



Australian Government

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Interim Inspector-General of Biosecurity annual report 2015–16

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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 for a two-year term. In June 2015 this appointment was extended to 15 June 2016, to allow time to recruit a suitable candidate for appointment as the first Inspector-General of Biosecurity (IGB) under the *Biosecurity Act 2015*.

I have formally notified the Minister of my intention to relinquish the position of IIGB on 29 April 2016. Accordingly, this report covers the 10-month period 1 July 2015 to 30 April 2016. Dr Helen Scott-Orr has been appointed as the first Inspector-General of Biosecurity, and will take up her appointment in July 2016.

During 2015–16, eight reports were completed, containing 24 recommendations. The publication of one additional report completed in 2014–15, was deferred, pending finalisation of the Department of Agriculture and Water Resources current enterprise agreement negotiations.

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 has been published on the [IIGB website](#) in each year.

The IIGB reports directly to the Minister and makes the reports with key findings and recommendations, publicly available.

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 Act 2015*. 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 the 2015–16 work program

In 2015–16, I completed eight audits and reviews (see Table 1). A summary of each of these audits and reviews is provided below. Completed reports are available at <http://www.igb.gov.au/>).

Table 1 Interim Inspector-General of Biosecurity work program, 2015–16

| Activity | Audit/review title | Status |
|----------|--|---------------------------------------|
| Audit | Implementation of previous Interim Inspector-General of Biosecurity recommendations–July 2015 | Published 24 August 2015 |
| Audit | Effectiveness of biosecurity controls for importation of natural sausage casings | Published 27 October 2015 |
| Review | Horse imports: management of biosecurity risks January to June 2015 | Published 3 March 2016 |
| Review | Horse imports: management of biosecurity risks July to December 2015 | Published 1 April 2016 |
| Audit | Implementation of previous Interim Inspector-General of Biosecurity recommendations–April 2016 | Published 28 April 2016 |
| Audit | Management of biosecurity risks associated with timber packaging and dunnage | Provided to Minister on 8 April 2016 |
| Review | Management of biosecurity risks associated with imported ships' stores | Provided to Minister on 18 April 2016 |
| Audit | Effectiveness of biosecurity risks associated with importation of tomato and carrot seeds | Provided to Minister on 26 April 2016 |

Implementation of previous Interim Inspector-General of Biosecurity recommendations–July 2015

Initially this review was undertaken as part of the IIGB's 2014–15 work program. Due to competing priorities the review was completed within the 2015–16 work program.

The objective of the review was to assess the adequacy of actions taken by the department to implement the original intent or purpose of recommendations from all previous IIGB and IIGHI audits and reviews.

The scope of the review included actions recorded against 95 recommendations in the department's internal database (eTRAC) where the department had marked implementation of the recommendation as 'complete'.

For 11 of the recommendations, I approached the department for further information on the actions taken to implement the recommendation. I am satisfied with all the responded information and closed the 95 recommendations under review for no further action or follow-up.

Effectiveness of biosecurity controls for importation of natural sausage casings

As part of the IIGB's 2015–16 work program, I examined the effectiveness of controls for importation of natural sausage casings into Australia.

Natural sausage casings are derived from the fibrous, connective tissue layer of the intestinal tract of cattle, goats, sheep and pigs. Imported natural sausage casings are unlikely to contain exotic disease agents due to the high salt environment during post-processing, storage and transport. However, an import permit is required and all imports must comply with conditions listed on the permit.

Between 2012 and 2014, 26 import permits were active for cattle, goats, sheep and pig casings. During this period Australia imported more than 16 million units of natural sausage casings.

Overall, I consider that the department effectively manages the biosecurity risks associated with importation of natural sausage casings and generally applies appropriate controls. As a result of my findings in this audit, I have made four recommendations to further improve the existing controls:

- Update the import risk analysis for natural sausage casings, incorporating relevant internal policies and/or guidelines used by policy and operational areas for imports into Australia. An update might consider any relevant scientific literature on the persistence of pathogenic agents in sausage casings published since 1999.
- Consider conducting periodic in-country evaluations of approved countries' competent authorities to ensure they meet Australia's biosecurity requirements for the production and export of natural sausage casings.
- Record the import permit number and inspection outcomes for all natural sausage casing consignments imported into Australia. These data should be available to relevant areas in the department, to assess whether policies and regulations are effectively addressing the biosecurity risks.
- Update the import conditions database to improve clarity and accessibility of import requirements for importing natural sausage casings into Australia.

Horse imports: management of biosecurity risks (January to June 2015 and July to December 2015)

As part of the IIGB's 2014–15 and 2015–16 work programs, I undertook two desktop reviews of data and documentation relating to the import of horses to Australia during the periods January to June 2015 and July to December 2015.

The reviews assessed:

- approval processes for offshore pre-export quarantine premises used for the export of horses to Australia that were approved by the department during 2015
- approval processes for onshore post-arrival quarantine premises used for the import of horses to Australia that were approved by the department during 2015
- horse import numbers for 2015 including individual horse details, import permits, pre-export quarantine and post-arrival quarantine premises used for each animal
- details of any biosecurity incidents reported to the department during 2015 including the response procedures.

I note that the department's biosecurity risk management procedures for importing horses to Australia appear to be satisfactory. No recommendations were raised as part of these reviews.

Management of biosecurity risks associated with timber packaging and dunnage

As part of the IIGB's 2015–16 work program, I examined the effectiveness of the department's biosecurity controls for timber packaging and timber dunnage (loose wood or matting used to keep cargo secure).

Packaging and dunnage are used to ensure goods transported to Australia arrive intact and undamaged. A variety of materials is used to surround and separate items being transported.

Timber is the most commonly used material due to its availability, low cost, flexibility and ease of use.

This low grade timber may contain pre-existing pests or pathogen damage and is a proven route for the introduction of harmful pests into Australia. In 2014, timber pallets were identified as the pathway for multiple entries of three exotic pests and one species of nematode.

Australia relies on the International Standard for Phytosanitary Measures 15 to mitigate risks associated with timber packaging. The standard contains several strategies to mitigate the biosecurity risks associated with timber and as a result the likelihood of a biosecurity risk occurring in processed and treated timber packaging is relatively low. However, not all timber is treated to the standard and the ever increasing volumes of timber packaging arriving in Australia suggest that these low likelihood events may start to occur at an unacceptable frequency.

I consider that the department is satisfactorily managing biosecurity risks associated with imported timber packaging and dunnage. However, my report contains eight recommendations for the department to implement that will improve the existing controls:

- Review the process for initial approval and ongoing acceptance of annual packing declarations, including consideration of:
 - developing a mandatory compliance history for individual packers
 - the feasibility of withdrawing or cancelling an annual declaration if required
 - varying approval periods to reflect compliance history.
- Record information about timber packaging in the import management system for those consignments subject to document assessment by a department officer. This information would assist in identifying undeclared or incorrectly declared timber packaging during inspections.
- Address each of the issues identified in the timber packaging case study undertaken by the Plant Biosecurity Division in 2015.
- Consider expanding the Cargo Compliance Verification programme beyond full container loads to include additional arrival pathways.
- Develop an over-arching surveillance policy that explains how surveillance fits into routine biosecurity activities, the priority to be given to surveillance when planning day-to-day activities and appropriate record-keeping requirements. This policy should link existing surveillance-related documents for all worksites and ensure relevant instructional material is provided at all worksites.
- Consider using information from 'quarantine risk material records' to improve risk profiles.
- Consider making biosecurity awareness and training material for industry easier to find on its website and investigate opportunities for extending the range and media used to deliver the content.
- Review its internal communications policy to ensure biosecurity officers receive feedback about surveillance, audit outcomes and explanations for any policy changes.

Management of biosecurity risks associated with imported ships' stores

As part of the IIGB's 2015–16 work program, I examined the department's management of biosecurity risks associated with transhipped ships' stores.

Shipping companies operating at Australian ports, in particular the cruise industry, often tranship food items (stores) and other goods through Australia for the use of passengers and/or crew aboard a departing vessel.

These stores, particularly foodstuffs, pose high biosecurity risks to Australia, as a potential pathway for the introduction of exotic pests or diseases. For example, items such as uncooked meat and seafood, fresh fruit and vegetables that are not normally allowed as an import into Australia may be transhipped.

An import permit is required for stores transhipped to Australia. The department undertakes various border inspection and auditing activities to further manage the biosecurity risks of transhipped stores.

I consider that the department is satisfactorily managing the biosecurity risks associated with transhipped stores and no recommendations are included in my report.

However, I note that Australian industry stakeholders continue to be concerned about the perceived biosecurity risks. In light of these concerns, it is desirable that the department keeps the consultation process under review, and actively explores ways in which it might be improved. I believe the commencement of the *Biosecurity Act 2015* in June 2016 will provide a conduit for such improvement.

Effectiveness of biosecurity controls for importation of tomato and carrot seeds

As part of the IIGB 2015–16 work program, I examined the effectiveness of the department's biosecurity controls for importing tomato and carrot seeds into Australia.

Australia relies heavily on imported hybrid seeds for a range of vegetable crops, including tomatoes and carrots. The popularity of hybrids is due to their vigour, uniformity, disease resistance, stress tolerance and desirable horticultural traits, including early fruiting, longer shelf life and consistent yield. As the main regulatory agency, the department applies risk management measures in minimising incursions of foreign pests through imported vegetable seeds to help maintain Australia's global market advantage in its export-oriented agricultural industries.

A major biosecurity risk associated with seed production is infection of seed with pathogens that cannot be detected by visual inspection. The department has identified specific plant pathogens of biosecurity concern that are not present in Australia that could be introduced via imported tomato and carrot seed.

I consider that the importation of vegetable seeds into Australia will continue to pose significant challenges for the department and the wider industry. While the department has shown a commendable willingness to examine its performance in managing the biosecurity risks associated with importation of tomato and carrot seeds, and rectify the identified gaps, it is important that various issues identified in this report are addressed in a thorough, systematic manner. I have included 12 recommendations in my report, aimed to complement and support improvements in the current biosecurity system:

- Complete the pest risk analysis for importation of tomato seeds by December 2016.

- Review and consolidate the import conditions and clearance processes (that is, document assessment and verification inspection) for imported tomato and carrot seeds.
- Review import conditions for tomato and carrot seeds listed in the BICON database to ensure clarity, consistency, scientific accuracy and usefulness for verification at the border.
- In consultation with Plant Health Australia and industry, develop national priority plant pest lists for tomato and carrot seeds, to be incorporated in industry biosecurity plans. These lists should be kept under continuous review.
- Ensure that staff conducting verification inspections at the border are well-trained, aware of biosecurity risks associated with imported seeds and adhere to standard operating procedures to minimise cross-contamination of consignments.
- Provide proactive leadership, in fostering a more collaborative approach amongst seed industry stakeholders, particularly with regard to harmonisation of phytosanitary import requirements.
- Pursue further expansion of ‘approved arrangements’ with reputable commercial companies, based on their use of integrated production and quality assurance systems.
- In consultation with industry, explore the possibilities of developing a ‘co-regulatory model’ where industry adopts and adheres to agreed recommendations, principles or codes of conduct that create an improved regulatory framework for importation of vegetable seeds.
- In collaboration with Plant Health Australia and relevant industry bodies, develop an overarching national surveillance policy to assist the early detection of exotic plant pests. The surveillance data should also be recorded in a national register, for use in improving the management of risks associated with the seed import pathway.
- Approve offshore testing of small lots of tomato seed produced under fully-integrated production systems with a view to recognising such systems as managing phytosanitary risks to an acceptable level.
- Support finalisation of the draft International Standard for Phytosanitary Measures on the international movement of seeds by the International Plant Protection Convention.
- The Minister and the department should, under the auspices of Plant Health Australia, encourage a broad cross-industry discussion to consider the benefits of establishing a single peak national body for the tomato industry, to provide more effective national industry coordination, particularly in managing biosecurity risks associated with tomato production.

Implementation of previous Interim Inspector-General of Biosecurity recommendations – April 2016

Following on from a similar review in the IIGB’s 2014–15 work program, I undertook this review as part of the IIGB’s 2015–16 work program.

The objective of this review was to assess the adequacy of actions taken by the department to implement the original intent or purpose of recommendations from all previous IIGB and IIGHI audits and reviews.

The scope of the review included actions recorded against 28 recommendations in the department’s internal database (eTRAC) where the department had marked implementation of the recommendation as ‘complete’ as at 1 February 2016.

For 14 of the recommendations, I approached the department for further information on the actions taken to implement the recommendation. I am satisfied with all the responded information and have closed 20 of the 28 recommendations under review for no further action or follow-up.

It is likely that the remaining eight recommendations will be reviewed again as part of the Inspector-General of Biosecurity's 2016–17 work program.

I consider that the ongoing rate of implementation of IIGB recommendations demonstrates the department's solid commitment to continual improvement in biosecurity risk management.

No recommendations were raised as part of this review.

Summary

The *Biosecurity Act 2015* received royal assent on 16 June 2015, and most provisions of the new Act, including the appointment, responsibilities and powers of the Inspector-General of Biosecurity, will commence from 16 June 2016.

Since the outbreak of equine influenza in 2007, and several subsequent incursions of exotic pests and pathogens via various pathways, there has been recognition of the benefits in having an independent, impartial oversight of Australia's biosecurity arrangements. Since the establishment of the IIGB position in 2009, the various audits and reviews have provided a wide range of recommendations aimed at improving the management of national biosecurity risks.

The establishment of the IGB role as a statutory position should improve the ability to investigate possible biosecurity gaps, and should provide greater opportunities to recommend appropriate remedial action. In addition, the IGB should be able to encourage a more transparent, cooperative relationship between the department and the numerous industry sectors affected by biosecurity controls (including emergency response measures). There are significant mutual benefits in further developing genuine, robust government–industry partnerships, to better manage our national biosecurity system.

In undertaking the various audits and reviews since 2013, the IIGB team has received constructive and generous support from all levels of the department, in Canberra and the regions. The Minister and his staff have also consistently provided their helpful support. Importantly, I am pleased to acknowledge the valuable assistance provided by many 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 April 2016