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# Stepping up agricultural traceability

The Australian Government [has announced](https://minister.awe.gov.au/littleproud/media-releases/stepping-up-ag-traceability) an investment of $68.4 million in agricultural traceability. This investment will encourage the adoption of enhanced traceability and credentials to increase export value and mitigate biosecurity risk. Consultation with stakeholders highlighted the importance of national leadership from the Government to build upon the 2019 National Traceability Framework. This initiative will support the sector reaching its goal of $100 billion of farmgate value by 2030.

**Why is this funding needed?**

* Whilst we have robust traceability systems, they are costly, duplicative and inconsistent, which costs industry time, effort and money to navigate. A national approach is required with government and industry working together to co-design an efficient and streamlined traceability system that is future focussed.
* Consumer demands are shifting. Australia’s traceability systems need to evolve to meet these consumer demands, through better capturing information across a supply chain (from farm-to-plate). Otherwise, Australian producers may miss out on premium value and future market access could be jeopardised.
* In some cases, Australian producers could already be meeting consumer demands but are not capturing the premium on offer as they lack the data, systems or infrastructure to verify claims that they could make to meet standards, such as production standards, organics and sustainability.

**What will this measure achieve and how, and what does this means for industry?**

* Consistent, streamlined and harmonised traceability data standards will reduce the time and money farmers and exporters spend on providing information to different regulators and commercial assurance providers. Currently the same information needs to be provided multiple times but in slightly different ways.
* *RegTech* solutions can enable the full benefits of industry investment in on-farm technology to be realised, by removing or reducing the manual process of checking compliance. In the future, such solutions may be able to assist with certification and government compliance. Reducing the compliance burden could save businesses $110-170 million per annum.
* Australia’s agricultural sector will be better placed to capitalise on shifts in markets, including consumer demands and agricultural credentials. Australian businesses will be supported to identify growing trends and gaps in markets so that “Brand Australia” can reap the benefits of innovative design and traceability advances. For example, indigenous Australians will have the tools to prevent appropriation of their cultural rights and unlock the value of the native foods industry that is predicted to grow from $50m to $250 million with investment.
* Overall, it is anticipated that businesses will lock between $0.4-1 billion of value because they can more robustly verify claims of provenance, organics or sustainability alone in many cases using their existing systems. For example industry sources suggest that:
  + certification of ‘grass fed’ beef, could lead to an additional $1 per kilogram in some export markets.
  + providing provenance could add another 10-15% value to hides.

**What initiatives will this funding support?**

A **National Agricultural Traceability Alliance** will be established as a coalitionbetween industry and all Australian governments to foster national leadership and ensure a more joined up approach on traceability initiatives. This alliance will be:

* launched by **National Agricultural and Traceability Summit** to be held in the first half of 2022
* supported by a **National Industry Agricultural Traceability Industry Advisory Board** to provide expert advice on developing a robust traceability and credentials system
* enhanced through **Communities of Practice** that will form knowledge sharing platforms for market participants to showcase their current systems and share ideas

A **National Agricultural Traceability Hub** will be established as a co-venture with industry and state and territory representatives to drive key initiatives including:

* an **Agricultural Traceability Roadmap** with industry-specific plans to promote **data standardisation** to reduce compliance and administrative burdens
* **Grants to develop** **RegTech proof of concepts** to investigate ways in which compliance and administrative burdens can be reduced through aligning digital legislation with existing export certification systems

An **Agricultural Credentials Initiatives** to support industry to access the best markets and premium prices for their goods including:

* an **online tool** to provide information on existing and emerging credentials
* a **roadmap** to harmonise fragmented approaches to that underpin the credentials of our products
* **grants** to uplift industry capability.

### Headline benefits

Key benefits of these programs are anticipated to include:

* Enabling farmers and producers to lock in up to $1 billion of additional value for agricultural products by maximising the update of credentials
* Saving businesses $225-325 million a year by harmonising traceability frameworks and leveraging RegTech to reduce paper based processes
* reduce the economic impact of a biosecurity outbreak by 78-89 percent over ten years (for example, in the event of an outbreak of foot and mouth disease $15-17 billion might be saved over a ten year period).

## More information

Email futuretraceability@awe.gov.au

Web awe.gov.au/biosecurity-trade/market-access-trade/traceability-project

**Acknowledgement of Country**

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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