



Integrity Systems

red meat customer assurance

Terms of Reference

Strengthening Australia's Integrity System programs through improved compliance

Background

A significant proportion of the trust and strong reputation of Australia's \$23 billion red meat industry can be attributed largely to its integrity systems. Elements of the red meat integrity system include the National Livestock Identification System (NLIS) ensuring traceability, Livestock Production Assurance (LPA) and National Feedlot Accreditation Scheme (NFAS) ensuring on farm / feedlot assurance and the national vendor declaration (NVD) providing verification of practices.

The NLIS enhances Australia's ability to track livestock during disease and food safety incidents. It provides information through identification and traceability of livestock that underpins market access for Australian red meat globally. LPA and NFAS are an independently audited, on-farm assurance program covering food safety, animal welfare and biosecurity. The program provides evidence of livestock management history and on-farm practices when transferring livestock through the value chain. Producers declare this information on LPA NVDs, which are required for any movement of stock to processors, saleyards, or between properties if they have different Property Identification Codes (PICs).

NLIS, LPA, NFAS and LPA NVDs are complemented by off-farm food safety initiatives, which together build a culture of shared responsibility among all Australian livestock owners: one that acknowledges and embraces their role and reputation as suppliers of safe, ethically-produced and high-quality food. While these systems remain recognised globally as being the best in the world, countries such as Uruguay are rapidly becoming known to having a system as good as or better than that of Australia. Ensuring high levels of compliance are constantly achieved is imperative if Australia's reputation is to be maintained. Non-compliance represents one of the greatest risks to the integrity systems, and requires robust monitoring and systems to ensure, where issues are identified, they are dealt with an appropriate level of authority and penalty. With the implementation of the ISC and the management of all integrity systems now under a single entity, it is timely to focus on the issue of compliance and determine ways in which the current system could be further strengthened.

These terms of reference outline a project that seeks to develop a short to medium term implementation plan to address key opportunities for strengthening the programs through improved compliance. This will also be used to inform and prepare industry for an even more robust future state in the longer term, which mitigates any significant risks to the effectiveness of our integrity systems.

Objectives

By 30 June 2018, this project will provide a comprehensive report that outlines the following:

1. In conjunction with industry stakeholders, conduct a thorough review of the integrity systems compliance and key issues limiting compliance, including:
 - Definition of the key current issues associated with managing compliance for the NLIS, LPA, and NVD systems and the key considerations industry needs to address over the next 5 to 10 years (**note NFAS is not included in this project scope**)
 - Review of compliance data to establish any trends or insights, adequacy of current data. Develop cost effective ways of improving compliance.
 - Determine opportunities for streamlining / aligning with other red meat quality assurance programs, particularly where independent auditing systems are in place.
 - Review current KPIs used to measure success and establish more relevant future KPI measures across all integrity systems including establishing baseline measures such as producer understanding and attitudes towards the integrity systems and compliance
 - Review of communication and adoption activities that aim to influence compliance and assess their effectiveness
 - Establish key roles and responsibilities of stakeholders in managing integrity systems compliance in the future
 - Review current resource allocation across all integrity systems including human and funding resources – this is to include assessment of any reduction in resourcing trends and the implications on program delivery
 - Review state and federal legislation and auditing systems to determine current relevancy, where greater alignment could be achieved and any issues that reduce the effectiveness of managing compliance
 - Define what technology could assist with improving the management of compliance
 - Develop a definition of an effective, consistent, and transparent monitoring and reporting system
 - Develop an implementation strategy (including communication and adoption) to roll out to industry.
2. Develop a detailed list of recommendations for strengthening the integrity systems through improving compliance, including a detailed Implementation Plan, timeline and budget allocation.

Deliverables

- A report that contains the results of the objectives of the project (items 1 & 2) which will provide a highly effective compliance management system that will continually deliver against stringent key performance measures and mitigate risk of integrity systems program failure.
- A presentation to the ISC Taskforce (teleconference) and the ISC board (at their July board meeting) of the results, largely the key opportunities to address that will strengthen the integrity systems and the implementation plan.

Proposal requirements

A proposal is required from experienced consultants that address the following:

1. A clear understanding of the issues and response to the identified deliverables
2. Proposed methodology/ies, including:
 - approach to be undertaken

- timetable of activities and milestones
3. Consultant and team capabilities, skills and experience
 - Proven ability of all team members to complete contracts on time and budget and meet client needs.
 - Knowledge and experience of all team members in conducting research that involves reviewing accreditation /compliance programs, and involved extensive stakeholder consultation and analysis.
 4. An understanding of Australia’s Integrity Systems programs, global competitors and their systems and key stakeholder groups.
 5. A detailed budget, including and outline of daily fees and expenses

Applications will be assessed against each of these areas.

Budget allocation

The total budget for this project should not exceed \$150K. The timeline for completion of the draft report should aim to be completed by early May 2018.

Conflict of interest

The ISC should be notified of any potential conflict of interest.

Contracting

The consultants will be contracted using the standard ISC consultancy agreement.

Fees and conditions of payment

Payments will be in accord with a payment schedule linked to milestone reports. Milestones for reporting may be negotiated at the commencement of the project.

The payment schedule will be:

On execution of a contract:	40%
On submission of the draft final report:	30%
On submission and presentation of a final report	30%

Application submission and further information

For further information, please contact Damon Holmes at the ISC on 0408 158 891. Applications should not exceed 4 A4 pages and should be submitted to dholmes@nlis.com.au by COB Friday 24th March, 2018.

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