



Final report

Bespoke eNVD Adoption for Livestock Transporter

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Prepared by: Wade Lewis
Agrigrowers Management Pty Ltd
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Abstract

The Australian red meat integrity system underpins industry access to over 100 global markets. To strengthen the integrity system, industry is committed to driving the adoption of digital consignments in the form of the electronic national vendor declaration (eNVD).

Digital consignments allow for significant savings to be achieved by reducing compliance costs associated with the paper-based system and allows for greater value to be added to the supply chain by combining data sets that can benefit both production and marketing outcomes.

Historically, the livestock transport sector has not been a stakeholder group that Meat & Livestock Australia (MLA) or Integrity Systems Company (ISC) have previously had strong relationships, or connections with. However, is a key intermediary between eNVD creator and receiver. Moving to digital consignments has implications for the way transport companies receive and manage eNVD.

The project was performed by using a variety of engagement methods including:

- Webinars
- Attendance at livestock & transport peak industry events in individual states
- Face-to-face meetings & demonstrations to key transport industry operators
- Site visits to saleyards, feedlots, processors, and stock and station agencies
- Individual phone calls to transport operators

The outcome of these engagements has included transporters and their supply chain partners having a much better understanding of the eNVD and how it can be used in their business, and what needs to be done to integrate eNVD into their business. Secondary to this is an understanding of the barriers to adoption of eNVD being used in the day-to-day operation of a transport company and with its associated supply chain partners and clients.

Executive summary

Background

The livestock transport sector has not been a stakeholder group which ISC/MLA has previously had a strong relationship, or engagement with.

With the introduction of the eNVD app, it was found that there wasn't a strong uptake of the use of eNVD by the livestock transport sector. It was identified by ISC that the livestock transporter sector was a key stakeholder in the movement of livestock. Therefore, they were a vital part of the supply chain that was required to have an excellent understanding of eNVD, and its functionality, to ensure the sector was as prepared as all other stakeholders' groups in the supply chain to accept and use eNVD, as part of their function in the movement of livestock.

The project targeted key livestock transport operators across NSW, Qld, Vic, Tas, SA and WA. It also included the peak livestock transport industry bodies from NSW, Qld, Vic, Tas, SA and WA as well as key supply chain stakeholder including processors, feedlots, saleyards, stock and station agents and producers.

The results of the project will be used by ISC to determine and rank priority of updates and improvements that will be made to the eNVD platform to ensure it is fit for purpose for all of industry. Several key findings that were identified during the project have already been developed and are now available to users, with additional transporter functionality due to become available in the next release due February 2024.

Objectives

- Livestock transporters to adopt the use of eNVD into their business practices.
- Identify and address user issues that livestock transporters encounter.
- Report recommendations to ISC on the improvement/changes to the eNVD product that will assist in the functionality and user experience of the eNVD

Methodology

- Intensive face to face engagement of stakeholders at numerous events and individual meetings
- Identify barriers, address these barriers and report improvements to stakeholders.
- Bespoke individual education and demonstrations of the app to stakeholders.
- Report improvement recommendations from stakeholders to ISC app developers and test these improvements with stakeholders to assist with take up of app.

Results/key findings

- The livestock transport task varies greatly across Australia with many individual businesses and stakeholders all having niche requirements for the eNVD functionality with their business.

- There are similar barriers for livestock transport operators across Australia that require some improvement to the functionality of the eNVD app to assist with the adoption of the eNVD

Benefits to industry

Engagement of the Livestock Transport sector with ISC/MLA to assist ISC to improve the eNVD to facilitate a greater uptake of the use of the eNVD within the livestock transport industry and associated red meat supply chain.

Future research and recommendations

The livestock transport industry is a complex function with many different requirements from transporters, saleyards, processor, producers and feedlots for the use of NVD. Further improvements to the app as identified in the project is required.

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1. Background

The livestock transport sector has not been a stakeholder group which ISC/MLA has previously had a strong relationship with.

With the introduction of the eNVD app, the livestock transporter sector was a key stakeholder in the movement of livestock and was a vital part of the supply chain that was required to have an excellent understanding of the eNVD, its functionality and the ability to integrate eNVD into their business operations to ensure that the transport function was not an impediment on the other stakeholders in the supply chain by not being able to accept eNVD as part of their function in the movement of livestock.

The project targeted key livestock transport operators and peak livestock transport industry bodies across NSW, QLD, VIC, TAS, SA as well as key supply chain stakeholder including processors, feedlots, saleyards, stock and station agents and producers which are serviced by the livestock transport industry.

2. Objectives

1. Engage a minimum of 20 livestock transport companies. Inform and educate them regarding paperless movements and assist them to be ready to accept digital consignments using the electronic National Vendor Declaration (eNVD). This is to include any technical requirements. This should also include:

- a. Assist ISC to build relationships with transporters and officials to enable open dialogue about developments of eNVD capability.
- b. Drive uptake of the eNVD app with transporters, their supply chains and industry partners.
- c. In collaboration with the broader eNVD adoption team, contribute insights from the transport sectors that will drive higher levels of uptake of digital consignments.
- d. Inform and assist with development of resources designed to support transporters to move from paper NVD forms to electronic NVDs.
- e. Participate in eNVD adoption team meetings as requested.
- f. Liaise with Australian Livestock and Rural Transporters Association (ALRTA) and its six state member associations as required.

2. Deliver to ISC, regular short reports outlining learnings and recommendations from the engagement process. This is to include the current state-of-play and any barriers to adoption identified during the reporting period.

3. Methodology

3.1 Stakeholder Engagement

There were several methods used to engage stakeholders and to collect feedback and demonstrate the eNVD and its use. This included, but is not limited to:

- Development of monthly engagement plans
- Targeted both influential/large and smaller, privately owned livestock transport companies to inform and educate them regarding paperless movements and seek their feedback.
- Face to face meetings, including eNVD introduction and training.
- Attendance at peak industry council meetings and conferences – this ensured that those in positions of influence have at least a minimal understanding of the product.
- Participation in webinars – as a subject matter expert for the transport sector.
- Collaboration with ISC in the development of transporter specific communications

4. Results

4.1 Key Stakeholders

4.1.1 Key Livestock Transport Businesses

Transport operators ranging from small to large business's (one to two trucks to a fleet of almost 100) carrying cattle, sheep, and goat were consulted as part of this project. All scenarios regarding pickup and delivery destinations were also covered. This included farms, feedlots, saleyards, and processors.

Most operators identified the following points as key fundamental barriers to the adoption of the eNVD app within their business:

- ability to add additional transporters.
- ability to add more than one truck to a consignment.
- ability to add signatures to the app when the originator isn't present.
- amend the head count of the declaration.
- add notes to the declaration.
- ability for the consigner to share the declaration to a central point, and the transporter to then share it with their individual drivers.
- add a 'via' functionality, for scenarios such as dipping stations.

Another significant barrier that was identified was the number of companies NOT using any technology with their cabins. This could include smart phones, tablets, or fixed terminal's etc.

Most business were supportive of industries transition to paperless consignment, yet they felt it was not their roll to push for industry wide adoption. They feel they have no influence with their client's adopting eNVD, but the majority advised, that if their customers requested paperless consignments, they would be forced to work out a process to use eNVD within their business.

Several companies/drivers had concerns regarding the lack of phone reception on remote properties but were happy to see the app works completely offline. Another concern raised was the misconception that the app was a tracking device.

Some companies also saw significant challenges with individual drivers using the app, due to the need for each driver requiring a myMLA account. The lack of digital/technical skills amongst drivers, and their average age also posed concerns relating to training requirements. How eNVD would work within scheduling programs was raised as another potential issue.

Consistency across the states regarding transporter requirements and the need to fill particular section of the NVD also posed challenges. This was clearly identified in Victoria where it is not mandatory for the transporter section to be completed.

4.1.2 Peak Bodies

The peak national and all state based peak councils were supportive of industry transitioning to paperless consignments, but the differing requirement across states was raised as a potential issue and barrier due to the lack of uniformity.

All councils are promoting the app through their websites, social media, and regular weekly newsletters and ISC will have ongoing opportunities to engage with the memberships with any communications or workshops they wish to communicate.

When livestock operators used the app in its early release, they found it not yet fit for purpose for transporters and had not since tried again. It is recommended that ISC engage with the peak councils once the recommended updates are built and released, to ensure the transport industry is aware ISC is continuing to build product based off industry feedback.

It is advised that other freight modes such as sea and rail need to be considered when discussing paperless consignments. Most of such loads are generally consolidated, and likely don't meet current guidelines. This will also be problematic for eNVD as the transporter may change several times, and there is no current way of adding additional transporters.

Tasmania poses additional challenges where animals can be placed on ferries to the mainland or outer islands. Ferry operators do not record any type of livestock movement on any NVD. Tasmania is unique compared to the mainland as there are many small loads that are consolidated onto larger trucks, with many small producers in the state.

There was also general resistance to the fact that the originator must be present for the driver to sign the eNVD when using the app, simply due to many times, there being no one onsite when loading or unloading livestock. Alternate options were demonstrated (like sharing) and somewhat satisfied the concerns.

4.1.3 Other Stakeholders

Other stakeholders engaged include processors, livestock agents, saleyards, and large pastoral companies.

The majority all provided similar feedback advising they could see great potential for their business by moving to digital consignments but did not want to be the first due to fear of losing business due

to supply chain partners not willing to transition to paperless and selling through an alternate means.

Several stakeholders number also advised they have other digital projects currently underway and did not see eNVD as a priority until mandated by industry.

4.1.4 Stakeholder Engagement Learnings

Initially, this project sought to work with influential livestock transport companies, agreed with ISC, to transition their business and clients to digital consignments using electronic National Vendor Declaration (eNVD), including any technical requirements. It was evidenced very quickly that education, one-on-one assistance, and several inclusions/updates to the eNVD platform were required before further engagement should be pursued with transporters.

Engagement with the transport sector continued whilst updates were developed and released ensuring that all feedback captured was aggregated and any requirements blocking adoption and use were passed onto the eNVD development team.

Additional key learning include:

Livestock transporters to adopt the use of eNVD into their business practices.

Whilst there was a consensus amongst stakeholders that the eNVD would be a process within their business, it was found that the adoption would be driven from their customer rather than the transporter initiating the use of eNVD with their customer.

Identify and address user issues that livestock transporters encounter.

There were many issues identified with the functionality and useability of the app to transporters which was addressed by ISC and is an ongoing development project. This objective was successfully met.

Report recommendations to ISC on the improvement/changes to the eNVD product that will assist in the functionality and user experience of the eNVD.

The consultant provided monthly reports including recommendations collected over the lifetime of the project. These recommendations were passed through as feedback to development team. The consultant also spoke regularly to both the eNVD, and broader ISC teams. This included the development and adoption teams to ensure feedback and requirements for industry were captured, especially when themes were evidenced (such as multiple regos on one declaration, a go-via function, and the ability for a transporter to add additional transporters to a declaration).

5. Conclusion

The transportation of livestock is a complex process that varies from load to load with livestock transported over varying distances across Australia. Destinations vary from farms, saleyards, processing plants, feedlots, and spelling facility.

Transport operators are a mobile stakeholder group, and the most effective engagement of this group is by individual engagement. Information days and webinars are ineffective to capture and engage this group.

There is not a standard process for the logistic task, and every business has a process in place that is suitable for their business, therefore every business has a different requirement for the functionality of the eNVD app.

The transport industry is a key stakeholder in the supply chain of livestock, yet they have very little to no influence on the type of NVD that their customers choose to use, however, they hold a key responsibility of the NVD and compliance of that document.

At the beginning of the project, it became clear that the functionality of the eNVD app was not satisfactory for transport operators and improvements were needed.

There were many mixed requests from industry to what they required, and it became apparent that there needed to be engagement with other key stakeholders that transporters interact with on a regular basis, to form a clearer understanding of the barriers that these stakeholders were experiencing and are preventing them from adopting eNVD.

It was found that saleyards, stock and station agents and processors are key influencers in the decision-making process of a producer regarding what type of NVD they use. These groups have common requirements for the eNVD; however, each group also believes that its not their responsibility to drive or suggest the use of eNVD.

Saleyards across Australia have different practices from site to site, and there is not any standard business practice in relation to receipt and distribution of livestock. An extensive project will be needed to assist the saleyards to implement the use of eNVD into their business practices.

Due to issues with the app after its initial release (in relation to reliability and functionality), stakeholders that were willing to explore the use of the eNVD tried to use it but were disappointed with its functionality and reliability and did not proceed to attempt to use the eNVD app again.

As the project neared its conclusion, key processors, transporters, and saleyards had started to see the benefits of the eNVD due to the planned changes and completed improvements to the eNVD platform and continued engagement of ISC.

5.1 Key findings

After extensive consultation it is found that the below are key requirements of the eNVD to assist the uptake of eNVD to all stakeholders.

- Ability to share eNVD without receiver having app installed or an myMLA account.
- Ability to add additional transporters.

- Ability to add more than one truck registration to a dec
- Ability to add signatures to the app when the originator isn't present.
- Ability to amend the head count of the dec by any receiver.
- Ability to add notes to the consignment by any receiver.
- Ability to add a 'VIA' destination onto the consignment.
- Ability for the transporter to share the DEC number with other transporters who can then log into the app and retrieve the Dec so they can add their details.
- Ability for the consigner to share the dec to a central email address and then allows the transporter to share it with their individual drivers.
- Ability for notifications to be sent to the originator and receiver of the eNVD that an amendment of note has been added to the consignment.

The stakeholders in the supply chain have 3 options for the creation of an NVD. Whilst the useability and features of the app do not meet the requirements of all stakeholders, the uptake of eNVD will be slow as stakeholders revert to the use of paper as it seen as a reliable option.

5.2 Benefits to Industry

This project has ensured the transport sector and the stakeholders they engaged with, are more informed of eNVD and industry plans to transition to digital consignments.

Through engagement with several large livestock transport companies, the livestock transport peak industry councils and other stakeholders involved with livestock movements, a clearer picture of the complexities, willingness to adopt digital consignments and industry requirements have been realised.

It is understood that not all feedback on recommendations for the tool can be developed. Updates that will benefit most users, gained through feedback from multiple sources, has been developed off the back of learnings from this project. Several of these updates have already been built and released to users. Through this project, these continual updates have ensured the livestock transport sector voice is being heard, and should ensure their willingness to engage and adopt, albeit slowly, moving forward.

By continuously taking feedback on board and ensuring the livestock transport sector that their voice is being heard, should see adoption in the future.

6. Future research and recommendations

There is a requirement for a continued engagement of all stakeholders in the supply chain that use or interact with the eNVD platform.

One off information days and webinars are not an effective method to educate and inform stakeholders on how to use the product. Intensive small groups or one-on-one engagement is the most effective engagement technique for this stakeholder group.

The eNVD app and platform needs to be an ever-evolving product that will require constant updates and improvement to continue to meet the requirements of all stakeholder users.

The original release version of the app was a base of which needs to be built upon. Since its release, there have been improvements in subsequent versions. This has unfortunately come at a cost with

“change fatigue” amongst stakeholders who are asking for a final product to be delivered before another intensive adoption campaign is undertaken.

Attendance at peak industry meetings was a successful engagement process as the target audience were in attendance and willing to listen and learn whilst attending these events. It is recommended that attendance to these events continues as those in positions of influence attend.

Attendance at saleyards was successful although it was essential that the audience was engaged one on one as they would not engage in a group environment. Direct engagement with individual agencies will be the most beneficial way to inform and educate.

Individual one on one meetings were the most successful method of engagement. The individuals are more comfortable speaking face to face or in very small peer groups, this was across most stakeholder groups this project met with.

Webinars are not an effective engagement tool for the transport sector as they are mobile and are generally not available to sit through webinars.

An key learning from these engagements was that whilst the transporters view themselves as a key part of the livestock supply chain they do not feel that they have any real influence towards the adoption of the eNVD by their customers. They feel that the drive for adoption should start from the producer/agent through the supply chain to the end user.

It is also evident that the livestock transport sector is very complex with many different scenarios involved in the journey of livestock across Australia and a uniformed adoption process is not a viable option across industry.

The livestock transport sector is heavily reliant on paper documentation for the identification and information sharing of livestock and their movements across the supply chain and digital adoption will need to be tailored to replicate the function of paper in the process.

Focus for future development of the eNVD must be given to section **5.1 Key Findings** in this report which highlights the barriers that transporters find are key barriers to adoption.

After extensive transporter engagement it is recommended that a focus is given to the transport operators who are supply volume product to the feedlot and processor supply chain.

These operators have multiple vehicles in the supply chain and all use different management practices which require bespoke assistance to help implement the use of the eNVD into their business.

These key operators also hold influence over the entire livestock transport sector and as these business's adopt the use of eNVD the adoption will organically grow through the industry as the use of eNVD is required to contract to these key transporters to complete freight for the feedlots and processors and additionally these operators will demonstrate that the eNVD can be used effectively within the transport sector.

If the processors and feedlots identify their top transport suppliers this would give an excellence group of transport operators to focus on for the adoption of the eNVD into their business.

An continued engagement plan with the peak industry associations in each state and the Australian Livestock and Rural Transporters association will be vital to ensure that the whole livestock industry remains aware of the eNVD and has an avenue of contact to ISC for adoption assistance.