

DEXA Independent Review

Issues Paper #1

The [DEXA Independent Review](#) is an independent review into the proposed \$150m installation of Dual Energy X-ray Absorptiometry (DEXA) technology across AUS-MEAT registered processing plants; referred to as *Project 150*.

Project 150's stated aim is to provide accurate and objective carcase grading through the use of objective carcase measurement (OCM) technology. On 10 November 2016, the [announcement](#) to install objective measurement across the industry, indicated that 'the initiative paves the way for scientific measurement of saleable meat yield, future value based marketing and industry-wide productivity gains through processing automation, genetic improvement and data-based on-farm decision making'. The DEXA independent review will be examining these claims.

The proposed project is anticipated to be funded by a form of debt/asset purchase facility; repaid by producer levies. This is proposed to cover the DEXA installation as well as the sharing of carcass data between producers and processors.

Initial consultation with the industry, independent subject matter experts and our research has raised a number of initial questions. Your input is needed to enable this review to consider the most relevant issues; as such please engage directly with the Independent Review team via dexa.independent.review@au.ey.com on your views to the questions below. Your answers to these questions will form the basis of further exploration into both the relevance and benefit of OCM and DEXA (in particular) for the Australian Red Meat Industry. We request your answers to the questions below by 3 April 2017.

Soliciting local and international inputs



Local industry consultation



Global independent subject matter experts



Initial questions that the Independent Review is asking...

1. DEXA outputs	What effects might the outputs of DEXA have on the industry? What effects might there be on the industry as a result of the proposed grading data?
2. Adoption levels	Would you adopt this technology and on what basis? What level of adoption is likely to occur across the industry and why?
3. Benefits	What benefits can be expected from <i>Project 150</i> and who will receive them? What mechanisms should there be to support the realisation of these benefits?
4. Risks	What are the risks of adopting this technology / proposal? What are the potential risks of low adoption rates to the impact on the industry supply chain?
5. Other technology	What other OCM technology should be considered and why?
6. Funding proposal	How should this project be funded?
7. Industry opinion	Are there any modifications which would enhance the <i>Project 150</i> proposal? Is <i>Project 150</i> a prudent investment for the industry, and if so how?