



SUBMISSION:

**Intergovernmental Agreement on
Biosecurity Review - Draft Report**

27 February 2017

via email:

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NATIONAL AQUACULTURE COUNCIL SUBMISSION ON THE INTERGOVERNMENTAL AGREEMENT ON BIOSECURITY REVIEW DRAFT REPORT

1. INTRODUCTION

1.1 BACKGROUND

The National Aquaculture Council (NAC) is widely recognised as the peak industry body of the Australian aquaculture industry. The membership of NAC, comprising Australian aquaculture, mariculture and pearl culture contributes in excess of \$1 billion to the Australian economy; what is more over the last decade aquaculture production increased exponentially, and is expected to continue to do so with aquaculture sectors such as salmon showing strong export growth and pearl exports improving on previous years.

Members of NAC include:

- Australian Abalone Growers Association (AAGA)
- Australian Barramundi Farmers Association (ABFA)
- Aquaculture Council of Western Australia (ACWA)
- Australian Pearl Producers Association (PPA)
- Australian Prawn Farmers Association (APFA)
- Australian Southern Bluefin Tuna (Aquaculture) Industry Association (ASBTIA)
- Oysters Australia (OA)
- Tasmanian Salmonid Growers Association (TGSA)
- Tasmanian Seafood Industry Council (TSIC)
- Sydney Fish Market
- Aquaculture Feed Industry

On behalf of the Australian aquaculture industry, the NAC performs an important advocacy and representative role at the national level to the Australian Government; working on a number of fronts to provide input to policy directions that are favourable to the growth, prosperity and profitability of the Australian aquaculture industry.

1.2 NAC SUBMISSION

The NAC appreciates the opportunity to make a submission and thanks the IGAB Independent Review Panel for enabling submissions on the comprehensive review report.

For the NAC, and the aquaculture industry broadly, biosecurity is a very high priority, which is afforded significant resources in order to ensure the Australian aquaculture products are produced in an aquatic environment where threats from pathogenic diseases and pests are avoided or minimised. Indeed, the NAC has posited that effective biosecurity and mitigating disease threats will be among the major challenges and opportunities facing the aquaculture industry over the next 20 years. For these reasons an effective Intergovernmental Agreement on Biosecurity is of significant importance to us.

1.3 OTHER SUBMISSIONS

The NAC is a member of the National Seafood Industry Alliance (NSIA) representing the aquaculture sector, and supports the submissions made by other members of NSIA, where they are not inconsistent with aquaculture.

In addition, the NAC is a Representative Organisation of the Fisheries Research and Development Corporation (FRDC), and also supports the FRDC submission.

Notwithstanding the overlapping interests and synergies of NAC, the FRDC and other NSIA members (as is reflected in their submissions on the IGAB Review); this NAC submission will focus on issues, which are of particular relevance to the aquaculture sector of the seafood industry.

1.4 GENERAL COMMENTS

From the Australian aquaculture industry's perspective the following five issues stand out as key to a more efficient and equitable biosecurity policy incorporating IGAB.

- 1) **Biosecurity is about a lot more than “market access”:** Although many sectors of the Australian aquaculture industry are reliant on robust biosecurity arrangements showing freedom from specified diseases and pests that underpins export certification; robust biosecurity arrangements are equally important for Australian aquaculture producers who supply mainly domestic markets, for the purpose of protecting them from the threat of exotic diseases and pests.

Currently in many cases, trade policy overlooks protection in favour of fulfilling free trade obligations. These international “pork for prawns” type concessions, not only put certain aquaculture sectors at risk, their application is inherently inequitable. To be equitable, biosecurity policy should not sacrifice the biosecurity interests of some sectors in the interests of international trade considerations which favour other sectors. It is the view of several aquaculture producers (and indeed other small primary production sectors) that this has happened in the past, and going forward needs to be addressed. Biosecurity threats need to be evaluated on a case-by-case basis, based upon science and available knowledge with decisions made in the best interest of the industry sector at risk.

- 2) **Improved Industry Consultation in Biosecurity Policy Formation:** Currently the aquaculture Industry is not meaningfully consulted in the formation of biosecurity policy.

This is particularly important to aquaculture, which like any “farming” involves the keeping of stock which are the property of a commercial entity, under relatively intensive culture systems for commercial purposes. Hence a breach in biosecurity also has a direct proprietary and commercial impact, in addition to a direct impact on aquaculture operations. Such impacts provide a legitimate expectation on the part of the aquaculture Industry for policy makers to in the least consult on proposed biosecurity policy that may directly affect aquaculture interests.

- 3) **Improved Transparency and inclusiveness:** Notwithstanding the proposal to incorporate an Industry and Community Advisory Committee, the National Biosecurity Committee (NBC) needs to be more transparent and inclusive, which includes being more open to industry dialogue. Furthermore given the NBC's position as gatekeeper in the NBC > (Agriculture Senior Officials Committee (AgSOC) > Agriculture Ministers' Forum (AgMIN) decision making chain on policy matters, it would be helpful if the NBC could either delegate more to subcommittees or be more expedient in considering matters in order to facilitate outcomes in a timely manner.
- 4) **Collaboration with End Users:** NBC subcommittees charged with considering aquatic animal matters (Aquatic Animal Health Committee and Marine Pest Sectoral Committee) need to act in closer collaboration with end users, and include aquatic industry reps as full members rather than

invited observers. It seems that over time the line of sight between policy makers and the beneficiaries of the policy or end users has become opaque. It would be optimal in biosecurity policy formation if policy makers and end users could be more collaborative.

- 5) **Common conceptions of “Shared Responsibility”:** In the biosecurity context the term “shared responsibility” is not clearly understood, and the current interpretation is not universally accepted. This is largely because responsibility has not been linked to obligations, which come with responsibility. Anecdotally, there is a perception from the aquaculture Industry that to the Australian Government “shared responsibility” is no more than a euphemism for “shared costs”. It is important that these perceptions are overcome, and that Government, Industry and indeed communities are able to collaborate effectively, in order to exercise our shared but different roles and responsibilities.

We note that from aquaculture’s perspective the Australian Government, as the “gatekeeper” at Australia’s borders, needs to recognise and acknowledge its role as a potential risk creator in the case of an incursion of a demonstrably exotic disease or marine pest incursion by which aquaculture growers are affected through no fault of their own (e.g. the recent White Spot Disease incursion currently devastating prawn farms along the Logan River, Queensland).

Failure to recognise or agree on the differences between “risk creators” vs “beneficiaries” vs “victims” in the case of demonstrably exotic diseases, continues to be an issue of concern with respect to the formation of an Aquatic Emergency Animal Disease Response Agreement (AqEADRA) which is currently under discussion – again (this debate between the aquaculture sector and the Australian Government has been work in progress for more than a decade, and has been somewhat reignited in view of the recent outbreak of exotic White Spot Disease in prawns).

2. RESPONSES TO FEEDBACK REQUESTS AND RECOMMENDATIONS

2.1 ROLES AND RESPONSIBILITIES

Feedback Request 1: *The Review Panel seeks feedback on the draft roles and responsibilities of national biosecurity system participants.*

The NAC would welcome the formation of an Industry and Community Advisory Committee as proposed under **Recommendation 1** (such as the NBC Advisory Committee; disbanded in 2014); charged with developing a “National Statement of Intent” as outlined.

However this would not replace the need to establish a meaningful consultative process between Government and major biosecurity sectors, a requirement flagged in Section 2.4 of the Draft IGAB Report. This theme recurs in 4 of the 5 stand-out issues listed by the aquaculture sector as being key to a more efficient, equitable and effective biosecurity platform.

The aquaculture industry considers effective biosecurity as the foundation to health and disease management and consequent profitability. The aquaculture industry not only legitimately expects, it has demonstrated that it has not only a clear role and responsibilities in managing biosecurity associated with its operations, but also as the end user of biosecurity needs to be along with Government, centrally located in biosecurity policy formation.

In the context of a national biosecurity system however aquaculture is considerably different to terrestrial animal farming. The aquatic environment is shared by many commensal users, and may harbour unknown and opportunistic pathogens. By nature, the water medium supports open transmission pathways for disease agents that consequently are typically difficult or impossible to eradicate or contain. These features, combined with generally rudimentary knowledge of host-pathogen interactions all create very different biosecurity challenges compared to the terrestrial environment and require a far higher emphasis on prevention when considering biosecurity planning and enforcement.

Given these differences, and the growth of aquaculture in Australia (now some \$1.2 billion per annum), the NAC strongly believes that aquaculture must have the opportunity to collaborate and partner with Government beyond consultation with Government committees. The NAC would embrace meaningful consultation with the NBC, and engagement and through full representation on subcommittees charged with considering aquatic animal matters (e.g. Aquatic Animal Health Committee and Marine Pest Sectoral Committee).

2.2 MARKET ACCESS

Feedback Request 2: *The Review Panel seeks feedback on the total effort and costs associated with demonstrating area freedom by jurisdictions, and the value of that trade.*

As flagged in the first of the issues listed by the aquaculture sector as being key to a more efficient and equitable biosecurity platform, for the Aquaculture Industry, biosecurity is about much more than demonstrating area freedom for market access; it is also about other things such as ensuring safe and quality products for our customers, protecting and providing for the future of Australia’s aquaculture industry and safeguarding Australia’s biological capital for future generations.

To this end, collaborative arrangements with the FRDC, CSIRO, and universities, indicate that the aquaculture industry has collectively co-funded some \$50M in biosecurity and disease management over the last decade (a more detailed analysis is provided in the FRDC’s Submission to the IGAB Draft Report).

NAC acknowledges that trade and market access remains an important issue for some sectors within the aquaculture industry, as well as a large proportion of the harvest fisheries, and to this end the NAC supports **Recommendations 2 to 6**. In particular the NAC acknowledges Recommendation 2, which provides for improved engagement with Industry by the Primary Industries Technical Market Access and Trade Development Task Group. It is the NAC's strong submission that this recommendation could lead to not only improved and meaningful biosecurity outcomes; but also it could potentially provide a softening of the tension between international trade obligations and domestic biosecurity obligations – which do not have to be the polemic which is the current perception.

2.3 STRONGER ENVIRONMENTAL BIOSECURITY

Recommendation 7: *IGAB2 should include an explicit commitment by jurisdictions to support financially, decisions agreed to under NEBRA, but look to put in place systems that ensure decisions are evidence-based and transparent, in keeping with best risk management principles, and that give confidence to governments and the community that funds are being committed wisely and appropriately.*

It is the NAC's submission that reliance on NEBRA, prior to the outcomes of the NEBRA review is problematic. In its current form, the NEBRA has enjoyed very limited success in responding to environmental biosecurity pest and disease incursions, and even less success in the aquatic space. Furthermore this recommendation under-represents the importance of an aquatic disease response deed in the environmental space where in effect due to the lack of disease monitoring and surveillance, aquaculture stock on commercial farms (such as finfish cages or oyster long lines) will act as sentinels and could trigger aquatic responses and cost sharing. The NAC therefore recommends that the AqEADRA incorporate NEBRA type provisions; receive more recognition of its importance in an environmental biosecurity context.

Recommendation 10: *The Australian Government should establish the senior, expert position of Chief Environmental Biosecurity Officer within the environment department. A less preferred option is to house the position in the agriculture department. The position should report on the effectiveness of Australia's environmental biosecurity arrangements and achievements. Reports should be made publicly available.*

The NAC supports this recommendation; but believes it more appropriate and preferable if a Chief Environmental Biosecurity Officer were positioned in Department of Agriculture and Water Resources (DAWR) rather than Department of Environment (DoE), as the overarching function is "biosecurity" rather than "environmental management". The implication of this placement, would be that the proposed officer of the *Chief Environmental Biosecurity Officer* could be more focused on managing incursions and biosecurity at the front end rather than solely responding to incursions (which if housed in the DoE would seem to be the implication).

It is NAC's recommendation that with respect to environmental biosecurity the Department for the Environment is fully engaged, but that the DAWR retain its pivotal frontline role. It is NAC's strong submission that the recent incursion of White Spot Disease in prawns in the Logan River, has illustrated not only the need for a centralised Chief Environmental Biosecurity Officer, but also proactive frontline engagement in not only accepted biosecurity 'monitoring' and response type activities, but also at the trade (import/export) interface.

Recommendation 11: *The NBC should establish and resource a new Environmental Biosecurity Committee (EBC), comprising government and external environment biosecurity experts and representatives from both the animal and plant sectoral committees of the NBC, to support the role of the Chief Environmental Biosecurity Officer. The role of the EBC should be reviewed following its work to prioritise national biosecurity risks impacting the environment.*

This recommendation makes the implicit assumption that the Aquaculture Industry is not significantly affected by environmental biosecurity – and as such any new *Environmental Biosecurity Committee* need only comprise Government and Independent experts. This is not correct. More than any other primary industry, aquaculture is integrally reliant on the surrounding aquatic environment. To ensure efficacy the new EBC needs to incorporate Industry and community representation into its membership representation.

Recommendation 12: *Greater and explicit roles should be developed for [Animal Health Australia] (AHA) and [Plant Health Australia] (PHA) in environmental biosecurity, instituted through amended constitutions and expanded board expertise.*

To date while AHA is home to a host of animal representative members (e.g. Australian Pork, Australian goats, Australian Beef etc), the NAC is the only aquatic animal representative. And while the NAC supports this recommendation as far as increasing the capability of environmental biosecurity by including the competence held within AHA and PHA, until there is improved representation expressing greater aquatic animal expertise (aquaculture and wild harvest), industry expertise in the area of aquatic environmental biosecurity will continue to be under-represented.

Recommendation 13: *Jurisdictions should adopt a systematic approach to determine and plan for national priority animal, [↓,] plant and environmental pests and diseases.*

The NAC recommends insertion of the words “aquatic animal” between animal and plant in the draft Recommendation 13, given the differences between terrestrial and aquatic animal diseases and pests.

2.4 RESEARCH AND INNOVATION

Recommendation 15: *The sectoral committees of the NBC, with the endorsement of the NBC, should develop an agreed set of National Biosecurity [Research and Innovations] (R&I) Priorities, in consultation with system participants and in line with the agreed national priority pests and diseases. Priorities at a sectoral and cross-sectoral level need to be considered. The priorities should be developed within two years of the final IGAB review report, and should be reviewed every five years.*

The NAC does not support this recommendation.

To this end, the NAC posits that existing arrangements between aquaculture and the FRDC see the development and regular review of biosecurity R&I priorities. Furthermore these R&I fit within the agreements between all participants to the RD&E Statement of Intent (Commonwealth, state and territory governments, universities and RDCs) adequately address this function. It is difficult to see how centralised National Biosecurity Priorities could benefit aquaculture unless, they are agreed cross-sectorally.

Cross-sectoral collaboration wherever appropriate is to be encouraged, but a set of national priorities set by an NBC committee would not meet the needs of the aquaculture sector and the mechanism would unnecessarily duplicate a working arrangement. Again, this recommendation is failing to incorporate the end users of the biosecurity framework – and in an aquatic context, is essentially ignoring the connection between the need for National Biosecurity R&I priorities and a healthy aquatic environment and aquaculture Industry.

Feedback Request 3: *The Review Panel seeks feedback on the following options for a new entity for cross-sectoral biosecurity R&I:*

Option 1: Establishing a new stand-alone entity for cross-sectoral biosecurity R&I.

Option 2: Addressing cross-sectoral biosecurity R&I within an existing RDC (for example, the Rural Industries RDC).

The Panel also seeks feedback on the funding options and would welcome alternative suggestions.

The NAC does not recommend Option 1.

The NAC does see a role for RIRDC to co-ordinate cross-sectoral biosecurity R&I, with FRDC representing the seafood sector's interests.

Given that biosecurity is truly a shared responsibility, the unclear linkage between industry sector / government agency investment and return on biosecurity R&I is a deterrent to cross-sectoral collaboration except in very specific cases.

2.5 STRENGTHENING GOVERNANCE

Feedback Request 4: *The Review Panel seeks feedback on the proposed Terms of Reference for the NBC.*

The proposed Terms of Reference for the NBC appear appropriate *per se*, but as flagged in the third point in General Comments of this submission, the NAC believes the NBC needs to be more transparent, more open to industry dialogue, and more expedient in its decision-making.

Recommendation 20: *The NBC should adopt a sub-committee structure that aligns with the revised national biosecurity system objectives and national reform priorities in the IGAB. All NBC working groups and expert groups should be task-specific and, wherever possible, time-limited.*

The NAC believes very strongly that a significant change to the structure of NBC's subcommittees is essential.

The two NBC aquatic animal advisory committees (Sub-Committee on Aquatic Animal Health - SCAAH, and the Marine Pest Sectoral Committee - MPSC) currently comprise representatives from the Australian Government, from each state/Northern Territory government, NZ government, universities, and CSIRO.

Historically, an aquaculture industry representative did serve on both SCAAH, NIMPCG (the predecessor of MPSC) and an "Industry consultation group" of the MPSC. In recent years the position of aquaculture rep (which also provided liaison with harvest fishery and recreational fishery sectors on aquatic biosecurity matters) was gradually marginalised to "invited observer" status, leading to an abandonment of the position as a cost-ineffective exercise for industry.

Without amendment to at least include aquaculture industry representatives as full members of the two existing NBC aquatic animal advisory committees (SCAAH, and MPSC) and any new/other committees charged with considering aquatic animal matters, there will continue to be an absence of direct industry input to formal discussions and recommendations on biosecurity at the policy and priority setting level.

Conversely, meaningful participation by industry will assist to overcome the criticism from stakeholders that governments, the NBC and its sub-committees have not been sufficiently open about their activities and it will bring a new dynamic to the process.

Recommendation 25: *AGSOC should establish, as a priority, an Industry and Community Advisory Committee to provide advice to the NBC on key policies and reforms.*

Given that Recommendation 1 of this Report proposed that a new Industry and Community Advisory Committee be charged with developing a Statement of Intent (a Recommendation the NAC supported), it is logical for NAC to also support this Recommendation 25.

However we flag again that such a committee would not replace the need to establish a meaningful consultative process directly between Government and major industry sectors, including aquaculture, on biosecurity matters. In our experience, it is too easy for the aquaculture sector's voice to be drowned out in a forum of larger industries, community interest groups, and environmental lobby groups.

To this end, *an Industry and Community Advisory Committee* that has the capacity and the flexibility (in addition to its normal membership including adequate aquaculture sector representation) to have sub-committees or sector specific components with extra sectoral delegates, would greatly improve consultative and engagement capacity.

2.6 FUNDING THE SYSTEM

Recommendation 30: *All governments should review their current biosecurity expenditure, with a view to redirecting funding into areas that return the highest yields to farmers, industry and the community. This approach will require a planned and coordinated strategy of engagement and communication.*

The aquaculture industry invests significant amounts through FRDC for biosecurity related Research, Development and Extension (RD&E). Unavoidably much of this investment is in retrospective or emergency response to failures in the biosecurity at Australia's international border and hence falls into the area described in the report as Asset Based Protection.

Balancing this investment so more funds were invested in Prevention and Surveillance RD&E would be desirable, but limited funds and lack of a clear adoption and impact pathway for RD&E invested in aquaculture biosecurity prevention is a deterrent. Having a clear understanding of the priorities and who would be responsible for funding RD&E and implementing the outputs would address this.

Feedback Request 5: *The Review Panel seeks feedback on the following options to ensure a more rapid-response to an exotic pest or disease incursion:*

Option 1: Cost-sharing arrangements should provide for four weeks of monitoring, assessment and preliminary control strategies, while an overall assessment is conducted on the possibility of successful eradication.

Option 2: Cost-sharing arrangements should include a default funding arrangement for when decisions cannot be quickly reached about the success or otherwise of an eradication program.

In the NAC's view true eradication of a disease in an open aquatic environment is most unlikely. A disease outbreak may be controlled, but the typical time lag between introduction of an exotic pathogen, establishment in a domestic host; and discovery of an index case means that the pathogen is already well established at least in the local environment. Therefore first response to an incursion of an exotic or unknown disease in aquaculture is limited to prompt identification and containment of the disease until destocking and disinfection can be implemented.

Extant cost sharing agreements for the most part (at least in the context of disease responses) pretty much laid the groundwork for providing the basis for feedback to this request. Furthermore, to this end, in an aquatic context, the aquaculture industry (and some wild capture sectors) is in discussions with both the Australian Government and the State Governments with a view of forming an aquatic disease response framework. This aquatic emergency disease response framework (which is built on the principle of shared responsibility) would set (like other similar agreements) pre-agreed funding arrangements that provide for prompt and rapid action. However, the aquatic agreement as proposed does not include risk creators, this is problematic for the aquaculture industry.

The NAC notes that IGAB 2012, Clause 4 provides that – “*Relevant parties contribute to the cost of biosecurity activities: Risk creators and beneficiaries contribute to the cost of risk management measures in proportion to the risks created and/or benefits gained (subject to the efficiency of doing so);*” It would be a step backwards, to forget about risk creators in not only disease response; but also (and more importantly) in the mitigation of marine pest and aquatic disease incursions.

Hence the appropriate cost-sharing option for aquaculture would be a hybrid of Options 1 and 2; namely pre-agreed funding arrangements which provide for prompt response, but explicitly define the cost-sharing between the parties under various scenarios, taking into account the differences between “risk creators” vs “beneficiaries” vs “victims” in the case of demonstrably exotic diseases.

To demonstrate ‘real’ support for primary industries, it is important that Governments and indeed communities recognise and acknowledge the risks to Australia’s biological and natural capital. It is the NAC’s strong submissions, notwithstanding our support for the principle of shared responsibility, that the National biosecurity framework is underpinned by contributions from those who create risk that could undermine that framework, as well as those who benefit directly from it. A lack of clear demonstrable causation from a ‘risk creator’ at the time of an incursion is not a relevant basis for omitting risk creators from shared responsibility (as found as a result of risk assessment and analysis) prior to a potential incursion of a marine pest or an aquatic disease.

Recommendation 33: *The emergency response deeds for aquatic animals and exotic production weeds should be finalised within 12 months.*

After several years of debate of fluctuating intensity on the matter of an “aquatic EADRA” more recent discussion have established that in reality the only participants of any response deed will be parts of the aquaculture industry, and Commonwealth and state & territory governments.

Achieving this aim of finalising an aquatic EADRA deed within 12 months will be hugely dependent on recognising the differences between “risk creators” vs “beneficiaries” vs “victims” in the case of demonstrably exotic diseases.

There are suggestions (as yet unproven) that prawns imported for human food may have been the vectors for the current incursion of White Spot Disease in Australian prawns. Outcomes of the unwinding investigation of this outbreak may prove to be a test case.

2.7 FURTHER COMMENTS

The NAC has no meaningful comment to offer on Recommendations 34 to 40.

3. SUMMARY:

The NAC appreciates the opportunity to make this submission and looks forward to working with the IGAB Panel and other interested parties to facilitate an improved, more inclusive and more effective National biosecurity framework and ultimately effectuate improved biosecurity outcomes.

Thank NAC is happy to discuss our submission should it be required.

Regards



Aaron Irving
NAC Executive Chair