



SADA Policy Forum

Charlie McElhone & Susannah Tymms

Agenda

- Background behind the workshop
- Workshop objectives
- Themes
 - Market Information and Insights
 - NRM
 - International market support
 - Workforce
 - Biosecurity
 - Silage Wrap Project
- Regional showcases
- Tonight – Health & Nutrition



Policy Development



Improving wellbeing

- Food Safety
- Health & Nutrition



Reducing environmental impact

- Water
- Climate change
- Natural disaster relief
- Regulatory affairs
- Manufacturing Sustainability



Best care for animals

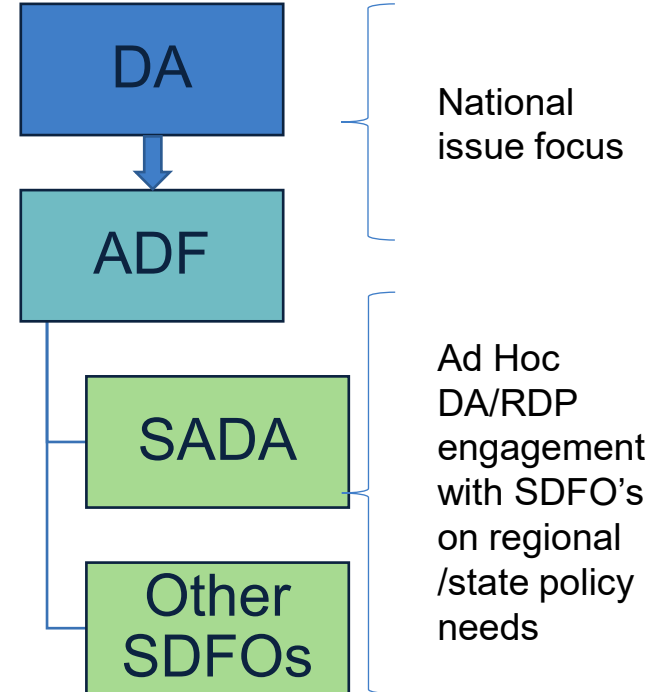
- Animal health and welfare
- Biosecurity



Enhancing Livelihoods

- Gene technology
- Labour/Workforce
- Competition policy
- Infrastructure
- Fuel & energy
- Taxation
- Manufacturing Competitiveness

Current



Policy Development



Improving wellbeing

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- Health & Nutrition



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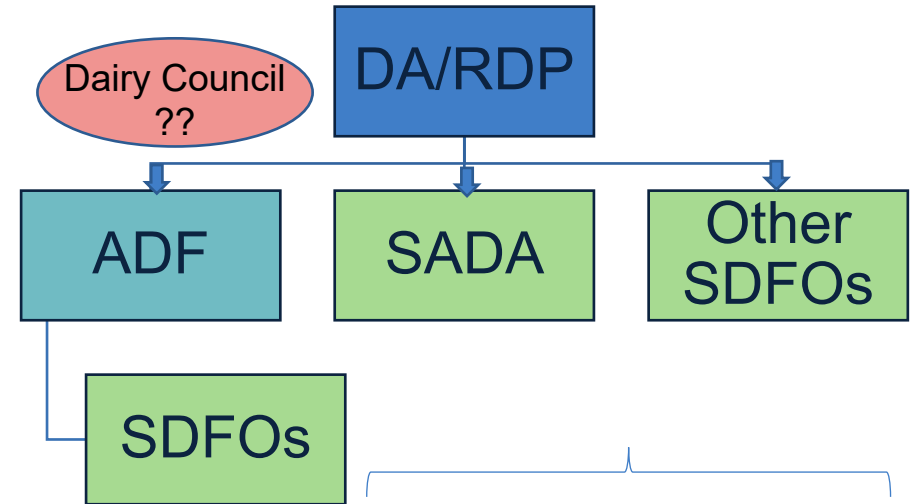
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Enhancing Livelihoods

- Gene technology
- Labour/Workforce
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Proposed



Formalised DA/RDP engagement with SDFO's on regional/state policy needs

Policy support to be a genuine RDP service offering

Market Information & Insights

Market Information & Insights



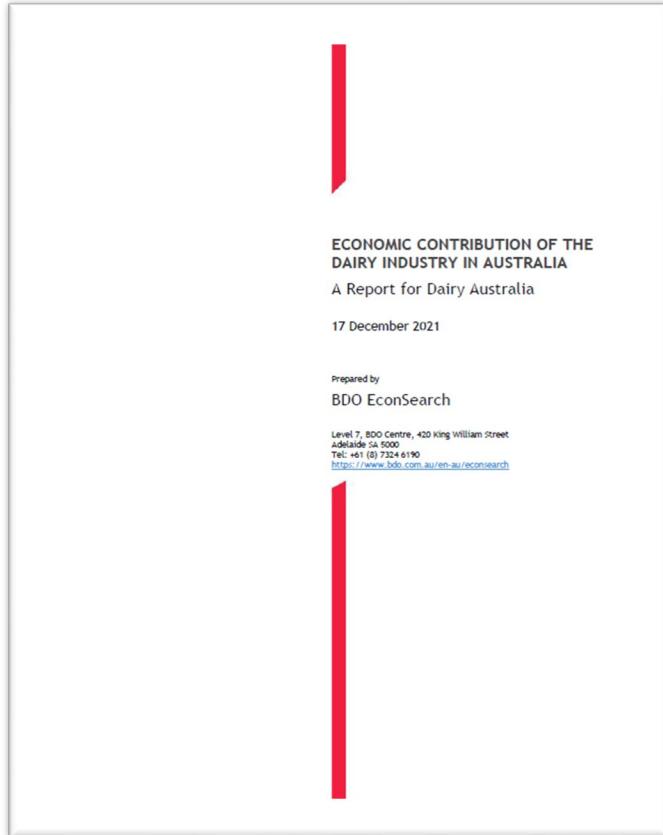
Support for Industry Strategy

- Stakeholder tracking & market research
- Investor Engagement project
- ADP & Regional Strategies
- Implications from a shrinking milk pool

PROGRAM OBJECTIVES

- To deliver strategic market insights and solutions through:
 - Scanning for / understanding / communicating the effects of domestic and global policies and market developments that might impact on the Australian dairy industry
- Directing industry with a view to obtaining a more favourable market environment

Economic Contribution of Dairy



Dairy Australia commissioned BDO to:

- provide an updated analysis of the economic contribution of the dairy industry and associated economic multipliers by region, based on Dairy Australia's Regional Development Programs (RDPs).

Economic contribution – Aggregate measures

Dairy farming and processing in South Australia:

- Contributes \$260 million to Gross Regional Product (GRP)
- Directly employs over 1,500 people.
- Including flow-on effects, this contribution rises to \$968 million in GRP, and over 4,000 jobs.

	Output (\$m)	GRP (\$m)	Employment (FTE)
Dairy farming	334	143	972
Dairy processing	131	118	603
Total direct	465	260	1,575
Total flow-on	503	270	2,449
Total impact	968	530	4,023



Economic contribution – multipliers

Each \$1 of direct dairy industry output in South Australia drives:

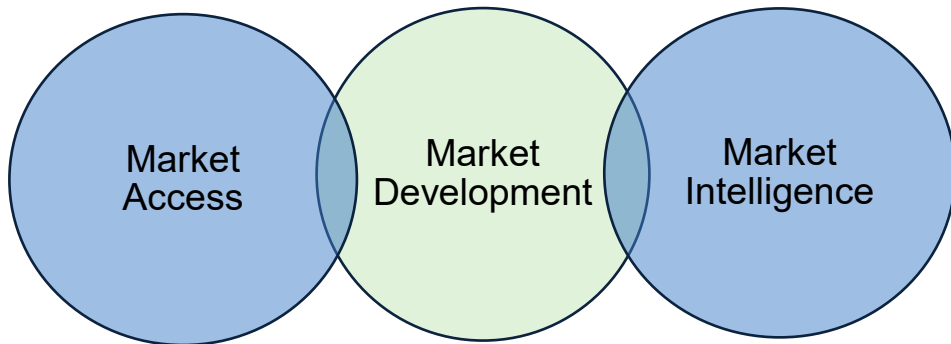
- A \$1.14 increase in GRP
 - 56 cents directly
 - 58 cents in flow-on contributions (production-plus consumption-induced)

Each \$1m of sales drives

- 8.66 FTE jobs
 - 3.39 directly
 - 5.27 via flow on impacts

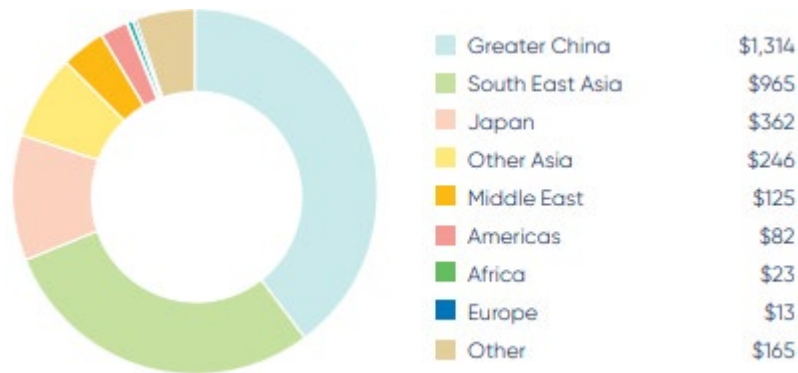
	GRP (\$/\$ output)	Employment (FTE/\$1m output)
Direct	0.56	3.39
Production-induced	0.31	3.18
Consumption-induced	0.27	2.09
Total	1.14	8.66

International Market Support



PROGRAM OBJECTIVES

- Supporting strategic trade policy reforms – FTA’s etc
- Respond effectively to current and potential technical issues that may limit market access
- Reinforcing awareness and buyer preference for Australian dairy products
- Understand the opportunities and challenges presented by an expanding and increasingly complex global marketplace



TRADE POLICY

Trade Agreements submissions and consultations

- UK FTA
- EU FTA – GI campaign
- India Interim Agreement - FTA
- JAEPA Review
- KAFTA need for revision
- MAFTA submission
- UAE submission

MARKET ACCESS

- **ATMAC project** to identify and analysis current **Technical Barriers to Trade** (2021-2022)
- Address prioritized Southeast Asia **Technical Barriers to Trade Phase Two** (2022-23)
- Monitor safeguards/regulatory changes
- Engage effectively with DAWE and DFAT on market access issues onshore and offshore
- UK Market Research - feasibility
- GI awareness campaign – EU FTA

MARKET DEVELOPMENT

Scholarship/Alumni Programs

- Delivery of Scholarship/Alumni Programs (Virtual and Hybrid) per market
- Establishment of Southeast Asia Dairy Industry Event
- High Level Engagement Strategy
- Strengthen and account manage Alumni network
- Content development

India Market Engagement Strategy

- Market research on commercial pathway – next steps

Trade Messaging Project

- Develop collateral, campaigns and overlay with an integrated comms strategy
- Website/Alumni Portal/Manifesto video

Industry Collaborations

- RDCs – MLA, HIA, WA, SIA
- Austrade/State Governments

BUILDING RELATIONSHIPS: IN MARKET



Pre COVID - regular travel to key markets for:

- Industry Engagement
- Technical Seminars
- Industry updates (S&O)
- Government Engagement
- Relationship Building
- Market Access discussions



TRADE PROGRAM: DA SCHOLARSHIP

Education of dairy industry contacts from key markets

Immersion program - technical and industry content

Network of Alumni that supports Australian dairy in key markets

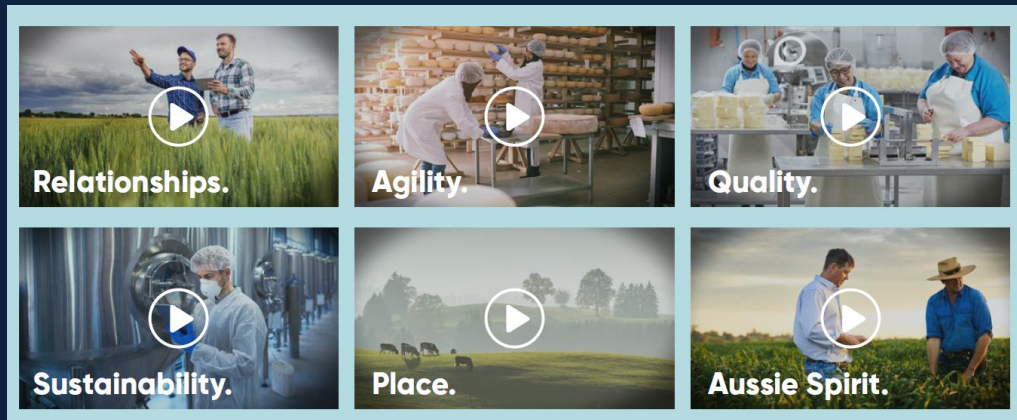


NEW INTERNATIONAL BRANDING

‘Thrive Together’
speaks to mutual success
and collaboration.

It’s a message of unity and
a positive mantra for our
industry.

We value real relationships,
real opportunities and real results.







TRADE - ENGAGEMENT OPPORTUNITIES

Policy & Advocacy

- Flag key trade priorities, challenges and objectives
- Provide input into submissions
- Demonstrate that SA farmers care about trade (eg: GIs)

Market Development

- Scholarship program participation - farmers/processors
- Express interest in projects – TBT project, India market engagement
- Participation in key conferences with DA
- Follow DA Trade activities via new Trade Update (to be launched in June 2022)

Trade Messaging Project

- Interviews for farmer case study videos – tell the story of dairy
- Utilize the marketing tools (to be launched June 2022)
- Give us feedback and tell us what else you need.

Lumpy Skin Disease....and now FMD!

Heightened risk of incursion

Market access response and economic impact

Prioritising markets / commodities

28% probability of an LSD outbreak within 5 years

There is an estimated **3 to 4-fold increase** in the expected probability of a LSD outbreak in Australia in the following 5 years compared to a separate exercise 1 year ago

SEJ March 2021

8%

probability of an LSD outbreak in Australia in the next five years
(range: 0 – 22%)



Map: LSD outbreaks 2019 – 20 (OIE)

SEJ April 2022

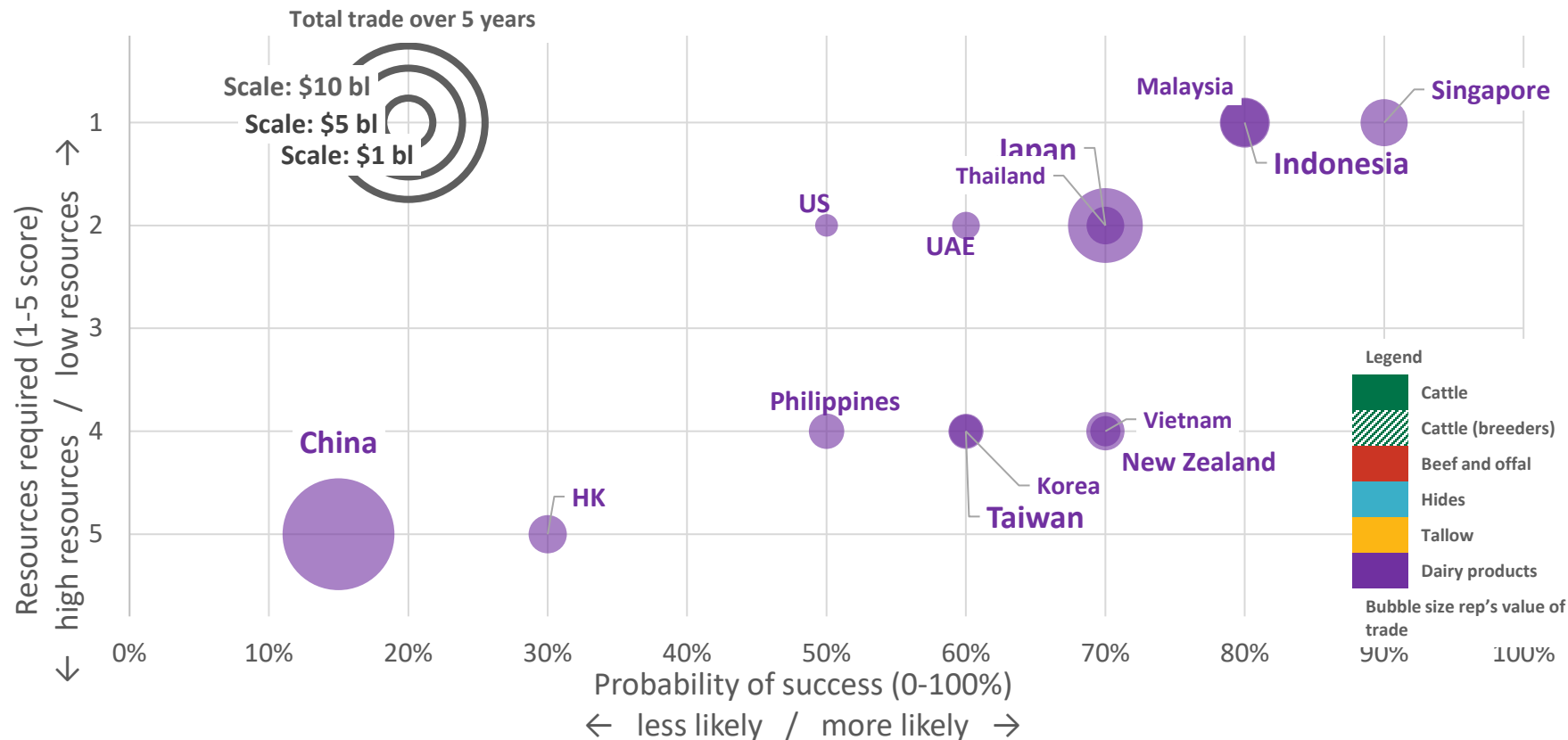
28%

probability of an LSD outbreak in Australia in the next five years
(range: 4 – 56%)

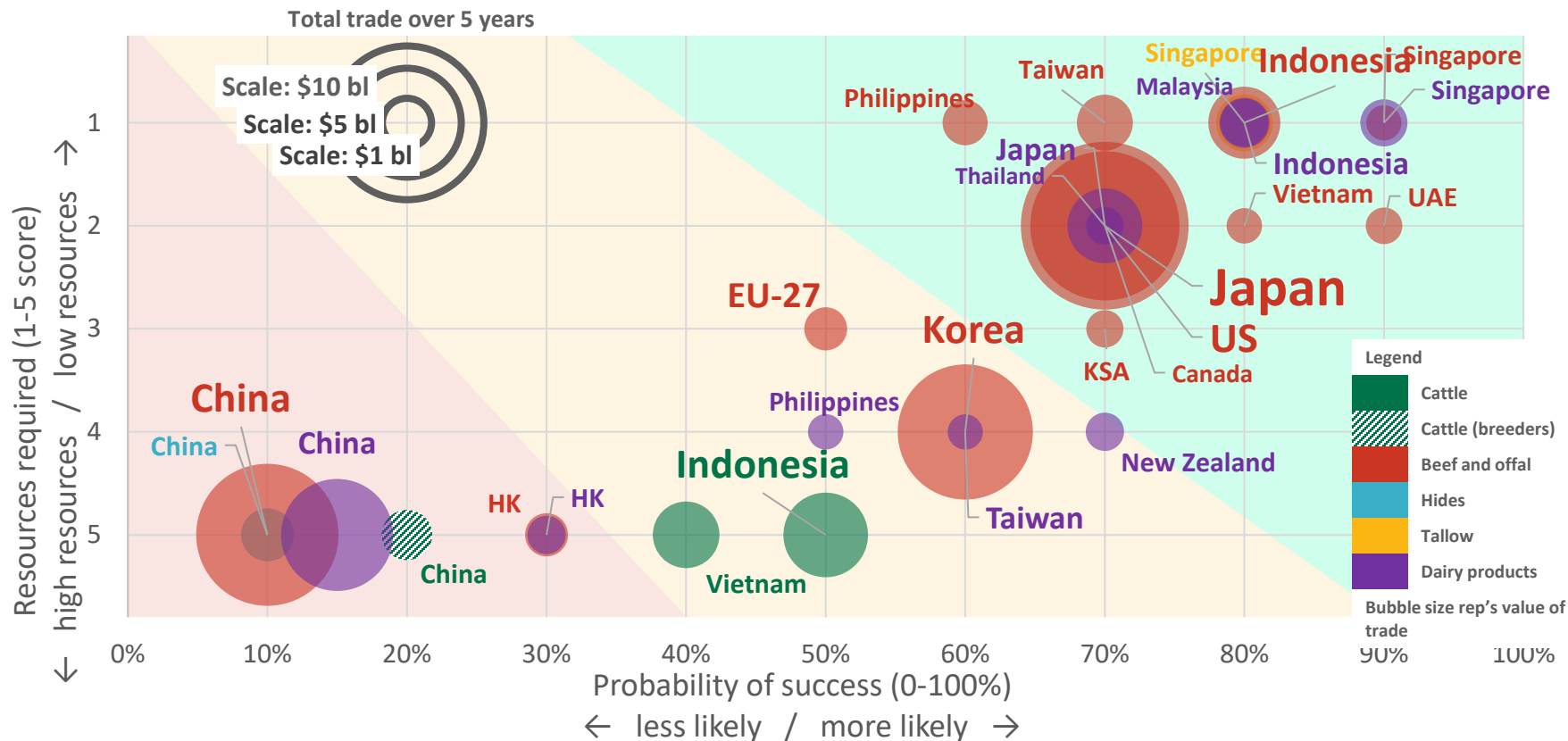


Map: LSD outbreaks 2021 – 22 (OIE)

Market access prioritisation: *preliminary assessment*



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Source: MLA, DA (markets/commodities >A\$500 M over last 5 years)



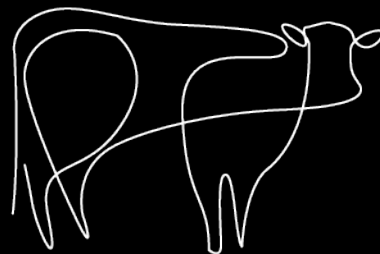
Silage plastic recycling trial

DA awarded a \$965,400 grant from the Australian Government to research and design a national product stewardship scheme (Scheme) for silage plastics.

This will support the industry target of recycling 100 per cent of silage wrap by 2030 keeping it out of landfill, increasing recovery and recycling rates.

The project is being undertaken in three broad phases:

- Phase 1 – Feasibility Assessment (January 2021 to December 2021)
- Phase 2 – Regional Trials and Scheme Establishment (January 2022 to December 2022)
- Phase 3 – National Implementation (January 2023 to March 2023)



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