



Australian Government

Phase out of live sheep exports by sea

Transition Plan Implementation Approach

November 2024



The journey so far



Commitment

The Australian Parliament has passed law that live sheep exports by sea will cease on 1 May 2028.

Phasing out live sheep exports by sea was an election commitment of the Australian Government.

Advice

The decision on how and when to phase out live sheep exports by sea follows the advice of an independent panel and associated public consultation, involving more than 2,000 people in forums, over 800 written submissions and more than 3,300 unique survey responses.

The panel made 28 recommendations to Government focused on individuals, businesses, communities, trade and animal welfare.

Certainty

The legislation provides certainty that the trade will end on 1 May 2028. The export of live sheep by sea can continue without caps or quotas until the end date. This provides stability for those engaged in the trade to make decisions.

Time

The decision to end the trade in May 2028 is designed to provide time for the live sheep export industry to plan and adapt. The Government has committed \$139.7 million to assist with this transition.

Transition assistance and oversight

The Government announced \$107 million in transition assistance as part of the 2024–25 Budget.

On 15 October 2024, the Government announced a further \$32.7 million bringing the total assistance package to \$139.7 million.

In addition, the Government response to the panel recommendations noted a number of existing government initiatives that could contribute to the transition. These include existing action on competition, employment, training and migration.

The following snapshots provide more detail on the suite of complementary measures that will be delivered through the transition assistance package, including oversight by the Transition Advocate and delivery of the stocktake in 2026–2027.



\$97.3 million producer and supply chain program

Increasing sheep processing capacity and assisting sheep producers and supply chain businesses to transition away from live sheep exports by sea

The \$97.3 million includes funding for the Department of Agriculture, Fisheries and Forestry to support the industry co-design process and administer the producer and supply chain programs



\$27.0 million enhancing market demand program

Enabling the industry to capitalise on growing consumer demand in Australia and overseas for high-quality sheep products, food and fibre

The \$27.0 million includes funding for the Department of Agriculture, Fisheries and Forestry to administer the enhancing market demand program



\$15.4 million policy and oversight program

Implementing the phase out policy, engaging with stakeholders and monitoring transition progress

\$45.5 million



Working with producers and the supply chain to prioritise transition actions and co-design and deliver assistance measures

\$2.4 million



Providing more services through the Rural Financial Counselling Service in Western Australia

\$8.6 million



Continuing Counsellors (Agriculture) in the Middle East/North Africa (MENA) region to support close co-operation and trade relationships

\$4.4 million



Increasing information about market opportunities and stronger business-to-business relationships for domestic and global sheep products, and diversified food markets in the MENA region via enhancing market demand grants

\$11.1 million



Facilitating the implementation of the phase out and delivering the Government's transition plan, including a stocktake of transition progress in 2026-27, and ongoing engagement with industry

\$40.0 million



Grants to expand onshore processing supply chain capacity such as capital upgrades in processing facilities, expanded cold storage and feed lotting

\$1.5 million



For activities in affected regions to foster community wellbeing and connections and strengthen community resilience

\$3.0 million



Enabling Meat & Livestock Australia to undertake activities to enhance demand for Australian sheep meat and sheep products in Australia and globally

\$9.0 million



Promoting increased business-to-business matching, collaborating to deliver a global agenda of events for Australian sheep and food products with Austrade

\$1.7 million



Establishing a Transition Advocate to facilitate two-way communication between industry and Government and to provide advice to Government on transition progress



Co-design of on-ground assistance for producers and supply chain businesses

Funding:	\$45.5 million over 3 years from 2025–26
Timeframe:	15 Oct 24 – Australian Government announces co-design process Nov 24 to Jun 25 – co-design undertaken and program design FY2025–26 – assistance programs open
Objective:	To help impacted sheep producers and supply chain businesses to plan and take action for when the trade ends in May 2028 To provide impacted sheep producers and supply chain businesses with a choice in how they are going to adapt
Eligibility:	Impacted sheep producers and associated supply chain businesses (for example, livestock transporters, shearers, feed growers and millers etc)

The end of live sheep exports by sea will mean sheep producers and supply chain businesses will need to adapt.

The options available to businesses, and what they decide to do, depends on the individual circumstances and aspirations of each business.

Transition needs, and the type of government programs that could help meet those needs, will be identified and prioritised through a co-design process with industry.

From there final programs will be agreed by Government and programs established.

Programs are expected to open in the 2025–26 financial year.

Deliverables:	To be identified as part of the co-design and assistance program finalisation
Delivery partners:	To be identified after the co-design process is completed and the scope of the programs established



Processing capacity grant program

Funding:	\$40.0 million over 3 years from 2025–26
Timeframe:	15 Oct 24 – Australian Government announces it will work with the Western Australian (WA) Government to deliver key elements of the transition package, including processing capacity grants Oct 24 to Jun 25 – Program design FY2025–26 – Program launch
Objective:	To expand onshore processing supply chain capacity in WA to assist producers and supply chain businesses to adjust to the removal of live sheep exports by sea
Eligibility:	Entities in the sheep processing supply chain in WA, for example meat processing, cold storage and feedlotting

Additional processing capacity in WA will be required to process the volume of sheep previously sent to live export by sea.

This program seeks to incentivise early investment in infrastructure that will help to moderate the impact of the removal of the live sheep exports by sea market avenue.

These grants are for targeted capital works for activities to flatten turn-off spikes and for expanding processing supply chain capacity.

This could for example include adapting or upgrading sheep meat processing, and/or expanding supply chain capacity such as cold storage and feedlotting.

Deliverables:	Competitive grant program
Delivery:	The Australian Government will work with the WA Government to deliver this program



Boost to Rural Financial Counselling Services (RFCS) in Western Australia (WA)

Funding:	\$2.4 million over 4 years from 2024–25
Timeframe:	Jul to Dec 24 – Vary the deed of agreement for the additional funding to the RFCS WA service provider Jan 25 to Jun 26 – additional Counsellors employed to boost the capacity Jul 26 to Jun 28 – renewed service provision for WA through whole of service grant opportunity arrangements
Objective:	To increase targeted and localised financial and agri-business counselling to support financial self-reliance and resilience

More rural financial counselling support will be available in WA.

Boosting rural financial counselling services recognises the important role this service plays in helping farmers make informed decisions about their business.

This program provides information and planning support for the various possible circumstances that the producers and agri-business supply chain may encounter in the transition due to a wide range of reasons, including seasonal conditions.

Farm businesses and small related agri-businesses experiencing, or at risk of, financial hardship can access confidential case management and tailored support, at no cost to them.

Rural financial counsellors can help people understand their financial position and develop an action plan to set and implement goals, better position their business to be financially self-reliant and be more prepared to deal with risks. These are important aspects of preparing for and responding to the phase out.

Deliverables:	Additional counsellors
Delivery partners:	RFCS delivery partners



Community wellbeing grant program

Funding:	\$1.5 million over 2 years from 2024–25
Timeframe:	15 Oct 24 – Australian Government announces it will work with the Western Australian (WA) Government to deliver key elements of the transition package, including community wellbeing support Oct 24 to early 2025 – Program design First half of 2025 – Program launch
Objective:	To help local communities impacted by the phase out to strengthen community wellbeing and resilience and to help build connections

As part of the Australian Government’s transition assistance package, funding has been provided for events and activities to support local, impacted communities.

The inclusion of assistance for community wellbeing recognises the importance of supporting communities in times of change.

Deliverables:	Community wellbeing support activities
Delivery:	The Australian Government will work with the WA Government to deliver this program



Counsellors (Agriculture) in the Middle East and North Africa (MENA) region

Funding:	\$8.6 million over 4 years from 2024–25
Timeframe:	15 Oct 24 – Australian Government announces continuation of agriculture counsellor deployments in MENA markets FY2024–25 to FY2027–28 – counsellors in place
Objective:	To maintain valuable bilateral ties and diplomatic relationships with MENA countries to ensure successful trade and market access outcomes for Australian exporters

Agriculture counsellors promote Australia’s agricultural interests in key trade locations and provide a highly valued service to industry by helping our agriculture sector grow. They improve and maintain market access, provide market intelligence, represent Australia at meetings and negotiations and resolve issues when Australian agricultural goods arrive at their foreign destination.

Agriculture counsellors in the United Arab Emirates and Saudi Arabia are central to maintaining bilateral ties and growing the food relationships in the MENA region. Funding under this program will ensure these counsellors can continue this important bilateral work for the next 4 years.

Ongoing engagement with Australia’s MENA trading partners will also contribute to demonstrating that Australia continues to be a reliable trading partner and supplier of high-quality food and agricultural products to support food security objectives in the region.

Deliverables:	Extension of 2 Counsellors (Agriculture)
Delivery partners:	N/A



Market Development Grant

Funding:	\$3 million over 3 years from 2024–25
Timeframe:	15 Oct 24 – Australian Government announces grant with Meat & Livestock Australia (MLA) Nov to Dec 24 – Department of Agriculture, Fisheries and Forestry and MLA confirm grant arrangements FY2024–25 to 2026–27 – activities delivered
Objective:	To promote, market and advocate for Australian sheep meat and sheep products in Australian and key global markets.

MLA will work with key Government and industry partners to undertake promotion and marketing activities in Australia and overseas to deliver industry-wide benefits that position the industry for long-term gains.

The objectives of the grant are to:

- enhance demand for Australian sheep products and to explore opportunities to support the maintenance and development of those markets
- explore market opportunities for sheep products with cross-border domestic and/or export market focus.

The grant provides capacity for MLA to develop its Aussie Meat Academy program to boost demand for Australian sheep meat products including:

- broaden its Lambassador program
- engage technical specialists to design and deliver an education program
- develop digital education products.

Deliverables:	Direct grant to MLA
Delivery partners:	Governments and industry



Enhancing Market Demand grant program

Funding:	\$4.4 million over 4 years from 2024–25
Timeframe:	15 Oct 24 – Australian Government announces grant program 30 Oct 24 – draft Grant Opportunity Guidelines published as forecast opportunity on GrantConnect 8 Nov 24 – Round 1 opens 19 Dec 24 – Round 1 closes Mar to Apr 25 – negotiate and award grants FY2025–26 – Round 2
Objective:	To provide Australian sheep, agriculture and food industries and supply chain businesses with an increased understanding, knowledge or information about potential market opportunities and stronger business-to-business relationships for: interstate and overseas markets for Australian sheep products; markets for Australian agricultural and food products in the Middle East and North Africa (MENA) region
Eligibility	Applicants must be, either individually or as a consortia: peak industry bodies; Rural Research and Development Corporations; consultants specialising in fields such as agriculture, economics, markets or trade; or research providers

The program will provide grants for projects that:

- demonstrate broad support across relevant industry stakeholders and demonstrate application or benefit across industry/ies nationally
- provide research and analysis products (for example, market and consumer analyses)
- strengthen business relationships for the benefit of the Australian sheep industry or Australian agriculture and food industries nationally.

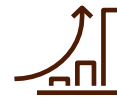
Eligible activities include: competitor and market analysis; market strategy development; feasibility studies; developing business and market linkages; information exchanges; and training and education.

Australia’s live sheep exports by sea are predominantly destined for markets in the MENA region. Australia is a trusted, reliable supplier to this region.

Diversifying opportunities for Australian agricultural and food products to the MENA region can contribute to meeting food security and supply objectives in the region.

Activities that enhance market demand are an important part of assisting with the transition away from live sheep exports by sea and will ensure Australia can continue to be a supplier of agricultural and food products to the MENA region.

Deliverables:	Competitive grant program with 2 rounds
Delivery partners:	N/A (competitive grants program)



Enhancing Market Demand (Austrade)

Funding:	\$9.0 million over 3 years from 2024–25
Timeframe:	From FY2024–25 – Program design and delivery of activities
Objective:	To increase global demand for Australian sheep meat, and to grow and diversify Australia’s food exports in the Middle East and North Africa (MENA).

Austrade will design and deliver a program of marketing and promotional activities and business-to-business matching to drive increased demand for Australian sheep products, collaborating with industry partners such as Meat & Livestock Australia (MLA) to deliver a global calendar of events to promote Australian sheep meat and agrifood products to international buyers and consumers.

Australia is a trusted and reliable supplier of agricultural and food products to the MENA region. Austrade will work to diversify opportunities for Australian agrifood products to the MENA region to meet its food security and supply objectives.

Deliverables:	Grow exports of sheep meat by volume and value and assist more Australian agri-food exporters to grow or diversify their exports into MENA markets
Delivery partners:	MLA, Department of Agriculture, Fisheries and Forestry



Policy implementation, engagement and monitoring

Funding:	\$11.1 million over 5 years from 2024–25
Timeframe:	From FY2024–25 – support policy implementation, implement communications strategy and establish evaluation framework FY2026–27 – perform stocktake Jul 27 to Jun 29 – support phase out and undertake final impact evaluation
Objective:	To deliver the Australian Government’s transition plan and transition assistance

There is an ongoing body of work for the Department of Agriculture, Fisheries and Forestry (DAFF) to implement the policy and the Government’s transition plan.

Communication and engagement activities will be designed to encourage action to transition and communicate available assistance.

The Government response to the panel recommendations noted a number of existing government policy areas that could contribute to the transition. DAFF will continue to engage widely across government to ensure sheep and live sheep export industries are considered within these activities.

Tracking and monitoring the factors that are impacting confidence and the action being taken (or not being taken) will be critical for the Government to have a clear view on how the transition is progressing.

Delivery partners:	DAFF will work with other Commonwealth agencies, the Western Australian Government, agriculture industry representatives and animal welfare representatives
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Transition Advocate

Funding:	\$1.7 million over 5 years from 2024–25
Timeframe:	FY2024–25 – Terms of Reference and appointment FY2026–27 – involvement in the transition progress stocktake FY2028–29 – involvement in the final transition evaluation
Objective:	To facilitate two-way communication between industry and Government and provide advice to Government on transition progress

The Transition Advocate is intended to provide:

- information to industry about the transition plan and assistance programs and
- advice to Government on how the transition is progressing.

Its function is advisory and supports further collaboration with sheep producers and supply chain businesses.

In addition, the Transition Advocate will be responsible for identifying and communicating to the Government on key issues that subsequently emerge for the supply chain that impact the successful implementation of the phase out.

The role is focused on monitoring activities occurring across the transition period. This includes supporting the stocktake in 2026–2027.

Delivery partners:	Secretariat support will be provided by the Department of Agriculture, Fisheries and Forestry
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