



Australian Government



BKPM
Indonesia Investment
Coordinating Board

INDONESIA AUSTRALIA RED MEAT & CATTLE PARTNERSHIP

Newsletter

EDITION 3



FEATURED IN THIS EDITION

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The Partnership bi-annual newsletter is the flagship publication of the Indonesia Australia Partnership on Food Security in the Red Meat and Cattle Sector (the Partnership). The newsletter is produced in both English and Bahasa Indonesia and helps to build awareness of the work and the achievements of the Partnership.

This publication is freely available from redmeatcattlepartnership.org

For further information contact the Advisory and Support Group (ASG) of the Partnership: info@iapasg.org

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Welcome to the third edition of the Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector (the Partnership) newsletter.

We are pleased to report that the Partnership has reached its half-way point. To date, we have trained over 252 Indonesians in a range of short courses, from producers and processors to policy makers. We developed a Best Practice Guide for Transporting Cattle and completed Commercial Viability Assessments in 6 out of 7 Indonesia Australia Commercial Cattle Breeding (IACCB) partners that demonstrate their pathways towards commercial sustainability.

2018 has seen the Partnership launch its online platform as a new channel to connect and share information with stakeholders and the general public. We would like to encourage you all to visit the Partnership's website (www.redmeatcattlepartnership.org), Facebook page and Twitter account (@IAAredmeatcattle).

We are excited to welcome new members to our Partnership family. Australia has appointed three non-government members, David Foote, Australian Country Choice; Troy Setter, Consolidated Pastoral Company; and Liz Ritchie, Regional Australia Institute. Indonesia has appointed a new government member, Mr Achmad Sigit Dwiwahjono – Acting Director General for Agro Industry, Ministry of Industry. I'm sure you will all join us in sharing a very warm welcome to our new members.

This newsletter showcases some of the Partnership's 2018 activities with an emphasis on cattle breeding. In this edition you will learn about the Partnership's new course for commercial cattle breeding and how commercial cattle breeding is being integrated with palm plantation activities. Another highlight is the Partnership's annual cattle breeding symposium, which continues to provide a vital forum for innovation and investment opportunities in cattle breeding.

Since the publication of our last newsletter, the Partnership has published three commissioned reports. The first report evaluated the requirements to establish a beef processing bonded zone in Indonesia. The report detailed the economic feasibility and viability of a bonded logistics zone as a means

to improve Indonesia's production, processing and export for the beef industry. The second report looked at opportunities to improve supply chain logistics for live cattle transported across Indonesia and live cattle imported from Australia. The third report was a study on beef consumption and consumer preferences. This study provided interesting insights into how and why consumers purchase beef and what the current and future demands are for both local and imported beef.

The success of the Partnership is only made possible by good leadership, energy and drive. We would like to thank the out-going non-government Australian members: Mr Ken Warriner, Mr Terry Nolan, Mr Gary Stark, Mr John Ackerman and Ms Jacqui Cannon; and the out-going Indonesian Co-Chair and members: Dr Himawan Hariyoga, Mr Nurimansyah and Mr Dhimas Brahmantya. Their contribution to the Partnership has left a strong foundation for ongoing cooperation.

Finally, we would like to acknowledge your contribution to the Partnership. Your interest and engagement are one of the reasons why the Partnership is a success.

We hope you enjoy this edition.

Ms Louise van Meurs
(Australian Co-chair)



Mr Wisnu Wijaya Soedibjo
(Indonesian Co-chair)



NEW MEMBERS OF THE PARTNERSHIP

New Indonesian Members New Indonesian Co-chair



**Mr Wisnu Wijaya
Soedibjo**

Deputy Chairman for
Investment Cooperation,
Indonesia Investment
Coordinating Board
(BKPM)

Mr Wisnu has been with BKPM since 1996, leading various investment initiatives in various sectors throughout Indonesia. Before serving as Deputy for Investment Cooperation, he had served as Director of Region III, Deputy for Investment Control and Implementation (2014-2018); and Deputy Director for Bilateral Cooperation, Europe and America Affairs (2011-2014). He holds a Bachelor of Mechanical Engineering from Trisakti University; Master of Management from University of Indonesia; and Postgraduate Diploma in Development Studies at the Institute of Developing Economies Advanced School (IDEAS) -JETRO, Tokyo, Japan.

Source: Mr Wisnu's personal resume

New Indonesian Government Member



**Mr Achmad Sigit
Dwiwahjono**

Acting Director General
for Agro Industry,
Ministry of Industry

Aside from serving as Acting Director General for Agro Industry, Mr Sigit has also been the Director General of Chemical, Textile and Various Industries (since July 2016). He also served as Director General of Resilience and Development of International Industrial Access (2015-2016) and Industry Attache in Tokyo (2007 - 2010). Mr Sigit has a Bachelor of Chemical Engineering from Sepuluh Nopember Institute of Technology, Surabaya, and completed his Master in Public Policy at Saitama University, Japan.

Source: <http://www.kemenperin.go.id/pejabat>

New Australian Members New Australian Non-Government Members



Mr David Foote

Group Managing Director
of Australian Country
Choice

Mr David Foote is Group Managing Director of Australian Country Choice, one of the world's leading examples of a vertically integrated beef operation. He is also a board member of Workplace Health and Safety Queensland (since 2013); Chairman of the Board of Directors Australian Cattle and Beef Holdings Pty Ltd (since 2015); and Chairman of Australia Indonesia Red Meat and Livestock Market Access Group (since 2013).

Source: <https://www.linkedin.com/in/david-foote-9b318719/?originalSubdomain=au>



Ms Liz Ritchie

General Manager
of Strategy and
Partnership, Regional
Australia Institute

Ms Liz Ritchie is General Manager of Strategy and Partnership of the Regional Australia Institute, an independent think tank on regional issues. Ms Ritchie's primary purpose is to make a difference through providing leadership, engagement, information and connectivity. She is also a Founding Director of the Australian Gender Equality Council (AGEC).

Source: <https://www.linkedin.com/in/liz-ritchie-a3b7a012/>



Mr Troy Setter

Chief Executive Officer
of Consolidated Pastoral
Company

Mr Troy Setter is one of Australia's top cattlemen and agribusiness leaders; and well-renowned for his achievements across the industry. Prior to being appointed as Chief Executive Officer at the Consolidated Pastoral Company in July 2014, Mr Setter held key management positions at a variety of agribusinesses including Australian Agricultural Company, Torrens Investments, North Australian Cattle Company, Killara Feedlot and the Twynam Group.

Source: <https://pastoral.com/en/content/troy-setter-0>

FIELD VISITS BRING POSSIBILITIES INTO FOCUS



▲ Participants of the Partnership's Co-chairs meeting in Brisbane, Australia, 15 November 2018

As part of a series of collaborative opportunities, Indonesian Partnership members have enjoyed a first-hand view of advanced Australian supply chain facilities.

During November 2018, the Partnership was strengthened through a number of opportunities for Indonesian and Australian representatives to meet, collaborate and share information.

From 11-13 November 2018, the Australia Indonesia Business Council met for their annual conference on the Gold Coast in Australia. The conference explored the opportunities for Australia and Indonesia to strengthen an already broad and ongoing partnership for mutual prosperity.

Drawing on their extensive business dealings in both Australia and Indonesia, the Partnership's new non-government members, Mr David Foote and Mr Troy Setter, provided insights into capitalising on integrated supply chains in the food and agriculture sectors.

On 15 November, the Australian and Indonesian co-chairs for the Partnership, Ms Louise van Meurs and Mr Wisnu Wijaya Soedibjo, met in Brisbane for an informal meet and greet.

Delegations from both the Indonesian and Australian governments discussed the next steps for the Partnership, including the mid-term review, project proposals, and arrangements for the seventh Partnership meeting in 2019.

On 16-17 November, the Indonesian delegation—including representatives from the Indonesia Investment Coordinating Board (BKPM), Ministry of Trade, Ministry of Industry and Coordinating Ministry for Economic Affairs— was hosted on a tour of Australian cattle supply chain facilities.



▲ Indonesian delegation visited Harrow Feedlot in Queensland Australia, 17 November 2018

The group visited three key sites across Queensland:

CANNON HILL MEAT PROCESSING FACILITY

Owned by Australian Country Choice, one of the world's largest vertically integrated supply chain organisations, the Cannon Hill processing facility sits on a 40 hectare site in the eastern suburbs of Brisbane.

Australian Country Choice has invested over \$150 million to develop a purpose-built facility that incorporates primary processing, further processing and retail-ready packaging of red meat products for national distribution to Coles supermarkets.

The primary processing facility has a daily capacity of 1280 head of beef cattle or approximately 80,000 tonnes of carcass beef per annum. The further processing facility has a current annual production of over 10 million kilograms for national distribution. The retail-ready facility currently cuts, prepares, packs and distributes over 15 million kilograms of fresh red meat products.

The group from Indonesia was taken on a tour of this HALAL certified facility by the company's Group Managing Director and Partnership non-government member, Mr David Foote.

"Our facility has been continuously halal certified since the start to provide assurance to our clients and we take it seriously," Mr Foote proudly told the visitors.

1 A Standard Cattle Unit is defined as an animal of 600kg liveweight, at the time of exit (turn-off) from the feedlot

GRASSDALE FEEDLOT

Operated by Mort & Co, one of the largest and most experienced managers of lot-fed cattle in Australia, the Grassdale Feedlot is located near Dalby, a locality within the Darling Downs region of Southern Queensland.

Grassdale Station comprises 5,615 hectares, of which 2,600 hectares are cultivated. The feedlot was opened in 2007 and today has a developed capacity of 52,390 standard cattle units, with a licence to hold 70,000 standard head of cattle¹.

The Indonesian delegation was shown around the feedlot's state-of-the-art feed milling and cattle handling facilities by the feedlot manager, Mr Brad Robinson.

"Each mill processes 20 tonnes of feed per hour and we're using wheat and barley as the two main grains," Mr Robinson informed his guests.

"To make our steam, we use two gas-fired boilers. And here on the Grassdale site we have 80 coal seam gas wells. We bring that gas up to the ground and use it to run our boilers. So we get really efficient production here by running off that coal seam gas."

HARROW FEEDLOT

Harrow Feedlot is owned and operated by Edwards Livestock, a company running an export program for live Wagyu cross cattle to Japan.

The feedlot is located near Cambooya in Queensland, around 150 kilometres west of Brisbane. While there, the visitors from Indonesia were shown how the Wagyu cattle are prepared for live export to Japan.

"Every 40 days, we send 1,400 steers on the boat to Japan," Feedlot Manager, Mr Matt Edwards, explained.

"Our protocol to Japan requires us to keep the animals here for 30 days, during which time we quarantine, do blood tests, and perform other tests to ensure the animals are fit for travel.

"We put the steers on the boat at 300 kilograms. In Japan, they are fed for 500 days to reach 850 kilograms." At the end of the tour, Indonesian co-chair Mr Soedibjo expressed his gratitude and said the visits to the three sites proved extremely beneficial, providing insights into Australia's management systems and processes.

For more information about the Partnership, visit redmeatcattlepartnership.org



▲ Participants of the the 2018 Commercial Cattle Breeding and Management Training discussed training materials directly in the Indonesian farms

NEW COURSE BREEDS CONFIDENCE

Indonesian participants have welcomed a new Partnership short course that develops skills in commercial cattle breeding and management.

From the moment the Partnership was formed, skills development and training have been identified as crucial aspects of supporting the cattle industry in Indonesia.

Since 2015, the Partnership has allocated a total of AUD \$6.6 million to skills development programs. It has also supported a range of specialist training modules to enhance the knowledge of various stakeholders in the sector.

The Partnership's established short courses cover a range of industry skills, including: animal husbandry and cattle production; policy development for livestock production and supply chains; meat production and supply chain management; and sharing of good practice in the Australian and Indonesian livestock industries.

Early in 2018, the Partnership, developed a short course called the Commercial Cattle Breeding and Management Training Program. The course aims to expand the breeding and managerial expertise of organisations in the Indonesian cattle industry. The course also aims to help feedlot companies diversify into cattle breeding.

Two courses were held from 2 – 29 April and 17 September to 5 October 2018. Both courses were held in Indonesia for two weeks and one week in Australia, with a host of participants applauding the nature of the training.

"As the head of the breeding department in my company, I learned about the bulls and reproductive systems they use in Australia" said Ms Paulina Yuniarsih from PT Great Giant Livestock.

"Breeding is currently our main priority. We want to produce calves that can meet the Australian standard, and I feel challenged to make breeding more commercially feasible," she added.

Mr Randi Purnama, Feedlot Supervisor at PT Bina Mentari Tunggal (KIBIF Group), was grateful he was able to join the training in Australia. While there, he was able to learn about cattle breeding and management.

"Every year, thousands of Australian cattle are exported. The key to success in Australia is a good breeding system that leads to an increase in the cattle population. This is also a challenge for all Indonesian stakeholders. We must work hand-in-hand to develop a good and feasible breeding system by maximising existing potential." Mr Randi said.

Meanwhile, Mr Rudi Adriansyah, another participant of the 2018 training program conveyed that he wanted to address the challenges he found while working for PT. Astra Agro Lestari. For Mr Rudi, being able to observe other companies in the same industry was a valuable experience for his career.

"I think a program like this is very important to build the capacity of people working in the cattle industry," he said.

Ms Bernadetha Anna, the feed coordinator at PT Austasia Stockfeed and also this year's participant, agreed. "I joined this training to gain new experience and knowledge on commercial breeding," she added.

Mr Ketut Karya Wisana, Feedlot and Breedlot Manager of PT Lembu Jantan Perkasa, believes the delivery of the training encourages participants to think outside the box and share their learnings. He said the strength of the program is the people in it.

"I am happy that all participants are open-minded and willing to share their experiences and knowledge, so that we can learn from each other," Mr Ketut observes. "I think this is the most important element of this training."

During the final session of the Indonesian program in Lampung, participants—with support from the Association of Indonesian Beef Cattle Businesses (Gapuspindo)—reaffirmed their commitment to improve commercial cattle breeding in Indonesia. They moved to establish a forum for Indonesian breeding practitioners, with this new platform to be called the Breeding Management Officer Network.

"It is hoped that the first group of alumni from the training program, who established the Breeding Management Officer Network, can be part of the Partnership's efforts to support cattle breeding in Indonesia," said Mr Rizaldo Arbet from Gapuspindo.



▲ Participants of the 1st Batch Commercial Cattle Breeding and Management Training Program in front of Katherine Research Station, Australia



▲ Participants of the 2nd Batch Commercial Cattle Breeding and Management Training Program in Australia

A PRACTICAL APPROACH IN BOTH COUNTRIES

The Australian program for the cattle breeding and management course started in Darwin and was facilitated by the Northern Territory Cattlemen's Association. Participants made site visits to the Berrimah Export Facility and the Phoenix Park Cattle Yard.

The remainder of the Australian program was supported by the Northern Territory Department of Primary Industry and Resources and was conducted at the Katherine Research Station. Participants undertook a combination of practical and theoretical lessons on commercial cattle management. The course covered topics such as nutrition, weaning management, pasture and forage management, health issues in breeding, bull handling, stock handling and cattle reproduction.

The Indonesian program included field visits to cattle-breeding operations in West Java, South Kalimantan and Lampung. During these visits, participants learnt about integrated cattle breeding systems in palm plantations, smallholder engagement in

commercial and sustainable cattle breeding, and intensive breeding operations.

The site visits are a key component of the training program because each cattle breeding area in Indonesia has different characteristics and each breeding model has the potential to be adapted for use in other areas.

Dr Rochadi Tawaf, a senior lecturer in Animal Husbandry at Padjadjaran University, said the site visits to three different provinces allow participants to identify which cattle breeding model has the most potential to be developed in their particular area.

"The cattle breeding models observed are new concepts that can be further developed in Indonesia, and this will be commercially feasible with support from the government," Dr Rochadi says.

For more information on the Partnership's Skills Development Program, visit redmeatcattlepartnership.org.

FARMING HARMONY

The Partnership continues to help find ways to synergise commercial cattle breeding with palm plantation activities.



▲ Daily cattle feeding in the palm plantation of PT. Buana Karya Bhakti (BKB) in South Kalimantan

Since 2016, PT. Buana Karya Bhakti (BKB), a company in South Kalimantan, has partnered with Indonesia-Australia Commercial Cattle Breeding (IACCB) program to pilot the integration of cattle breeding into its palm plantations.

BKB first started its breeding program in 2013, working together with PT. Santosa Agrindo (Santori), as the two companies sought commercial outcomes for both the cattle and the plantations.

In the early stages of the trial, herbicide usage dropped because of cattle grazing. However, after three years, cattle productivity was low and not profitable.

Mr Muhammad Zainudin, General Manager (Agronomy) for BKB, acknowledges that his company lacked expertise in cattle breeding at the outset of the trial.

"We wanted to invest, but initially we didn't have the knowledge to raise cows," he said.

In 2016, IACCB signed a three-way agreement with Santori and BKB. The team from IACCB then helped identify the key constraints of raising cattle in a palm plantation.

One of the main challenges in the breeding system was to successfully integrate plantation and cattle management. This was instrumental in achieving high-quality feed in the plantation, low-cost supplements for weaner growth, reduced abortions, and calf mortalities caused by very high rainfall. The aim was to achieve more than 75% conceptions and fewer than 10% calf mortalities.

"We provided all the facilities necessary to raise cows in our plantation, such as dedicated areas for grazing and cattle yards," Mr Zainudin explains.

"We allocated 3,000 hectares just for cattle breeding, but we needed to synergize the two things. The staff in the palm plantation needed to understand cows and the staff in the cattle yards needed to understand palms."

In 2017, IACCB delivered 300 heifers and provided expertise to implement new cattle management techniques, including improved bull management and mineral supplementation to boost conception rates.

All staff at BKB were trained in these techniques, with one of the facilitators being Mr Wahyu Darsono, who had undertaken the Partnership's short course on cattle breeding in Australia during 2016.

"We usually had tutorials (for the staff) at night. I would set up a discussion group in a small hut and then explain about cows and cattle management," Mr Wahyu says.

▼ Palm Plantation of PT. Buana Karya Bhakti (BKB) in South Kalimantan



PAST LESSONS CREATE A BRIGHT FUTURE

As a result of IACCB input and BKB's own efforts, Mr Muhammad Zainudin is now managing 495 cattle in a 16,000 hectare plantation. An impressive 74% conception rate on the first round of joining has been achieved.

Abortions and still births at BKB are now under control, due to the building of dedicated calving areas and by providing higher levels of supplementation to the heavily pregnant cows. Calf mortality is now under 10%.

High feed costs remain, but BKB is able to manage these costs within a set target. Mr Zainudin said that BKB will continue to expand its cattle breeding program to achieve economies of scale in feeding its herd.

"Now, we are raising fewer than 500 cows and it's still relatively expensive," he said. "In the future, we will scale up the cattle breeding to help with cash flow and to reduce feed costs per head."

After 18 months of integrating cattle into their systems, plantation staff at BKB have again been able to minimize the use of herbicides and pesticides, consequently making a considerable saving in weed-control costs.

Mr Esnawan Budisantoso, Investment Manager for IACCB, said BKB's cattle breeding system could be well integrated with palm plantation activities due to the willingness of staff to learn from past experiences.

"They have good people who were ready to commit (to raising cattle) and learn from their previous experience," he said.

"Management from the outset followed each step according to the advice from our experts. We also implemented an intensive record-keeping system for herd management, study and research."

With support from the IACCB team, BKB is now conducting optimal conception trials and improving weaner growth rates by implementing an improved feeding strategy. The company is also conducting research to prevent soil compaction and/or degradation that might be caused by cattle in the plantation.

Mr Zainudin believes the cows do not pose any risk to the productivity of the palm trees if the company follows a strict schedule of grazing.

"In fact, I'm optimistic that, in the third year, we will reap the benefits," he said.

For more information on the IACCB Program, visit iaccbp.org and redmeatcattlepartnership.org



▲ Ms Satia Pratiwi of PT Bio Nusantara Teknologi shared her experience on the integration of cattle and palmoil production

OPPORTUNITIES & CHALLENGES AHEAD: COMMERCIAL CATTLE BREEDING IN INDONESIA

The Partnership's annual cattle breeding symposium continues to provide a vital forum for innovation and investment opportunities in cattle breeding.

The Partnership invited more than 200 industry practitioners and academics to convene at the Indonesia Australia Cattle Breeding Symposium at the Raffles Hotel Jakarta on 12 September 2018.

Ms Musdhalifah Machmud, Deputy Minister for Food and Agriculture at Indonesia's Coordinating Ministry for Economic Affairs, praised the symposium as being concrete proof of cooperation between the cattle industries of Indonesia and Australia.

Ms Machmud highlighted that Indonesia had imported 480,000 cows from Australia in 2017 and 164,042 cows from January to June 2018. She added that Indonesia is aiming for food self-sufficiency, with red meat as one of the main commodities.

"We need to optimally develop cattle breeding in Indonesia and address the challenges that hamper the (cattle) farming industry," she said.

Mr Allaster Cox, Charge d'Affaires of the Australian Embassy in Jakarta, supported Ms Machmud's comments. He reminded symposium attendees that Indonesia and Australia have had longstanding and successful two-way trade in the sector, with the live cattle trade amounting to A\$620 million per year.

"Australia is a reliable supplier of high-quality beef into the Indonesian supply chain, enabling value-adding through feedlots and helping to ensure stable beef prices for the growing demand from Indonesian consumers," Mr Cox said in his opening speech.

“Australia’s agricultural trade supports the growth of the Indonesian industry—including at feedlots, abattoirs, food processing factories and associated businesses along the supply chain. It is a win-win trade that benefits both of our countries.”

The symposium, held in cooperation with the Indonesian Society of Animal Science (ISPI), also bestowed certificates of achievement to four Indonesian cattle breeding enterprises.

The four enterprises are Indonesian farmers’ groups and cattle breeding companies across Indonesia: PT Buana Karya Bhakti in South Kalimantan, PT Kalteng Andinipalma Lestari in Central Kalimantan, Sentra Peternakan Rakyat Megajaya in East Java, and PT Bio Nusantara Teknologi in Bengkulu.

The supply of livestock marked the achievements of the four operations after more than 18 months of partnership with the Indonesia Australia Commercial Cattle Breeding Program (IACCB). Each was successful in pursuing herd productivity, controlling costs, and managing the broader environment to be commercially sustainable.

Expanding on this theme of commercial sustainability, Mr Wisnu Wijaya Soedibjo, Deputy Chairman for Investment Cooperation of the Indonesian Investment Coordinating Board (BKPM) and the Indonesian co-chair of the Partnership, reiterated Indonesia’s pursuit of more sustainable business models in the red meat and cattle sector.

“Indonesia has tremendous potential in this sector. However, it is unfortunate that investment in the cattle sector is still very low,” Mr Soedibjo said, noting that investment for the cattle sector was only 0.32% of total domestic investment in 2017 and 0.48% of foreign investment in 2016.

Mr Soedibjo invited investors to help achieve Indonesia’s targets of increasing the cattle population and expanding trade and investment to other countries.

The symposium ended with a networking session and a visit from the Northern Territory Minister for Primary Industry and Resources, Mr Ken Vowles, MLA.



▲ IACCB partners received certificate of achievement on their remarkable effort growing their cattle breeding business

FROM HERDS TO HITS: THE PARTNERSHIP GOES DIGITAL

At the Indonesia-Australia Cattle Breeding Symposium, Ms Musdhalifah Machmud, accompanied by Mr Allaster Cox, launched the Partnership’s new website and social media channels.

The website (<http://redmeatcattlepartnership.org/>) will serve as the main mechanism for sharing information with the public, providing up-to-date details on the Partnership’s programs and publications as well as calling for tenders and outlining employment opportunities.

The Partnership’s Facebook page (<https://www.facebook.com/IAREDmeatcattle/>) and Twitter account (@IAREDmeatcattle) will be used to engage a variety of stakeholders and the general public in both Australia and Indonesia, including academics, youth, and associated industries. These social media platforms will also provide coverage of the Partnership’s news items, current events, and special activities.

A NEW VIEW OF BRAHMAN CROSS

A cattle-farming cooperative in Indonesia is working to change community perceptions on breeding Brahman Cross cattle.

Mr Supardi is a member of the Cattle Production Cooperative Maju Sejahtera (KPT MS) in Lampung, Indonesia.

Mr Supardi has experienced the highs and lows of being a cattle farmer for the past six years and believes the red meat and cattle industry is the most promising business in Tanjung Sari, where he lives.

Supardi started breeding Brahman Cross cows from Australia some time ago and, on 24 April 2017, KPT MS signed a contract with the Partnership’s Indonesia Australia Commercial Cattle Breeding (IACCB) Program. The IACCB helps to build the capacity of farmer cooperatives which collectively own and manage their cattle and facilities.

▼ Mr Supardi, a member of KPT MS who is responsible for daily management of the Brahman Cross



Using the program’s intensive cut-and-carry model, Supardi and 80 other members in the cooperative started to manage 100 pregnant heifers and five bulls from Australia.

Although Brahman Cross cows have been bred on small-scale cattle farms in Lampung for some time, there remained a stigma associated with farming Brahman Cross cattle.

With a perception that the breed experiences high rates of uterine prolapse during pregnancy, many believed it almost impossible for Brahman Cross cows to have a subsequent pregnancy after the birth of the first calf.

“People usually said: ‘Well, I’m sure you will sell those cows next year’ or ‘Why are you spending so much to buy cattle feed? You waste so much energy raising cows with a lot of problems’,” Supardi reflects.

Some in the community also suggested that the cattle would never produce second calves because it is too difficult to tell when Brahman Cross cows were ready to mate again.

Mr Supardi admits that, in the beginning, these views and comments put a damper on the spirits of those in his cooperative.

Expertise Helps Turn Attitudes Around

Through technical assistance from the IACCB team, the KPT MS farmers learnt the importance of nutrition and feeding patterns. Moreover, they learnt when to wean the calves (at about three months) to allow the cows to return to good condition and back to pregnancy.

A total of 97 of the 100 heifers gave birth to healthy calves and several have gone through second pregnancies. This positive outcome has provided the reassurance and incentive for the cattle farmers to become more motivated. They now believe that if they raise their cattle using proper management techniques, they will be rewarded with good results.

"Now I have a lot of confidence," Mr Supardi says, elated by the health and productivity of his cows. "Other farmers, too. And people have started to see the results."

At the moment, the cattle farmers have 11 hectares of pasture and they routinely plant grass for feed. Mr Supardi plans to expand the pasture to 20 hectares to accommodate the cooperative's increased cow population.

The members of the cooperative, realise that there is still a lot of work to be done to make Brahman Cross cattle breeding in Lampung more commercially viable. With IACCB assistance, they are devising a strategy to lower the cost of feeding, while maintaining the cows' health and nutrition, and to care for new heifers and calves.



▲ Some of the calves at KPT Maju Sejahtera

"I hope IACCB will continue giving their support and assistance to us," Supardi said.

"I think we've started to change the community's mindset because now some of them want to help us in planting more grass for the cows."

For more information on the IACCB Program, visit iaccbp.org and redmeatcattlepartnership.org



▲ A visitor learnt about IACCB locations at the 2018 Indo Livestock Expo & Forum

COOPERATION ON SHOW AT EXPOS

The Indonesia Australia Partnership on Food Security in the Red Meat and Cattle Sector (Partnership) has been able to highlight progress on several of its key initiatives at two major livestock expos in Tangerang and Jakarta.

LIVESTOCK EXPORT PROGRAM EXPO: 10 & 11 APRIL 2018.

Meat and Livestock Australia's Livestock Export Program Expo 2018 was held from 10-11 April at the Bumi Serpong Damai (BSD) in Tangerang, Indonesia.

Under the theme 'Staying Competitive in a Challenging Market with Innovation, Excellent Market Strategy and Implementation', the event attracted more than 350 trade visitors and delegates as well as 25 exhibitors showcasing products and services from the Indonesian cattle industry. The expo was opened by Dr Fadjar Sumping Tjatur Rasa, Director of Animal Health at Indonesia's Ministry of Agriculture, and Mr Allaster Cox, Charge d'Affaires of the Australian Embassy in Jakarta.

"This exhibition is celebrating the strong linkages between exporters, importers and feedlotter in

Australia and Indonesia," Mr Cox said when he visited the Partnership booth and spoke with Indonesian journalists and event officials. "Not only commercial linkages, but also technical capacities to build the cattle sector in Indonesia."

Mr Ian Mortimer, the former Director for Indonesia, Middle East, and South Asia at Australia's Department of Agriculture and Water Resources, presented the Partnership's background and outlined its flagship programs.

"The Partnership has a vision to combine Indonesia's and Australia's strengths to improve the red meat and cattle sector supply chain in Indonesia, and to promote a stable trade and investment environment between Indonesia and Australia," Mr Mortimer said.

A major part of the Partnership's presentation at the expo was the Indonesia Australia Commercial Cattle Breeding (IACCB) Program, with critical

updates provided on the three breeding models that are currently being piloted with eight project partners across six Indonesian provinces.

In addition to the booth presentation, the IACCB team, led by Mr Richard Slaney, highlighted the achievements and challenges of the three models: integrated cattle and oil palm production, semi-intensive grazing, and a cut-and-carry model that is specifically designed to engage smallholder farmers.

At the expo, the Partnership also outlined the progress of its cornerstone initiatives on knowledge exchange.

This included results and outcomes from the Skills Development Program, which features short courses backed by four Australian tertiary institutions, as well as the program's expansion in April to include a course in commercial cattle breeding and management.

Updates were also provided on the Northern Territory Cattlemen's Association Indonesia Australia Pastoral Program, which offers hands-on training for Indonesian students at Australian cattle stations.



▲ Charge d'Affaires of the Australian Embassy in Jakarta, Allaster Cox was interviewed by journalists in front of the Partnership's booth

INDO LIVESTOCK EXPO AND FORUM: 4-6 JULY 2018

Regarded as Indonesia's biggest international livestock, feed, dairy and fisheries exhibition, the 13th Indo Livestock Expo and Forum was held at the Jakarta Convention Center from 4 to 6 July 2018.

The Partnership showcased its projects and engaged with key industry players by facilitating a seminar on cattle breeding.

During the seminar, delegates discussed important aspects of raising cattle, including nutrition, reproduction, and various breeding systems. Experts in animal science and animal husbandry, as well as project partners, were also invited to speak about their experiences in the Indonesian cattle industry.

The expo and forum provided an opportunity for the Partnership to promote its activities under the IACCB Program, and its recently initiated training course in commercial breeding and management.

On 6 July, Indonesia's President Joko Widodo visited the exhibition, accompanied by the Minister of Agriculture, Andi Amran Sulaiman.

President Widodo expressed his appreciation for the improvement in Indonesia's livestock industry, praising the significant increase in the country's agriculture exports, which rose 14.85 per cent from 2016 to 2017, according to the National Statistics Agency.

"Our achievement goes hand in hand with the Ministry of Agriculture's policy to make Indonesia the world's food barn by 2045," President Widodo said at the event.

In support of the Government of Indonesia, the Partnership is committed to improving the red meat and cattle industry in Indonesia, expanding the country's cattle population, and contributing to its long-term goals for food security.

Mr George Hughes, Agriculture Counsellor at the Australian Embassy in Jakarta, outlined the Partnership's broad support for these endeavors.

"Essentially, the Partnership is trying to bring together Indonesia and Australia to work together to gain mutual benefits around enhancing the red meat and cattle sector," Mr Hughes said.

"We are bringing together Australians and Indonesians, bringing together knowledge and experience, bringing together skills and technology, with potential for growth and investment to expand the sector."

Mr Hughes added that, by participating in Indo Livestock, he hoped to raise awareness of what the Partnership is all about.

"There's a lot of potential and lots of challenges as well, but that's okay," he said. "We've got the experts coming together to make things work."

"We've achieved some really good outcomes so far and I think the future looks very bright where we are heading."

For more information about the Partnership's programs, visit redmeatcattlepartnership.org

GUIDELINES GET A GREEN LIGHT

The Government of Indonesia has made a tremendous effort to ease the industry's transport issues by providing specialised cattle vessels to reduce the cost of sending livestock from one island to another. To support the government in ensuring good practices in the transport of cattle, especially to ensure the welfare of the animals, the Partnership has published Best Practice Guidelines for the Transport of Cattle in Indonesia. This guideline was officially launched at the Livestock Export Program Expo 2018.

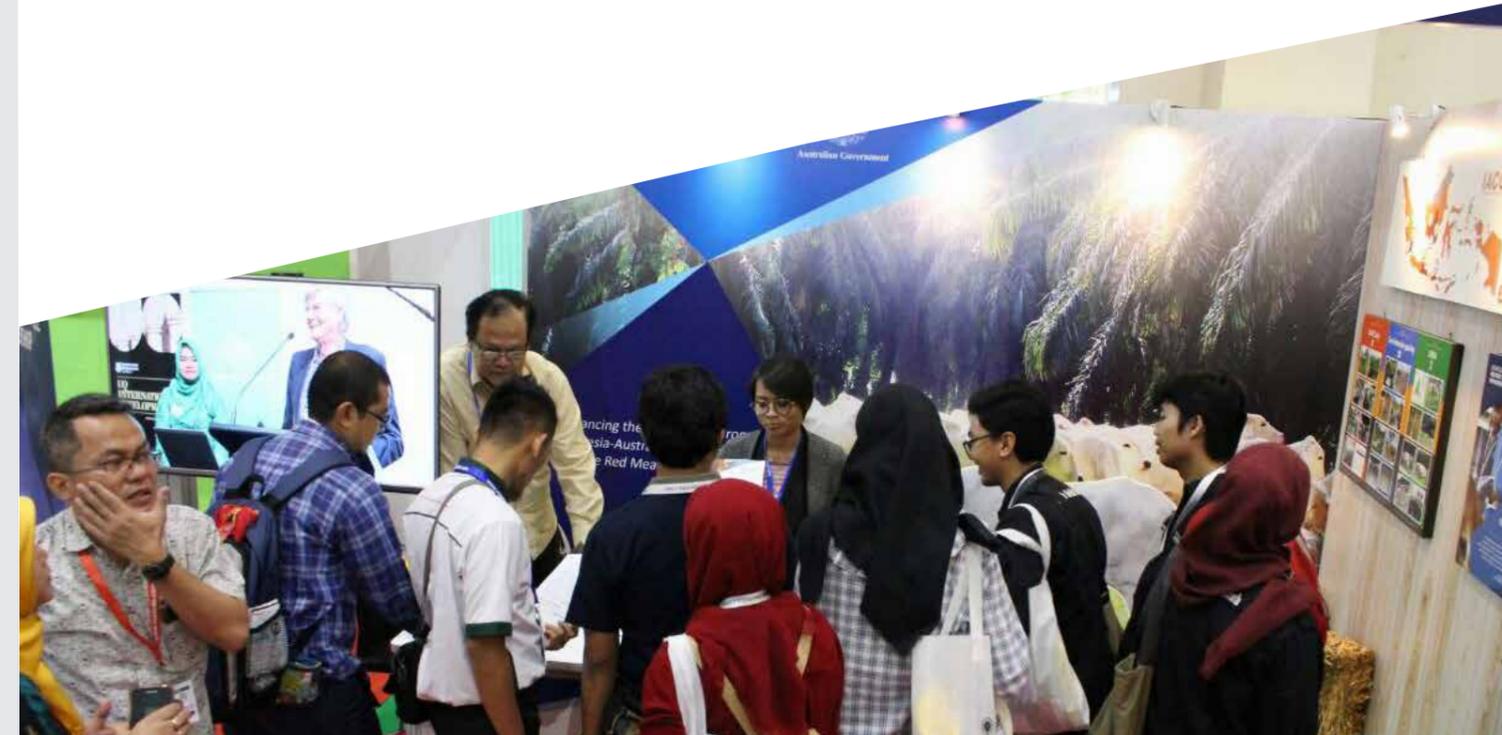
When releasing the guidelines at the exhibition, Mr Allaster Cox, Charge d'Affaires of the Australian Embassy in Jakarta, reaffirmed the Partnership's focus on incorporating industry best practice from around the world.

"Animal welfare is always a priority of the Australian Government and we're committed, together with the Government of Indonesia, to achieving good animal welfare outcomes during the transportation of livestock," Mr Cox said.

The guidelines serve to illustrate best practices for handling cattle during transport and in the design and construction of transportation facilities. They cover all aspects of livestock



transportation on land and at sea in Indonesia, from sourcing cattle to discharge at the final destination. The guidelines also include practical tools that can easily be used in the field and are relevant to both local and imported breeder or slaughter cattle. They are applicable wherever transport may occur within Indonesia and throughout the supply chain, from ports through to farms, feedlots and abattoirs, and everywhere in between.



▲ Partnership's booth at the 2018 Indo Livestock Expo & Forum

SWAPPING BOOKS FOR BOOTS

Sefrans Banamtuan and Aviola Putri Hermanto were among 20 Indonesian students to receive hands-on cattle management experience in Australia during 2018.



▲ 20 NIAPP participants in the pre-departure training in Cianjur, West Java, Indonesia



▲ Group Photo of NIAPP Participants in the Northern Territory Australia

Sefrans Banamtuan is an animal husbandry student at Nusa Cendana University in Kupang, East Nusa Tenggara (NTT), and he has always been curious about the operational standards of Australia's cattle industry.

"I wanted to learn about the cattle industry in Australia. I think NTT and Australia have similar conditions, so I wanted to know how I can make the cattle farming in my hometown as advanced as in Australia," he explains.

Sefrans was one of 20 Indonesian students selected from animal science and animal husbandry courses at 15 universities across Indonesia and invited to join the Northern Territory Cattlemen's Association (NTCA) Indonesia Australia Pastoral Program (NIAPP) in 2018.

"Competition for a place in the program was strong," says Kylie Gracey, an NTCA Project Manager.

The ten-week program was opened in early July 2018 at the PT Pasir Tengah breeding facility in Cianjur, West Java by Mr George Hughes, Agriculture Counsellor at the Australian Embassy in Jakarta.

Prior to their departure, students received advice to prepare them for their arrival at the NTCA's training facility in Alice Springs, Australia. They were then assigned to different stations across northern Australia, where they would spend six weeks experiencing many unique aspects of Australian station life, while also refining their cattle-handling and husbandry skills.

BRINGING THE BENEFITS HOME

For Sefrans, who quickly realised that upholding animal rights is important for the future of the cattle industry in both Indonesia and Australia, animal welfare was highlighted as a management practice that he would apply on his return to NTT.

While observing the benefits of more advanced technology, Sefrans was also surprised that some aspects of cattle management could be so simple.

"For example, on cattle feed, here (in Australia) they only give hay and mineral blocks," he says. "And yet, the development of the cows is still good."

Aviola "Vio" Putri Hermanto, a participant from Diponegoro University in Semarang, Central Java, was also excited to be part of NIAPP.

Having been stationed at Mataranka in the Northern Territory, Aviola says she learned a lot about the cattle industry in Australia while participating in the program.

"I think the most useful knowledge I got is about animal welfare and animal handling," she says. "I didn't know there are ways for us to not put any stress on the animals, so they will be

easier to control and in the end we will get maximum benefit."

After returning to Indonesia, participants of NIAPP delivered a presentation at the Indonesian Ministry of Agriculture. Aviola says they will continue to share the knowledge obtained in Australia to improve the cattle industry in Indonesia.

"I already started to educate my friends about cattle management and animal welfare through social media during my time in the program," she adds.

GRASSROOTS CONTRIBUTIONS TO CONTINUE

NIAPP is a unique program designed to provide practical, hands-on experiences where students are able to learn and share cattle management techniques between Australia and Indonesia.

At its August 2017 meeting, the Partnership agreed to continue its commitment to NIAPP, for a further three years (2018–2020).

Contributing to the strategic objectives of the Partnership, NIAPP helps establish industry-to-industry linkages at the grassroots level and provides

opportunities for Indonesian students to enter the beef and cattle industry.

The program, which features reciprocal visits to Indonesia by Australian industry representatives, has created a mutual understanding of industry issues and built long-lasting relationships. It has also provided excellent opportunities for media engagement and promoting the Indonesia Australia cattle partnership.

Collaboration with Australian cattle stations is an important aspect of NIAPP, not only to provide first-hand experiences of the cattle industry, but also to improve animal welfare.

Mr Rohan Sullivan, from Cave Creek Station near Mataranka, has been hosting students in the program for a number of years. "I see tremendous opportunity to create strong relationships through the entire supply chain, with improved animal welfare outcomes as a key driver in supporting the program," he says.

For more information on NIAPP, visit ntca.org.au and redmeatcattlepartnership.org

ALUMNI ALIVE WITH IDEAS

The Partnership recently held its second annual Joint Alumni Symposium, with an emphasis on finding innovative solutions to issues in the Indonesian livestock industry.



▲ Inspiration Session from Indonesia's digital innovators such as Karapan, Ternaknesia, SmarTernak and Gama 4.0; George Hughes, the Agriculture Counsellor at the Australian Embassy in Jakarta and Ashley Manicaros, the Chief Executive Officer, Northern Territory Cattlemen's Association are also in the picture

On 16 October in Jakarta, 74 graduates of the Partnership's various skills development programs, along with more than 60 invited guests, gathered together for the 2018 Joint Alumni Symposium.

The annual symposium aims to strengthen networks and the exchange of knowledge between alumni and industry professionals, so that these emerging industry experts can contribute their skills and ideas to Indonesia's red meat and cattle sector.

The topic chosen for the 2018 symposium was 'Innovation in the Red Meat and Cattle Sector', and the event featured CEOs of various digital platforms in Indonesia.

In his opening remarks, Mr Wisnu Wijaya Soedibjo, Indonesian co-chair of the Partnership, emphasised that Indonesia needs the involvement of academics and youth to contribute fresh ideas and innovations to support growth and investment in the sector.

"With the current technology improvements for users, the cattle farming sector must stay strong in facing any challenges, because people need fresh beef every day," Mr Soedibjo said.

"The digital economy is envisaged to support the Indonesia Australia Red Meat and Cattle Partnership, and will further strengthen the relationship between Indonesia and Australia.

"The Partnership encourages the young generation, including fresh graduates, to be entrepreneurs and create innovative solutions in their respective regions by providing greater access to knowledge and building strong networks in the sector."

"We are here to collaborate in seeking new ideas to improve cattle breeding in Indonesia," added Agriculture Counsellor at the Australian Embassy in Jakarta, Mr George Hughes.

"Australia continues its commitment to boost the capacity of Indonesian

students and professionals in the red meat and cattle sector.

"The Australian Government now has a grant mechanism for alumni, which can be accessed to support innovative solutions in the sector."

The symposium saw many innovators in attendance, who displayed application-based innovations that can assist in the management, data collection and marketing of beef products in Indonesia.

Leading innovators from some of Indonesia's prominent and emerging digital solutions companies attended as guest speakers and to mentor Partnership alumni in the symposium's interactive sessions (see the feature box for more information). These leaders included:

- Mr Badrut Tamam Himawan Fauzi, CEO of Karapan, an online marketplace that provides quality organic and halal beef products.
- Mr Dalu Nazlul Kirom, CEO of Ternaknesia, a digital platform that supports farmers through crowdfunding for investments, management and marketing support.
- Mr Andri Yadi, CEO of SmarTernak, a digital solution to help farmers and the cattle industry with improved cattle management systems.
- Mr Muhsin Al Anas, Project Leader for Gama Sapi 4.0, a digital platform that supports farmers and industry with precision livestock farming.

Following the interactive sessions, which were specifically designed to inspire and develop innovations for the Indonesian livestock industry, the symposium was closed with the announcement of the Australia Awards Alumni Grant Scheme.

The Australian Government, through the Australia Awards in Indonesia, provides \$10,000 - \$15,000 for every accepted proposal from all Indonesian nationals who have completed long-term or short-term courses in Australia, including alumni of the Partnership's skills development programs. This funding supports the application and sharing of knowledge and experience gained by Indonesian participants during their studies in Australia.

Alumni at the symposium were encouraged to apply for grants to support their start-up projects.

Mr Ashley Manicaros, CEO of the Northern Territory Cattlemen's Association, which conducts the NTCA Indonesia Australia Pastoral Program for animal science students from Indonesia, stated that the symposium has grown to become an important link between the two countries.

"The symposium, like the program itself, is an excellent avenue for expanding the knowledge base in this sector. We look forward to continuing to expand this relationship," Mr Manicaros said.

For more information about the Partnership's skills development programs and Alumni Grant Scheme, visit redmeatcattlepartnership.org and australiaawardsindonesia.org, respectively.



▲ The alumni discussing innovative solutions for Indonesia's red meat and cattle sector

A CREATIVE AND INTERACTIVE DAY

Alumni at the symposium enjoyed a variety of fun and interactive sessions facilitated by Inspirit, designed to inspire innovation and foster creativity.

In the Inspiration Session, guest speakers from leading Indonesian digital solutions companies shared their start-up business models and provided valuable insights about the digital economy and the use of innovative technology to benefit Indonesia's cattle sector. Facilitated by Mr Indra Purnama, Managing Partner of Angel ID, there was robust discussion about the validity of data input in cattle management platforms and how to encourage farmers to make use of digital platforms for cattle management.

In the Ideas Generation Session, alumni were organised into ten mixed groups, where they could share their individual aspirations for cattle breeding and management in Indonesia and offered views and solutions to issues in the sector. Alumni were encouraged to think broadly about issues and solutions and to not limit their ideas.

In the Design Thinking Session, alumni were instructed on the art of negotiation, how to collaborate with team members, and exploring ideas using a design thinking process. Each of the ten groups then worked toward a proposed business concept, with the CEOs observing and providing inputs and questions for discussion.

Business concepts proposed included: an app offering solutions to facilitate transportation for meat and livestock all over Indonesia; an app that records data on cattle productivity; an app that can analyse cattle condition (by screening photos of cattle) and provide statistics on body

condition; and an app to provide recommendations on the cheapest and most appropriate cattle feed available in specific localities.

In the Presentation Session, each group explained their business concept in front of other alumni and these concepts were assessed by the panel of CEOs. The CEOs then provided a general assessment of each business concept and gave their recommendations. Following time for revisions by each group, the three business concepts judged to have the most merit were presented at the final pitching session.

All of the alumni involved found the experience both enjoyable and rewarding, and many were inspired to further pursue the ideas and concepts they developed during the sessions.





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