

Australian Government response to the Independent Review of Australia's Livestock Export Trade (the Farmer Review) Farmer's recommendations affecting the domestic parts of the supply chain

The government notes that full implementation of these recommendations will require action by state and territory government and industry, as well as by the Commonwealth Government. Full implementation of the recommendations will result in standards that are clearer and more effective, with transparent lines of responsibility between the Commonwealth, state and territory governments for regulating the supply chain, and a through-chain industry QA system that complements government regulation.

Farmer Review recommendation

Recommendation 1 – The Review recommends that the Australian Government expedite work with the states and territories to more clearly articulate respective roles and responsibilities for regulating the livestock export supply chain.

Recommendation 2 – The Review recommends that the Australian Government urge the states and territories to develop and implement, as a priority, enforceable standards of welfare to replace Codes of Practice, incorporate the standards into legislation and prepare and implement compliance programs to monitor and enforce the regulations in the domestic phase of the livestock export trade.

Cattle, sheep and goat welfare standards should be produced as a priority for incorporation into state and territory legislation.

Recommendation 3 – The Review recommends that in line with the Australian Standards for the Export of Livestock (ASEL), industry develop and implement a through-chain QA system to complement government regulatory compliance programs.

Recommendation 4 – The Review recommends that the current inspection regime from Fremantle be reviewed, to ensure that thorough individual animal inspection by the AAV is conducted.

Government response

Agree in Principle.

The Australian Government will work with state and territory governments through appropriate Ministerial and senior official forums to clarify roles and responsibilities for the regulation of animal welfare along the livestock export supply chain in Australia.

Agree in Principle.

The Australian Government will work with state and territory governments through appropriate Ministerial and senior official forums to develop animal welfare standards that, when fully implemented, are nationally consistent and enforceable under jurisdictional legislation.

Agree in Principle.

The Australian Government is supportive of the development and implementation of industry led quality assurance systems that would, in conjunction with government regulatory compliance programs, better protect the health and welfare of animals along the entire livestock export supply chain. The government encourages industry to accept this recommendation and will provide advice to industry to assist.

Agreed.

The Australian Government Department of Agriculture, Fisheries and Forestry will review the current inspection arrangements for livestock exports from Fremantle to ensure equivalence with existing and future requirements of the Australian Standards

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The Australian Government Department of Agriculture, Fisheries and Forestry will review the current inspection arrangements for livestock exports from Fremantle to ensure equivalence with existing and future requirements of the Australian Standards for the Export of Livestock (ASEL).

Recommendation 5 – The Review recommends that the existing system of exporters contracting AAVs and stockpersons be supplemented by the following provisions: Enhanced auditing processes including targeted on-site (including shipboard) audit Daily and end-of-voyage reports to be forwarded to AQIS and the exporter simultaneously
Enhanced training and induction processes for AAVs
Consideration by industry of enhanced training and mentoring programs for stockpersons

Recommendation 6 – The Review recommends that a comprehensive review of ASEL be undertaken.
The review should inter alia examine the policy on export of sheep from southern ports to the Middle East in winter months, with a view to:

- mitigate feedlot and shipboard losses in adverse weather conditions
- mitigate losses from heat stress and inanition during the voyage.

The review should also consider additional specific criteria, identified in recent industry-funded research, for selection of suitable livestock for export.

Recommendation 7 – The review recommends that the role and function of the Livestock Export Standards Advisory Group should be reviewed.

Recommendation 8 – The Review recommends that the Australian Government should work with the states and territories and industry to implement individual identification of all sheep and goats as soon as practicable.
As a priority, current exemptions applying to export cattle from the Northern Territory and Western Australia should be removed.

Agreed.

The Australian Government will implement additional measures to improve the operation of AQIS-accredited veterinarians (AAV) for livestock exports. The additional measures include strengthening auditing arrangements used to assess the performance of AAVs, enhanced training and induction processes, as well as AAVs submitting reports directly to AQIS at the same time such reports are transmitted to the exporter.

The Australian Government supports efforts by industry to enhance training, induction and mentoring processes for stockpersons. In addition, the shipping standards relating to the export of livestock will be subject to review under the following:
Review of the existing Australian standards for the export of livestock; and
The Australian Maritime Safety Authority's review of Marine Orders Part 43.

Agreed.

The Australian Government will undertake a comprehensive review of the Australian Standards for the Export of Livestock (ASEL) to determine improvements that can be made to the standards, taking into account information and findings of the review and recent research of relevance.

Agreed.

The Australian Government will review the role and function of the Livestock Export Standards Advisory Group.

Agreed in Principle.

The Australian Government will continue to work with the state and territory governments to develop and implement a unique animal identification system for sheep and goats.

The Australian Government has been consulting with the Western Australian and Northern Territory Governments to remove existing exemptions of certain

cattle from the National Livestock Identification System.

Farmer's recommendations affecting the overseas parts of the supply chain

The government notes that the adoption of these recommendations will result in a significant change to the regulatory framework around the export of live animals to overseas markets that is expected to result in a substantial improvement in assurance around the treatment of Australian animals. In implementing these recommendations it will be necessary to have comprehensive discussions with importing countries to address any specific market issues or sensitivities with the new regulatory framework. There is also considerable activity required by industry to meet the requirements of the framework.

Farmer Review recommendation

Recommendation 9 – The Review recommends that the Australian Government, on the basis of its recent decisions, recommendations in this Review and recommendations by Industry Government Working Groups, set out a clear statement of its intended policy and operational approaches to the livestock export industry, emphasising the elements of sustainability of trade and assurance of animal welfare for exported Australian livestock.

Recommendation 10 – The Review recommends that the approach developed for the export of feeder and slaughter livestock to Indonesia should be developed for all supply chains (that is, all markets and all species of feeder and slaughter livestock), with variations which might be necessary to take account of different species or market circumstances. The minimum requirements should be that all elements of the supply chain must meet, at a minimum, the OIE standards; that animals entering a supply chain must be accounted for; that there be independent third party assessment of each supply chain; and that the exporter demonstrate whole of supply chain control, enabling accounting for animals and ensuring treatment according to OIE standards. In implementing the new arrangements, the Australian Government should set a timeframe which will take account of the following elements:

- a) There should be consultation with foreign governments.
- b) There should be consultation with

Government response Agreed.

The Australian Government will clearly articulate its policy and the operational arrangements for the livestock export trade. The Australian Government has already affirmed that the long-term sustainability of the livestock export industry is dependent on the development of regulatory arrangements that achieved the following principles:

1. meets World Organisation for Animal Health (OIE) standards for animal welfare;
2. enables animals to be effectively traced or accounted for by exporters within a supply chain through to slaughter;
3. has appropriate reporting and accountability; and
4. is independently verified and audited.

This work will entail updating the existing „Australian Position Statement on the Export of Livestock“.

Agreed.

The Australian Government will implement the supply chain assurance model approach developed for Indonesia, as appropriately modified to specific circumstances, to all markets and for all livestock species intended for feeder and slaughter. The new supply chain approach will be phased in over time such that around 75 per cent of the trade will be included by 29 February 2012, 99 per cent of the trade by 31 August 2012 and 100 per cent of livestock exports by 31 December 2012. New markets that have had no live export trade for the past five years can only commence trade under the new regulatory framework.

The government will develop a communication strategy that clearly articulates the industry and government responsibility under the new regulatory framework undertake extensive consultation with governments in countries importing Australian livestock to explain the key elements of the new framework during the implementation

Australian industry.

- c) There should be a clear articulation of regulatory mechanisms, expectations and requirements.
- d) The process should be completed for all supply chains by the end of 2012.
- e) The process should set out priorities for attention, beginning with the largest markets or others with special circumstances; any proposed exports to new markets should be subject to the proposed arrangements with immediate effect.
- f) There should be no interruption of trade in the meantime.

phase

consult with the Australian industry during implementation of the new framework encourage industry and trading partners to strengthen their efforts, ahead of full implementation of the new regulatory framework, to improve animal welfare outcomes.

Recommendation 11 – The Review recommends that industry should make its own plans to move to arrangements consistent with the proposed approach and do so to the extent possible before the onset of transition timeframes established by the Australian Government. The prevention of leakage from supply chains should be a particular priority in the immediate future.

Agreed in Principle.

The Australian Government will encourage industry to establish arrangements, ahead of full implementation of the new regulatory framework, that seek to improve animal welfare outcomes, minimise leakage from supply chains and prevent the sale of animals where handling and slaughtering practices are below OIE standards

Recommendation 12 – The Review recommends that:
DAFF/AQIS should examine resourcing, information and other requirements necessary for the efficient discharge of policy advice, regulatory and other responsibilities in relation to the overseas elements of the supply chain.
DAFF/AQIS should also review issues identified in the Review in relation to service delivery and regulation in the domestic elements of the supply chain.

Agreed.

The Australian Government will examine the information and resourcing requirements to fully implement the new regulatory framework. This includes provision of policy advice and discharge of regulatory functions for live animal exports.
The Australian Government will also review other issues raised in the Farmer Review concerning the domestic elements of the supply chain and the associated service delivery and regulatory arrangements, noting that this will also require input from and cooperation by state and territory governments.

Recommendation 13 – The Review recommends that, on the basis of experience during the implementation of the new arrangements, the Australian Government should if necessary refine the requirements. It should report to the Australian Parliament by June 2013, outlining initial experience and making judgements about the effectiveness of the approach in delivering animal welfare outcomes and facilitating trade.

Agreed in Principle.

The Australian Government supports refining the regulatory framework on the basis of experience gained during the implementation process, if necessary. However, the government believes that it will take some time to put in place the new arrangements and to be able to assess the effectiveness of these arrangements. However, this should be held a full year after implementation (that is in 2014) to allow sufficient audit results to be

obtained to assess the arrangements. .

Recommendation 14 – The Review recommends that the Australian Government should articulate an approach to the question whether there is a need for any additional conditions for the export trade in breeder livestock.

Australian Government response to findings of Industry Government Working Group (IGWG) on Live Sheep and Goat Exports IGWG for Live Sheep and Goat Exports findings

Finding 1 – The IGWG proposes that a new regulatory framework for live sheep and goat exports be based around the following elements:

the Australian Government will apply regulation to Australian exporters; animals must be exported only through approved supply chains that have been assessed by independent auditors as meeting OIE requirements; the exporter must provide evidence demonstrating supply chain control from point of unloading of the vessel to the point of slaughter; a process of animal accountability must be in place throughout the supply chain, including at the point of unloading, at the feedlot/holding facility, at the abattoir/slaughter facility and at other defined intermediate stages of the supply chain (such as other feedlots) with data retained for each point that can be audited and reconciled by the independent auditor; independent audits must be undertaken before the first consignment into a new exporter supply chain, followed by frequent audits (for example, every two months) for the first six months of a new supply chain, and then at a frequency determined by a risk-based approach involving a minimum of three audits per year (this should include audits at peak periods during festivals for countries where relevant); and outcomes of audit reports will be published regularly.

Agreed in Principle.

The Australian Government notes the Review findings that there are practical difficulties in extending the new regulatory framework for feeder and slaughter livestock to livestock that are exported for breeding purposes. The Australian Government accepts the need to articulate a policy on breeder livestock but will further consider whether there is a need for additional conditions to be placed on the export of these livestock.

Government response

Accept.

See Australian Government response to Farmer Review recommendation 10.

Finding 2 - The IGWG proposes that the schedule for transition to the new regulatory framework be based around: sequencing of markets based on size of the trade to those markets; and timing based on a combination of practical considerations (what's able to be done) and sensitivities to market considerations.

Accept.
See Australian Government response to Farmer Review recommendation 10.

Finding 3 - The IGWG proposes that in order to address immediate risks prior to the implementation of the new regulatory framework: industry and government continue to strengthen their efforts to significantly limit private sales in importing markets; industry take action to prevent sales of animals through supply chains that involve facilities that are known to fall well below OIE requirements; and Australian officials increase their activities with government officials in key overseas markets.

Accept.
See Australian Government response to Farmer Review recommendations 10 and 11.

Tranche	Countries	Implementation Date	Percentage of Trade
Existing	Indonesia, Egypt	Post-arrival regulatory arrangements already in place.	75 per cent
Tranche 1	Kuwait, Bahrain,	By 29 February 2012	
Tranche 2	Israel, Japan, Jordan, Malaysia, Oman, Philippines, Saudi Arabia, Singapore, United Arab Emirates	By 31 August 2012	99 per cent
Tranche 3	Brunei, Mauritius, Russia, Vietnam, other markets	By 31 December 2012	100 per cent

Note: The new regulatory framework will be applied to new markets on their commencement.

The Government has made an allocation of \$10 million from the Official Development Assistance (ODA) contingency reserve to eligible countries that import Australian livestock in order to improve animal welfare outcomes. This fund will be spread across ODA eligible nations. The details of this assistance will be settled with eligible nations.

The Government has also made \$5 million available to support exporters to deliver improved supply chains. This funding will be available on a 3:1 investment ratio. The full details of this program will be settled in consultation with industry.