

8th September 2020

The Kenya Livestock Insurance Program - KLIP

As our readers are well aware OBA has previously referenced KLIP in updates <u>here</u> and <u>here</u> from 2019 with news from the 5th August 2020 below pertaining to looming payouts under the program for pastoralists to buy fodder for Livestock:



The cover is an asset protection to provide payouts to pastoralists for purchase of fodder to keep their Livestock alive,' says the Ministry in tender documents.

The above sentiments from Kenyan ministry mirror the provision for fodder referenced in this OBA <u>update</u>, accordingly at OBA we seek to understand why the Australian Government is financially supporting the Kenya Livestock Insurance program yet ignores calls for our own?



Video of KLIP from our dedicated Livestock YouTube channel





OBA does support developed countries such as Australia supporting non-devloped nations notwithstanding we have some very real <u>problems</u> that remain unaddressed onshore as the 2^{nd} driest continent on earth, rendering much less of this required:



Wholistic asset protection against known and often catastrophic risks, such as Drought, allows Farmers to Farm with



For those not currently still suffering from the worst Drought in Australia's history, noting NSW % currently stands at 4% 'officially in Drought', both it and <u>Queensland</u> still have farmers suffering from Drought, reminding us all the next Drought will not be far away.

Accordingly, it would be prudent, proactive and savvy to prepare for such now:



As reported by ABC Rural 17th August 2020 <u>here</u> the trauma this family recently went through, in addition to what they, again recently, had to do to feed their herd during Drought is mind boggling on a:

- 1. Logistics;
- 2. Alternate fodder source &
- 3. Volume of alternate fodder source basis

To keep the cattle alive, 25 tonnes of molasses were delivered every six days, along with 50 tonnes of cotton seed a month, 30 tonnes of palm kernel and two road trains of hay from Victoria.

"The cost was just unbelievable," Larry said.

"To go two years without rain, no-one had seen anything like it."





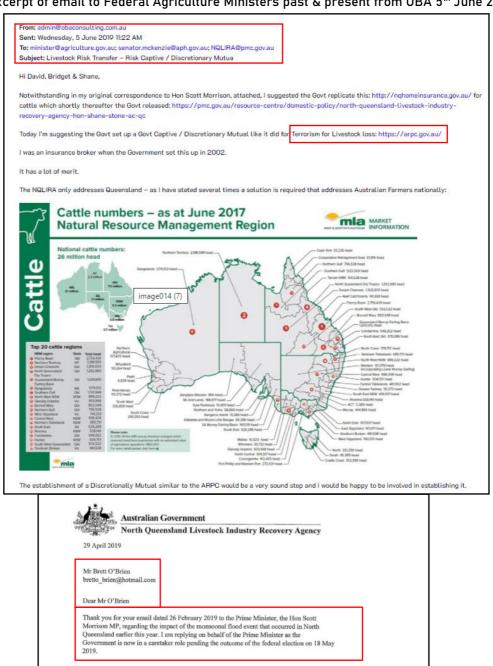
In practice a Livestock Drought Insurance policy taken out by the pastoralist, ideally financially supported (subsidised) by the Australian Government, would cover the cost of the above under a provision for fodder.

As the saying aptly goes the next Drought begins the day after the last one ends.

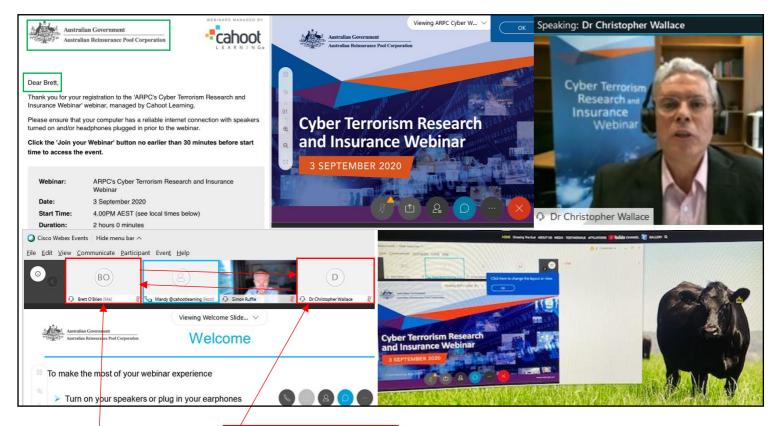
It is not suggested the the 'subsidy' referred to above would come in the form of a 'hand out' from the Australian Government, moreso it's purpose would be to incentivise responsible pastoralists to outsource their exposure to risk, in this case Drought.

Not disimilar to how our Government is involved in Terrorism insurance as referenced numerous times by OBA including below, our update of 22nd April 2020 and not least of all <u>Issue 3</u> of Chewing The Cud:

Excerpt of email to Federal Agriculture Ministers past & present from OBA 5th June 2019:



OBA participated in a Webinar facilitaed by the ARPC on Cyber Terrorism Research 3rd September 2020:



The speakers inlouded <u>Dr Christopher Wallace</u>, CEO of ARPC, a fellow <u>Fellow</u> of <u>ANZIIF</u> along with <u>Brett</u>. Chris pictured below right from the ARPC annual report, with <u>Ian Carson</u>, ARPC Chair:



The session discussed acts of Cyber attack and to a lesser extent Terrorism and Pandemics with respect to Business Interruption (BI) Insurance primarily. BI Insurance for Drought is scarcely available for Farmers on the Australian insurance market.

This cover is needed in greater abundance, ideally supported by the Government, not dissimilar to the ARPC, a Government entity. Essentially in Australia the ARPC void's Terrorism exclusions contained within Australian policies rendering the policies able &/or obligated to respond to acts of 'declared' Terrorism.







The Insurance Council of Australia recently released a national disaster claims udate, yet such is the <u>scarcity</u> of Drought Insurance of any description in Australia, the 2nd driest continent of earth, it does not rate a mention whilst understandably Bushfires, Hailstorms & Floods certainly do as follows:

InsuranceExcerpt below with full article of 28th August 2020 here

Event, insured peril(s) & losses in \$AUD:

• Summer bushfires – 38,416 claims lodged with losses of around \$2.33 billion



• November hailstorms - 29,782 claims worth \$481.92 million in losses



• January hailstorms - 129,201 claims and estimated losses of \$1.625 billion



• February East Coast storms/floods - 100,384 claims with \$958 million in approx. losses

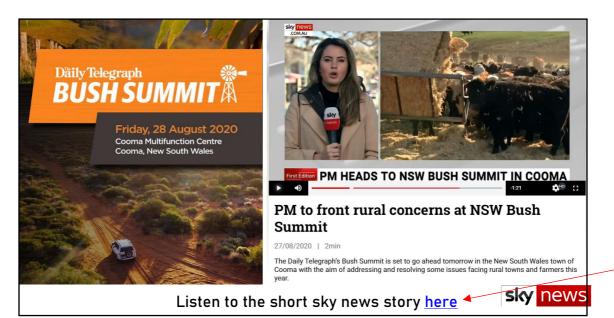








Bush Summit of 28th August 2020 references issues facing NSW Farmers, including Drought, within broader agenda:





Pertaining to the <u>below</u> alledged abhorrent behaviour reported 11th August 2020, also by ABC Rurual, OBA refers to its statement of the 9th of June 2020 also below and oline <u>here</u>:

Inhumane slaughter of cattle in Indonesian abattoirs footage prompts new live export probe

MNEWS Live export ban overturned:

In terms of the recent overturning of live exports ban in Australia OBA Consulting supports this decision.

More so however OBA Consulting advocates for ALL transport of livestock to be carried out with the animal's welfare of utmost importance.

This includes ALL methods of conveyance be they Vessel, Aircraft, Road, Rail or whatever.

Our livestock's welfare must be of primary importance to producer, carter, processor and all members of the supply chain.

Those not in step with the above should be identified, penalised, with recidivists charged and ostracised.

At OBA Consulting we not only advocate for the 'humane' treatment of livestock however the ethical treatment that absolutely makes the animals well-being a priority.











ABC Farmers promised financial help to drought-proof Rural their properties left out of pocket

Full article from 14th August 2020 here with excerpt below:

Farmers believe they are owed millions of dollars through a Federal Government water infrastructure scheme, which was run by the states.

Whilst many Australian's within the non-rural community, understandably tire of hearing of Farmers woes, the reality is that what decimates our Agriculture sector, including however not limited to Drought, is economically felt nation-wide by the vast majority of Australian's.

It's worth bearing in mind also that whether you are vegan, vegetarian, pescatarian, carnivore or other, its highly likely somewhere in your nutrition supply chain that you will have had much less than 6 degrees of separation from the people (Australian Farmers) who grow the fresh fruit & vegetables, wheat, barley, herbs, poultry, dairy and meat most of 'us' enjoy and require from within 'our' world class Agriculture sector.

Online here - From OBA Managing Director Brett O'Brien



Drought: an insidious and ongoing threat to Australia GRAIN

Grain Central, August 13, 2020

Full article here with except below:

"Every time it is devastating to many rural communities, including farmer and producer wellbeing, as well as a massive drain on national economy with billions lost. Australia simply can't afford to delay efforts to ease the damage wrought by drought," he said.

Professor Roger Stone, University of Southern Queensland









Pertaining to the ongoing fued between Australia and China, recently manifesting to wine (& barley again), the below article from ABC rural of 25th August 2020 draws 3 paralells with OBA's Op-ed of 19th May 2020 as follows:

OBA Op-ed in full as seen in Farm Tender Ag News:

Less reliance, more resilience:

In terms of Australian agriculture exports to China namely beef and barley, Australia needs to methodically correct the imbalance between reliance (1.) and resilience (3.), in doing so maintaining supply chains into Asia (2.) and not decimating income to our farmers.

Australian farmers, Chinese consumers and the 1 political and trade tensions in between



Analysts site there are now 5 Australian farm commodities that bring in over \$1 billion worth of trade from China each year — beef and sheep meat, wool, wine and barley. Almost one in three export dollars to the (agriculture) industry is earned from China and we haven't been that reliant on one market since 1958.

Still hungry for our red meat

It may no longer be China-bound but emerging barley markets in Saudi Arabia, Vietnam and Indonesia will go some way to fill the void.

3 Risk versus reward

Does it (Australia) say 'we're full' on China risk, start to diversify and look to put some eggs in other baskets?

OBA considers, by some margin, the most interesting point within the article:

"(China's) real game is to create societal splits that pressure the Government (Australian) to change foreign policy toward China"

In principal and not pertaining to the specifics of this matter noting the quite scant reasoning provided for its decline, it's heartening to see the Treasurer buck the astonishingly alarming, former seemingly automatic approval of Foreign Investment applications, rejecting only 5 applications within circa 12,000 received by the FIRB between 2008-2018 and decline this sale application here.

Political posturing or not, well done Treasurer/FIRB:







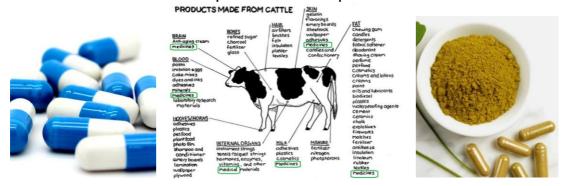








Fortunately, unlike some in our region, in Australia we by and large do not rely on our beloved, various and wonderful 'Pets' for Milk, Meat and up to *6 known medicines* for humans that Cattle are known to contribute to as referenced in this <u>update</u>, whilst we certainly do rely on our Livestock for Milk and Meat to name but a couple within the 82 products listed below:



It is for that reason we found the below particularly head scratching, whilst underwhelmingly not altogether surprising reported in WEEKLY TIMES 12th August 2020:



Govt more invested in pet food regulation than stockfeed

The Federal Government appears to be more concerned with the regulation of pet food than stockfeed. There's regulatory gaps in both industries, but only one will be addressed.



Add to this the non-existence of Drought Insurance as *national Government mandated policy*,
Live Export ban, and one might very well conclude the list of failings of Australian Governments,
past and present, with respect to Australian Livestock and Farming goes on and on:



From Issue 1 Chewing The Cud

Noting this annoucement from 3rd September one might exercise caution in waiting for:

"In fact, the Australian Farm Institute estimates full adoption of digital tools by the agriculture sector could boost productivity by around \$20.3 billion each year," (That's approx. 33% on \$60B annual)









Speaking of 'feed', the below is from <u>Shane Stone</u>, of the National Drought & North Queensland Flood Response and Recovery Agnency (NDNQFRRA), referenced <u>here:</u>

Excerpt from Shane's 'Staying Connected' newsletter of the 21st of August 2020:

Over \$10 billion has been committed to help people, small businesses and communities through drought, including existing measures and future drought. The Australian Government is not only supporting those in need now, but is thinking ahead by helping people prepare for future droughts by setting up the Future Drought Fund. subscribe here

Are people convinced this qualifies as 'thinking ahead' befitting a developed nation national Government, nor that there is anything remotely prudent, proactive or savvy about setting up a fund to address forseeable financial loss of scale when those that will need access to the fund:

- have little to no say in its triggering; &
- often abandon seeking such due to onerus and convoluted application processes;

Or are the politicians who ultimately, at their discretion, disseminate those funds to voters the only ones who think this is a great idea, particularly come election time(?).

Excerpt from 'Staying Connected' newsletter of the 4th September 2020:

Last week Prime Minister Morrison and I attended the second Bush Summit in Cooma with a number of Agency staff. During the Prime Ministers speech, he emphasised the important work being done by our Agency in supporting regional and rural communities and then launched the Agency's Regional Recovery Officer (RRO) Network.



Some may say reminiscent of a Bunnings commercial whereby the public are told how great Bunnings are by the staff, not the customers, nonetheless great photo opp – here's cheers (again) to that.

Notabely Shane wears shirts with his title embroided on them, possbily in the event he is mistaken for someone else for which we believe most people would conclude any moderately functioning risk matrix would consider the risk of mistaken identity being low to very low:



Feel free to read and conclude for yourself the Progress To Date with respect to Drought here:







Shane pictured with PM's current and former, noting the <u>body</u> of work, some may say doing what he does best:



Whilst Shane and Scott appear to be employing optimal risk management against dehydration (personal Drought) is there any chance of getting a carpenter in pronto to move the bar a centimeter or 3 closer to them??

It's a pretty safe bet they have not spent all day in the paddock hoeing thistles at the root





Perhaps we can take some guidance on feeding our pets from this, shall we say, 'decisive' little girl and her robust, real time 'quality assurance' procedure:



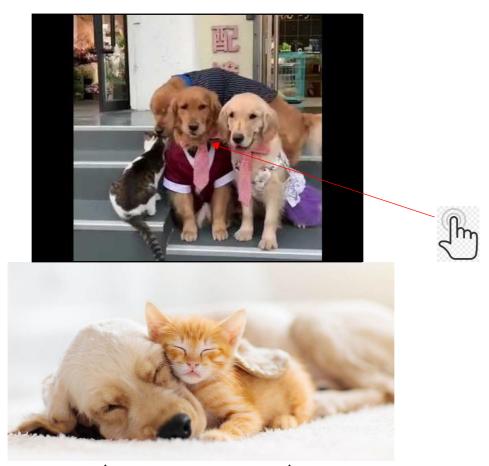


Rhetorically, doesn't our Livestock's feed warrant as much regulatory oversight as our pets for all 3 of our wellbeing, noting what our Livestock eats often either directly or indirectly ends up inside the majority of <u>us</u> in some capacity.





Continuing the narrative of our most popular pet's (Cats n Dogs) if we were to say the Dogs in the below video represented Farmers and the Cats represented Federal Government one may say getting the Australian Government to come front and centre on these matters is a lot like the video:



(Where we need to evolve to)

Recently we shot a 20 second time lapse video over night from our Southbank office. Watch as the new dawn follows the stars, hopefully aligning for Livestock Drought Insurance:

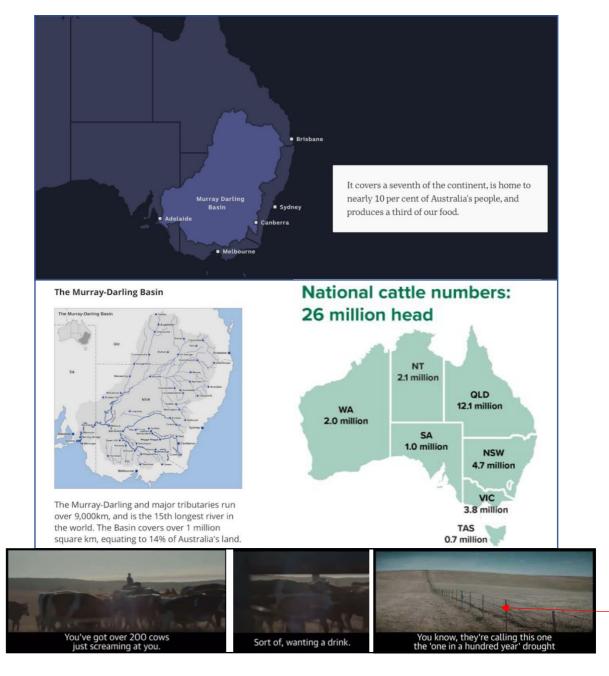


Whilst the movement of the moon looked wonderful it would be even better still if we can get the stars to align prompting the Government to support Farm Income Protection Insurance.





Further to our reference to the MBDA in this <u>update</u> of 11th May 2020 and this <u>update</u> of 4th October 2019 a short video summarising Basin water management <u>here</u>, yet astonishingly reported 4th September 2020 there is said to be trillions of liters missing from it, <u>here</u>:



~

20.6M or 75% of Australia's 26M head of Cattle are located in Victoria, NSW & QLD.

Our <u>update</u> of 22nd April 2020 contains 2 videos featuring the MDB aired on 60 Minutes.

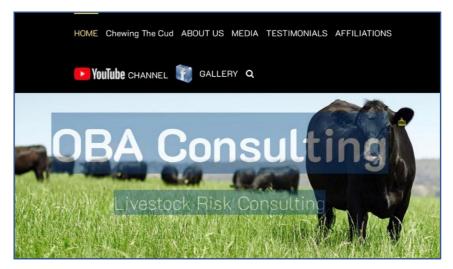




Previous iterations of **Chewing The Cud** are now available online as follows:



This tab also includes archived 'Updates' from April 2019-20 with OBA in The Media here







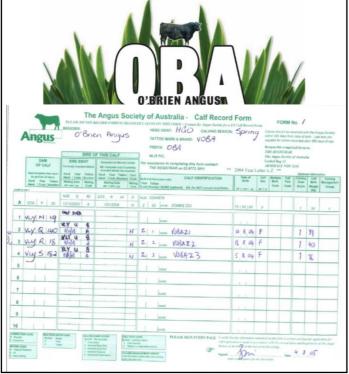
OBA Logo

We have had some enquires recently as to whether the bull in our logo is based on a real bull and the answer is YES!!

The bull is a New Zealand bred and born bull named Pinebank 41/97



41/97, as he was affectionately known, was at the centre of the targeted breeding program for O'Brien Angus, Brett's formerly registered herd with Angus Australia:



O'Brien Angus, Angus Australia, calf record form for the month of August, 2005



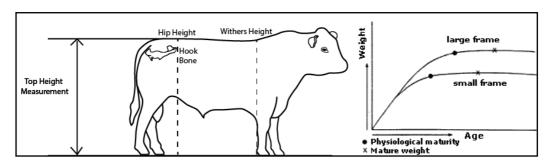


41/97 was selected to be at the centre of O'Brien Angus breeding plan due to his depth of rib, robust rump, ease of fleshing, moderate frame score (5.1), ability to do well on moderate feed

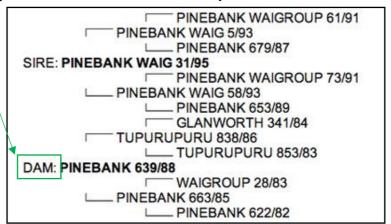
(grass not grain), calving ease and taste of progeny:



He had a mature weight of 2,630 lbs (1,200kgs), 5.1 frame score (skeletal size explained below) & 46cm scrotal measurement:



Both 41/97's dam and grand dam had 11 calves and were 13 years old when retired from the Pinebank herd:



41/97 was described as:

'The bull by which all other New Zealand bulls are measured, excelling in large scale progeny tests to validate NZ/Australian EPD's (expected progeny differences) & EBV's (estimated breeding values) where he was above average for growth, carcass traits, and near the top in feed efficiency'

41/97 has 1000's of daughters in production on four continents including 28 states in North America, 4 provinces in Canada, and calves in South America, Australia and New Zealand.



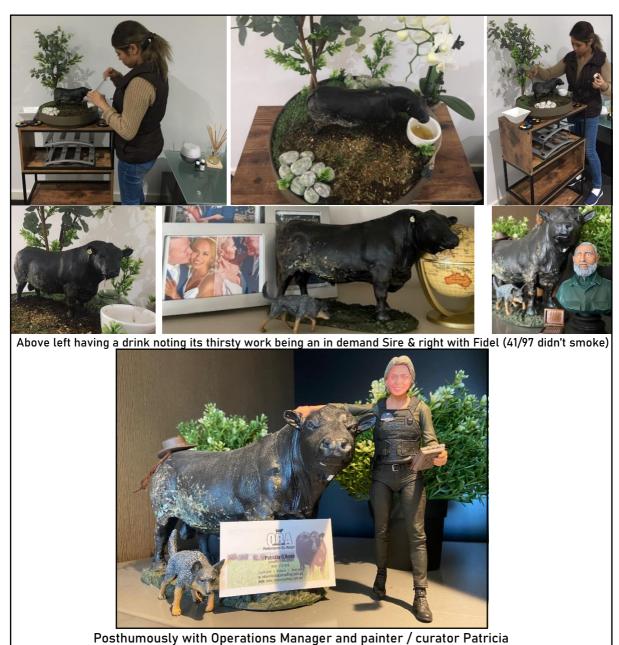


Born 4th October 1997 he is no longer with us yet in 2017 we commissioned this cast of him by renowned American bovine scuptor Carol of <u>COWs</u> (Carols Original Works):





The scuplt of 41/97 was then magestically finished by our Operations Manager Patricia:







healthline

SUBSCRIBE

Grass-Fed vs. Grain-Fed Beef - What's the Difference?

The way cows are fed can have a major effect on the nutrient composition of their beef.

Whereas cattle today are often fed grains, the animals people ate throughout evolution roamed free and ate grass.

Grass-fed beef may contain less total fat than grain-fed beef, but a lot more omega-3 fatty acids and CLA, which are both linked to health benefits.

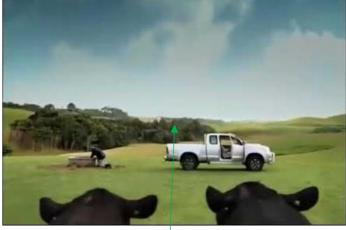
Grass-fed beef is more nutritious

Full article here

O'Brien Angus was a strictly grass fed operation as highlighted within our former logo:







Watch the exploits of these 2 cheeky chaps





OBA work wear as sported by our Operations Manager:



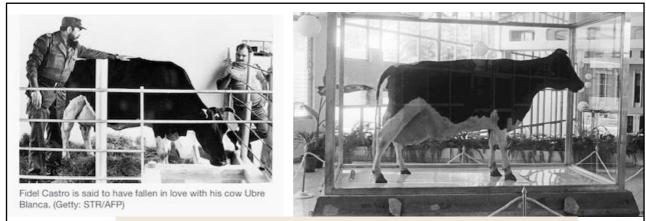








Whilst not seeking to glamorise dictatorships in any way, notwithstanding what a truly fabulously unique and aesthetically magnificent country Cuba is, from Issue 5 of Chewing The Cud more about 'Cuba's miracle cow' Ubre Blanca (translating to white udder) and Fidel's plan to cross breed the Cuban hybrid breed, Siboney, with Holstein's to create a 'supercow' with a view to nourishing Cuban's and other grand plans...



Has Any Human Lived As Well As Fidel Castro's Favorite Cow?

Ubre Blanca, immortalised in marbal above right, housed oustide the Cuban National Health Centre near Havana, once produced a staggering 109 liters of milk in a single day smashing the previous record held by an American cow.



'In fact, Cuba has developed a complex regulatory and cultural relationship with cows. It has become a paradox that fascinates foreign journalists.'











Brett O'Brien 0421 814 401







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