

# Vietnam – delivering on change in livestock exporting



***The Australian Livestock Exporters' Council (ALEC) is committed to enhancing animal welfare and a commercially sustainable environment for livestock exports to Vietnam. Bringing about real change in the Vietnamese market has been achieved by collective efforts to strengthen control, traceability and compliance measures, as well as the removal and refusal to supply noncompliant facilities and supply chains.***

The Australian Livestock Exporters' Council (ALEC) is committed to enhancing animal welfare and a commercially sustainable environment for livestock export to Vietnam.

A depth of work is being undertaken by exporters, in collaboration with importers, to continue to strengthen control, traceability and compliance measures for this important market.

**Improvements in the Vietnam market have been an industry-led initiative.** It's an excellent example of collaboration, involving careful negotiation and consultation with the Australian government, Vietnamese government, Australian export industry and foreign inbound operators.

**Vietnam matters.** It is one of the fastest growing economies and has the third largest population, after Indonesia and the Philippines in the Association of Southeast Asian Nations (ASEAN) community. Vietnam presents strong growth potential for red meat consumption, underpinned by a number of factors including resilient economic growth, increasing disposable incomes, rapid urbanisation, and increased consumer demand for a higher living standard.

**Change is happening in this maturing market.** It's important to remember that it takes time because the market has to be dismantled before it can be put back together in a way that respects the cultural and legal differences between our two countries, whilst meeting the need for animal welfare and commercial sustainability.

## Achievements in Vietnam

Since mid-2016, a significant commitment has been made by ALEC to better understand and commit to **Control and Traceability (C & T)** practices, systems, standards and objectives intended to support the ESCAS<sup>1</sup> animal welfare requirements in Vietnam. At an industry level, Australian livestock exporters invested in substantial research over 2017 and early 2018 to provide a real understanding of this key mechanism for animal welfare.

The findings have been applied swiftly, and not just to Vietnam activities—exporters are also extending reforms for improved control and traceability across all ESCAS markets and incorporated into a new approach under LGAP.

The ALEC Board quickly responded to the research by adopting the view that a significantly improved C&T system could be implemented under **the Livestock Global Assurance Program (LGAP):**

To achieve this, a range of initiatives are being introduced to deliver on:

- 1. Stronger Monitoring:** Enhanced tracking of animals to ensure accountability.
- 2. Higher Standards:** Adopting a common higher standard to ensure best practices on the ground.
- 3. Better Policing:** Assessments and audits of systems, providing greater 'visibility' into the movement of animals along the supply chain, with a greater capacity to use automated 'flags' in the system.



<sup>1</sup> Introduced in 2011 by the Australian Government, the Exporter Supply Chain Assurance System (ESCAS) are the standards for live animal exports from Australia.

# The Future – Capturing Progress







ALEC members will continue to monitor the Vietnamese market, in particular looking for objective data which identifies challenges and progress in areas such as:

- Significantly increased use of stunning due to the work of the Australian industry (with both local cattle and imported cattle).
- The commitment made by the Australian industry with Animal Welfare Officers.
- Control and Traceability systems that are significantly more robust being introduced into the Vietnamese market.
- Current elimination and future risk mitigation around high risk supply chains and/or operators.
- Improved commercial arrangements and alignment, including partnerships formed between Australian exporters with larger Vietnamese facilities.
- Alignment of Standard Operating Procedures (SOP) across Vietnamese supply chains.
- Modernisation of the shipping fleet serving Vietnam from Australia.



## Immediate Action - Shared Monitoring of Current Practices

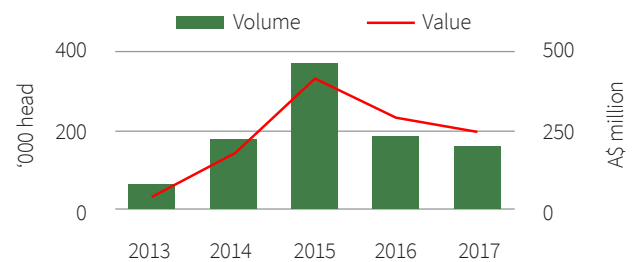
The Australian export industry is being asked to remain vigilant in monitoring what is happening on the ground in Vietnam **to reduce risks of ESCAS noncompliances** during this period of change. Of immediate interest are areas where research has identified improvements may be achieved:

 <p><b>Feedlot management</b> —particularly in ensuring that records are kept which enable cattle numbers in different pens and on-site overall to be reconciled with ease</p>	 <p><b>Data to verify animal movements</b>—no gaps should exist so that real-time awareness of an animal's location can be maintained at all times</p>
 <p><b>Visual verification image quality</b>—A requirement is to be able to identify individual animals and their tags at slaughter, normally done through visual images or video</p>	 <p><b>Length of time visual verification evidence is stored</b>—the Board recommends that video footage be kept for a significant period of time so that it can be used for verification</p>
 <p>Ensure that <b>data collection and reporting processes</b> are consistent along the supply chain and that a high degree of rigour is applied to all areas of data collection and control (including to mortalities)</p>	 <p><b>Standard operating procedures (SOP)</b> are displayed at all critical control points and are understood by participants</p>

## Live Cattle Exports to Vietnam

- Vietnam is the second largest destination for Australian live cattle exports. Australian live cattle plays an important role in supporting improvements in Vietnam's cattle and beef industry.
- The recent stabilizing in trade numbers reflects the maturing of a local commercial cattle and beef industry. The initial growth has been followed by a period of adjustment to new trading systems and regulations, resulting in a more sustainable market.
- Australian cattle make up approximately 15% of the local beef production in Vietnam but represent almost all of the commercial feedlot industry.
- The local livestock industry still relies heavily on Vietnamese or South East Asian cattle traded daily into abattoirs for the production of predominantly hot meat.

### Australian live cattle exports to Vietnam



Source: GTA/ABS

## Stay Informed

If you would like more information on what we are doing in Vietnam as these important initiatives progress, you can

- Visit our website at [austlivestockexport.com](http://austlivestockexport.com)
- Contact ALEC on E: [info@livexcouncil.com.au](mailto:info@livexcouncil.com.au) or P: **+61 2 6269 5690**