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## UPDATE ON LIVESTOCK SUPPLY CHAIN ISSUES

### Purpose

This Advisory informs operators on progress resolving livestock supply chain issues.

### Developing a collaborative multi-sector approach

Yesterday la Ara Aotearoa Transporting New Zealand and representatives of our National Livestock Transport and Safety Group made significant progress achieving multi-sector agreement on a Livestock Supply Chain Terms of Reference.

In April 2021 Transporting New Zealand met with Waka Kotahi NZ Transport Agency (Waka Kotahi) to discuss its findings of a compliance audit completed in 2020. Transporting New Zealand identified the risk that systemic supply chain issues were key influencers underpinning those results and in May 2021 it initiated a livestock sector workshop in Wellington to lay out the pressure points in completing their tasks of safety and profitability. That half day workshop confirmed our suspicions that many of the stresses were caused by parts of the supply chain beyond the influence of the operator and their drivers. Representatives from Waka Kotahi, WorkSafe and Ministry of Primary Industries were invited to observe the meeting. Officials responded to requests from Transporting New Zealand to assist us in laying out our major challenges in this space to the various customers occupying more powerful parts of the chain.

The draft Livestock Supply Chain Terms of Reference is attached below for your information. Transporting New Zealand will sign it upon Board approval and we anticipate all other industry representatives to confirm their respective governance support. The Charter covers the approach to working through key issues that the industry has raised, including:

- the procurement of transport services
- the preparation of animals and ensuring they are fit for transport
- the provision of safe places for the loading and unloading of animals
- the network and associated assets required to enable safe journeys

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- the provision of quality assurance programmes covering livestock transport
- the regulation of health and safety, transport and animal welfare

Transport Minister Michael Wood has confirmed with us his particular interest in this issue and he is being regularly updated by his officials.

Transporting New Zealand recognises that Chain of Responsibility is a challenge for many road transport operators beyond the livestock sector. It is covered in the Health and Safety at Work Act (HASWA) although it goes without strong recognition in New Zealand. Our aim is to lift awareness among transport operators, industry customers and regulators to reduce pressure on operators. We are confident the approach we have taken with livestock, and the recognition from government regulators, has potential applicable learnings for the entire industry.

In addition to resolving the systemic issues, Transporting New Zealand is also providing significant support to a group of livestock operators, that pending Waka Kotahi approval intend on trialling a leading and innovative approach to better manage the risk of fatigue. This recognises that pressure from the supply chain and the complex and dynamic nature of livestock transport are contributing factors exposing operators to risk of compromised behaviour.

We will continue to keep the industry updated on developments in this very important area.

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# Livestock Supply Chain Rōpū Charter

## Purpose

This Charter describes the objectives of the Livestock Supply Chain Rōpū, together with its participants and a set of principles that lay the foundation for how the group will work together. The purpose of the charter is to align the expectations of the group members so that energy is focussed on delivering the agreed outcomes.

The group is being established to address practices and behaviours across the livestock supply chain that impact on the health and safety of the people and animals within it.

By building strong relationships across the supply chain built on the principles contained in this document, an understanding of the impact their decisions have on others and a commitment to achieve the common goal, the supply chain will be safer, more compliant, more resilient, and more efficient.

## Commitment

Members of this Charter are committed to:

- working together in good faith, respectfully and in-line with the values and behaviours contained in this charter
- the safety and wellbeing of all people participating in the supply chain, including relevant third parties
- the welfare of the animals transported
- minimising the impacts on the environment (climate, waste etc)
- compliance with their regulatory obligations, including as a Person Conducting a Business or Undertaking (PCBU)
- delivering solutions that are both practical and economically sustainable
- self-fund any costs associated with travelling to or participating in meetings and workshops

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## Scope

The scope of the supply chain is from the farm to the yard or processor, including:

- the procurement of transport services
- the preparation of animals and ensuring they are fit for transport
- the provision of safe places for the loading and unloading of animals
- the transportation of animals
- the network and associated assets required to enable safe journeys
- the provision of quality assurance programmes covering livestock transport
- the regulation of health and safety, transport, and animal welfare

The group will govern, through the parties they represent and designated project teams; the design, assessment and delivery of solutions to systemic issues in the supply chain that improve the health and safety of the people and animals within it.

The following are out of scope:

- Any discussion of specific commercial agreements, negotiations, rates or any other commercially sensitive information

## Values and Behaviours

- We act in good faith, honestly and with integrity
- We respect each other for playing a key part in the supply chain and support each other in the knowledge that the chain is only as strong as its weakest link
- We have free and frank discussion and where gaining consensus becomes difficult, the safety and wellbeing of people will be given the higher weighting/priority
- We collaborate on developing systemic solutions and we promote those solutions
- We recognise and take advantage of this opportunity to work together to make lasting, positive change for the people in our industry
- We attend meetings when we can and work with urgency to deliver actions
- We hold each other to account

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## Structure

The Livestock Supply Chain Rōpū (LSCR) are the signatories to this charter. Additional members may join when appropriate. This group decides on the initiatives to be implemented. Project teams consisting of industry participants and anyone else required are then created to deliver the initiative.

### Rōpū Protocols

- The Chair of the group shall be appointed by member organisation representatives
- The group shall convene at least three times in year one then on a frequency agreed following review at end of year one
- The Chair, in consultation with the Secretariat and members, determines the agenda for each meeting
- The agenda and papers are circulated at least ten working days before a meeting
- Formal meeting minutes are kept, and draft minutes are circulated to each member for review
- Minutes are approved by the Forum at the next meeting
- Group decisions and recommendations are by consensus
- The secretariat shall minute meetings including an action list. These shall be circulated to each member ten working days before the meeting for review and approved by the Forum at the next meeting

### Roles and Responsibilities of The Livestock Supply Chain Rōpū

- Identify and manage sector-wide risks and issues
- Prioritise and decide on the initiatives to be delivered by the project teams
- Be accountable for the success of the initiatives
- Remove roadblocks, sign-off risks and support the project teams
- Bring sector-wide perspectives and consultation

### Roles and Responsibilities of The Project Teams

- Responsible for the delivery of the agreed initiatives
- Raise risks and issues to the LSCR
- Regularly update the LSCR on progress and the probability of meeting agreed timeframes
- Celebrate the success of the initiative with their industries

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## Milestones

- Charter signed: February 2021
- Agreement on topic for first solutions workshop: March 2022
- First solutions workshop: April 2022

## Signatories

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