companies. This visit was timely, building on the live export protocols for feeder and slaughter cattle recently finalised with Thailand.

3. Investment and capital

Investment manager, Daniel Marshall, is working to identify and establish new business models that are integrated and aligned with new markets and supply chains. This will attract external long term strategic investment and fresh capital, whilst also providing the confidence and financial returns for existing supply chains to reinvest.

Throughout 2014, the beef team have been meeting with interested parties from China and South East Asia to identify investments in the supply chain.

During the first half of 2015 Daniel will convene a series of prefeasibility investment forums and workshops in Western Australia, before targeting China, Indonesia and a range of ASEAN markets. More details will be included in future editions of this newsletter.

4. Capacity and leadership

Operations Manager, Sandra Van Vreeswyk will support industry groups to provide engagement and ownership of NBF. Sandra has been involved with establishing the NBF Reference Group and assisting with appointments to assist with the project.

Currently, the NBF team are holding discussions with the WA Beef Council and the Kimberley Cattlemen's Association to formalise their input into NBF.

5. Mosaic agriculture

This component will explore opportunities for irrigated and dryland forage systems to transform northern beef production systems.

One-to-one support will be provided to producers to assist with the preparation and implementation of diversification permits.

NBF Pasture Research Officer Geoff Moore will review pasture, fodder and crop options from previous field trials and reports as well as current commercial activities.

Currently discussions are being held with land managers to select sites for weed risk assessment and forage crop evaluation.



Research officer Geoff Moore and development officer Anne Marie Huey inspect a sorghum crop at GoGo Station

6. Industry infrastructure development plan

During 2015, Beef Agribusiness and Investment Manager, Daniel Marshall and Trina Anderson will oversee a review of current and future infrastructure requirements to ensure that the north is equipped with the infrastructure needed to support the successful development of the industry.

Daniel will identify opportunities for public/private partnerships to invest in identified essential infrastructure.

A priority is to establish stand-alone clearing yard facilities in the Kimberley in the next two years to allow domestic cattle movements without restricting the quarantine status of export depots.

7. Practice change and capability building

Operations Manager, Sandra Van Vreeswyk will lead the adoption of best management practice to enable the northern beef industry to respond to market signals and ultimately meet demand.

Activities so far include collaborating with experts across northern Australia to determine priority areas for building capability and leading practice change.

A planning workshop was held with key industry experts in December 2014 with suggested activities discussed at the following reference group meeting.



Operations manager Sandra Van Vreeswyk at Liveringa Station with cropping manager, Barry Chapman

Want to know more?

NBF producers' forums will be held in Broome and Port Hedland in March 2015.

Further details will be announced in February.

For further information

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