

Widam Food Company شركة ودام الغذائية
(Public Shareholding Company) (شركة مساهمة عامة قطرية)
C.R.No. : 26911 السجل التجاري: ٢٦٩١١
Capital: 180 million Q/Riyal رأس المال: ١٨٠ مليون ريال قطري

ودام الغذائية
widam food

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DATE: 2 February 2020

Australian Government
Department of Agriculture
GPO Box 858 Canberra ACT 2601
Tele: 1800 900 090

Dear Sir/Madam

REF: Live sheep exports to or through the Middle East – Northern Hemisphere summer. Draft regulation impact statement – Live Animal Export Division, OBRP ID:23822

Please, find attached Widam Food Company QPSC input about the above referred to subject matter.

Yours faithfully,


Mr. Alnoubay Salem H. A. AL-Adbi
Chief Executive Office
Widam Food Company Q.P.S.C.



Mr. Alnoubay Salem H A AL-Adbi
Doha, State of Qatar
02/02/2020

Department of Agriculture water and Environment
Government of Australia
GPO Box 858
Canberra City ACT 2601
Commonwealth of Australia
C/C: His Excellency Jonathan Muir, Australian Ambassador to Qatar

Subject: Live Exports to the Middle East during the Northern Hemisphere Summer

Dear Sirs,

On Behalf of Widam Food Company Q.P.S.C. ("Widam"), a Qatari Public Shareholding Company, we would like as a stakeholder in this process to register our opinion in relation to the regulation impact statement (RIS) on live sheep exports to, or through, the Middle East during the Northern Hemisphere summer. We would also like to comment on the importance of Qatar as a market for Livestock as well as Sheep meat from Australia.

Introduction to Widam:

Our company was founded in 2004 under the name Qatar Company for Meat and Livestock Trading (Mawashi) and we became Widam Food Company in March 2013. Widam Food Company is a publicly listed company on the QSC. It is the largest supplier of livestock in Qatar and the most important provider of meat to the domestic market of fresh, chilled and frozen meats. It manages 27 butcheries nationwide and local slaughterhouses including the largest slaughterhouse in Qatar, designed by Australian consultants, which was recently inaugurated south of Doha, the capital city of Qatar.

Food Security:

Widam itself is considered as part of food security for State of Qatar. The company imports the largest quantities of sheep and cattle to the country as well as Chilled and Frozen Meat. Widam is a key contributor to Qatar's National Food Security Program. It is the exclusive provider of Australian Sheep to the Qatari market as well as sanctioned with the duty to provide uninterrupted supply of Chilled Sheep Meat daily from Australia. In terms of numbers Widam imports up to 1.5 Million head of sheep from Australia (Live and Chilled) or a total of 26,000 MT per annum.

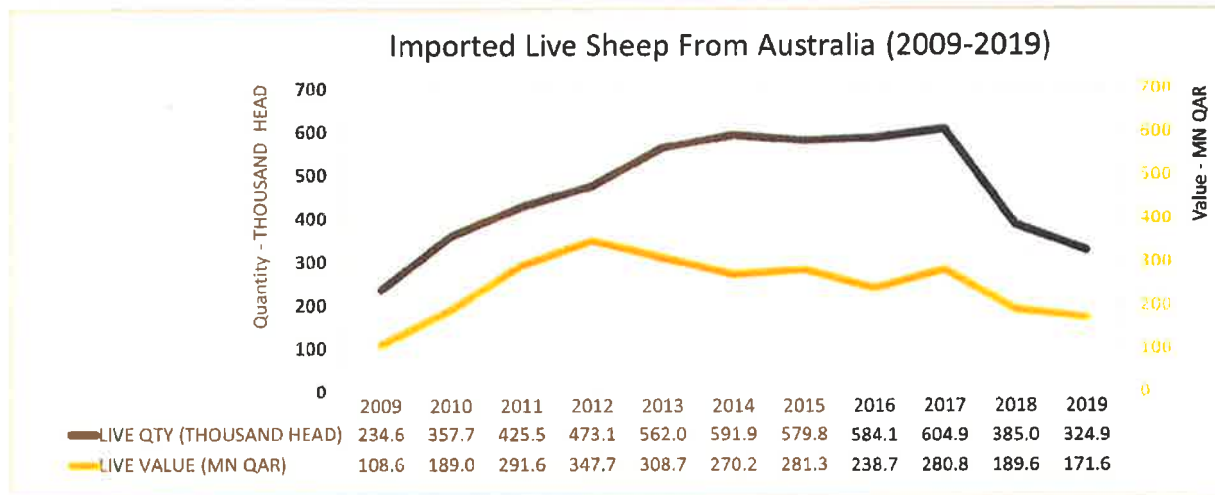
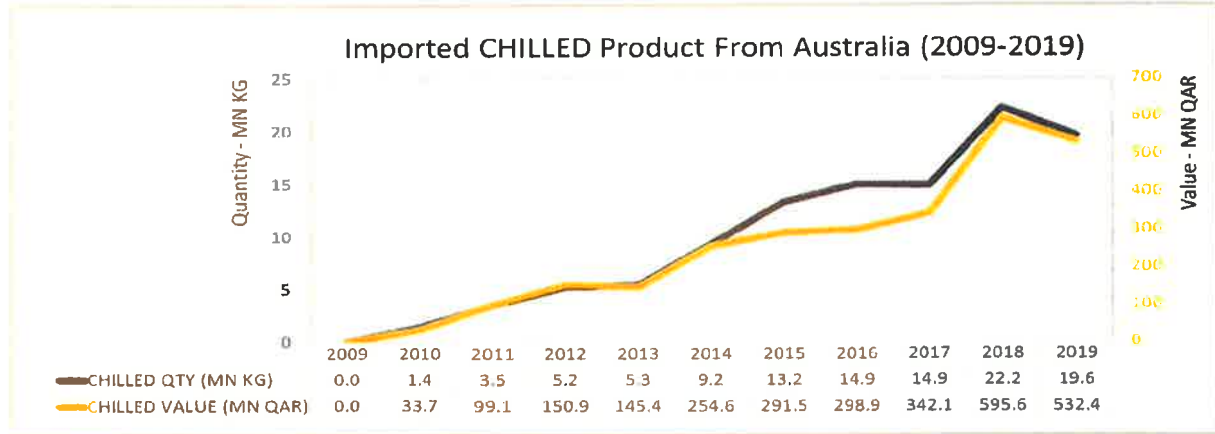
Australian Exports to Qatar:

Sheep and goat Meat as well as Live Sheep and Goats represented 43% of all trade between Australia and Qatar. In 2017 the trade in Meat and Livestock to Qatar from Australia was worth over Us\$ 179 Million. Meat products have consistently been the most valuable product traded between the two countries.

In terms of Chilled Meat Qatar represents 20-22% of all exports of Australian Sheep meat to the Middle East in 2019 this was 21,505 MT. Globally Qatar represents roughly 5% of al exports of Australian Sheep meat. Due to religious and cultural preferences Chilled Meat slaughtered in Australia will never replace

locally slaughtered animals. Also, economically there is a still a large percentage of the population who purchase edible offal and more economical cuts. Therefore, our livestock imports will continue in the coming years.

The trade in live sheep between Australia and Qatar has been happening since the early 1980's. Qatar has become over these years an important destination for Australian livestock. Since 2004 Widam has been importing Live Sheep as part of Qatar's food security program. In the below table (Values in QAR) you can see the rise in sheep imports year by year and its economic value to Australia.



Changes to the Housing and Monitoring of Livestock in Qatar:

There are some important changes to the housing and monitoring of Australian livestock in Qatar which are not considered in the draft report presented.

- *Moves to improve Welfare and Housing of Australian Sheep:*

Firstly conscious of the fact that Animal Welfare and heat stress is of the utmost importance in the receipt of livestock from Australia, Widam has decided in the past year to decommission its existing facility (Qatar

Company for Meat & Livestock Trading (Central Mawashi), feedlot, Abu Hamour Area Market Place, Doha, Qatar and will move to a new location (GPS Location 25°03'25.5"N 51°10'36.9"E). We have already had this facility audited for approval of ESCAS and the certification is currently pending.

At this location we are in the process of extending existing feedlots / housing to further improve animal welfare standards. This project was designed and commissioned with animal welfare and good livestock handling practices in mind and was specifically designed in accordance with Australian standards. We expect this extension to be ready in April of 2020.

At this location the average temperatures are 2.4 degrees lower than at our existing feedlot facility. We can also add that our existing facility will be demolished in February as we move our abattoir activities to our new facility in Wakra Slaughterhouse, Near Wakra Central Market, Wakra, State of Qatar. (Abattoir details for SC-163 – ESCAS approval).

We have measured, using kestrels (the same technology used on board Australian vessels), wet bulb temperature data from 10/10/19 – 08/11/19 to compare the two locations. This was important for us to test our feasibility study of a move to this location. Between the two locations there was 1.8-degree temperature difference in this measurement alone. We are happy to share this data as attached.

We also note that the nighttime temperature was 4.5 degrees cooler in our new location. This will provide a respite in heat for animals which is critical for heat management. The minimum wet bulb temperature was 2 degrees lower than in our current facilities at Abu Hamour.

- *Environmental Monitoring and Ongoing Research:*

Secondly, Widam Company, is conducting further studies of environmental and metrological data. We are in the process of finalizing a research project with Qatar University which will conduct a prolonged study into the environmental conditions at this new facility and the surrounding region.

The document produced by the Australian bureau of meteorology and presented with the RIS will indeed become useful for us as part of our database for comparisons of the real environmental condition in the livestock production here in Qatar. In fact, all data, global and regional, can be used to enrich the environmental modeling that our research partners aim to do.

The document from the Australian bureau of meteorology shows on a global scale the environment in the region. However, the environmental data which will be presented here in Qatar will illustrate the situation on regional scale other than just the temperature and moisture collected from a shoreline point and used in the impact study (Doha International Airport). We feel that basing any decision for regulation just on a shoreline point does not give a full and fair analysis of the situation in Qatar and especially will not reflect our changed circumstances.

Our aim to use local data using real-time monitoring in our livestock pens and in the region around the livestock, using both air and ground placed temperature loggers. We will monitor in real-time our livestock wellbeing which we know is important to the general public in Australia.

We wish to demonstrate to our own general public, our stakeholders both in Qatar and in Australia (including the Australian Government) that Widam and the State of Qatar are committed wholeheartedly towards prioritising animal welfare and livestock production in Desert Regions.

Options Presented in the RIS draft report:

As stakeholders in this process we would like to comment on the effect that **Options 2** and **3** will have on our business.

Option 2: Exports to Qatar would be prohibited from 15 May to 22 September. For Qatar, 95th percentile wet bulb temperatures (WBTs) become extreme approximately 2 weeks earlier than other destinations in the Persian Gulf and stay at or above this level for an additional week in September.

- Financially this extended prohibition of exports to Qatar from 15 May to 22 September will result in rise in 11% in the costs of import of Live Sheep to the State of Qatar (Us\$ 2,6 Million in 2020 alone).
- We, Widam, will have to source Sheep from alternative sources regardless of this prohibition as there are important religious festivals during this period.
- The uncertainty around this extended prohibition period is detrimental to the continued trade between the two countries. Import of Sheep in the long term from Australia may suffer detrimental impact as Widam has a duty, as instructed by the State of Qatar, to ensure means of uninterrupted food security measures in the country. We will have to position ourselves to safeguard supply regardless of the Australians governments position and our long-standing close relationship with exporters and farmers from Australia.
- It will not result in an increase in our demand for Chilled meat as some may predict. In fact, in our opinion, the resulting flood of Sheep numbers to Australian abattoirs in Western Australia will only result in reduced prices and returns for Livestock farmers particularly in Western Australia.

By analysing data from 2019, Widam does not believe that there is evidence, which warrants the prolongation of the prohibition period: Livestock mortalities did not increase following the introduction of the Middle East order in 2018 and / or the Livestock Prohibition period, 2019.

Option 3: aligns with recommendations from the HSRA Review and proposes an approach to managing the risk of heat stress in sheep using a revised HSRA model which replaces risk settings based on mortality thresholds with welfare thresholds (Appendix F). The recommended welfare thresholds align with heat stress thresholds (HSTs) already embedded within the existing HSRA model (but not currently used). The revised model will use alternative risk settings to determine the appropriate stocking density for voyages to, or through, the Middle East. If heat stress according to the revised risk settings cannot be managed by altering stocking density, then a voyage would not be permitted.

Effectively this option puts an outright ban on exports to the Middle East during the Northern Hemisphere summer as it will become economically unviable for shippers thus increasing prices of Sheep above what other alternatives can offer.

Preferred Option of RIS report:

As importers of Live Sheep to the State of Qatar and stakeholders in this process we are confident that the changes we have made, outlined in this letter, and also the increased regulation on exporters are sufficient to propose that Option 1, permission to export for the 6 months of the Northern Hemisphere Summer, be accepted.

Option 1: Status Quo – this option is the baseline regulatory position after implementation of the Australian Meat and Live-stock Industry (Export of Sheep by Sea to Middle East) Order 2018 (Middle East Order). This option does not include interim regulations implemented in 2019. Live sheep exports to, or through the Middle East would be permitted for the 6 months of the Northern Hemisphere summer.

- Exports would be permitted for the entire Northern Hemisphere summer period.
- All voyages would be required to conduct a heat stress risk assessment using the existing HSRA model, HotStuff (version 4).

Conclusion:

We would like to thank you for the opportunity to participate in this process and look forward to the final conclusions and resulting regulations that will be put in place.

Yours faithfully,



Mr. Alnoubay Salem H A AL-Adbi
Chief Executive Office
Widam Food Company Q.P.S.C.

