

## 8. LIVE ANIMAL EXPORTS

### Key information

- A range of live animal export reform initiatives are underway, designed to increase transparency, provide assurances of the effective regulation of the trade and improve animal welfare outcomes.
- A Regulation Impact Statement (RIS) process for live sheep exports to, or through, the Middle East during the Northern Hemisphere summer is being conducted. The RIS will analyse the economic and regulatory impacts of three proposed options to limit the risk of heat stress in live sheep and improve animal welfare outcomes. Stakeholder consultation closes on 3 February 2020 to enable a final government decision by March 2020, in time for the start of the 2020 northern summer.
- The review of the Australian Standards for the Export of Livestock (ASEL) has been completed by an independent Technical Advisory Committee and drafting of ASEL version 3 is underway. The revised standards will be implemented in 2020, continuing to ensure livestock are fit for export and managing the risks to animal health and welfare during air and sea voyages.

### Issues

Following television airing of terrible animal welfare conditions on board the *Awassi Express* in 2018, regulation of the live animal export trade has been undergoing a number of reviews and reforms:

- The McCarthy Review into the standards for sheep exported during the northern hemisphere summer (May–October), completed in May 2018
  - All 23 recommendations made were supported, noting that some are subject to further public consultation and testing (including changes to heat stress risk assessment).
- The Moss Review into the regulatory capability and culture of the department, completed in October 2018
  - To date, 24 of 31 recommendations have been implemented/considered business as usual.
- The independent review of the Australian Standards for the Export of Livestock (ASEL) by sea and by air, completed in March 2019 and October 2019. Updates will be implemented in late 2020.
- The Heat Stress Risk Assessment review, advising on welfare-based approaches to managing heat stress in exported sheep, completed in September 2019
  - This review and the McCarthy Review informed the Regulation Impact Statement (RIS) process for live sheep exports to, or through, the Middle East (currently underway).

There are a number of new/ revised policies to further support animal welfare outcomes in the trade:

- Deployment of independent observers on livestock export voyages by sea to provide the regulator with first-hand information regarding on board conditions
- Development of a third party assurance scheme to support the Exporter Supply Chain Assurance System (ESCAS), which ensures humane treatment of Australian feeder/slaughter livestock
  - A RIS process is underway (stakeholder consultation period closed 17 January 2020).
- Assessment of temporary exemptions from the Marine Order 43 phase out of twin-tier vessels for livestock carriage, to facilitate continued exports subject to appropriate additional conditions
- Work on an improved legislative framework including the Export Control Bill 2019 and Rules 2020
  - The Export Control Bills Package 2019 was introduced into Parliament on 4 December 2019.
- Improved stakeholder engagement with the establishment of the Livestock Export Animal Welfare Advisory Group (LEAWAG) and a state and territory regulators group.

### Sensitivities

- The department is considering options to increase its regulatory oversight of the welfare of livestock exported for breeding purposes.
- A cost recovery impact statement is under development, which is likely to result in increased fees and charges for regulatory services.

**SES contact:** Dr Melissa McEwen, s. 47F(1) , s. 47F(1)

**16. AGRICULTURAL MINISTERS FORUM (AGMIN)**

s. 22(1)(a)(ii)

Other items for discussion at the meeting include s. 22(1)(a)(ii)  
s. 22(1)(a)(ii)  
animal welfare.

An industry tour is scheduled for the afternoon of 20 February, followed by a ministerial dinner.

**Sensitivities**

In order for papers to be provided to Ministers with sufficient time for consideration before the meeting, the agenda will need to be considered by Friday 7 February 2020.

s. 22(1)(a)(ii)

**SES contact:** Joanna Stanion, s. 47F(1) , s. 47F(1)

## INCOMING MINISTER BRIEF

### Decisions to be made in the next four weeks

The Department has identified the following decisions that will need to be made by the Minister for Agriculture in the next four weeks.

s. 22(1)(a)(ii)

**INCOMING MINISTER BRIEF**

s. 22(1)(a)(ii)

Early March 2020	Live Animal Exports	Brief seeking decision on the management of heat stress for sheep for the Middle East summer period (ie period of suspension based on current Regulatory Impact Statement process)
------------------	---------------------	--

## **AGRICULTURAL POLICY**

### ***Objectives***

The Agricultural Policy Division develops and implements policies to make Australia's agricultural and food industries more globally competitive and profitable. The division is responsible for specific industry sectors (such as crops, wine, horticulture, wool, meat and dairy), cross-cutting issues (such as innovation, access to labour, animal welfare, investment, food, infrastructure, biotechnology and competition), the rural research and development system and the project to streamline and modernise agricultural levies legislation. The division works collaboratively with industry, portfolio agencies, governments and the community on activities to enhance industry development and to reduce market impediments across the value chain. The Division also provides secretariat services and policy advice input to the AGMIN and AGSOC meetings and the Minister's Labour Advisory Panel and R&D Reform Panel.

### ***Programs administered by Agricultural Policy Division:***

- Rural Research and Development for Profit Program administering \$157 million, 2014–15 to 2021–22.
- Northern Australia Rice Industry Program \$4 million, 2016–17 to 2019–2020.
- Export and regional wine support package \$50 million, 2016–17 to 2019–2020, noting that the day to day administration of this program is handled by Wine Australia.
- Wine Tourism and Cellar Door Grants \$10 million per year, ongoing from 2019–2020, noting that the day to day administration of this program is handled by Wine Australia.
- Regional Agricultural Show Development Grants Program \$20 million from 2019–20 to 2020–21.
- Grant to encourage interaction between children and the agricultural sector \$5 million from 2019–20, Horticultural Netting \$25.9 million, 2019–20 to December 2021.
- A range of small grants to organisations, for example, for farm safety education, to encourage the growth of co-ops, to investigate trading options in the dairy industry and develop financial literacy in the dairy sector and draft standard contract clauses.

**SES contact:** Nick Blong, [s. 47F\(1\)](#) , [s. 47F\(1\)](#)

## **LIVE ANIMAL EXPORTS**

### ***Objectives***

The Live Animal Export Division is responsible for the regulation of live animal exporters, including registered premises and accredited veterinarians, and for developing applicable animal welfare standards relevant to the trade.

The division is led by the Department's Principal Regulatory Officer and works closely with the Biosecurity Operations Division and Compliance Division to regulate live animal exports.

The division develops legislation, operational policy and guidelines, instructional material and technical training and engages with industry and government stakeholders. The division also manages the policies underpinning the export of live animals (livestock and non-livestock) and genetic material from Australia.

### ***Programs administered by Live Animal Exports Division***

- Exporter Supply Chain Assurance System (ESCAS).
- Independent Observer Program (in conjunction with Veterinary and Export Meat Group).

**SES contact:** Dr Melissa McEwen, [s. 47F\(1\)](#) , [s. 47F\(1\)](#)

## LITIGATION

s. 22(1)(a)(ii)

### Significant litigation matters

**Emanuel Exports Pty Ltd v Secretary, Department of Agriculture and Water Resources; EMS Rural Exports Pty Ltd v Secretary, Department of Agriculture and Water Resources – Administrative Appeals Tribunal (AAT 2018/5307; AAT 2018/5541)**

#### Issue

The department is the respondent to two applications that will be heard together in the Administrative Appeals Tribunal on 6–21 April 2020 for review of the decisions to cancel the live-export licences of the associated companies Emanuel Exports Pty Ltd (Emanuel) and EMS Rural Exports Pty Ltd (EMS).

#### Sensitivities

The matter has attracted some media attention due to the public interest in live animal exports. The two original decisions were made following adverse media reporting on animal welfare concerns for exports of live sheep which resulted in widespread public outrage and subsequent regulatory reform.

#### Background

On 21 August 2018, a delegate of the Secretary cancelled Emanuel's live-export licence under section 24 of the *Australian Meat and Live-stock Industry Act 1997* (AMLI Act) on the basis that the delegate was satisfied that Emanuel was not a body corporate of integrity, was not competent to hold a licence, and had contravened conditions of its licence.

On 5 September 2018, a delegate of the Secretary cancelled EMS's export licence under section 24 of the AMLI Act on the basis that EMS was an associate of Emanuel.

Sparke Helmore lawyers and junior and senior counsel are representing the Department in the proceedings.