



Australian Government
Department of Agriculture

INTERIM INSPECTOR-GENERAL OF BIOSECURITY

Interim Inspector-General of Biosecurity

Dr Michael Bond

Annual Report 2013-14

To the Hon Barnaby Joyce

Minister for Agriculture

Table of contents

Introduction	2
Role of the Interim Inspector-General of Biosecurity	2
Status of 2013-14 work program	3
– An examination of the biosecurity and quarantine risks associated with the unlawful importation of Korean food detected in December 2010	4
– Approval of offshore pre-export quarantine facilities for importing horses to Australia	4
– The effectiveness of controls for imported uncooked, cooked and cured pig meat	4
– An examination of the effectiveness of DAFF controls to manage the biosecurity risks in the importation of freshwater and marine ornamental fish	5
– An examination of biosecurity controls associated with the export from Australia of live abalone to China and Hong Kong	6
– Importation of untanned animal hides from Colombia in 2012-13	6
– IIGB arrangements for oversight of horse biosecurity risk management	7
Recommendations arising from Interim Inspector-General of Biosecurity activities	8
Summary	8

Introduction

The role of Interim Inspector-General of Biosecurity (IIGB) was established as part of the government's response to the Beale Review in 2008, an independent review of Australia's quarantine arrangements that proposed 84 wide-ranging, strategic recommendations for the effective management of national biosecurity risks.

On 1 July 2013 I was appointed as IIGB, replacing Dr Kevin Dunn. Following his appointment in 2009, Dr Dunn undertook 20 reviews and made 67 recommendations aimed at strengthening Australia's biosecurity arrangements. Dr Dunn's substantial contribution in identifying possible improvements to the Department of Agriculture's (the department) management of biosecurity risks, and also overseeing the transition of the IIGB role to cover the whole 'biosecurity continuum', is acknowledged.

Shortly after commencing work in August 2013, I decided it was necessary to focus on several imported consignments of untanned animal hides, which appeared to pose significant potential risks for our livestock industries; this necessitated diverting resources to this investigation and the suspension of some work program activities. As a consequence, two major audits were substantially delayed.

I am pleased to report that during 2013-14, seven reports were published, with 29 recommendations to the Minister. An additional four audits have been largely completed, and these reports will be finalised early in 2014-15.

Role of the Interim Inspector-General of Biosecurity

The Beale Review emphasised the value of independent audits, in providing 'indispensable assistance in verifying the performance of individual programs and providing an objective overview of the organisation'. Such a specialist independent audit function would provide trading partners with additional comfort about the effectiveness of Australia's biosecurity system. An impartial and transparent scrutiny of specific aspects of biosecurity controls and management should also provide stronger assurance regarding the quality of the department's policies and procedures.

When the government appointed Dr Dunn as IIGB in July 2009, the role subsumed that of the Interim Inspector-General of Horse Importation, which had been established following the Callinan Inquiry into the outbreak of equine influenza in 2007.

The IIGB role has 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 published on the IIGB website (<http://www.igb.gov.au>).

The IIGB reports directly to the Minister and makes key findings and recommendations publicly available. While the role's independence is of critical importance, the IIGB remains accountable to the Secretary of the department concerning matters of governance and administration.

Status of 2013-14 work program

Table 1 Status of 2013-14 IIGB work program

Activity	Audit/review title	Status
Incident review	*Undeclared importation of food from the Republic of Korea detected in December 2010	Published 2 Aug 2013
Desktop review	*Approval of offshore pre-export quarantine facilities for importing horses to Australia	Published 16 Dec 2013
Audit	*Effectiveness of controls for imported uncooked, cooked and cured pig meat	Published 17 Dec 2013
Audit	*Effectiveness of controls to manage biosecurity risks in the importation of freshwater and marine ornamental fish	Published 17 Dec 2013
Incident review	*Examination of biosecurity controls associated with the export from Australia of live abalone to China and Hong Kong	Published 30 Jan 2014
Incident review	Importation of untanned animal hides from Colombia in 2012-13	Published 24 Feb 2014
Review	IIGB arrangements for oversight of horse biosecurity risk management	Published 15 May 2014
Audit	†Managing biosecurity risks associated with international online purchases	Draft report in progress
Audit	†Effectiveness of biosecurity controls for imported animal breeding material (mammalian semen and embryos)	Draft report in progress
Audit	Effectiveness of biosecurity controls for imported fresh cut flowers	Draft report in progress
Audit	Biosecurity controls for the import of plant-based stockfeed	Fieldwork in progress

* The fieldwork, analysis and report for each of these audits/reviews was done under the supervision of the previous IIGB, Dr Kevin Dunn.

† The planning and fieldwork for each of these audits was done under the supervision of the previous IIGB, Dr Kevin Dunn.

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

The IIGB's review examined the biosecurity risks associated with the importation of food products from the Republic of Korea, detected in December 2010. The IIGB also considered whether the department's procedures and operations should be improved to reduce the likelihood of such biosecurity incidents recurring.

The IIGB made four recommendations in key areas to improve:

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

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

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

The IIGB noted that the department'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.

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

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

The IIGB found that the department's controls for the importation of uncooked, cooked and cured pig meat are designed and managed adequately 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 related to:

- instituting a formal cyclical review process for approved countries to ensure that exporting countries have 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 the department's 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, with a focus on opening a sample of cartons to check that uncooked pig meat products comply with the department's biosecurity requirements
- ensuring that quarantine approved facilities and facilities operating under compliance agreements adhere to the minimum audit regimes.

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 annual work program, the IIGB examined the effectiveness of controls used by the department 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 department's controls to detect and mitigate biosecurity risks associated with imported freshwater and marine ornamental fish:

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

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

- the Director of Animal and Plant Quarantine respond as soon as possible to the recommendations of the July 2010 provisional final Import Risk Analysis with respect to biosecurity risk management for iridoviruses
- that the department develop a formal training package for fish inspectors, together with a system to monitor the competency of inspectors
- that the department pursue the development of legislative requirements to enable assessment by fit and proper persons, as part of the Quarantine Approved Premises application and approval process.

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

At the request of the former Minister for Agriculture, Fisheries and Forestry Minister, 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 industry organisations are involved in the management and export of abalone. It was apparent that a lack of clear documentation covering the department's interaction with key stakeholders in the abalone industry poses risks in maintaining effective quality assurance particularly in relation to potential PST contamination.

The IIGB made four recommendations aimed at enhancing the department's export certification and verification processes, that the:

- department, in consultation with relevant Tasmanian stakeholders, develop a PST risk management process map showing control and decision points in the abalone harvesting and export processes
- minister consider 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 to develop a PST predictive capability for the implementation of risk management measures for abalone
- department consider modifying its export documentation system to allow automated control checks before issuing export certificates for abalone
- department consider undertaking a risk assessment for revision of the Australian Shellfish Quality Assurance Program Export Standards 2004 to include abalone in the definition of 'shellfish'.

Importation of untanned animal hides from Colombia in 2012-13

On 16 May 2013 the department received information from a cold store owner (QAP operator) in Sydney about a significant quantity of animal hides that had been stored at the facility since

September 2012. The owner was concerned that the hides, which had been imported from Colombia, did not appear to be fully tanned and might therefore pose a biosecurity risk.

Given the significant biosecurity risks involved, the IIGB decided to initiate this incident review.

The IIGB noted that all stakeholders play an important role in the management of national biosecurity risks. The department often relies on community and industry stakeholders to inform them of any biosecurity concerns. In this case, action by a vigilant cold store owner (fulfilling the responsibilities of a QAP operator) led to the seizure and appropriate destruction of most of the imported hides.

This incident highlights the importance of balancing sustainable cost recovery strategies against the department's ability to effectively manage biosecurity risks. The volume of international trade continues to increase, and anticipated budget cuts could affect the delivery of biosecurity management measures. Accordingly, the department is enhancing intelligent, predictive profiling solutions to aid the effective management of biosecurity risks.

The IIGB recommended ten actions aimed at improving the import clearance process:

- publication of revised import requirements for hides
- timely distribution of revised/amended workplace guidelines and policies to department staff
- retention of electronic copies of all import documentation
- improved procedures to check the authenticity of manufacturers' declarations
- further encouragement of electronic lodgement of import clearance documents
- changes to front-office clearance assessments, to encourage closer consultation with experienced officers for more potentially complex imports
- improved staff training, using this incident as a case study
- more rigorous system of random checks of high-risk imports, to strengthen quality control
- implementation of a specific assessment regime for first-time importers of untanned hides.

The department accepted these recommendations, and has made considerable progress in their implementation.

IIGB arrangements for oversight of horse biosecurity risk management

In accordance with 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 for the importation of horses into Australia. This report outlines the IIGB's future-planned approach to the ongoing oversight of biosecurity risk management related to the import of horses.

The IIGB evaluates and verifies biosecurity systems and programs across the whole biosecurity continuum. In light of the recent introduction of a risk return approach to biosecurity risk management, it is appropriate to balance the IIGB's focus on pre-export and post-arrival quarantine procedures and facilities in the annual audit work program.

Recommendations arising from Interim Inspector-General of Biosecurity activities

The IIGB audit recommendations are stored in a departmental database used to track and report on the status of each recommendation.

As at 24 July 2014, the IIGB has issued 95 recommendations accepted by management for implementation. The department has completed actions to implement 90 of those recommendations, and implementation of the remaining 5 recommendations is in progress.

Summary

The government, department and industry stakeholders have recognised the value of an independent, specialised oversight of Australia's biosecurity arrangements, and indicated their continued support for the IIGB role. Since the establishment of the IIGB role in 2009, the various audits, reviews and recommendations have provided a wide range of suggestions aimed at improving the management of national biosecurity risks.

In undertaking this role, the IIGB team has received constructive, generous support from all levels of the department, in Canberra and all regions. I am pleased to acknowledge the assistance provided by various industry stakeholders, who recognise the importance of working closely with government to protect and enhance Australia's enviable biosecurity status.

[signed]

Dr Michael Bond
Interim Inspector-General of Biosecurity
29 July 2014