



Australian Government

Department of Agriculture,
Fisheries and Forestry

Exporter Supply Chain Assurance System Regulatory Performance Report

1 July 2023 to 30 September 2023



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Department of Agriculture, Fisheries and Forestry
GPO Box 858 Canberra ACT 2601
Telephone 1800 900 090
Web agriculture.gov.au

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Acknowledgement of Country

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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Overview

The Exporter Supply Chain Assurance System (ESCAS) requires exporters to have arrangements with supply chain partners (i.e. importers, feedlots, abattoirs) in importing countries to provide humane treatment and handling of feeder and slaughter livestock (cattle, sheep, goats, deer, buffalo and camelids) from arrival through to point of slaughter. As ESCAS only applies to feeder and slaughter livestock, the statistics in the report refer only to feeder and slaughter exports. ESCAS does not apply to the export of breeder livestock. ESCAS is underpinned by the following key principles – control, traceability and animal welfare– whereby the exporter must demonstrate, through a system of reporting and independent auditing of their supply chains:

- the exporter has control of all supply chain arrangements (including having agreements in place with supply chain partners) for the transport, management and slaughter of livestock, and that all livestock remain in the supply chain (control)
- the exporter can account for all livestock through the supply chain (traceability)
- animal handling and slaughter meets World Organisation for Animal Health (WOAH) animal welfare standards (animal welfare).

If issues arise, ESCAS requires exporters to address any non-compliance matters within their supply chains. This may be managed by undertaking additional steps or corrective actions at facilities (for example delivering training or upgrading infrastructure), removing non-compliant facilities from a supply chain, or not exporting any further livestock to a supply chain.

Additionally, the ESCAS regulatory framework enables the Department of Agriculture, Fisheries and Forestry to assess information about reported non-compliances with ESCAS requirements and take regulatory action where appropriate. Reports are generally received through one of four pathways: self-reported by exporters, reported by third parties (for example animal welfare organisations or private citizens in an importing country), reported by industry, or identified by the department itself. Reports are assessed by the department using the [guideline for the management of non-compliance](#).

In response to ESCAS non-compliance, the department may apply regulatory actions to an ESCAS, or in more serious instances to an exporter or an entire market. This may include revoking an ESCAS, varying an ESCAS to remove facilities or apply additional conditions, or suspending or cancelling an exporter's licence. Regulatory action is applied based on the nature of the non-compliance, and any corrective actions implemented by the exporter is taken into consideration.

1 Period summary: 1 July 2023 to 30 September 2023

Below is a summary of the number of feeder and/or slaughter livestock exported, number of reports received, and number of assessments completed during this period (1 July 2023 to 30 September 2023).

1.1 Livestock exported

During this period 221,369 livestock were exported under ESCAS arrangements to 10 countries. The number by species exported to each country is presented in Table 1.

Table 1 Summary of livestock exported – 1 July 2023 to 30 September 2023

Country	Buffalo	Cattle	Goats	Sheep	Total
Brunei	80	760	–	–	840
Indonesia	1029	83298	–	–	84327
Israel	–	20576	–	-	20576
Jordan	–	1951	–	3150	5101
Kuwait	–	-	–	43049	43049
Malaysia	93	836	3142	5714	9785
Philippines	–	7312	–	–	7312
Thailand	–	1674	–	-	1674
United Arab Emirates	–	-	–	9000	9000
Vietnam	114	39591	–	–	39705
Total	1316	155998	3142	60913	221369

1.2 Reports received and completed

One third party report of non-compliance with ESCAS requirements was received during this period. A summary of reports and notifications received and completed is presented in Table 2.

Table 2 Summary of reports received and completed – 1 July to 30 September 2023

Report type	Outstanding reports as at 1 July 2023	Reports received in current period	Assessments completed in current period	Assessments remaining in progress as at 30 September 2023 ^a
ESCAS	2	1	1	2 ^c
Exporter notifications ^b	1	0	1	0
Total	3	1	2	2

^a A summary of assessments in progress is provided in Section 4 of this report.

^b Exporter notifications are detailed in section 5 of this report.

^c See 3.1.1 below

2 Summary of ESCAS non-compliance assessments

2.1 Overview of findings

An overview of findings for ESCAS assessments completed in this period is provided in Table 3. A detailed summary for each assessment is provided in Section 4 of this report.

Table 3 Assessments completed – 1 July 2023 to 30 September 2023

#	Date reported	Source	Market	Species	Australian animals involved	Exporter	Summary of issues	Non-compliance finding
192	June 2023	Independent Observer	Jordan	Sheep	~20	LSS	Non-compliant handling of sheep during discharge	Minor non-compliance

3 ESCAS Regulatory Performance Assessments

3.1 Oman

Background

The Exporter Supply Chain Assurance System (ESCAS) was implemented in Oman on 1 September 2012.

As at 30 September 2023, there are currently 3 Australian exporters approved to export feeder and slaughter livestock to Oman.

The department has previously published assessments of 10 reports relating to non-compliance in Oman. 7 of these reports resulted in non-compliance being recorded against exporter supply chains and facilities. The assessments can be found at [ESCAS Investigations](#).

As at 30 September 2023, no further reports of non-compliance are under assessment for Oman.

3.1.1 Report #191: Sheep exported to Oman

The ESCAS investigation team has referred this incident to the department's Compliance and Enforcement Division for further investigation. As this is an active and ongoing matter and to protect the integrity of the investigation and the department's investigative processes, the department is unable to provide details at this time. Upon completion of the investigation, the department will update this performance report to publish its findings.

3.2 Jordan

Background

ESCAS was implemented in Jordan on 1 September 2012.

As at 30 September 2023, there is one Australian exporter with approved supply chains to export livestock to Jordan.

Since 2011, the department has previously completed assessments of 11 reports relating to non-compliance in Jordan. From these reports, 17 findings of non-compliance have been recorded against exporter supply chains and facilities. The assessments can be found at [ESCAS investigations](#).

As at 30 September 2023, one report of non-compliance is under assessment for Jordan.

3.2.1 Report #192: Sheep exported to Jordan – Minor non-compliance

Incident report

On 27 June 2023, the department received a report from an Independent Observer (IO) who was onboard a Livestock Shipping Services (LSS) consignment of sheep to Jordan, alleging non-compliance with ESCAS animal welfare standards during discharge at Aqaba port on 19 June 2023. The IO provided video footage and photographs which showed sheep walking and trampling over each other on the discharge ramp, multiple sheep escaping onto the wharf and being dragged by one leg after being caught, and sheep being lifted from a height by one leg back onto the ramp.

Department assessment and actions

The department provided the report and relevant footage to LSS on 3 July 2023, and requested that they provide:

- their standard operating procedure (SOP) in relation to discharge and land transport in Jordan
- a response to the report and to identify potential root causes for the issues identified
- what corrective actions LSS have taken and will take to mitigate the risk of future incidents during discharge of sheep in Jordan.

The department assessed the photographs and video footage provided by the independent observer and confirmed the following instances of Australian sheep being handled in a manner not consistent with ESCAS animal welfare standards:

- Inefficient/non-compliant movement of sheep during discharge, including the use of sticks and pressure to move when the path is blocked, leading to sheep walking over each other.
- Non-compliant handling of sheep by picking up and dragging by their limb.

Exporter actions

On 10 August 2023, LSS provided a submission in response to the request made from the department on 3 July 2023. This included the standard operating procedure that is used for sheep discharge and

land transport in Jordan, a response to the submitted material which included identification of potential cause for the issues, and the corrective actions that LSS will take. These corrective actions included that:

- all pilot sheep will be handled by vessel crew only
- no sticks are to be used by crew or shore side staff
- gates are to be fixed to the truck and shore platform before the truck is loaded to prevent sheep from escaping
- the slide gate on the vessel must be used to control the flow of discharge to avoid pile up at the bottom of the ramp.

LSS also prepared discharge instructions emphasising the requirement to comply with ESCAS standards in relation to animal handling, including when dealing with escaped sheep.

LSS's next consignment of sheep to Jordan discharged at Aqaba Port on 9 October 2023. An Independent Auditor was present and reported that all of LSS's corrective measures had been implemented and there were no non-compliances during discharge.

Department conclusions

Based on the evidence and information provided by the IO, the department determined that non-compliance with ESCAS animal welfare requirements had occurred during the discharge of an LSS sheep consignment at Aqaba port, Jordan. The video footage showed non-compliant handling of sheep including - forcing movement despite a blocked path and the use of sticks and, dragging and picking up sheep by their limbs. The non-compliant handling led to sheep walking over each other and, when coupled with poor infrastructure, the escape of multiple sheep onto the wharf.

To address ongoing risks associated and to provide adequate assurances that livestock will be handled and dealt with in accordance with ESCAS standards, the department issued LSS with directions on 14 September 2023. The directions included that LSS must ensure an independent auditor assess and reports on the discharge of its next consignment of sheep at Aqaba port. The auditor must also assess the implementation of LSS corrective actions provided to the department on 10 August 2023.

In assessing this matter against the [guideline for the management of non-compliance](#), the department recorded minor non-compliance with ESCAS animal welfare standards against the LSS Jordan sheep supply chain.

4 Exporter notifications: issues identified and addressed by exporters

One exporter provided a report to the department regarding their supply chain in Indonesia. The report complied with the department’s ESCAS self-reporting requirements and was received within the required time frame. Appropriate corrective action was implemented by the exporter and no regulatory action was taken by the department.

Table 4 Exporter notifications: issues identified and addressed by exporters - 1 July 2023 to 30 September 2023

#	Market	Species
1	Indonesia	Cattle

5 Summary of assessments in progress as at 30 September 2023

Table 5 provides an overview of all regulatory performance assessments in progress as at 30 September 2023. The status of all reviews can be found at [ESCAS Investigations](#).

Table 5 Summary of ESCAS investigations in progress as at 30 September 2023

#	Date reported	Type	Market	Species	Report
191	May 2023	Third party report	Oman	Sheep	Loss of control and traceability
193	Sept 2023	Third party report	Jordan	Sheep	Animal welfare concerns