

21 February 2023

Regulatory Performance Section
Live Animal Export Branch
Department of Agriculture, Fisheries and Forestry
GPO Box 858
CANBERRA ACT 2601

Via: 'Have Your Say' website

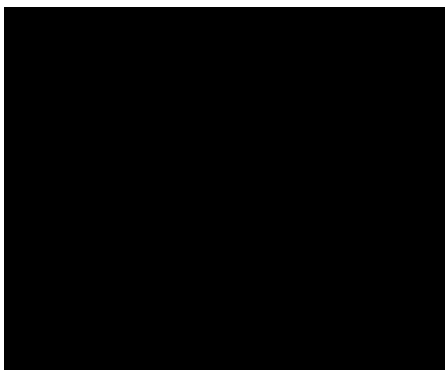
Exporter Supply Chain Assurance System Review – Stage 1

Thank you for the opportunity to make a submission to the Exporter Supply Chain Assurance System Review Discussion Paper.

We represent six of Australia's leading animal protection organisations with a combined supporter base of over 2 million Australians.

We trust our attached submission will be of assistance in conveying our position on the review. Should you require any clarification or further information, I can be contacted on [REDACTED]

[REDACTED]





About the Australian Alliance for Animals

The Australian Alliance for Animals is a national charity leading a strategic alliance of Australia's key animal protection organisations to achieve systemic change for animals. Through our six core member organisations, we have a combined supporter base of over two million people.

Learn more about our work on our website: www.allianceforanimals.org.au

**Animals
Australia**
for a *kinder* world



COMPASSION
in world farming



www.allianceforanimals.org.au info@allianceforanimals.org.au

2 Paddington Street, Paddington, NSW 2021

Australian Alliance for Animals Ltd ABN 686 544 286 90

In the spirit of reconciliation, we acknowledge the Traditional Custodians of country throughout Australia and their enduring connections to land, sea and community. We pay respect to their Elders past and present.

Exporter Supply Chain Assurance System Review – Stage 1 Discussion Paper

21 February 2023

Introduction

The Exporter Supply Chain Assurance System (ESCAS) is a complex and cumbersome regulatory instrument that requires significant improvement. The Discussion Paper highlights many deficiencies within the current framework, most of which we agree with as outlined in the table of comments below.

The problems identified will require a significant amount of work to rectify including the development of an overall control and traceability standard to improve consistency across the trade, including mandatory requirements around the use of technologies to facilitate real-time monitoring of critical control points, and a review of the ESCAS Animal Welfare Standard to improve clarity and consistency with Australian standards.

Third-party providers of ESCAS services such as AniMark and its Livestock Global Assurance Program may be well positioned to address some of these challenges, but we maintain that the Australian Government must retain full regulatory oversight of the ESCAS, including decisions as to the approval of new supply chains, the investigation of non-compliance, and the imposition of appropriate sanctions that act as a real deterrence to non-complying behaviours.

Finally, we wish to note that while we will always participate in reviews of this nature to strengthen regulatory requirements for animal welfare, no amount of regulation is capable of overcoming the inherent risks of exporting live animals into foreign jurisdictions. At best, some of the risks can be mitigated but significant breaches of animal welfare standards will inevitably continue. The claim in the Discussion paper that only 0.21% of exported livestock have been involved in non-compliance with ESCAS is without foundation. With respect, the Department has no means of verifying this claim. Presumably these statistics relate to the number of identified and verified non-compliances with ESCAS. The *actual* number of animals involved in non-compliance with ESCAS is unknown and is likely much higher than the identified and verified non-compliances. Claims of this nature should be appropriately qualified.

It is for these reasons that our sector remains opposed to the live animal export trade.

Comments on specific challenges

Challenge	Comment
1.1 Requirements for audit company accreditation and auditor rotation	This challenge exists. We agree with the identified deficiencies and risks outlined in section 1.1. Many of these were also identified in the Inspector-General's 2021 review of ESCAS. Auditing quality is critical to the integrity of ESCAS. It is our view that this has not been upheld in the past leading to substandard facilities being approved under ESCAS for receiving Australian livestock.
1.2 Specific standards for auditor competency to conduct ESCAS audits	This challenge exists. We agree with the identified deficiencies and risks outlined in section 1.2. Auditing quality is critical to the integrity of ESCAS.
1.3 Interpretation of requirements by auditors	This challenge exists. We agree with the identified deficiencies and risks outlined in section 1.3. Auditing quality and consistency is critical to the integrity of ESCAS.
1.5 Sample sizes for audits	This challenge exists and should be rectified.
1.6 Inter-audit gap	This is a major challenge as demonstrated by many ESCAS non-compliances detected over the years in facilities that had been audited only months or weeks prior. This challenge should be addressed by making real-time monitoring systems a requirement of ESCAS.
1.7 Use of other surveillance methods	Agree this is a deficiency of the audit regime. A range of audit approaches should be adopted and real-time monitoring introduced as a requirement of ESCAS approval.
2.1 Overall control and traceability standard	Agree this is a challenge that should be addressed through the introduction of an overall control and traceability standard under ESCAS.
2.2 Expectation of 100% compliance	All compliance regimes should strive for 100% compliance. Allowing for acceptable levels of noncompliance may be appropriate in regulatory regimes governing inanimate objects, but non-compliance under ESCAS often results in animal suffering. Allowing for an acceptable level of leakage or other ESCAS non-compliance would be unconscionable and risks sending the wrong message to the Australian community and to the industry which already has a poor compliance record.
2.3 Use of indicator events	Agree this is a challenge. Technology should be utilised to incorporate such indicator events into ESCAS.
2.4 Critical control points for traceability	Agree this is a challenge. Additional technological requirements should be incorporated into ESCAS to mitigate risks at critical control points.

2.5 Timely provision of data	This is a significant challenge and one that should be addressed by making real-time supply chain monitoring a requirement of ESCAS.
2.6 Variability in approaches to control and traceability	Variability in systems, oversight, and data custodianship is a significant challenge that should be addressed through a standardised requirement for such systems under ESCAS.
2.7 Methods to verify traceability	Methods to verify traceability face several challenges as identified in section 2.7 which should be addressed through a standardised requirement for traceability verification methods under ESCAS including a combination of technological and on-ground methods.
2.8 Accuracy of traceability data	Challenges with the accuracy of traceability data must be addressed. EIDs should be a requirement of ESCAS.
2.9 Third-party traceability providers	Conflicts of interest on behalf of third-party traceability providers is a serious challenge that should be addressed through structural and governance requirements built into an overall traceability standard under ESCAS.
2.10 Attribution of noncompliance	Attributing noncompliance should be improved with stronger traceability standards including real-time monitoring and EIDs. Exporters must remain responsible for the fate of exported animals up to the point of slaughter. This provides the necessary incentive for exporters to invest in improving compliance.
2.11 Proportionate noncompliance	Any leakage is a noncompliance with ESCAS and should be recorded as such, but the number of animals leaked should be a factor determining the level of noncompliance recorded.
3.1 Framework for noncompliance	The Biosecurity Guidelines for the Management of Non-compliance were identified for review several years ago. Failing to take into account the cumulative noncompliance record of an exporter is a major deficiency in the Department's compliance framework and must be addressed as a priority. A wider range of non-compliance sanctions should also be introduced, particularly those that are punitive in nature. Major non-compliances and repeat offenders have traditionally been dealt with by simple administrative responses that do not provide a sufficient deterrence.
3.4 Utilisation of auditors in non-compliance management	The challenges of Departmental involvement in responding to non-compliances detected via audits is acknowledged, however, all non-compliances detected via audits must still be reported to the Department to ensure there is still an accurate record of a facility's history of non-compliance.
3.5 Effective framework for analysing non-compliances	The lack of an effective reporting framework for the Department to analyse non-compliance data and trends over time is a significant shortcoming that needs to be addressed.
3.6 Incentives for performing higher than a minimum standard	Further incentives should be introduced to encourage beyond compliance behaviours among exporters, however, such incentives should not take the form of lower levels of surveillance or traceability requirements. Traceability and animal welfare measures should remain consistent and other incentives should be identified.

3.8 Timeline for compliance information exchange	These practical challenges need to be addressed to ensure ESCAS timeframes are not undermined.
4.1 Facility risk ratings	The process for determining facility risk ratings should not give rise to loopholes allowing non-complying facilities to continue receiving Australian livestock. This should be reviewed as a priority.
4.3 Mechanism for continual improvement in ESCAS	The lack of periodic review mechanism for ESCAS is a challenge that should be rectified to ensure the ESCAS remains fit for purpose.
5.1 Consistency of ESCAS Animal Welfare Standards with WOAHA recommendations	There appear to be many instances where the ESCAS Animal Welfare Standards lack the detail of the WOAHA standards. This should be rectified with a review of the ESCAS standards. In the case of any inconsistencies, the ESCAS should only adopt WOAHA standards when doing so will lead to higher animal welfare outcomes. In circumstances where the WOAHA standards fall below equivalent Australian domestic standards, like those relating to stunning, the Australian standard should be adopted. Stunning before slaughter should be a mandatory requirement of ESCAS.
5.2 Differentiating between signs of unconsciousness and signs of death	The lack of clarity around unconsciousness and death in the standards, and what to do in the event that an animal regains consciousness during slaughter, must be addressed as a matter of urgency.
5.3 Method for throat cut	It is concerning that a standard as important as the method of cutting an animal's throat is not clear. This should be addressed as a matter of urgency.
5.5 Specificity in the Standards	The ESCAS Animal Welfare Standards require immediate review to ensure they are clear and comprehensive.
5.6 Consistency of structure and nomenclature of requirements under ESCAS with best practice standards design	The ESCAS Animal Welfare Standards require immediate review to ensure they are clear and comprehensive
5.8 Requirement to keep records of outcomes of processes	The lack of any requirement to maintain records of processes is a challenge to the effectiveness of the audit regime and should be rectified by introducing the relevant requirement into ESCAS.