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Submission by Queensland Citrus Growers Inc - Draft Import Risk Analysis Report for Fresh Unshu Mandarin Fruit from Japan

Introduction

On 29 July 2008, Biosecurity Australia released a Draft Import Risk Analysis for Fresh Unshu Mandarin Fruit from Japan (BA Advice 2008/23).

The Draft IRA proposed that the importation of fresh unshu mandarin fruit to Australia from four designated export areas in the Shizuoka Prefecture be permitted, subject to certain quarantine conditions.

In accordance with Australia's Import Risk Analysis process, interested parties are provided an opportunity to comment on the draft IRA. Stakeholder comment is to be received by 26 September 2008.

Queensland Citrus Growers Inc

QCG is the representative body for the citrus industry in Queensland. QCG is a state member body of Australian Citrus Growers Inc.

QCG has a particular interest in this issue for two reasons:

- The Queensland citrus industry is Australia's leading producer of mandarins – for domestic markets as well as export,
- QCG has considerable experience and knowledge of citrus canker, the principle pest/disease issue associated with unshu mandarins from Japan, as a result of the 2004 citrus canker outbreak at Emerald (Qld) and the subsequent eradication program.

Accordingly QCG is making this submission on the Draft IRA, and in doing so will focus mainly on the citrus canker issue.

IRA Process

The IRA process on fresh unshu mandarins from Japan has officially been in train since 2001, with a Technical Issues Paper released in 2002. However, the issue has been the subject of discussions with Japan for much longer – since 1989.

Long standing unresolved market access requests such as this are not in Australia's interests. They clog the market access system, impede progress on market access issues across the board, frustrate other priorities, and give Australia a bad name.

QCG therefore believes that this issue needs to be resolved with a firm decision one way or the other. It will not be acceptable outcome for it to be deferred yet again for further information or reviews. All parties, including Japan, need to know where they stand; and an absolute decision is needed now.

Profile of Citrus in the Four Designated Export Areas of Shizuoka Prefecture

This proposal is for the importation of fresh unshu mandarins from four designated export areas, all of which are contained within a single valley, in Shizuoka Prefecture on Honshu Island.

The four designated export areas comprise 150 orchards totalling 25 hectares of production, with 25,518 trees. This suggests that individual orchards are extremely small, and would average only 170m² each.

In terms of production, the Draft IRA states that the forecast for 2007/08 was a relatively high 600 tonnes of export quality fruit. It is unclear whether this figure is total production, or volume earmarked for export. However, exports to the USA have averaged 230 tonnes per annum from 1995 to 2005, and small quantities have been exported to New Zealand since 2000. Japan also has access for unshu mandarins to Thailand.

Commercial Considerations

If approval is given, imports of unshu mandarins from Shizuoka Prefecture are expected to have a minimal impact on the Australian mandarin industry.

Import volumes are likely to be small, prices are likely to be high on the Australian domestic market (may not be commercially viable), and as a northern hemisphere producer they are counter-seasonal to the Australian crop (although there may be some overlap at the start of the Australian season), and will not compete head to head with Australian domestic mandarins on supermarket shelves.

In view of these factors, the Queensland industry has little reason to stand in the way of this proposal. Therefore this submission is not motivated by any desire to block a potential commercial supplier, but only to see that the pest and disease issues are properly addressed.

Australia's Citrus Canker Standards

Currently imports of fresh citrus fruit into Australia are only permitted from countries or areas free of citrus canker.

However, citrus canker is present in all production areas of Japan, including Shizuoka Prefecture, and even the broader production area surrounding the four designated export areas.

The Draft IRA states (page 71)...

In 1999, Japan proposed the following systems approach for the management of citrus canker for production of fresh unshu mandarins for export to Australia:

- *MAFF to register and manage unshu mandarin production areas that are free from citrus canker. These areas will consist of an export zone, and a buffer zone of a certain distance*

This confirms QCG's understanding that from its inception to the present, the Japan unshu mandarin issue has been an area freedom based proposal. The Australian industry has always believed that this is the basis upon which this issue would be considered.

It then follows that the proposal should be evaluated by Biosecurity Australia, and the proposed measures questioned by stakeholders, in accordance with Australia's area freedom standards – ie. known distances to areas of infection, buffer zones, surveillance programs, movement controls, management procedures, etc, to ensure that the proposed area freedom arrangements have integrity, and that Australia's "canker free" standard is not compromised.

QCG now finds in the Draft IRA (and seemingly hidden in the fine detail), that area freedom has been quietly dropped, and that the four designated export areas are now only rated as "low prevalence" in relation to citrus canker.

This is a major shift. Japan is no longer seeking to meet Australia's standards. Rather, the proposal seeks to lower Australia's standards, to a level which Japan is able to meet. The proposal is therefore no longer measurable against any particular standards, but rather the Draft IRA puts forwards a raft of measures for subjective decision as to whether they are good enough, and this will set a new, but lower, standard.

QCG is concerned that acceptance of this proposal by Australia would be a major change of policy which could have far reaching ramifications.

Under the SPS concept of equivalence, it would set an important precedent which could be the thin end of the wedge. At subsequent reviews, Japan could seek to expand access to other non-canker free areas, where citrus canker has not been detected for 2 years or more. After that, Korea may expect to be granted access on similar terms. And then, there would be no reason to block approval of citrus from Florida. At that stage, Australia's biosecurity standards in relation to citrus canker will be completely gone.

QCG is also concerned that this major change has been effectively hidden in the detail of the Draft IRA, seemingly in an attempt to sneak it through.

Concept of Area Freedom

Whilst classified by Biosecurity Australia as "low prevalence", Japan appears to be purporting that the four designated areas are canker free, based on the fact that canker has not been observed in these areas during the last 40 years.

Japan appears to want to use area freedom for this access request (based on fairly low grade area freedom criteria) when it suits their needs, whereas until recently they have not been prepared to embrace the concept of area freedom in relation to Australia.

There has been more than 20 years of access and trade before Japan has recently indicated its acceptance or fruit fly area freedom for the Riverland Fruit Fly Exclusion Zone. However, Japan still does not recognise the eastern half of Australia as free of Mediterranean Fruit Fly, or Western Australia as free of Queensland fruit fly, when this is obviously the case.

In this proposal, Japan is demonstrating a double standard in relation to the concept of area freedom; and based on their track record, Japan would not accept this as an area freedom proposal, if it had come from Australia.

Citrus Canker Measures

The Draft IRA proposes certain risk management measures. For citrus canker, a systems approach is proposed as follows:

- Only from registered orchards
- Areas free of symptoms for 2 years
- Freedom of symptoms during the growing season
- Additional survey after a typhoon
- Mandatory copper sprays in accordance with spray calendar
- Restrictions on movement of host material
- Post harvest chemical treatment

It is noted that the area freedom condition in the 2002 Technical Issues paper has been dropped, and accordingly **the overall systems measures proposed, are now weaker than the version proposed in 2002.**

One by one, QCG's comments on the proposed measures are as follows:

Registration of orchards in the designated export areas

- This requirement is supported.

Freedom of symptoms of citrus canker for registration of orchards for 2 years prior

- We don't believe this is a high enough standard
- There should be 100 percent surveillance specifically for citrus canker before orchards are registered
- A 600 tree sample of trees is not sufficient to ensure freedom from canker (by comparison, the probit 8.7 standard for fruit fly requires 30,000 samples to prove an efficacy of 99.99 percent at a 95% confidence level).

Freedom of symptoms of canker during the growing season

- This is based on the same 600 tree random sample which we believe is inadequate.

Additional survey after a typhoon

- This requirement is supported

Mandatory Copper Sprays in accordance with Unshu Mandarin Spray Calendar for Japan

- This requirement is supported
- However there is no indication of any measures to ensure that growers adhere to this requirement

Movement restrictions on host material

- These requirements are supported
- However, in a country where canker is endemic, effective movement controls are essential to ensure that canker is not introduced to another area. However it is unclear whether Japanese growers have a good biosecurity/quarantine culture, and whether they will rigorously adhere to these requirements without specific supervision or enforcement measures.
- Movement restrictions are to be managed by MAFF, and implemented via MAFF Notification. This is effectively grower self regulation, which would seem to be a weak form of enforcement.

Post harvest chemical treatments

- The need for post-harvest treatments is based on the assumption that there is an underlying level of canker in the area

Also, fruit from the four designated export areas will be treated and packed in the same packing shed as fruit from other areas. There is a requirement for secure transport and segregation of fruit from the designated areas, but it appears that the fruit will utilise the same packing line, machinery, etc, where it could be exposed to cross contamination.

Operational System for Maintenance and Verification of Phytosanitary Status

It is proposed that Japan's NPPO prepare a documented work plan for approval by AQIS, which describes the phytosanitary procedures and responsibilities of all parties involved in meeting this requirement.

The phytosanitary system for unshu export production, certification of export orchards, pre-export inspection and certification is subject to audit by AQIS. However in its implementation, it is still largely a system of self regulation by growers and packers, and supervision and enforcement is minimal.

Differences in Standards between Australia and Japan

The high jump bar has been lowered considerably for Japan, compared to the treatment of citrus canker at Emerald in 2004.

QCG is concerned about these inconsistencies, and believes that an explanation and justification for them should be provided in the Final IRA.

The inconsistencies are indicated in the table below:

	<i>Australia</i>	<i>Japan (4 designated export areas)</i>
Required Citrus Canker Status	Total Freedom	Low Prevalence
Detection of Canker	Destruction of Orchards – 600m destruction zones Eradication Program	Suspension from export program for 2 years
Physical Measures Regulatory Measures	Imposition of 50Km Quarantine Zone Buffer Zones	None
Proximity to Infected Areas	Minimum Distance	None
Supervision	DPI&F Surveillance Program	Notification and Auditing
Treatments		MAFF Notification of Requirements No overt enforcement
Fruit	Destroyed Banned from all Australian markets Banned from certain export markets	Post harvest treatment

Pathways to Entry

The probability of imported fruit carrying citrus canker has been classified as “low”. However, Australia experienced a major outbreak of citrus canker in 2004, and the pathway for entry for this outbreak has never been established.

QCG asks how is it possible to classify any pathway as “low”, when all possible entry pathways (such as the one that resulted in the 2004 outbreak at Emerald) have not been identified.

Economic Impact

The Draft IRA states (page 66):

... expenditure on the citrus canker eradication campaign at Emerald, which commenced in 2004, was estimated to be about \$20 million.

This economic statement is deficient in failing to quantify industry costs in relation to the 2004 citrus canker outbreak at Emerald. This is far more relevant in considering the cost impact of any failure in the biosecurity systems, than the cost to government of the eradication program.

The full costs (particularly industry costs) should be included in any cost-benefit or economic impact statement in relation to this proposal.

Future Reviews of Policy

The Draft IRA states (page 79):

*Australia reserves the right to review and amend the import policy if circumstances change.
Australia is prepared to review the policy after a substantial volume of trade has occurred.*

Whilst this is standard practice, it highlights the possibility that the phytosanitary measures proposed in the Draft IRA could be softened in future.

Again, this gives rise to the possibility that access for unshu mandarins from the four designated export areas (which do not meet the usual citrus canker area freedom criteria), could be the thin end of the wedge in paving the way for access from other areas of Japan, then Korea, and ultimately Florida; and this process would also be accompanied by a progressive downgrading of Australia’s citrus canker standards.

Conclusion.

QCG expects that Biosecurity Australia would have evaluated the proposal thoroughly based on science, on the quality of the Japanese proposal and measures proposed, and without compromising Australia's biosecurity standards.

We are not convinced that the Draft IRA does this, and we feel standards have been compromised, inconsistencies have been accepted, and important adverse factors have been downplayed, in order to achieve a pre-determined preferred outcome.

For these reasons, QCG opposes BA's recommendation, that access for fresh unshu mandarins, from the four designated export areas of Japan, be approved.

Yours faithfully

Nick Ulcoq
President