

Memorandum of Understanding Between Australian Cotton Industry and Australian Beef Cattle Industry

October 2018

This agreement addresses the issue of certain by-products of cotton, in particular, cotton gin trash, failed cotton crop and cotton crop residue and the potential for these by products which may be fed to livestock and cause residue violations in meat.

It is entered into to ensure that both industries, those being the Australian Cotton Industry and the Australian Cattle Industry each take appropriate actions within their respective industries to ensure that the cotton by-products referred to above are not consumed by livestock unless certain conditions outlined in Attachment "2" are met.

The overall objective of this agreement is to ensure that appropriate and effective safeguards are put in place by both parties to protect against violative residues in meat, and so protect Australia's meat trade.

Towards this objective, the following principles are agreed to: The Australian Cotton Industry agrees to the following:

1. Cotton ginners will adhere to the principles set out in The Australian Cotton Ginners Association Code of Practice which relate to "The Management of Cotton Gin Trash and Management of Cotton Gin Motes". The appropriate extract from this code of practice is attached as Appendix 1 to this document.
2. Individual cotton growers will ensure that livestock do not have access to cotton fields and/or irrigation infrastructure during the growing season where they could access plant material contaminated by pesticides. Cotton growers will take all due care to ensure such access is precluded and should therefore ensure that;
 - a) All fences are maintained to an appropriate standard which prevent stock access
 - b) Access by gate or ramps or other entry points for stock or machinery is monitored and restricted
 - c) Where appropriate, signage is placed on property boundaries and at gates to ensure stock managers are aware of crop treatment.
3. Individual cotton growers will ensure that livestock are not allowed access to fields containing cotton crop residue at the conclusion of the season until cotton crop residue has been ploughed in and an appropriate time has elapsed to allow for the depletion of pesticide residue. Cotton growers will take all due care to ensure such access is precluded.
4. Cotton growers will ensure that Cotton crops which have failed prior to maturity, are not to be cut and baled for the purposes of feeding to livestock as fodder, and will take all due care to ensure stock access to failed crop material is precluded.

5. Cotton Australia Ltd will reinforce to cotton growers, the legislative requirements set out on registered pesticide labels, which relate to the feeding of cotton gin trash, cotton crop residue and failed cotton crop material to livestock
6. Cotton Australia will insert the principles outlined in points 2, 3 and 4 into the appropriate section of the industry's Best Management Practices programme myBMP.
7. Cotton Australia will reinforce to cotton growers the legislative requirements set out for use of registered pesticide labels which relate to the management of spray drift and communication of spray events to relevant stakeholders.
8. Cotton Australia and the Cotton Ginner's Association recognizes the SAFEMEAT™ Commodity Vendor Declaration and By-Product \Vendor declaration as the primary and most effective means of communicating chemical residue risks in stockfeeds. Cotton Australia and the Cotton Ginner's Association will work with SAFEMEAT™ to expand awareness of the Commodity Vendor Declarations (CVD) and By-Product Vendor Declarations (BPVD) in the Cotton Industry, communicate to CA and ACGA members SAFEMEAT™ updates on the CVD and BPVD, and agree to encourage use of these management tools.

The Australian Beef Cattle Industry Agrees to the following:

1. Cattle Council of Australia and the Australian Lot Feeders Association will actively support the position taken by the cotton industry not to allow supply of cotton by-product (including cotton gin trash, failed crop residue and cotton crop residue) to any person for the purposes of feeding the material to livestock - including drought situations unless certain conditions outlined in Attachment "2" are met.
2. Cattle Council of Australia and the Australian Lot Feeders Association will reinforce through State Member Organisations, Affiliate Member Organisations and Meat and Livestock Australia to Cattle producers and the wider the livestock industries the risks associated with feeding of cotton by-product to livestock.
3. Cattle Council of Australia and the Australian Lot Feeders Association will through SAFEMEAT continue to support the use of the National Vendor Declaration and accompanying NVDs and CVDs as an effective method of identifying livestock which are at risk of residue violations.
4. Cattle Council of Australia and the Australian Lot Feeders Association will support the continuation of National Residue Survey monitoring for residues in meat of livestock through the Beef Industry Advisory Committee (BIAC) and SAFEMEAT Committees.
5. Cattle Council of Australia and the Australian Lot Feeders Association will assist in the investigation of reported actions of either industry's members in not complying with the principles set out in this agreement.

6. Cattle Council of Australia and the Australian Lot Feeders Association will work to insert appropriate information on the risks associated with cotton crop by-products into the guidelines and information which support the LPA QA (Cattlecare), NFAS and LPA programs.

General:

1. In the event of either a cotton industry member or livestock industry member becoming aware of an incident or action involving cotton by-product which could place livestock at risk of obtaining residues, the matter should be reported to the State Residue Co-ordinator in the appropriate state.
2. Where it becomes necessary for the State Residue Co-ordinator to make further enquiries with respect to a reported incident, initial contact should be made with either Cotton Australia Ltd or Cattle Council of Australia, who agree to notify the other party in a timely manner.
3. It is the responsibility of the State Residue Co-ordinator to advise Safemeat of the situation if it is considered necessary.

Definitions.

For the purposes of interpreting this document the following definitions should be noted.

- (a) **Cotton By-Product** - Materials which are a by-product of the production of cotton plants which include cotton gin trash, cotton crop residue and failed cotton crop material.
- (b) **Cotton Gin Trash** - Bark, cotton stalk fragments, leaves and other material such as dirt, which are separated from cotton lint during the ginning process.
- (c) **Cotton Crop Residue** - Cotton stalks, desiccated leaves which remain in field after the cotton lint is harvested.
- (d) **Failed Cotton Crop Residue** - whole cotton plant which has not reached maturity but has been abandoned.
- (e) **Approved Stockfeed / Compost Suppliers List** – A list of cotton gins that have agreed to be bound by the requirements set out in the List

Term and Termination

Cotton Australia, Cattle Council of Australia, Australian Lot Feeders Association and the Australian Cotton Ginners Association agree that this memorandum shall remain in effect until terminated by either party upon 90 days notice to the other party, where it is authorized to do so under its governing legislation.

Cotton Australia Limited

Dated:

Australian Cotton Ginners' Association

Dated:

Cattle Council of Australia

Dated:

Australian Lot Feeders' Association

Dated:

Australian Cotton Ginners' Association

DRAFT CODE OF PRACTICE

Management of Cotton Gin Trash

Waste cotton gin by-product commonly referred to as ¹*cotton gin trash* has the potential to contain residues of certain ²*pesticides* which are applied to an actively growing cotton crop during the cotton growing season. If consumed by livestock, the ³*residues* contained in the trash may accumulate in the meat and/or fat of animals and give rise to unacceptable pesticide residues which may place meat export markets at risk.

All reasonable efforts must be taken to ensure that livestock including beef cattle, dairy cattle, sheep and goats are not fed cotton gin trash or allowed access to this material unless the requirements specified in Attachment "2" are met.

Cotton Ginners will implement the following practices aimed at preventing livestock from gaining unauthorized access to cotton gin trash.

- (1) Cotton Ginners take all reasonable steps to ensure that cotton gin trash remains under their direct control and supervision until such times as it can be disposed of by approved means as outlined in (2) a and b below, on a site owned or controlled by the cotton gin, or when supplied as stock feed or compost by a cotton gin that is included on the "Approved Stockfeed / Compost Suppliers List" providing the requirements of Attachment "2" are met.
- (2) The following two methods of composting may be employed:
 - (a) Natural Composting - A process where cotton gin trash is placed in 1-1.5metre high rows and allowed to decompose over time with the assistance of natural rainfall and bacterial action
 - (b) Mechanical Composting - A process where cotton gin trash is placed in 1 - 1.5 metre high rows and allowed to decompose over time with mechanical interventions including maintaining moisture content at optimal levels with the addition of water and the mechanical turning of windrows.
- (3) Composting sites will minimize the generation of dust by the appropriate application of water.

¹ Waste material including dirt, bark, leaves, bracts, and other vegetative matter removed from cotton lint during the cotton ginning process.

² Pesticides are synthetic chemical substances as defined by various state legislation, which may be applied to cotton crops to control insects, weeds, fungi or control cotton plant growth.

³ Residue refers to the small concentrations of pesticides which may remain on plant material & in soil after application. Pesticides break down at varying rates according to the pesticide's characteristics and may be present after long periods of time in the case of persistent pesticides.

- (4) Composting sites will be located in areas where rainfall runoff can be controlled so as to prevent contaminated water moving to neighbouring properties or entering water courses or areas where livestock may consume the water.
- (5) Composting sites should be located such that they are not in flood-prone areas.
- (6) In the first instance, cotton gin trash will be composted, if possible, on the property where the ginning facility is located. If available land area is, or becomes a constraint, composting may be conducted on an alternative land area under the control of the ginning organisation or on an area of land owned by another person acting under contract to the ginning organisation. Where composting takes place remotely from the gin site or under contract, the composting site must comply with (3) (4) and (5) above.
- (7) Where it is necessary for gin trash to be removed from the gin site to another location for the purposes of composting, gin operators will take all reasonable steps to ensure that:
 - (a) the land area on which composting will be conducted is securely fenced and secured so as to prevent livestock accessing the cotton gin trash /compost.
 - (b) during the transporting process, cotton gin trash is prevented from falling from the transport vehicle(s).
 - (c) appropriate security including the locking of access gates and regular surveillance of the site is implemented so as to prevent the unauthorized entry and removal of trash by unauthorized persons.
 - (d) each section of fence and access gates securing the cotton gin trash /compost bears a prominent sign stating:

"COTTON GIN TRASH/COMPOST DO NOT FEED TO LIVESTOCK"
 - (e) if the cotton ginner or any person responsible for the security of the cotton gin trash/compost has reason to believe that the compost enclosure has been accessed by unauthorized persons, livestock have accessed the cotton gin trash/compost or material has been removed from the enclosure, then full details must be reported immediately to the State Residue Co-ordinator in the appropriate state.
- (8) In the case of a cotton gin operator engaging a landholder in a contract to compost cotton gin trash on his property, the cotton gin operator will include all of the requirements set out in item (7) above in the formal contract. In addition, the cotton gin

operator will include any additional terms and conditions he deems necessary to ensure the security of the cotton gin trash /compost in the particular circumstances. The cotton gin operator or his representative will further advise the contractor of the risks to livestock posed by cotton gin trash and the importance of security of the cotton gin trash/compost. A representative of the cotton ginning organisation will inspect the contract site on at least a weekly basis to ensure compliance of contract terms and conditions.

- (9) In the case of both cotton gin site and contract composting operations, the cotton ginning organisation will maintain accurate records of composting activities. Records will contain dates and quantities of cotton gin trash placed in composting sites; dates and quantities and details of compost transported, and details of any incidents of unauthorised access or removal of cotton gin trash/compost.
- (10) Compost from each season will be maintained separately and remain identifiable so that age of compost can be readily determined.
- Cotton ginners will not supply any person with cotton gin trash for any purpose including garden mulch, direct feeding to livestock or as an ingredient for manufactured stock feed unless the cotton gin is listed on the “Approved Stockfeed/Compost Suppliers List”
- (11) Where the cotton ginning operation is part of a large integrated farm which also operates a livestock enterprise on that farm, the gin operator will ensure that livestock do not have access to the ginning facilities or associated module yards, seed storages, cotton gin trash storages, gin yard water runoff storage dams or cotton gin trash composting areas. In addition, the operator will not use cotton gin trash as a stock feed including as an emergency drought fodder unless the requirements listed in Attachment (2) are met.
- (12) Other than for the purposes of composting cotton gin trash as a contractor to a cotton gin operator, individual growers who seek to obtain gin trash generated from the ginning of cotton grown on their own property will not be supplied with cotton gin trash by the cotton gin operator unless the gin operator is listed on the “Approved Stockfeed/Compost Suppliers List’.
- (13) Where cotton gin trash has been composted and has degenerated to a material of a soil like nature, it may be used as a soil enhancement material.
- (14) Where state legislation is in force which classifies cotton gin trash as a particular class of waste, cotton gin operators will comply with that legislation in the handling of the material for the purposes of disposal. In complying with that legislation, all reasonable effort will be taken to ensure that any risk of unauthorized access to the cotton gin trash by livestock is eliminated.

- (15) In the event of cotton gin trash being spilled from a transport vehicle during transport, the gin operator must, upon being made aware of the spill, take immediate action to retrieve the spilled material and remove it to the composting site.

Management of Cotton Gin Motes

Cotton gin motes should not be fed to livestock and as such, from the cotton gin operators position, will be treated the same as cotton gin trash where they are to be disposed of rather than be used for low grade industrial cotton products. Disposal will be by composting in accordance with the code of practice requirements for cotton gin trash.

Appendix 2

Requirements for Cotton Gins to be on “Approved Supplier List” for the supply of cotton trash for mulch or stockfeed.

Cotton gins must agree to the following conditions to be listed on the “Approved Suppliers List”.

-) Cotton gins supplying cotton trash must have had nil residues for organochlorine and endosulfan during National Residue Survey testing program in 2015 and subsequent testing programs.
-) Cotton gins which have positive organochlorine or endosulfan test results will be not be eligible to be on the “Approved Supplier List” until they produce negative organochlorine and endosulfan test results.
-) Cotton gins will undergo annual testing for residues, unless a positive residue result is achieved, whereby testing will occur four times per year until four consecutive negative results are achieved.
-) Cotton gins must check on the Livestock Production Assurance (LPA) accreditation database (<https://lpa.nlis.com.au/search>) to ascertain that a producer is currently accredited to LPA to ensure that cotton trash is only supplied to accredited producers regardless of whether it is to be used for mulch or stock feed.
-) Cotton gins must ensure that a copy of a fully completed and signed “Producer Accessing Cotton Trash Agreement” is on hand before any cotton trash is released / delivered to a producer.
-) Cotton gin must transmit to NLIS Limited¹ the details of the property / PIC / management / ownership /that cotton trash is being delivered to.
-) Cotton gins will supply a completed By-products Vendor Declaration form for each consignment to the producer obtaining cotton trash.
-) Cotton gin will retain copies of the Producer Accessing Cotton Trash Agreement and By-products Vendor Declaration form for a period of three (3) years.
-) Failure to conform to the above requirements will result in a cotton gin being removed from the “Approved Supplier List”.
-) Cotton gins must only supply cotton trash from 2017 crop onwards.

¹ Method of transmission to be discussed with NLIS Limited

Producer Accessing Cotton Trash Agreement

This form **must** be completed and signed by the owner/manager of the property for each consignment of cotton trash **before** the cotton trash is despatched from the gin or cotton trash storage site.

Name and address of cotton gin that is supplying cotton trash to the property identified below.	
Name of the property where cotton trash is to be delivered to.	
Property Identification Numbers (PIC) of the properties where cotton trash is to be delivered.	
Trading name of entity that owns the PIC and property where cotton trash is to be delivered.	
Full name of Owner / Manager of property and PIC where cotton trash is to be delivered.	
Address of property where cotton trash is to be delivered.	
Delivery date of cotton trash onto the property identified above.	
Amount of cotton trash in this consignment to be delivered to property identified above.	
Declaration	
<p>I, (Print full name) declare that I am the owner / manager of the property and PIC identified above, and I agree to the following requirements as a condition of supply of cotton trash from the cotton gin named above:</p> <ul style="list-style-type: none"> <input type="checkbox"/> I have been advised of the residue and commercial risks associated with having cotton trash delivered to my property. <input type="checkbox"/> I am aware that in accepting delivery of cotton trash to the property named above the Property Identification Code (PIC) for that property will have an "Accessed Cotton Trash" status applied to the PIC which will be disclosed on the NLIS database. <input type="checkbox"/> Livestock that have had or may have had access to cotton trash either as stock feed or mulch will be grazed on clean feed for a period of at least 60 days prior to dispatch for slaughter. <input type="checkbox"/> Cattle resident on the property will have an "Accessed Cotton Trash" Device Based Status applied to the individual NLIS devices attached to the cattle and the status will be disclosed on the NLIS database; this status will remain until the cattle have completed 60 days grazing on clean feed. If the cattle are moved to another PIC prior to the 60 day grazing on clean feed requirement having been completed the status will remain until the 60 days grazing on clean feed period has been completed. <input type="checkbox"/> Movements of any cattle from the property whilst within the 60 day grazing on clean feed period requirement that have or may have accessed cotton gin trash are notified to the NLIS database within 2 days and any subsequent movements are notified to NLIS within 2 days. <input type="checkbox"/> I will disclose at Question 9 of the NVD that the cattle have or may have accessed cotton gin trash if moving cattle to another PIC prior to the "60 days on clean feed" period has elapsed. <input type="checkbox"/> The commencement of the 60 day "grazing on clean feed" period must be verified by either a 	

Livestock Production Assurance auditor, local stock inspector or Local Land Services Vet or Ranger, who will verify the commencement date of cattle grazing only clean feed.

) I have a management plan in place to ensure the production system allows access to clean feed for 60 days, and I acknowledge that I will be subject to a random audit process to ensure a management plan is in place.

) I authorise the gin to provide to NLIS Limited, the address, PIC number, legal entity to whom the PIC is registered and the owner/managers name of the property where the cotton trash is to be used.

Date:

Signed:

The producer must retain a copy of this Producer Agreement for three years for audit purposes

Term and Termination

Cotton Australia, Cattle Council of Australia, Australian Lot Feeders Association and the Australian Cotton Ginners Association agree that this memorandum shall remain in effect until terminated by either party upon 90 days notice to the other party, where it is authorized to do so under its governing legislation.



Cattle Council of Australia

Dated: 9 October 2018

Cotton Australia Limited

Dated:



Australian Cotton Ginners' Association

Dated:

Australian Lot Feeders' Association

Dated:

Term and Termination

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Adrian McEntyre

Cotton Australia Limited

Dated: 09.10.2018

Cattle Council of Australia

Dated:

T. Herbert

Australian Lot Feeders' Association

Dated:

9/10/18.

Australian Cotton Ginners' Association

Dated: