For the latest in red meat R&D

MLA Update

Sally Leigo

Program Manager - Adoption

Environment in which we operate

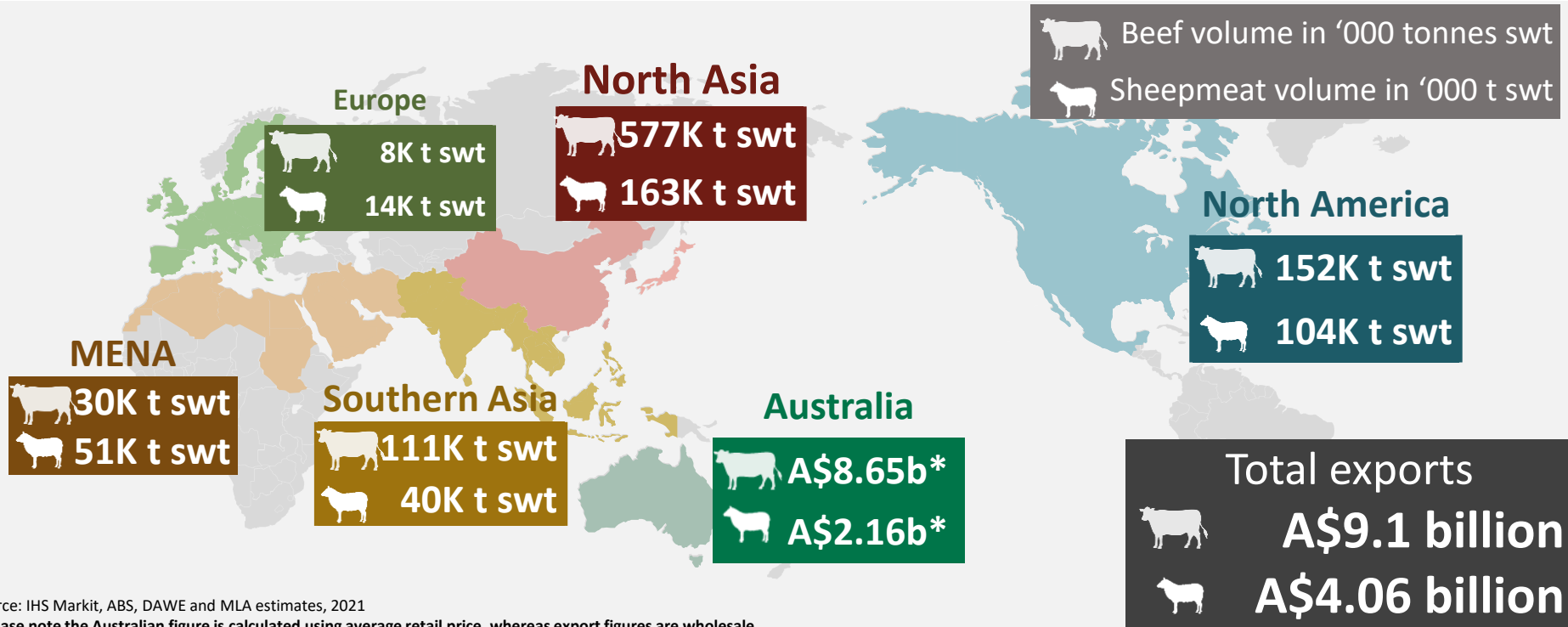Supply chain initiatives

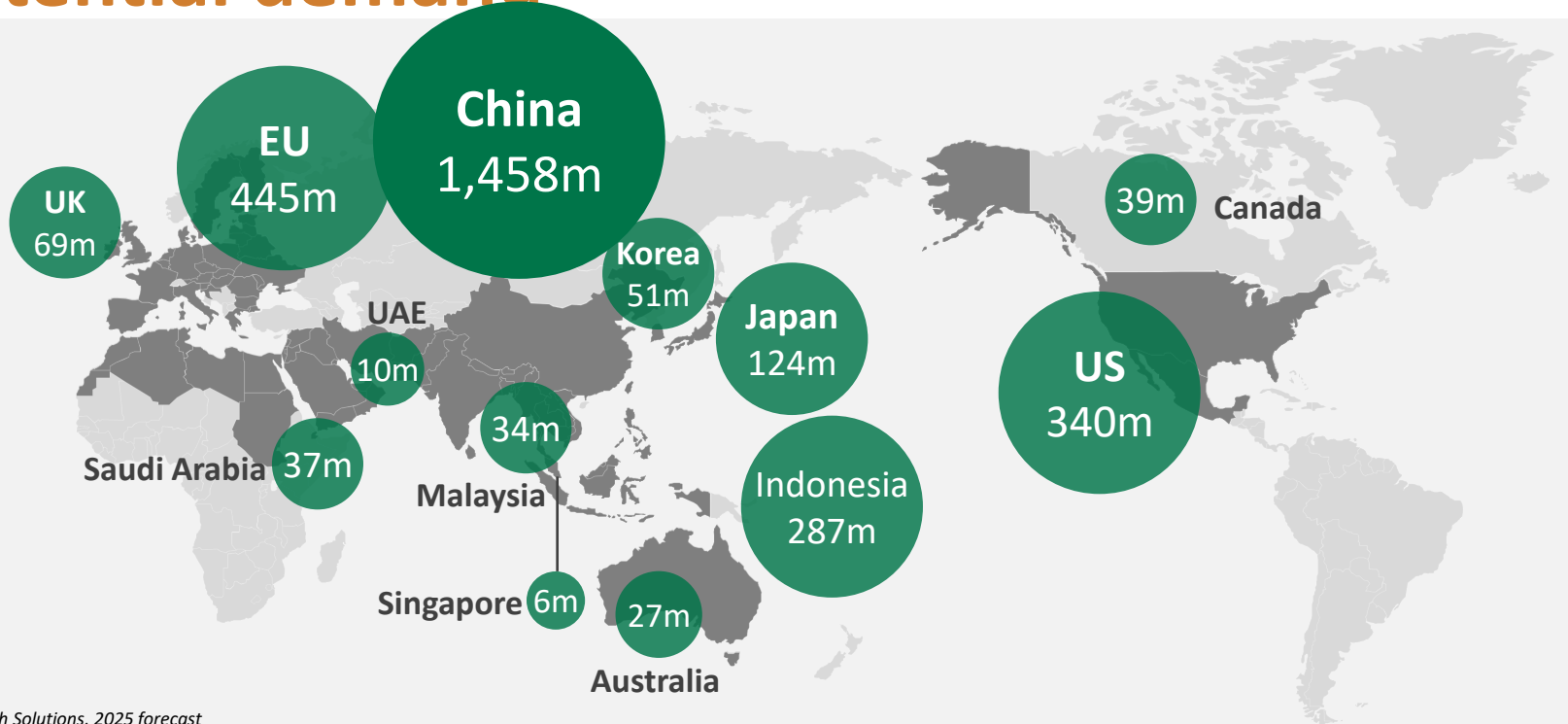Problems we need to solve

The operating environment

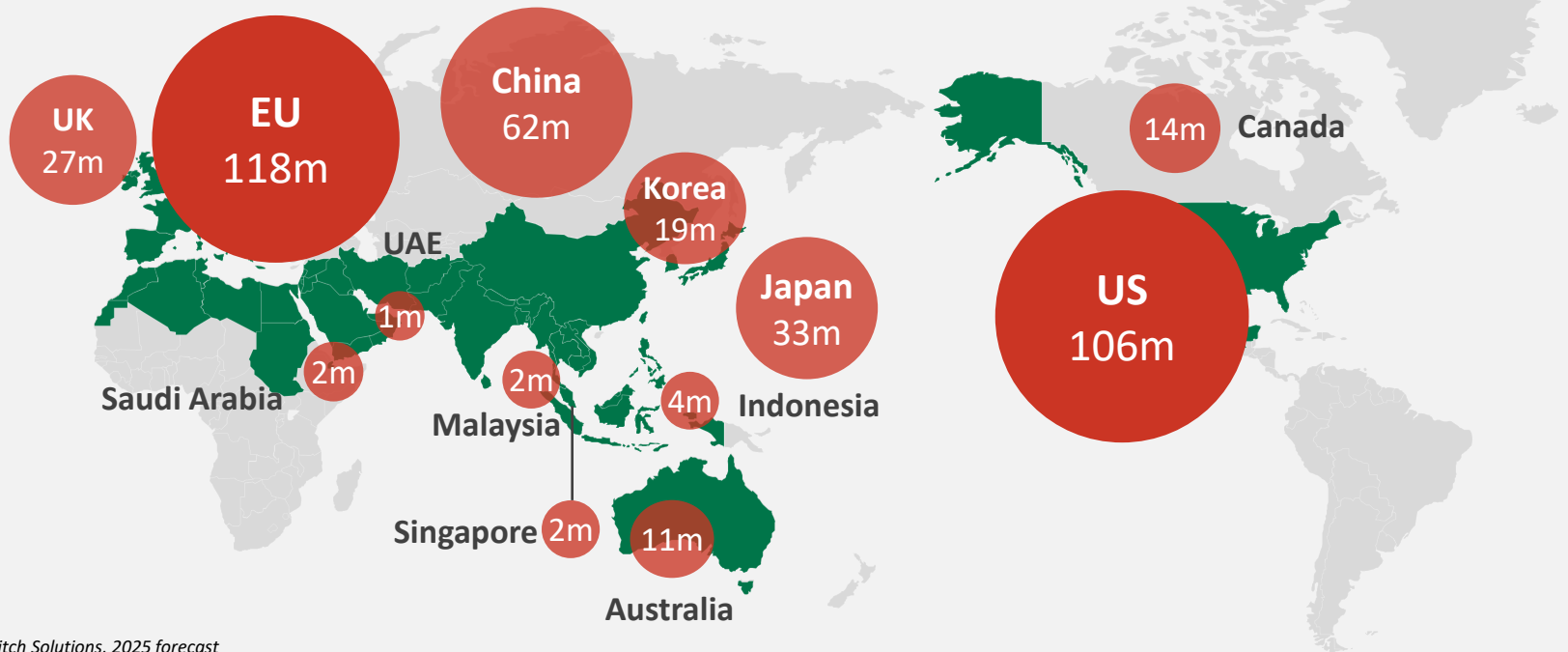# Australia has a diverse global portfolio

Beef volume in '000 tonnes swt

Sheepmeat volume in '000 t swt

Europe
8K t swt
14K t swt

North Asia
577K t swt
163K t swt

North America
152K t swt
104K t swt

MENA
30K t swt
51K t swt

Southern Asia
111K t swt
40K t swt

Australia
A$8.65b*
A$2.16b*

Total exports
A$9.1 billion
A$4.06 billion

Source: IHS Markit, ABS, DAWE and MLA estimates, 2021
*please note the Australian figure is calculated using average retail price, whereas export figures are wholesale

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Population is traditionally used as an indicator for potential demand

UK 69m

EU 445m

China 1,458m

Korea 51m

UAE 10m

Japan 124m

Canada 39m

US 340m

Saudi Arabia 37m

Malaysia 34m

Indonesia 287m

Singapore 6m

Australia 27m

Source: Fitch Solutions, 2025 forecast

However, 'ability to purchase' is a better indicator

Households earning a DISPOSABLE income above US$35,000 (2025 forecast)

UK 27m

EU 118m

China 62m

Korea 19m

Canada 14m

UAE

Japan 33m

US 106m

1m

Saudi Arabia

2m

Malaysia 2m

Indonesia 4m

Singapore 2m

Australia 11m

Source: Fitch Solutions, 2025 forecast

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High level analysis of key retailers in international markets – focused on sustainability

Focus areas	Sustainability awareness — More advanced			Emerging				
	AUS	US	UK	Japan	Korea	China	SEA	MENA
Emission, GHG reduction/elimination	✓	✓	✓	✓		✓		
Carbon (Net zero, reduction)	✓	✓	✓	✓	✓		✓	
Carbon footprint			✓			✓	✓	✓
Animal welfare	✓	✓	✓					
Waste (food, packaging)	✓	✓	✓	✓	✓		✓	
Recycle	✓	✓	✓	✓	✓	✓	✓	✓
Heath & Nutrition	✓		✓	✓	✓		✓	✓
Community	✓	✓	✓	✓	✓	✓		✓
Eco-friendly			✓	✓	✓		✓	
Planting trees / deforestation			✓			✓		
External reference / certification*	✓	✓	✓					✓
	BBFAW	UNSDG	UNSDG	UNSDG GAP			UNSDG	MoCCAE, UNSDG

MENA = Middle East North Africa region. SEA = South-East Asia region.
* Global Business Benchmark on Farm Animal Welfare (BBFAW). United Nations Sustainable Development Goals (UNSDG). UAE Ministry of Climate Change and Environment (MoCCAE).

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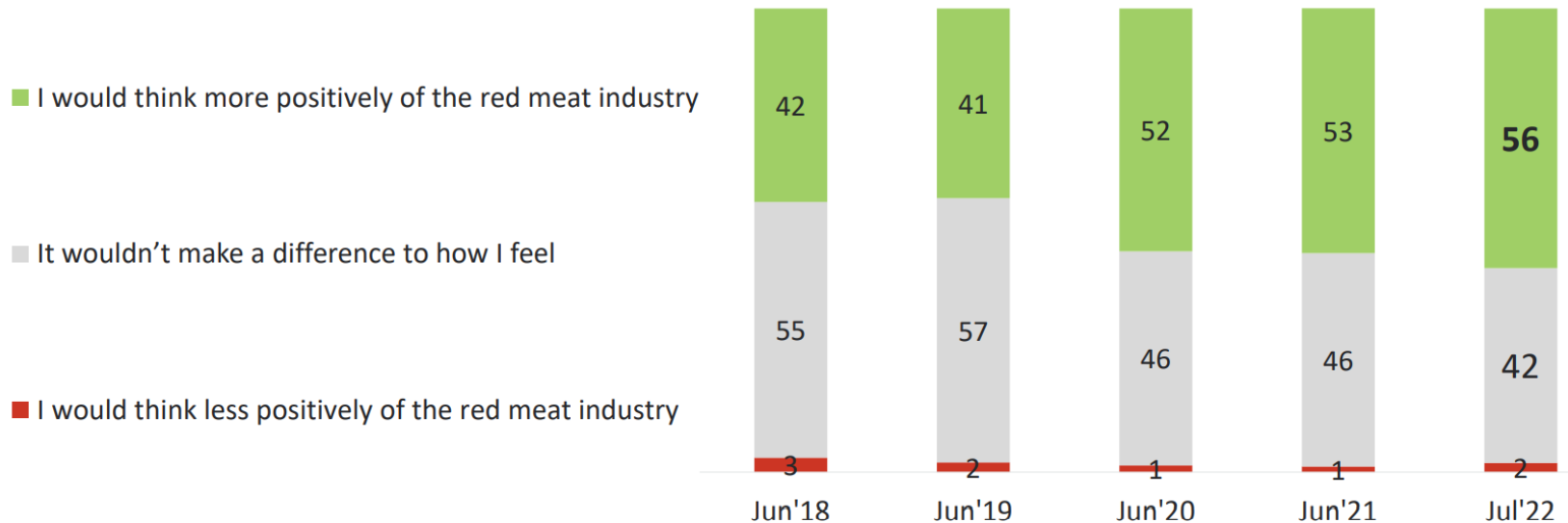MEAT & LIVESTOCK AUSTRALIA

Global market insights

- Retailers (e.g. Tescos, WallMart, Marks & Spencers & Sainsbury's) are driving sustainability requirements based on their COP26 climate commitments.

- Consumers associated sustainability more with Australian red meat than they do with NZ or USA red meat

Sustainability is personally important to most metropolitan Australians

Personal importance of sustainability (%)
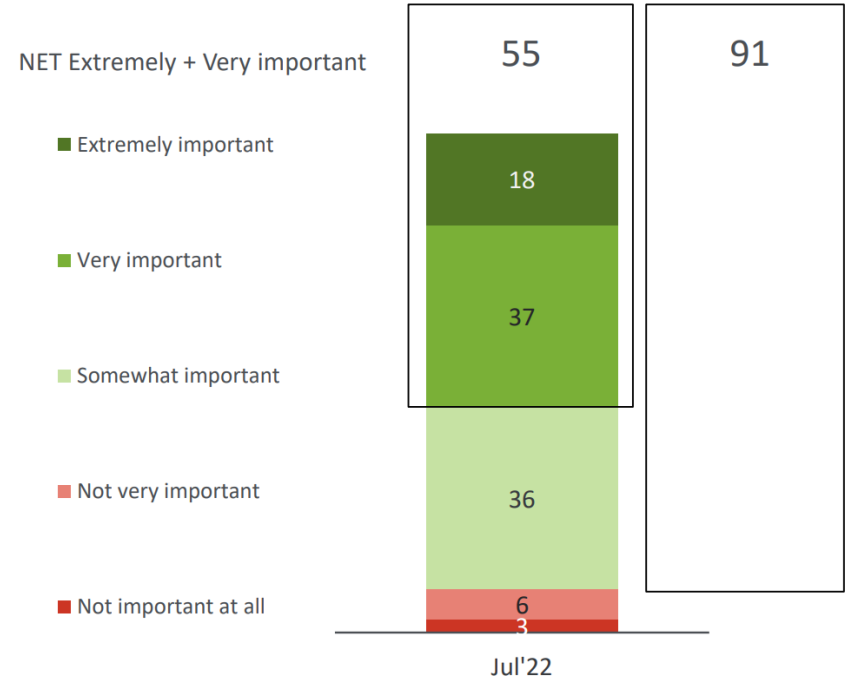
NET Extremely + Very important | 55 | 91

- ■ Extremely important — 18
- ■ Very important — 37
- ■ Somewhat important — 36
- ■ Not very important — 6
- ■ Not important at all — 3

Jul'22

Source: Pollinate consumers survey 2022

Supply chain initiatives

Whole farm system, value chain approach linking genetics to consumer outcomes

Genetics

- Genotypes and performance recorded
- 'Hard to measure' traits
  - Sensory testing
- 'Late in life' traits
- Single Step
- Multibreed

Production

- Bred Well
- Fed Well
- Healthy
- Reproductive
- Welfare

Finishing

- Performance
- Efficiency
- Targeted
- Compliance
  - Carcase quantity
  - Carcase quality

Processing

- Slaughter feedback
- Objective carcase measurement
- MSA grading

Consumers

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Multi-breed genetic evaluations

- Create a southern multi-breed dataset
- Angus, Charolais, Hereford, Shorthorn, Wagyu and Brahman
- Compare irrespective of hide colour
- Build reference for hard-to-measure traits
- Enable the development of a temperate multi-breed genetic evaluation

Outcomes

2000 cows, 6 breeds, across 5 sites.

First cohort of steers in feedlot, ovarian scanning heifers.

Second cohort born and third AI program underway

All animals will be genotyped and intensively phenotyped.

Objective carcase measurement
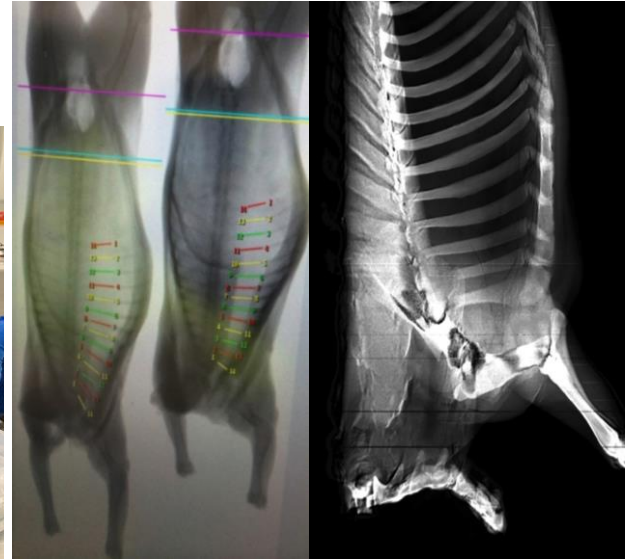
Dairy beef for MSA

- MSA evaluation of 300Kg steers (Jersey, Holstein X Jersey & Holstein) grassfed & feedlot systems.

- All breeds except Jersey graded well compared to beef breeds, though marbling & fat scores were generally lower.

- All dairy steers, particularly Holstein, valuable carcase via grass or grain finishing.

Complex problems to solve

Carbon Neutral by 2030
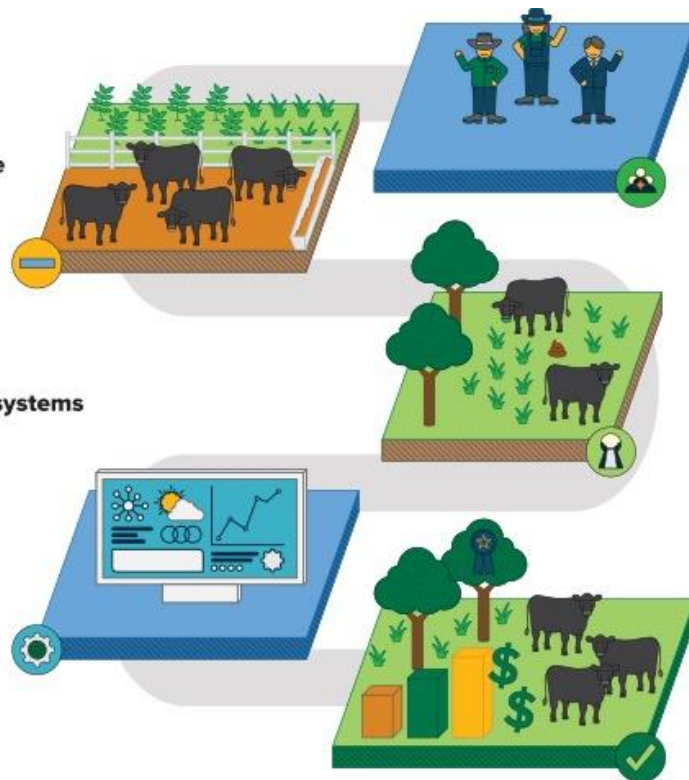
CN30 industry progress

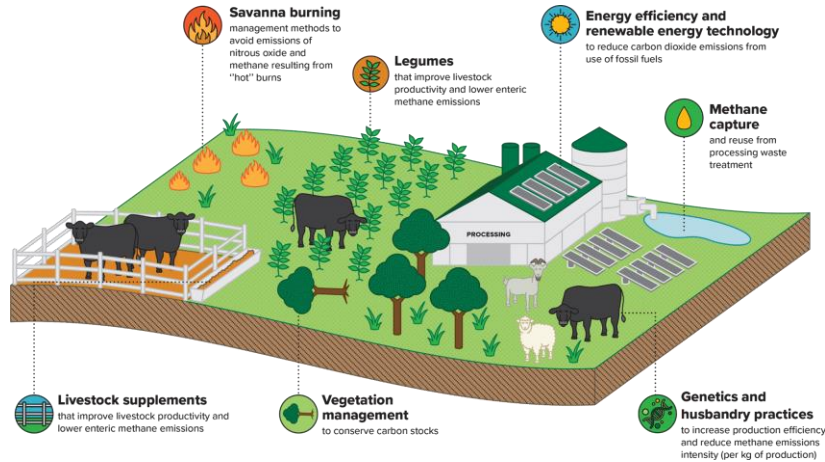## The Australian red meat industry:

LOWERED it's greenhouse emissions by

59.05%

since 2005

EMITS

56.38Mt

CO_2-e per year

down from 133.36Mt CO_2-e pa

CONTRIBUTES

10.7%

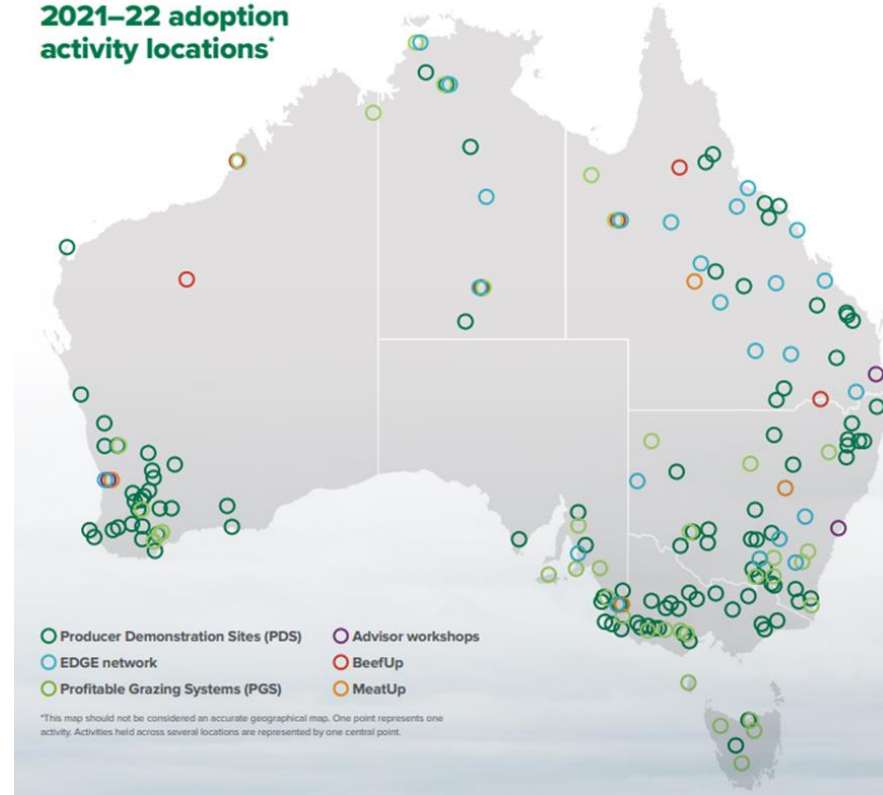of national emissions

down from 22% in 2005

CN30 resources available

- Carbon 101 eLearning module (3 more to come)
- Carbon calculator (available for Feb)
- CarbonEDGE workshop (in development)

Savanna burning management methods to avoid emissions of nitrous oxide and methane resulting from "hot" burns

Legumes that improve livestock productivity and lower enteric methane emissions

Energy efficiency and renewable energy technology to reduce carbon dioxide emissions from use of fossil fuels

Methane capture and reuse from processing waste treatment

PROCESSING

Livestock supplements that improve livestock productivity and lower enteric methane emissions

Vegetation management to conserve carbon stocks

Genetics and husbandry practices to increase production efficiency and reduce methane emissions intensity (per kg of production)
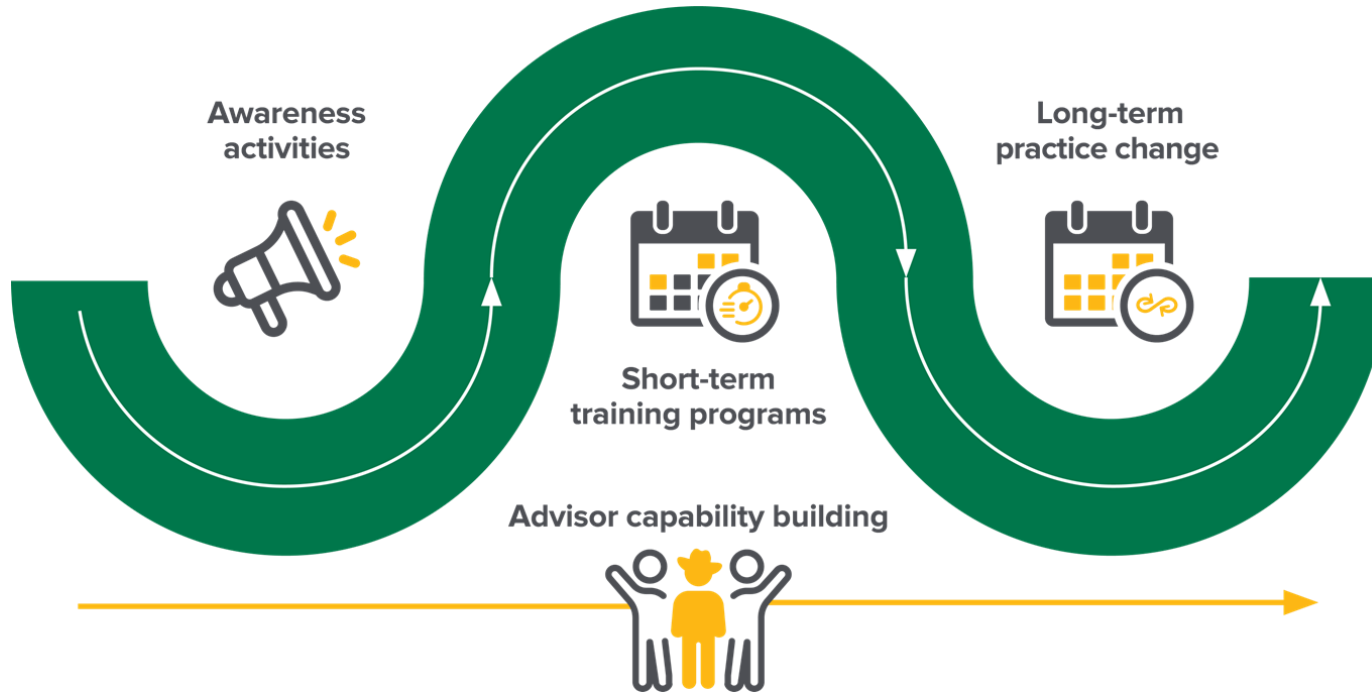
MLA's Adoption Program

- 10,709 producers engaged

- Influencing up to:
    - 11.3million Sheep
    - 7.1million Cattle
    - 210,000 Goats
    - >150million Hectares
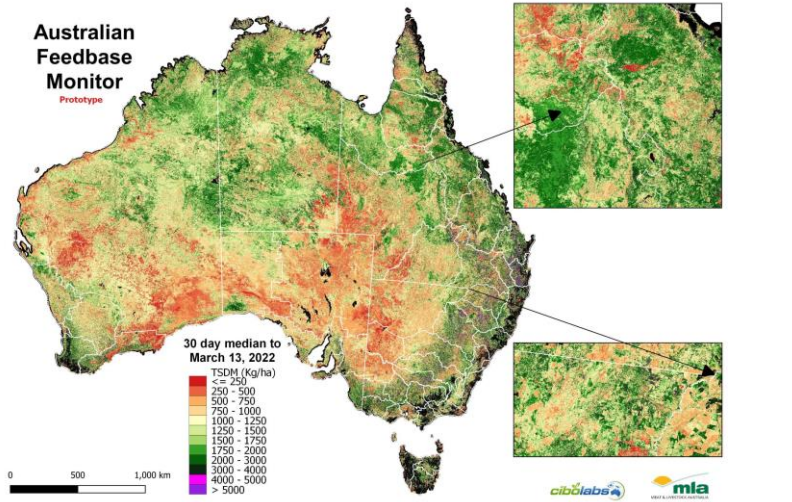
- Participating producers benefit by $7.83/Ha per annum.
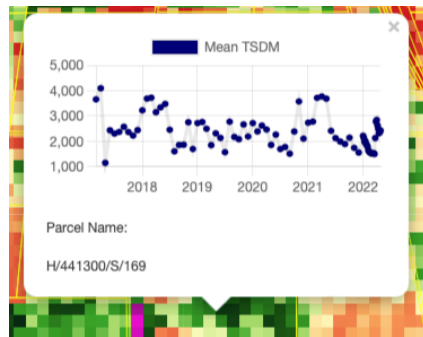

2021–22 adoption activity locations*

- Producer Demonstration Sites (PDS)
- EDGE network
- Profitable Grazing Systems (PGS)
- Advisor workshops
- BeefUp
- MeatUp

*This map should not be considered an accurate geographical map. One point represents one activity. Activities held across several locations are represented by one central point.

Get involved in MLA adoption programs

Australian Feedbase Monitor

- Total Standing Dry Matter (KgDM/Ha) & Groundcover (%)

- Resolution of 1Ha & updated every 5 days

- Access through myMLA platform

- Access will be linked to PIC and LPA land parcels

- Available from 30th November 2022

Source: P.PSH.1336 'Driving adoption of objective management of pasture biomass for Australian livestock producers'.

Become an MLA member today

MLA members receive:

- ✓ free subscription to MLA's regular member magazine *Feedback*
- ✓ free subscriptions to MLA's suite of e-newsletters
- ✓ the opportunity to attend and vote at MLA's Annual General Meeting
- ✓ discounts for a range of MLA products and services, ordered via the myMLA catalogue
- ✓ invitations and discounts to local MLA events
- ✓ eligibility for a range of MLA programs.

Sign up for FREE and join nearly 50,000 livestock producers by scanning the QR code or email us and we will send you the details to sign up: membership@mla.com.au

FREE to levy-paying **red meat producers**
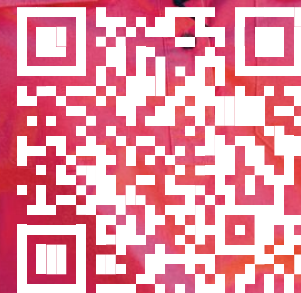
Adam and Jacynta Coffey –
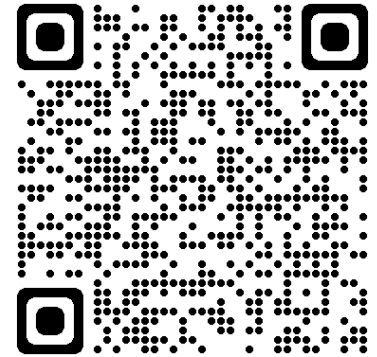Coffey Cattle Co., QLD
Members since 2018

Take home messages

- In competitive markets (e.g. US & EU) retailers are driving a CN30 and sustainable red meat product.

- Supply chain improvements result in highest quality of Australian red meat.

- Dairy-beef can grade for MSA when managed like a beef animal.

Tools and resources
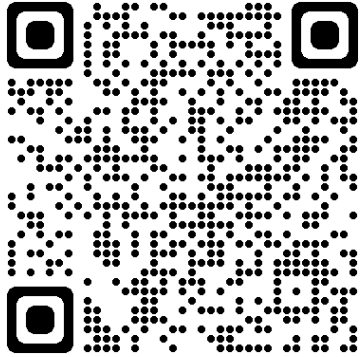
- Carbon 101 eLearning module

- Sign up to myMLA account