

# Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector Communique 14 August 2017

On 14 August 2017, Indonesian and Australian Government and industry Partnership members met in Yogyakarta, Indonesia for the sixth meeting of the *Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector* (the Partnership).

Both the Indonesian Co-chair, Dr Himawan Hariyoga, and Australian Co-chair, Ms Louise van Meurs, noted the Partnership's achievements through its 'early-harvest' phase in helping to build an effective platform for interaction amongst Indonesian and Australian senior government officials and industry. Co-chairs acknowledged that the Partnership has been very successful in its early harvest phase with project outcomes, enhancing bilateral dialogue, improvement of information exchange as well as building technical transfer of skills across the red meat and cattle sector. Both Co-chairs reinforced that the purpose of this meeting was to discuss the future direction of the Partnership, noting that the Partnership has a commercial sector focus, is a long-term programme and that the Partnership needs to continue to represent the business and investment opportunities in the sector.

Partnership Members reviewed the outcomes from the Skills Development Short Course Awards Programme, the Northern Territory Cattlemen's Association (NTCA) Indonesia-Australia Student Pastoral Programme and the Processing Work Programme. Members discussed and agreed to the continuation of these activities with a number of amendments to enhance the ability of each programme to continue to support the Partnerships strategic objectives. The Membership agreed that the Partnership should continue a combination of skills development training activities, consisting of Indonesian based producer training, the Indonesia-Australia Student Pastoral Programme and policy training via the Short Course Awards Programme.

Members supported the Advisory and Support Group (ASG) to develop a plan of implementation of these activities, in consultation with the Partnership Members, with the aim of commencing project activities in early 2018 for a 3-year period. Members agreed that further training in processing should cease for the immediate future, with the Partnership instead supporting the development of a gap analysis for the Indonesian processing sector. The gap analysis would be used to provide a snapshot of the Indonesian processing sector, analyse the commercial and policy settings as well as outline the requirements needed to attain and maintain accreditation for exports. It was agreed that ASG would develop a scoping paper for the development of this project in consultation with the Partnership Members.

Members received presentations from Ms Trish Gleeson (Australian Embassy, Jakarta), Mr Andrew Simpson (Meat and Livestock Australia) and Professor Ali Agus (Gadjah Mada University) on the major influences affecting the Indonesian and Australian red meat and cattle sector. Members discussed the issues and challenges facing the sector, how the sector is currently placed, global factors affecting production, price and consumption, as well as trends in other major market competitors.

Partnership Members were given an update on the development of the Indonesia-Australia Joint Industry Strategy. Members noted the Joint Industry Strategy has generated positive linkages and relationships between the red meat and cattle sector in Indonesia and Australia, as well as identified and prioritised actions to assist with development of a competitive, productive and sustainable sector. Members agreed that the Partnership would continue to support the ongoing development of the Joint Industry Strategy, including further consultation amongst the Indonesian and Australian sectors to ensure that all of the critical components are considered. Meat and Livestock Australia in consultation with the Indonesian industry led by KADIN will develop a proposal out-of-session to seek funding for an implementation plan for the strategy.

Taking into consideration the updates from the industry, as well as the development of the Joint Industry Strategy, Members discussed the future direction of the Partnership in its next phase (Phase II). Members agreed that the Partnership has been successful in many areas of the early harvest phase, but improvements should be made to certain areas. Due to the significance of improving communication and awareness, the Membership agreed to develop a Communication Strategy to better communicate with government and industry stakeholders in Indonesia and Australia. The communication strategy

should be finalised in the coming months, in an effort to ensure consistent messaging for the consideration of the Heads of Government at the APEC Summit in November 2017.

Members agreed on a high-level concept for the Partnership Phase II, including:

- Supporting activities that will provide the Partnership with key analysis and evidence to support evidence based policy and decision making.
- Continuing to underpin the long-term objectives for the sector, including skills development, processing, breeding and logistics (transport).
- Ensuring that the Partnership is well known and recognised at all levels of Government and is perceived as the go-to forum for dealing with emerging issues and challenges in the Indonesia-Australia red meat and cattle sector.

The Members also discussed and agreed to the following operational aspects of the Partnership, including:

- Continued development of the Partnership's Monitoring and Evaluation Framework, including project specific monitoring and evaluation frameworks.
- A strengthened project establishment and review process.
- More active participation by the Membership in the development of project designs, concepts and monitoring project delivery.
- The Partnership to be more flexible and responsive to considering emerging issues and challenges affecting in the sector.

The Co-chairs proposed that a summary discussion paper be developed out of session outlining what Phase II would include, how it could work, and alignment with the Partnership's Terms of Reference. The Membership would be actively consulted throughout this process, with the intention that agreement to this concept would be sought out of session between Co-chairs.

A number of proposals were discussed by the Membership, including the development of a piece of independent analysis, such as a cattle breeding business and investment plan. A report such as this could review all aspects of the Indonesian cattle breeding sector, supporting industries, and would detail what would be needed to improve the Indonesian industry's productivity and competitiveness. This concept was supported by Members, with a proposal scope and outline to be developed by ASG out of session for consideration by the Membership. Members also discussed the Indonesian breeding centre concept and it was noted that a proposal would need to be developed by the Indonesian membership for the Partnership's consideration.

A presentation on the Mid-Term Review of the Indonesia-Australia Commercial Cattle Breeding Programme (IACCB) was provided by ASG. The review noted that the programme is performing well with eight pilot projects established and that the programme is continuing to offer a range of commercial solutions for breeding cattle in Indonesia. Members agreed that the IACCB requires an improved communication platform, monitoring and evaluation and research and economic modelling, encompassing business, management and technical aspects at partner sites. Members noted that the IACCB Program Board will meet to respond to the recommendations contained in the report in the coming weeks, which will then be reported back to the Partnership.

Co-chairs thanked the Members for their participation and the productive discussion. The Australian Co-Chair proposed that the seventh meeting of the Partnership should take place between March – May 2018 in Queensland, Australia with an exact date and time to be confirmed soon.

## Attendees

### Australian delegation

#### Government

- Ms Louise van Meurs (Co-Chair) – First Assistant Secretary, Trade and Market Access Division, Department of Agriculture and Water Resources
- Mr Tom Connor – Assistant Secretary, Indonesia Economic and Political Strategy Branch, South East Asia Division, Department of Foreign Affairs and Trade

## Non-Government

- Mr Terry Nolan – Director, Nolan Meats Pty Ltd
- Mr Gary Stark – Managing Director, Stark Engineering Pty Ltd & Warwick Cattle Crush Company
- Mr Ken Warriner – Board of Directors, Palladium Group

## Observer

- Mr Dean Merrilees – Minister Counsellor (Agriculture), Australian Embassy in Jakarta
- Mr Andrew Simpson – International Business Manager, Southern Asia, Meat and Livestock Australia

## Policy Support

- Mr Ian Mortimer – Director, Indonesia, Middle East and South Asia, Department of Agriculture and Water Resources
- Mr Sam Malfroy – Assistant Director, Indonesia Partnership Unit, Department of Agriculture and Water Resources
- Mr Paul Salisbury – Policy Officer, Indonesia Economic and Trade Section, Department of Foreign Affairs and Trade
- Ms Ade Johansyah – Programme Manager, Australian Embassy in Jakarta

## Secretariat, Advisory and Support Group (ASG)

- Mr Muhammad Isradi Alireja – Programme Manager
- Dr Ben Mullen – Strategic Adviser
- Mr David Goodwins – Monitoring and Evaluation Adviser
- Ms Shinta Martin – Administration and Finance Officer

## Guests

- Ms Valeska Valeska – Country Manager, Indonesia, Meat and Livestock Australia
- Ms Trish Gleeson – Counsellor (Agriculture), Australian Embassy in Jakarta

## Apologies

- Ms Sally-Ann Watts – Ministerial Commercial Trade and Investment, Austrade
- Dr John Ackerman – Industry expert
- Ms Jacqui Cannon – Chief Development Officer, Consolidated Pastoral Company
- Mr Chris Barnes, Regional Director, Indonesia WA Trade & Investment, Government of Western Australia
- Mr Andrew Schloeffel – Director, Indonesia Economic and Trade Section, Department of Foreign Affairs and Trade

## Indonesian delegation

### Government

- Dr Himawan Hariyoga (Co-Chair) – Deputy Chairman for Investment Promotion, Indonesia Investment Coordinating Board (BKPM)
- Ms Musdhalifah Machmud – Deputy Minister for Food and Agriculture, Coordinating Ministry for Economic Affairs
- Mr Surachman – Director of Cattle Breeding and Production, Ministry of Agriculture
- Mr Nurimansyah Iman – Indonesian Trade Attaché to Australia - Indonesian Embassy

### Non-Government

- Mr Kris Sulisto – President, Indonesia Australia Business Council
- Mr Juan Permata Adoe – Vice Chairman for Food and Cattle Industry, Indonesia Chamber of Commerce and Industry (KADIN)
- Mr Samuel Wibisono – President Director, PT Santosa Agrindo
- Mr Dicky Adiwoso – President Director, PT Juang Jaya Abdi Alam
- Mr Dimas Brahmantya – Vice President Investment and Procurement, PT Widodo Makmur Perkasa
- Mr Jody Koesmendro – Secretary General, National Meat Board

## Observer

- Mr Jimmy Halim – President Director, PT Intraco Penta Wahana
- Mr Jafi Alzagladi – Assistant Deputy, Livestock and Fisheries, Coordinating Ministry for Economic Affairs
- Mr Muhammad Mawardi – Head of Sub-directorate, Livestock Policy Analysis, Coordinating Ministry for Economic Affairs
- Mr Erns Saptanno – Head of Sub-directorate, Program, Coordinating Ministry for Economic Affairs
- Ms Angelia Pardede – Trade Analyst, Directorate General for Foreign Trade, Ministry of Trade
- Ms Novita Ratna Sari – Trade Analyst, Directorate of Import, Ministry of Trade
- Ms Inggita Prasasya – Trade Analyst, Directorate of Import, Ministry of Trade
- Mr Ibnu Sudarmawan – Staff, Directorate of Cattle Breeding and Production, Ministry of Agriculture
- Mr Praba – Staff, Directorate of Cattle Breeding and Production, Ministry of Agriculture

## Policy Support

- Mr Ikmal Lukman – Director, Sectors Investment Promotion, BKPM
- Mr Ahmad Faisal Suralaga – Section Head for Services and Industrial Zone, Directorate of Sectors Investment Promotion, BKPM

## Guests

- Professor Ali Agus, Dean of Livestock Faculty, Gadjah Mada University (UGM)
- Mr Suhandri, Secretary General, Indonesian Meat Importer Association (ASPIDI)
- Mr Asnawi, Head, Indonesian Meat Distributor Association (APDI)
- Mr Satria Nusantara, Government Adviser, IACCB

## Apologies

- Mr Oke Nurwan – Director General for Foreign Trade, Ministry of Trade
- Drh. I Ketut Diarmita – Director General for Livestock and Animal Health, Ministry of Agriculture
- Mr Wahyu Kuncoro – Deputy Minister for Agrobusiness and Strategic Industry, Ministry of State Owned Enterprises
- Dr Arifin Rudiyanto – Deputy Minister for Maritime Affairs and Natural Resources, BAPPENAS
- Dr Sri Yanti JS – Director of Food and Agriculture, BAPPENAS
- Ms Dayu Ariasintawati – Director, PT Great Giant Livestock

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