



Australian Government
Interim Inspector-General of Biosecurity

Interim Inspector-General of Biosecurity

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Annual Report 2014-15

To the Hon Barnaby Joyce

Minister for Agriculture

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Introduction

The position of Interim Inspector-General of Biosecurity (IIGB) was established as part of the government's response to the 2008 Beale Review, an independent wide-ranging review of Australia's quarantine arrangements. The initial IIGB appointment was made in July 2009, with the intention that a permanent position would be established when new biosecurity legislation was finalised.

On 1 July 2013 I was appointed as IIGB, replacing Dr Kevin Dunn. As noted in my 2013-14 annual report, soon after commencing in the position, it was necessary for me to investigate several imports of untanned animal hides, which posed significant potential risks for Australia's livestock industries. This necessitated diverting resources and suspending some other work program activities. As a consequence, two major audits were substantially delayed; both audits have now been completed and reports published.

During 2014-15, four reports were published, containing 16 recommendations made to the department. An additional three 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 assessments 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 industry and the wider community with additional assurance 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.

With the initial IIGB appointment 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 (www.igb.gov.au) in each year.

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.

The value of the IIGB’s specialised and independent oversight of Australia’s biosecurity arrangements has been recognised by the government, department and industry stakeholders. In the future, this will be reinforced by the establishment of the statutory position of Inspector-General of Biosecurity, as defined in the Biosecurity Bill 2014. This important ground-breaking legislation, passed by the Australian Parliament on 14 May 2015, will provide Australian industry and the wider community with greater confidence in the effectiveness of biosecurity systems used to protect Australia’s primary industries and unique environment, flora and fauna.

Status of 2014-15 work program

In 2014-15, four audits and reviews were published and the IIGB commenced four additional audits that are at varying stages of completion (see Table 1). A summary of each of these audits and reviews is provided below. Completed reports are available at www.igb.gov.au).

Table 1 2014-15 IIGB work program

Activity	Audit/review title	Status
Audit	†Effectiveness of biosecurity controls for imported animal breeding material (mammalian semen and embryos)	Published 9 December 2014
Audit	Effectiveness of biosecurity controls for imported fresh cut flowers	Published 17 February 2015
Review	Horse imports: management of biosecurity risks June to November 2014	Published 17 February 2015
Audit	†Managing biosecurity risks associated with international online purchases	Published 24 March 2015
Audit	Biosecurity controls for the import of plant-based stockfeed	Forwarded to Minister 1 June 2015
Audit	Management of biosecurity risks associated with timber packaging and dunnage	Draft report in progress
Audit	Management of biosecurity risks for imported sausage casings	Draft report in progress
Audit	Management of biosecurity risks associated with imported ships' stores	Planning in progress

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

Effectiveness of biosecurity controls for imported animal breeding material (mammalian semen and embryos)

As part of the IIGB's annual work program, the IIGB examined the effectiveness of controls for imported animal breeding material (mammalian semen and embryos).

As the department must address many generic risk management issues irrespective of the species of animal, the IIGB focused this audit on large-volume import materials (bovine semen and embryos and equine semen) and one small-volume product (canine semen).

The import pathway for animal breeding material creates significant potential disease risks. Risk factors include exotic disease agents that can contaminate animal breeding material and the ease in which they can be transmitted to susceptible host animals is facilitated through physical insemination/implantation into live animals. In addition, animal breeding material can be stored for a long time and distributed widely and quickly. These factors mean that a major failure in an import control system (especially pre-border) could pose considerable biosecurity risk to Australia, with serious consequences.

Overall, the IIGB notes that the department is managing biosecurity risks associated with animal breeding material appropriately; this is reflected in the lack of serious incidents over the long history of the trade. However, the IIGB identified a need for some improved controls for biosecurity risks associated with importing animal breeding material and made four recommendations aimed at achieving that goal:

- Develop a central compliance register, available to all officers involved in verification and inspection activities, to monitor the performance of exporters of animal breeding material.
- Ensure that staff conducting verification inspections adhere to the minimum document requirement policy.
- Consider collaborating with industry and state agencies to develop a practical, cost-effective process that enables post-release tracking of all imported semen and embryos.
- Review import conditions listed in the Import Conditions (ICON) database for animal breeding material to ensure clarity, consistency, scientific accuracy and usefulness for verification at the border.

Effectiveness of biosecurity controls for imported fresh cut flowers

As part of the IIGB's annual work program, the IIGB examined the effectiveness of controls for importing fresh cut flowers (including fresh foliage) into Australia.

The importation of plants and plant parts poses a biosecurity risk to Australia's plant industries, environment and economy through all import pathways—passengers, mail, air and sea cargo. Plant material arrives at the border in the form of:

- fresh cut flowers and foliage—the focus of this audit; and
- nursery propagation stock; imported plant material is grown and propagated under quarantine and is subject to stringent disease testing over two years.

Imported plant material with flowering and/or vegetative parts present several biosecurity risks. It may be:

- contaminated with soil, insects, snails, diseases or other quarantine risk material
- propagatable (with the potential of becoming invasive species or weeds)
- carrying viable berries and fruits.

The IIGB considers that the department is managing relevant biosecurity risks for importing fresh cut flowers in an appropriate manner. However, the IIGB identified some areas of possible improvement and made the following six recommendations to strengthen the biosecurity risk controls:

- Enforce current requirements for integral packaging of all imported cut flower consignments and give industry advance notice (six to nine months) of its intention to do so. Alternatively, the risks associated with non-integral packaging should be reviewed.
- Review the necessity for seals on trucks, applied to provide security for consignments being transported between cargo terminal operators, quarantine approved premises and approved fumigation facilities. If their use is continued, the type of seal should be effective and consistent across regions.
- Consider the need for regular or random post-fumigation checks for live pests, in the context of its risk-return policy, taking account of the biosecurity risks and the additional regulatory burden on industry.
- Consider reducing its dependence on methyl bromide gas for treatment of pests in imported cut flower consignments, and consider the assessment and approval of alternative treatments.
- Undertake a review of the existing devitalisation policy and its implementation, with this occurring within the next 18 months.
- Ensure that propagation facilities provide optimal conditions for sampled plant material to propagate; optimal conditions should also be maintained during transport of samples.

Horse imports: management of biosecurity risks June to November 2014

As part of the IIGB's oversight of horse biosecurity risk management, 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 horses to Australia are satisfactory. As a result no recommendations or findings were raised as part of this review.

Managing biosecurity risks associated with international online purchases

The IIGB examined the effectiveness of controls used to manage biosecurity risks associated with international online purchases entering Australia.

Online shopping is an electronic commerce, allowing customers to use the internet to purchase goods or services directly from a seller anywhere in the world, including items that pose high biosecurity risks to Australia – such as seeds or animal vaccines. In 2012-13, 186 million items entered Australia as international mail and another 25 million items arrived as self-assessed goods. This highlights the large, and ever increasing, volume of items that need to be assessed by the department.

IIGB considers that the department is appropriately managing the biosecurity risks associated with international online purchases entering Australia. However, the IIGB identified some areas of possible improvement and made the following six recommendations to strengthen the biosecurity risk controls:

- Regularly review and where necessary update national profiles for international mail for currency, efficiency and effectiveness.
- Grant relevant Mail Program staff in Canberra and regions, access to appropriate internet sites such as online shopping sites, for work use.
- Ensure its monthly performance reports to mail centre managers include simplified relevant information to improve service delivery. For example, reports should identify processes performing satisfactorily and any areas for improvement.
- Review Integrated Cargo System reports regularly to ensure all profile amendments are authorised and amended correctly. This should be undertaken by an independent department officer without privileged access.
- Regularly review officers' access to the Integrated Cargo System, particularly for privileged access to amend or deactivate Self Assessed Clearance profiles, to ensure such access is necessary.

- Ensure that all regions perform free line surveillance activities regularly to determine if the department's profiles and assessment and screening techniques are efficient and effective.

Managing biosecurity controls for the import of plant-based stockfeed

As part of the IIGB's audit work plan for 2014–15, the IIGB examined the effectiveness of the department's controls in managing biosecurity risks associated with importation of stockfeed of plant origin.

The numbers of source countries, volumes and types of imported stockfeed of plant origin have increased in recent years. Contaminated imported stockfeed of plant origin could introduce exotic animal and plant pathogens into Australia due to the direct consumption of the product by susceptible animals (or contamination of the environment), especially in rural areas.

Biosecurity risks associated with imported stockfeed include contamination with prohibited/restricted seeds, soil, faeces, feathers or other animal related material and live insect pests. The department has identified several animal diseases (or strains of diseases) of quarantine concern that are not present in Australia that could be introduced via stockfeed.

The IIGB concluded that the department's management of biosecurity risks associated with imported stockfeed is generally satisfactory. This conclusion was based on an examination of the department's relevant policies and procedures, in-country inspections, border inspection procedures and staff training. The IIGB recommended the following improvements in the current controls aimed at reducing the residual risk:

- Review and update its import risk analysis and/or policies for importing plant-based stockfeed into Australia.
- Biosecurity Plant and Biosecurity Animal divisions should jointly undertake desk and verification audits of overseas stockfeed manufacturing establishments to facilitate more effective pre-border compliance and reduce the risk of both plant and animal disease incursions.
- Consider implementing a program of strategically targeted audits of overseas manufacturing facilities and export pathways for plant-based stockfeed. These audits should focus attention and resources on identified areas of higher risk and ensure that compliance is further promoted.
- Routinely record the import permit number, consignment description and inspection and testing outcomes (where applicable) of all bulk and bagged stockfeed consignments imported into Australia consistently across all ports. This data should be available to relevant areas in the department to establish whether policy and regulation are effectively addressing biosecurity risks.
- Centrally process all entries for 'bulk in ships' holds' stockfeed imports at the Bulk Commodities National Coordination Centre, Newcastle.

- Finalise the job card and a staff training package for inspectors of imported stockfeed within the next six months. The training package should include a step-by-step procedure for recording (in the Department of Agriculture Import Management System, AIMS) details of each stockfeed consignment imported into Australia. These details should be available for analysis and policy development.
- Maintain ongoing testing for animal biosecurity risk material at an appropriate level and record results in a central register that is accessible to the department’s policy and operational staff.

Implementation of previous Interim Inspector-General of Biosecurity recommendations

The IIGB audit recommendations are recorded in a departmental database used to track and report on the status of each recommendation. The database is known as eTRAC.

Since the initial appointment of an IIGB in July 2009, the IIGB has completed 28 audit reports and issued a total of 113 recommendations. The department has responded to the recommendations as follows:

Agreed	Agreed-in-principle	Disagreed
88	21	4

The four recommendations not agreed were considered by the department to be impractical or prohibitively expensive to implement.

To date, 97 of the 113 recommendations are marked as complete in eTRAC, including the four disagreed recommendations. Action to implement the remaining 16 recommendations is in progress.

The IIGB is currently undertaking a review of previous IIGB recommendations marked in the departmental database as complete. The review findings indicate that the department is making good progress in its implementation of IIGB recommendations. However, six broad ‘themes’ emerged from the review, where it would be appropriate for the IIGB to periodically monitor outcomes of recommendations or review specific aspects within a broader theme. This includes situations where implementation of recommendations requires further action outside the department’s direct control and/or significant additional time for full implementation. These are:

- performance of approved authorities in exporting countries
- strategic and operational intelligence capabilities
- use of electronic documentation in managing border movements
- consistency and quality of information related to imports and exports
- communications interface between AQIS Import Management System and diagnostic laboratories

- accreditation of diagnostic laboratories.

The IIGB will consider these themes when developing the 2015-16 work program.

The IIGB expects to provide a report to the Minister shortly.

Summary

Passage of the Biosecurity Bill 2014 that incorporated the formal establishment of the statutory position of Inspector-General of Biosecurity is a positive step that has received bipartisan support in Parliament, and also has been broadly supported by industry stakeholders.

There has been general recognition of the value in having an independent impartial oversight of Australia's biosecurity arrangements. Since the establishment of the IIGB role in 2009, the various audits and reviews have provided a wide range of recommendations aimed at improving the management of national biosecurity risks.

In undertaking the various audits and reviews, the IIGB team has received constructive and generous support from all levels of the department, in Canberra and the regions. I am also pleased to acknowledge the valuable 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
30 June 2015