



DCCC Meeting 97

Final Minutes

20 March 2024

9:30am – 1:00pm

Canberra and virtual

Attendees:

DAFF

Chair, Tina Hutchison, First Assistant Secretary
Anna Brezzo, A/g First Assistant Secretary
Josephine Laduzko, Assistant Secretary
Damien Grantham, Director
Andrea Kondos, A/g Assistant Secretary
Brett Liebich, Assistant Secretary
Matthew Campbell, Assistant Secretary
Nin Hyne, A/g Assistant Secretary
Shaun Garlin, Assistant Secretary
Dave Chandler, Director
Caroline Gibson, Principal Director
Sarah Bruce, Principal Director

Biosecurity Operations Division (BOD)
Compliance and Enforcement Division (CED)
Cargo and Conveyances Policy and Detection Capability/BOD
Cargo Operations (VIC, SA, WA, TAS)/BOD
Cargo Operations (NSW, QLD, NT, ACT) Regulatory Assurance/BOD
Operational Intelligence and Coordination/CED
Audit and Assurance/CED
Biosecurity Digital Reform, Digital Business Division
Funding and Revenue, Finance and Investment Division
Cost Recovery, Finance and Revenue/F&ID
Approved Arrangements/CED
Hitchhiker Pests Working Group/Biosecurity Plant and Science Services

Industry

Paul Bagnall
Brad Leonard
Carolyn Macgill
Sal Milici
Melwyn Noronha
Stephen Pearse
Tanya Thornton
Dianne Tipping
Peter Van Duyn

Conference of Asia Pacific Express Carriers
International Forwarders and Custom Brokers Association of Australia
Food and Beverage Importers Association
Freight and Trade Alliance
Shipping Australia Limited
Board of Airline Representatives
Australia Post
Export Council of Australia
International Cargo Handling Coordination Association

Observers

Bianca Flint
Michelle Brotohusodo

Freight and Trade Alliance
Biosecurity Strategy and Reform Division (BSRD)

Apologies

Peter Timson, First Assistant Secretary
Bronwen Jagers, A/g First Assistant Secretary
Holly Buckle, Assistant Secretary
Andrew Patterson, Assistant Secretary
Dianne O'Hara,
Michael Gallacher, CEO
Scott Carson, CEO
Craig Birchall

Compliance and Enforcement Division (CED)
Biosecurity Strategy and Reform Division (BSRD)
Cargo Operations (VIC, SA, WA, TAS)/BOD
Cargo Operations (NSW, QLD, NT, ACT) Regulatory Assurance/BOD
Federal Chambers of Automotive Industries
Ports Australia
International Forwarders and Custom Brokers Association of Australia
Qantas Airways Ltd

Secretariat

Angela Cressy
Aliva Evana

Sea Cargo Policy and Industry Partnerships & Strategic Engagement /BOD
Sea Cargo Policy and Industry Partnerships & Strategic Engagement /BOD



Agenda item 1 – Welcome and introductions

DCCC Chair Tina Hutchison, First Assistant Secretary, Biosecurity Operations Division, opened the meeting by acknowledging country, welcoming all members attending personally in Canberra and virtually, noting apologies (refer Minutes p1) and introducing Australia Post's new DCCC representative Tanya Thornton. The Chair confirmed NIL conflict of interest declarations.

The Chair gave an overview of DAFF's current context:

- In response to several reviews including the Australian Public Service Capability Review, DAFF Secretary Adam Fennessey PSM leads the department's transformation action plan supported by 2 new Deputy Secretaries:
 - **Biosecurity and Compliance Group:** Justine Saunders, formerly of the Department of Home Affairs (including Australian Border Force), brings comprehensive experience from a range of Deputy Secretary/Deputy Commissioner roles in strategic regulatory, compliance policy and operations.
 - **Agriculture, Fisheries and Forestry Policy Group:** Matt Lowe brings extensive public sector experience including Chief Executive, Agriculture Victoria and Deputy Secretary Agriculture, Victorian Department of Energy, Environment and Climate Action; and Victorian Department of Premier and Cabinet across infrastructure, economic and social policy domains.
- Key transformation actions (noting a range of opportunities for industry input) will focus on (but not limited to):
 - sustainable finances and management
 - the regulatory operating model
 - workforce capacity and capability.
- Related Biosecurity Operations Division priorities and responsibilities including (but not limited to):
 - government commitments: sustainable funding and the cost recovery arrangements: 1 July 2024 Self Assessed Clearance (SAC); refreshed Australia Post and Australian Defence Force funding arrangements
 - STEPS IT system reform: focusing on cargo to address industry and government information and service needs
 - workforce planning: actively progressing short, medium and long-term approaches to recruit, onboard and operationalise staff; balance staff attrition and retention (detail at Item 3.5 Cargo Update)
 - uplifting regulatory operating model, service delivery and standards.

Action:

1. Secretariat to share DAFF's DCCC Mtg 96 Action 3.4.1 response sent to FTA on lodging overtime requests between eastern and western states – COMPLETE 21 March 2024.

Agenda Item 2 – Minutes and Actions – DCCC Mtg 96, 15 Nov 2023

Members noted the February 2024 publication of the final minutes of DCCC Mtg 96 on 15 November 2023 and accepted the Mtg 96 Actions as read.

Agenda item 3 – Items for discussion BOD Strategic & Operational Priorities

3.1 Strategic Industry Engagement - Update and next steps - Jo Laduzko

The Chair introduced Jo Laduzko to update members on progress of key products following the 15 Nov 2023 discussions about resetting industry engagement to design and deliver constructive, transparent two-way communications on critical issues impacting industry:

- A paper will be circulated for member's comment/input on a range of proposals to deliver constructive two-way engagement between industry and DAFF, including a link to the draft structure for a public facing Biosecurity Operations landing page intended to centralise:
 - regular operational updates on biosecurity issues, incidents, border detections and alerts
 - links to shared responsibility pages e.g. Hitchhiker Program, biosecurity reform initiatives e.g. STEPS
 - links to key business and email contacts for biosecurity issues, reforms, initiatives, consultations
 - an industry feedback page (key considerations below)
 - calendar of Events e.g.: webinar information sessions; training informed by data gathered via the industry feedback page and industry consultation fora.

Key member observations and considerations for the landing page:

- Phased implementation to ensure the site is fit-for-purpose
- Actively maintain the page to ensure current content and feedback loop for industry issues, comments and suggestions



- The industry feedback page should be designed to appropriately triage transactional and system level feedback and collect intel.
 - enable a decision tree to triage transactional and system level issues
 - use data to inform the priority issues, target stakeholders for engagement and identify best channel and/or platform to respond, engage, inform, educate or train target audiences.

Actions:

3.1: Jo Laduzko/Secretariat to circulate DAFF's paper on proposed approaches to engagement with the link to the biosecurity operations landing page for member's comment/input.

3.1.1: Add Strategic Engagement update to 4 July 2024 Mtg 98 Agenda.

3.2 BOD key strategic and operational projects: Jo Laduzko

Jo Laduzko opened the discussion by reiterating the focus was on strategic projects; the key operational challenges were resourcing; and DAFF will realise workforce efficiencies as the STEPS initiatives for industry roll out (full detail at Item 3.3 STEPs update).

Core strategic cargo policy priorities for the next 12-18 months including targeted, strategic industry engagement:

- **Review of the high-volume air cargo pathway** to determine the pathway's level of risk and alignment of current legislative, risk control and capacity settings.
 - **Members raised concerns** about:
 - Current engagement on Western Sydney International Airport (WSIA) infrastructure and the timing of the review findings to potentially inform the national model for Joint (DAFF, ABF) Examination Facility infrastructure due to open in July 2026. Key infrastructure decisions will consider:
 - the cost/benefits of adjusting to flexibly manage changing risk
 - DAFF clarified its review **of the high-volume air cargo pathway** is quite separate from the national infrastructure model involving reviewing a range of operational biosecurity elements outside of infrastructure.
- **Holistic review of Class 19 Approved Arrangements** to examine opportunities for:
 - further industry led assessment services
 - AEP and NCCC expansion e.g. introducing other categories with different risk and assurance profiles
- **Assuring and effectively managing our risks settings:**
 - Minimum documentary requirements review – including key areas of industry concern
 - System assurance processes and resourcing:
 - Risk and compliance-based review of commodity and entity risk to achieve ALOP
 - Alignment of the operating model, including use of approved arrangements and other entity compliance-based intervention models (HCI, CBIS, other 'green-lane approaches').
 - Including industry uptake and departmental resourcing scenarios.
 - Linked to class 19 work
- **First Point of Entry and Non-first Point of Entry policy** and administration
- **Industry engagement posture**
- **New Vehicle policy and offshore arrangements**

Action:

3.2: Jo Laduzko to speak with Craig Birchall Qantas regarding more detail on the timing of key WSI policy decisions and next stages.

3.2.1: Jo Laduzko to update members at the next meeting on progress of the strategic operational priorities.

3.3 Simplified Targeting and Enhanced Processing System (STEPS) – status and next steps

The Chair handed over to Nin Hyne to update members on progress of the STEPS Program since the last DCCC meeting on 15 November 2023.

Key points:

- The STEPS Implementation Board chaired by Tina Hutchison have agreed on the STEPS vision; business goals and underpinning technical environments and teams



- The STEPS program platforms and builds are aligned and interoperable with ABF's Simplified Trade System (STS) efforts. Further the department's Digital Business Division leads alignment of the 10-year digital outlook to integrate with STS and portals for biosecurity and exports.

By the end of FY 2023-24, STEPS' focus on the commercial cargo pathway and imported goods valued at over \$1000.00 will enable:

- a clear understanding of DAFF's biosecurity workforce and industry needs to efficiently manage cargo assessment and inspection processes and services
- 3 digital products co-designed with industry to support Biosecurity Industry Participants (BIPs) manage their approved arrangements (AA) and track the status of cargo under biosecurity control:
 1. an online self-service function for AAs to manage their business details – planned to cover 85 classes of AAs
 2. accessible digital certificates initially from NZ – scalable to other countries as they come online
 3. Cargo status tracker to view information on the progress of consignments under biosecurity control (currently 24 hour provision of data with real-time data in the pipeline)

Key considerations raised by members:

- Ready access to directions for cargo consignments
- Real time data
- Estimated time of arrival and date of lodgement (under development by STEPS)
- Data exchange with industry and understanding Subject Matter Expert (SME) common and bespoke platforms and software.

Consultation

- The Chair raised the department's iterative co-design and showcasing approach for digital products and encouraged members to give feedback at STEPS@aff.gov.au either supporting the approach or providing views on areas for improvement.
- Proof of successful co-design and implementation may justify further 2 years of funding for the STEPS program.

Action

3.3: Secretariat to share STEPS presentation (Complete)

3.3.1: STEPS update to be scheduled for the next meeting on 4 July 2024

3.4 Hitchhiker Program update

The Chair introduced Sarah Bruce, Principal Director, Hitchhiker Program (the Program) funded 2.5 years ago and co-designed by the Biosecurity and Compliance Group (BCG) to holistically target hitchhiker pests Khapra Beetle and Brown Marmorated Stink Bug (BMSB) which both pose serious threats to Australia's agricultural industries, export economy, environment and way of life.

Members were updated on the program's reform activities and the first inaugural meeting on 5 March 2024 of the Imported Sea Container Working Group (the Working Group) established to co-design better risk hitchhiker management interventions.

Working closely with BCG risk owners and Working Group representatives, the Hitchhiker Program reforms will focus on four areas of hitchhiker pest management:

- 1. Keeping risk offshore – expanding offshore quality systems e.g. Sea Container Hygiene Scheme**
- 2. Tightening onshore treatment controls and targeting intervention by reviewing CAP country action list of 42 countries**
 - includes targeting traditionally low-risk pathways to collect data over time to inform whether risk categories for containers from particular ports need to be raised.
- 3. Investigating opportunities to expand hitchhiker pest management partnerships:**
 - industry inspections of containers that are less likely to have hitchhiker pest contamination freeing up DAFF resources to target higher risk containers
 - partnering with a range of organisations: research, other government agencies and industry.
- 4. Hitchhiker Communications Campaign** - a non-regulatory solution delivering general and targeted stakeholder engagement and communications materials on hitchhiker pests arriving on imported sea containers at Australian sea ports including:
 - social media campaign and merchandising
 - targeting those who do not intervene with the department
 - survey for views on incentives to inform training, comms, cost benefit analysis – industry costs



- bi-monthly meetings early May with survey rollout – stakeholder id and cost benefit analysis.

3.5 Cargo operations update – Andrea Kondos/Damien Grantham

The Chair introduced Andrea Kondos and Damien Grantham on behalf of Andrew Patterson and Holly Buckle to give the Cargo update.

Key discussion points:

Workforce:

The Chair advised that DAFF's frontline biosecurity recruitment, onboarding and retention is a significant focus for the department. A senior Executive Leadership roundtable meets fortnightly on strategies to increase capacity, forecast workforce needs and streamline internal processes. As a result, recruitment and onboarding timeframes in some areas have drastically reduced through direct approach to market, short term labour hire and leveraging existing capability approaches with benefits to be realised from the new financial year within a 6-month timeframe.

Further as part of the Transformation Taskforce's work, an examination of the regulatory operating model will cover service offering, the role of third-party arrangements and cost benefits of broader application.

- RECRUITMENT from February 2023 to January 2024 – biosecurity operations onboarded a total of 183 staff – majority APS 4
 - Cargo assessments – South: 30 staff
 - Cargo assessments – North: 16 staff
 - Inspections – South: 65 staff
 - Inspections – North: 59 staff, including management positions
 - 2 staff for Client Contact Group
 - 11 staff for North and South regions
- Separations from the department
 - 78 frontline staff (not including interdivisional/department promotions/changes).

Members' points on workforce and potential solutions:

- The importance of the STEPS and AEPCOMM initiatives in creating efficiencies and freeing up workforce
- Potentially use learnings from the successful experience of training offshore food standard auditors for biosecurity where uptake by companies is slowly increasing and data is improving
- inspections at anchorage for the bulk trade and bulk grain trade and the cost impact of a failed inspections
 - The Chair responded:
 - work has been undertaken on work, health and safety on boarding at sea and third-party arrangements for undertaking bulk inspections
 - the department would come back with current status of Inspections at anchorage for the bulk trade and bulk grain trade
 - to find solutions, further understanding is needed of:
 - the frequency of failed inspections (DAFF and Shipping Australia Limited (SAL))
 - impact in terms of time and cost (SAL).

Delays:

- The department acknowledged the delays and reiterated as of 20 March delays are receding due to the reallocation of operational resources to the client contact group and investment in overtime. Further that members share responsibility for encouraging uptake of the Biosecurity Portal and educating member cohorts about the timing of requests for inspections to effectively schedule inspection staff.
- Industry suggested to help manage delays and industry expectations, DAFF should:
 - investigate other communication channels to alert industry
 - issue timely public communications via Import Industry Advice Notices (IIAN) on the commodity, status and locations of delays which potentially includes a flow chart showing clear service principles for the selected inspection scheduling times.
- Members acknowledged cost recovery restricts the use of 'price signalling' incentives to channel and spread requests for inspections.

Actions:

3.5: DAFF to come back with status for bulk trade and bulk grain trade inspections at anchorage.

3.5.1: SAL to come back with time and cost impacts of failed bulk trade and bulk grain trade inspections.

3.5.2: DAFF to publish timely IIANs on commodity, status and locations of inspection delays.



3.6 Cost recovery – 2024-25 CRIS process – Shaun Garlin/Dave Chandler

The Chair introduced Shaun Garlin and Dave Chandler to lead discussion on the draft consultation 2024-25 Cost Recovery Impact Statement.

Key points raised:

- DAFF is required by government to transparently report its use of biosecurity budget measure and appropriation funding. For ongoing financial performance reporting, transparency and accountability, the Minister for Agriculture, Fisheries and Forestry has established a Sustainable Funding Advisory Group comprised of government and industry sector representatives.
- The Biosecurity Cost Recovery Impact Statement (CRIS) is published at the end of each financial year. Following the 2023-24 cost recovery review and analysis of financial year performance, the draft consultation 2024-25 CRIS will be presented to the Minister as the basis for engagement on cost recovery price changes including automatic application of indexation.
- Consultation on the price changes will continue until 3 May 2024.
- Information will be provided to stakeholders via the department's website, social media and Import Industry Advice Notices (IIANs).
- Talking Points will be available for members to use with their member cohorts.

SAC Cost recovery

- A separate SAC CRIS will be released as part of the engagement process for the FY 2024-25.
- Following that, SAC cost recovery will be consolidated under the CRIS for biosecurity cost recovery arrangements effective from 1 July 2026.

Agenda item 4 – Industry information exchange

The Chair introduced the items submitted for discussion by IFCBAA and FTA.

4.1 Documentation requirements – Approved Arrangement 19.1

Key issues:

- Framed under the principle of leveraging existing data/documentation to decrease duplication of effort, IFCBAA questioned the necessity to produce documentation (excluding for the purpose of random audits) when it has already been assessed by the department or a Class 19.1 Approved Arrangement.

Department's response:

- Potential legacy, technical and legislative issues for examination:
 - legacy issues: the application of DAFF's instructional material on Class 19 referred inspections under the *Biosecurity Act 2015*, s.127 reserve powers to request information for assessment purposes
 - technical issues: inspectors/assessors' ready access to appropriate documentation already in the system (COLS) regardless of device and location
 - STEPs is looking at this issue to improve documentation access for inspectors and assessors
 - legislation: the requirement to produce specific documentation may be to verify management of a particular risk.

Action:

4.1: Jo Laduzko (with assessment services leads) to review instructional material for Class 19 and 19.1 for alignment with regulatory intent.

4.2: Jo Laduzko to come back with an update on findings and next steps at Mtg 98 on 4 July 2024.

4.2 Illegal Logging Compliance – ruling required on validity of annual/periodic declarations

The Chair handed over to Matthew Campbell to lead discussion.

Key issues:

- Industry perceives the requirements for illegal logging compliance to be an administrative burden.
- The legislative framework governing declarations for imported timber products and timber related products requires declarations on a shipment-by-shipment basis which fails to meet the operational realities of business where responsibility for declarations falls to the broker e.g.
 - 33,000 registered timber importers with 5 customs brokerages engaged in that process and 7 individual importers.



- IFCBAA has liaised with the Illegal Logging Compliance team to request that annual/periodic declarations for licenced customs brokers be accepted as confirmation from the importer that their due diligence requirements have been met.

Potential solutions suggested by industry:

- Leverage and use existing data on shipments
- Explore traceability data like what's being investigated in the Seafood space.

Department's response:

- In contrast to regulating other imported commodities, illegal logging does not have the same biosecurity regulatory touch points applied to other industries e.g. Approved Arrangements.
- Legal responsibility rests with a large group of importers therefore the CPQ is required to verify each shipment is from a destination that satisfies the requirements.
- A broader, holistic discussion involving compliance, international forestry, and fisheries (for learnings on a similar experience) is needed to understand the challenges and whether the risk and control settings for imported timber are being targeted as intended.

Action:

4.2: Matt Campbell to convene discussion on current legislative framework for illegal logging, the challenges for industry and potential solutions.

4.3 Minimum Documentary Policy – validating packing declarations

Key issues:

- FTA recommended a potential review of minimum documentary (MinDoc) requirements policy to clarify the policy intent of who is bound to issue packing declarations.
- Current interpretation by most industry and departmental officers varies despite a range of communications aimed at reinforcing the policy position.

Department's response:

- 2 key issues:
 - confirming the drivers of the policy intent and checking alignment in the associated communications and instructional materials that lay out the MinDoc requirements for packing declaration validations
 - determining the best way to clearly communicate the policy intent to industry and departmental staff.
- To review MinDoc, the first steps require scoping of the associated elements, methodology and cost-benefits of resourcing a review.

Action:

4.3: Jo Laduzko to review communications materials for alignment with MinDoc regulatory intent for validation of Packing Declarations.

4.3.1: Jo Laduzko to come back with an update on scoping for a review of MinDocs and next steps at Mtg 98 on 4 July 2024.

4.4 Automatic Entry Processing – driving uptake

Key issues:

- Industry and government have been calling for industry uptake of AEP since its inception.
- FTA advice the barriers to uptake include:
 - the AEP compliance actions for minor mistakes are onerous and lead to a hesitancy to uptake or reuse AEP
 - technical issues with amended feeds returning as 'held' and the time taken to contact officers to remove the 'hold'

Department's response:

- In the last 6 months AEP uptake is around 48% - an 18% increase on the long-term average. It is unclear whether this is due to the assessment timeframes or expansion of AEP commodities.
- A list of emerging AEP issues has been aggregated to inform activities to encourage uptake as commodities are added from May and June.
- In relation to compliance, the verification platform runs through a process of triaging non-compliance for consequent actions and may take time to release goods.
- The data shows AEP usage for businesses with in-scope commodities ranging from 'high' to 'not at all'.



Boosting uptake

- In the short term, joint efforts on a communications campaign targeting those businesses not using AEP.
- Based on scoping and the cost benefits of resourcing, examine how the range of AEP commodities influence uptake.
- Industry efforts with members to raise AEP as an option and seek advice on perceived impediments to uptake

The Chair noted DCCC decisions on activities for action need to be backed up by scoping of investment in time, effort and resources.

Action:

4.4: DAFF to scope a campaign targeting businesses with eligible commodities not using AEP for discussion at Mtg 98 on 4 July 2024.

Agenda item 5 – Other business, wrap up and close

The Chair confirmed the need for a forward DCCC work plan of strategic and operational priorities to ensure decisions on actions can be resourced and will deliver best outcomes for people trading across Australia’s borders.

SAL flagged ongoing consultation with DAFF is required to update biofouling and ballast Anti-fouling guidelines and in-water cleaning standards for 2024. The Chair confirmed DAFF would consult with APSA; acknowledged the global importance of the guidelines and noted DAFF’s ongoing close engagement with NZMPI to harmonise management approaches.

In closing the Chair thanked members for their high level of engagement at the meeting and encouraged members to add topics of interest to the agenda.

Members’ preference for a virtual or face-to-face meeting on 4 July 2024 to be confirmed out-of-session.

Meeting closed: 13:00pm

Item	Summary of Meeting 96 Actions – 15 Nov	Owner/s
3.1	Circulate DAFF’s paper on proposed approaches to engagement with the link to the biosecurity operations landing page for member’s comment/input	Jo Laduzko/Secretariat
3.1.1	Add Strategic Engagement update to 4 July 2024 Mtg 98 Agenda.	Secretariat
3.2	Liaise with Craig Birchall Qantas regarding more detail on the timing of key WSI policy decisions and next stages	Jo Laduzko
3.2.1	Update members on progress of the strategic operational priorities at the next meeting on 4 July	Jo Laduzko
3.3	Share STEPS presentation	Secretariat
3.3.1	Schedule a STEPS update for the next meeting on 4 July 2024	Secretariat
3.5	DAFF to come back with policy status for bulk trade and bulk grain trade inspections at anchorage	Business owner/s
3.5.1	SAL to come back with time and cost impacts of failed bulk trade and bulk grain trade inspections	Melwyn Noorohna
3.5.2	DAFF to publish timely IANs as necessary on commodities and locations of inspection delays	Andrea Kondos/Damien Grantham
4.1	Review instructional material for alignment with Class 19 and 19.1 regulatory intent	Jo Laduzko
4.1.2	Provide an update on Class 19 findings and next steps at Mtg 98 on 4 July 2024	Jo Laduzko
4.2	Convene a discussion on current legislative framework for compliance with illegal logging, challenges for industry and potential solutions	Matt Campbell
4.3	Review communications material for alignment with MinDoc regulatory intent for validation of Packing Declarations	Jo Laduzko
4.3.1	Come back at Mtg 98 on 4 July 2024 with an update on scoping for a review of MinDoc and next steps	Jo Laduzko
4.4	Scope a campaign targeting businesses with eligible commodities not using AEP for discussion at Mtg 98 on 4 July 2024.	Jo Laduzko
5	Biosecurity Animal Division (BAD)/ to consult with SAL to update biofouling and ballast Anti-fouling guidelines and in-water cleaning standards for 2024	BAD/Jo Laduzko/Angie Davis