

10 September 2014

MEDIA STATEMENT

ESCAS CHANGES A WELCOME START

The Australian Livestock Exporters' Council (ALEC) has welcomed the 'early harvest' administrative changes to the Exporter Supply Chain Assurance System (ESCAS) announced today by the Minister for Agriculture, the CEO of ALEC, Alison Penfold said.

"We are committed to animal welfare. We are not committed to inefficient administrative processes and associated excessive costs. Today's announcement addresses the latter and we are pleased the Minister has moved to implement these changes.

"The changes will streamline and approve the administrative efficiency of ESCAS and align with industry suggested improvements – a firm start to reform.

"Recognising that ESCAS – a first of its kind internationally - is a complex regulatory system and was designed in a matter of weeks, our knowledge and experience over the past three years is critical to support further changes.

"Experiences from the implementation of ESCAS highlight areas for improvement that will lead to improved animal welfare outcomes, facilitate market access and remove unnecessary regulation.

"The Government has an opportunity to reduce regulatory inefficiencies caused through the prescriptive and bureaucratic approach to ESCAS administration, unnecessary red-tape not supporting improved animal welfare outcomes, and a lack of consistency, transparency and predictability in regulatory decision-making.

"The Government's review of ESCAS we hope will recognise this."

Separating ESCAS from individual consignment approvals

Ms Penfold said that under the current application and approval process, where an exporter submits a Notice of Intention to Export (NOI) for the export of feeder/slaughter livestock, the ESCAS arrangements for the consignment must be reviewed and approved at the same time.

"This process creates excessive duplication by failing to recognise the whole ESCAS network of an exporter and creates unnecessary timeframe tensions between the Department and commercial arrangements of exporters.

"The announcement will allow for a "standing" ESCAS approval. Supply chains will have to be approved before exporting but only once. This will significantly reduce duplication, remove unnecessary bottlenecks and potentially reduce the time the Department spends assessment NOIs and ESCAS applications.

"Exports will still only go to approved supply chains so there are no changes to the outcomes of ESCAS (welfare assurance). The decision has no impact on the auditing regime which is linked to supply chain performance.

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Risk based auditing for compliant supply chains

"This decision reflects recognition that well performing low risk supply chains should be recognised for their performance. The number of audits required could be reduced for supply chains that have a good record of compliance.

"The decision does not affect the Department's ability around determining the audit regime for facilities that have poor performance or are new supply chains.

"The announcement is a good first step in improving the auditing framework within ESCAS. There is more work to be done. 34% of audits are duplicated, costing industry \$1.8 million a year, costs that do not improve outcomes, just line the pockets of auditors.

Consolidating and improving auditor checklists used to assess compliance

"The current animal welfare checklist developed from the OIE animal welfare guidelines, contains a number of audit points which are subjective and allow for variability in auditor interpretation and approach; and are complicated and extensive and assessed by auditors at an extraordinarily high frequency when compared to other third party audited programs.

"The current checklist is repetitive and requires significant auditor time and effort resulting in heightened costs and inefficiency. The auditor costs associated with the current level of duplication are estimated at an additional 25%.

"The announcement to consolidate the checklist will focus the auditor on critical control points and the highest risk, highest impact areas. It will minimise subjective elements, encourage auditor consistency and maintains the key principles of the OIE guidelines. It will also bring the ESCAS checklist in line with normal checklist practice."

Ms Penfold said that ALEC will work with the Department on the timeline for implementation and ensure the efficiencies expected are delivered.

Ends

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