



Australian Government
**Department of Agriculture,
Fisheries and Forestry**

INTERIM INSPECTOR-GENERAL OF BIOSECURITY

Interim Inspector-General of Biosecurity

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Annual Report 2012–13

To Senator the Hon Joe Ludwig

Minister for Agriculture, Fisheries and Forestry

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Introduction

I am pleased to report that the Interim Inspector-General of Biosecurity (IIGB) audit work program for 2012–13 has delivered seven reports to the Minister. A further four audits are ongoing and will be completed in 2013–14.

My selection of IIGB strategic audit topics has continued to be guided by a themed planning process that is refreshed annually over a three-year cycle. One theme of major interest is the changes in service delivery that have resulted from the Department of Agriculture, Fisheries and Forestry (DAFF)'s adoption of a risk return approach to its investment of resources across the wide spectrum of its biosecurity responsibilities. Accordingly the IIGB audit work program is moving to place greater emphasis on post-implementation audit of services that have adopted risk-based intervention for imported goods.

Another theme of interest is the increasing reliance DAFF places on offshore biosecurity risk management schemes and control strategies for imported goods with the associated reduction in quarantine interventions on arrival. The effectiveness of these offshore arrangements depends heavily on compliance with DAFF import conditions by suppliers and exporters. More importantly, it relies on the capability and performance of relevant officials of the exporting country to provide valid controls and certification of goods being exported. In my role as the IIGB, I consider it essential to evaluate the basis of DAFF's confidence to accept that such arrangements provide effective biosecurity risk management.

To date, audit and review topics have been focussed on aspects that relate to commodities, risk pathways and DAFF service delivery systems. It is important to be alert for, and identify, broader or common service delivery issues that may require improvement across the DAFF biosecurity functions. Biosecurity compliance failures in supplier/importer pathways leading up to 2012–13 highlight a need for improvements to DAFF's surveillance and intelligence systems that will enable DAFF to build better deterrence and detection systems to combat non-compliance. Fundamental elements to achieve real development in these areas are the recruitment of appropriate skills and the availability of capable information management systems.

The long-awaited enactment of the Biosecurity Bill and the related Inspector-General of Biosecurity Bill will provide exciting new improvements to the Australian biosecurity system. Both bills have been under parliamentary consideration in 2012–13. The role of Interim Inspector-General of Biosecurity was established in 2009 under administrative arrangements pending the passage of the legislation that will enable transition of the role to its intended statutory function. It has been my privilege to have initiated and developed that role since its inception.

This year has seen the strategic strengthening of the audit skills within the small DAFF team that supports the work of the IIGB.

The role of the Interim Inspector-General of Biosecurity

The IIGB is a transitional role while the future statutory position of the Inspector-General of Biosecurity is being developed under the Australian Government's proposed amendments to biosecurity legislation.

On 1 July 2009, the government appointed an Interim Inspector-General of Biosecurity. The IIGB role continues with a broad scope to audit, investigate and review the biosecurity systems and risk management measures that are the responsibility of the department's biosecurity divisions. Audits or investigations may be commissioned by the Minister, or developed as part of an annual work program by the IIGB. An indicative annual work program is listed on the IIGB website (<http://www.daff.gov.au/about/publications/interim-inspector-general-of-biosecurity>). The IIGB role subsumed that of the Interim Inspector-General of Horse Importation, which was established following the inquiry concerning the outbreak of Equine Influenza in Australia in 2007.

The IIGB role is independent of the department's biosecurity divisions. The IIGB reports to the Minister and makes key findings and recommendations publicly available. The IIGB remains accountable to the Secretary of the Department of Agriculture, Fisheries and Forestry on matters of governance and administration.

Interim Inspector-General of Biosecurity activities in 2012–13

Table 1 outlines the activities undertaken by the IIGB in 2012–13, while a summary of each activity follows.

Table 1 Audit activities undertaken by the IIGB in 2012–13.

Activity	Audit/review title and objective	Status
Application of IIGB equine pre-export quarantine methodology	Desktop review – the approval of offshore pre-export quarantine facilities for importing horses to Australia	Completed
Audit	Audit of the procedures at Eastern Creek Animal Quarantine Station (Sydney, New South Wales) for importing horses to Australia	Completed
Audit	Audit of the Werribee Post-Arrival Quarantine Facility (Melbourne, Victoria)	Completed
Incident review	An examination of biosecurity controls associated with the export from Australia of live abalone to China and Hong Kong	Report forwarded to Minister on 30 August 2012

Audit	An examination of the effectiveness of DAFF controls to manage the biosecurity risks in the importation of freshwater and marine ornamental fish	Report forwarded to Minister on 16 November 2012
Incident review	An examination of the biosecurity and quarantine risks associated with the unlawful importation of Korean food detected in December 2010	Report forwarded to Minister on 17 April 2013
Audit	An examination of the effectiveness of DAFF controls to manage the biosecurity risks for imported uncooked, cooked and cured pig meat	Report forwarded to DAFF Secretary for comment on 12 June 2013
Application of IIGB equine pre-export quarantine methodology	Desktop review – the approval of offshore pre-export quarantine facilities for importing horses to Australia	Draft report forwarded DAFF Biosecurity for fact checking on 27 June 2013
Audit	An examination of the effectiveness of biosecurity controls that DAFF has in place for animal breeding material (mammalian semen and ova/embryos only) imported into Australia	Draft report in progress
Audit	An examination of the performance of the systems that DAFF has in place to manage biosecurity risks along entry pathways for international mail and air cargo with a particular focus on mail orders and internet purchases	Fieldwork in progress
Audit	An examination of the performance of the systems that DAFF has in place to manage biosecurity controls for the import of plant-based stockfeed	Planning

An examination of biosecurity controls associated with the export from Australia of live abalone to China and Hong Kong

At the request of the Minister for Agriculture, Fisheries and Forestry, the IIGB undertook an incident review to examine the biosecurity/sanitary controls associated with the export from Australia to China and Hong Kong of live abalone consignments that may have been contaminated by paralytic shellfish toxin (PST).

The IIGB noted that several stakeholder organisations are involved in the management and export of abalone. A lack of clear documentation about how DAFF interacts with these stakeholders poses difficulties for anyone seeking assurance that PST risk management is effective in the abalone industry.

The IIGB made four recommendations aimed at enhancing DAFF's export certification and verification processes:

- that DAFF, in consultation with relevant Tasmanian stakeholders, develops a paralytic shellfish toxin (PST) risk management process map indicating control and decision points in the abalone harvesting and export processes
- that the minister considers communicating with the Tasmanian Abalone Council Ltd to acknowledge and further encourage the abalone industry's continued collaboration with the Tasmanian Shellfish Quality Assurance Program (TSQAP) to develop a PST predictive capability for the implementation of risk management measures for abalone
- that DAFF considers modifications to its export documentation system (EXDOC) to allow automated control checks before issuing export certificates for abalone
- that DAFF considers undertaking a risk assessment for revision of the Australian Shellfish Quality Assurance Program (ASQAP) Export Standards 2004 to include abalone in the definition of shellfish.

An examination of the effectiveness of DAFF controls to manage the biosecurity risks in the importation of freshwater and marine ornamental fish

As part of the IIGB's 2012–13 annual work program, the IIGB examined the effectiveness of controls used by the DAFF to manage biosecurity risks associated with the importation of freshwater and marine ornamental fish.

Ornamental fish have long been considered a high risk import commodity due to the potential for introduction and establishment of exotic diseases of aquatic animals. Certain imported species of fish also have the potential to impact negatively on Australian ecosystems. The management of these risks during importation poses challenges, such as the identification of species and detection and exclusion of diseased fish. In addition, the science and technologies available to manage disease risks are less well developed and comprehensive in the area of fish health than those in the terrestrial animal health sphere.

The IIGB made six recommendations aimed at strengthening the controls that DAFF currently has in place to detect and mitigate biosecurity risks associated with imported freshwater and marine ornamental fish:

- That future importation of ornamental fish be permitted only from exporting countries that, after evaluation by DAFF, are found to meet contemporary country and competent authority standards.
- That DAFF establish and maintain a list of approved suppliers/exporters to facilitate monitoring of compliance and to initiate timely remedial action in response to detected noncompliance with Australian import requirements.
- That DAFF put in place a system for gathering and analysing data on seizure and noncompliance of live imported fish consignments to enable timely monitoring of

performance of each approved country's competent authority and exporters against Australian import requirements.

- That the Director of Animal and Plant Quarantine respond as soon as possible to the recommendations of the July 2010 provisional final IRA with respect to biosecurity risk management for iridoviruses.
- That DAFF develop a formal training package for fish inspectors. This should include monitoring of the ongoing competency of inspectors.
- That DAFF pursue development of legislative requirements that enable fit and proper person considerations in the QAP application and approval process.

Audits of pre-export and post-arrival quarantine facilities for importing horses to Australia

Under ongoing commitments to the Australian Government's response to the 2008 Report of the Equine Influenza Inquiry, the IIGB continues to undertake periodic audits of operations and procedures that are applied to the importation of horses to Australia.

The IIGB has responsibilities to evaluate and verify biosecurity systems and programs across the entire biosecurity continuum. In light of recent moves toward a risk return approach in biosecurity risk management it is appropriate to balance the IIGB's focus on pre-export quarantine (PEQ) facilities throughout the annual audit work program. The IIGB maintains discretion to inspect pre-export quarantine (PEQ) facilities on an ad hoc basis and has developed an audit methodology to examine the processes undertaken by DAFF Biosecurity in approving offshore pre-export quarantine facilities for importing horses to Australia.

One audit relating to horse quarantine facilities used for importing horses to Australia and two audits relating to horse quarantine facilities in Australia were undertaken as part of the IIGB audit work program for 2012-13.

Approval of offshore pre-export quarantine facilities for importing horses to Australia

The IIGB undertook a desktop audit to assess the approval processes for all current DAFF approved offshore pre-export quarantine (PEQ) facilities used for importing horses to Australia.

The IIGB noted that DAFF's processes to approve offshore horse PEQ facilities for importing horse to Australia are satisfactory. As a result no recommendations or findings were raised as part of this review.

Audit of the procedures at Eastern Creek Animal Quarantine Station (Sydney, New South Wales) for importing horses to Australia

The objective of this audit was to observe the operations and procedures at the Eastern Creek Quarantine Station (ECQS) for importing horses to Australia. The timing of the audit coincided with the initial stage of the post-arrival quarantine (PAQ) for a consignment of 72 horses imported from Germany, Ireland, United Kingdom and the United States of America. The audit focused on the facilities and procedures undertaken at the ECQS.

The IIGB noted that the operational standards applied by DAFF to the horse quarantine area of the ECQS are satisfactory and are being implemented in suitable ways that meets DAFF biosecurity requirements.

Audit of the Werribee Post-Arrival Quarantine Facility (Melbourne, Victoria)

The objective of this audit was to observe the operations and procedures at the Newminster Werribee PAQ facility at the Werribee Racecourse. The timing of the audit coincided with the initial stage of the PAQ for a consignment of horses being imported to Australia for the Victorian Spring Racing Carnival. The audit focused on the facilities and procedures undertaken at the PAQ, as well as the performance of nasopharyngeal swabbing techniques by nominated clinical veterinarians.

The IIGB found a satisfactory level of compliance with the biosecurity and quarantine requirements that apply to this PAQ.

An examination of the biosecurity and quarantine risks associated with the unlawful importation of Korean food detected in December 2010

At the request of the Minister for Agriculture, Fisheries and Forestry, the IIGB undertook an incident review to provide independent advice on an incident involving the detection of the undeclared/unlawful importation of food products from the Republic of Korea.

The IIGB's review examined the biosecurity risks associated with the importation of the undeclared/unlawful food products from the Republic of Korea. The IIGB also considered whether DAFF's procedures and operations should be improved to reduce the likelihood of such biosecurity risks recurring.

The IIGB made four recommendations in key areas to improve:

- information used for inspection purposes
- the role and mission of DAFF in administering the Quarantine Act 1908
- system of information capture, analysis and intelligence for biosecurity risk management
- quarantine inspection regimes addressing the importation of undeclared/unlawful products.

The effectiveness of controls for imported uncooked, cooked and cured pig meat

As part of the IIGB's 2012–13 annual work program the IIGB examined effectiveness of controls used by the DAFF to manage biosecurity risks associated with the importation of uncooked, cooked and cured pig meat.

The DAFF controls for the importation of uncooked, cooked and cured pig meat are designed and managed to a generally adequate degree to address the biosecurity risks involved. Some improvements to these controls are the subject of recommendations in the audit report.

Additional system enhancements can be made to improve the reporting of uncooked, cooked and cured pig meat imports.

The IIGB made four recommendations that relate to:

- Instituting a formal cyclical review process for approved countries to ensure that approved exporting countries have the appropriate systems and procedures in place to meet Australia's import requirements for pig meat.
- Investigating what data and information is being collected and how this information can be extracted from DAFF systems, in particular the AQIS import management system, to assist in the reporting of importation of uncooked, cooked and cured pig meat.
- Developing a random inspection regime for uncooked pig meat consignments, which has a focus on opening a sample of cartons to confirm uncooked pig meat products received are in line with DAFF biosecurity requirements.
- Ensuring that the minimum audit regimes for quarantine approved facilities and facilities operating under compliance agreements are adhered to.

Recommendations arising from Interim Inspector-General of Biosecurity activities

All IIGB audit recommendations are included in the departmental database to track and report on the status of each recommendation.

As at 30 June 2013, the IIGB has issued 67 recommendations accepted by management for implementation. The department has completed actions to implement 65 of those recommendations. DAFF management report that implementation of the remaining 2 recommendations is in progress.

An additional 18 recommendations are being considered by DAFF management as a result of my reviews relating to abalone, ornamental fish, Korean food and pig meat.

Conclusion

The activities and achievements summarised in this report for 2012–13 relate to only a small number of components that fit into the vast range of program and service delivery functions that constitute DAFF's biosecurity responsibilities. Going forward there is a broad range of challenges for audit and review of the effectiveness of biosecurity functions and systems for the expected IGB role.

As my term of appointment to the role of Interim Inspector-General of Biosecurity is ending, I reflect with pride on the great opportunity afforded to me to establish the functionality of this novel, unique position in our national biosecurity system following the Australian Government's decision to create the statutory role. Many aspects of my career-long experience in animal and plant biosecurity at industry, state, national and international levels have come into play in executing the role of the IIGB.

In this role, I have had the privilege of interacting with many DAFF staff throughout the agency during this and earlier years. A genuine displayed willingness to engage in open and robust

discussions has highlighted to me the strong dedication to achieving sound biosecurity outcomes that exists in the organisational culture of DAFF. Sharing of views and ideas on biosecurity risks (emerging and ever-present), service delivery functions and challenges has been of great assistance for me to identify IIGB strategic priorities and to plan broad-ranging audit and review programs across Australia's biosecurity continuum.

The conduct of the role and the delivery of the work program of the IIGB would be unachievable without the activities of the dedicated support team within the Governance Division of DAFF. I am immensely appreciative of their efforts and care. It has been a privilege for me to interact with this small team of enthusiastic and skilled people throughout this year.

[signed]

Dr Kevin Dunn
Interim Inspector-General of Biosecurity
27 June 2013