Australian Government

Department of Agriculture, Water and the Environment

Exporting non-prescribed goods: department audit policy

The Australian Government Department of Agriculture, Water and the Environment has created this set of guidelines to assist those wishing to export and manufacture non-prescribed goods.

This document establishes the audit policy for establishments producing non-prescribed goods for the purpose of export.

Background

The Australian Government Department of Agriculture, Water and the Environment is the central competent authority for the export of goods derived from animals, plants and food.

The department obtains a legal basis for export from the *Export Control Act 2020* and subordinate legislative instruments. As the central competent authority, the department can legally issue government certification for the export of prescribed and non-prescribed goods.

In some instances, in order to be able to issue government certification for the export of non-prescribed goods, the establishments producing these goods are required to be audited.

Required audits

Establishments producing non-prescribed goods only need to be audited by the department, or an accredited/approved third-party body, when an importing country has requirement additional to Australian Standards. This includes instances where an importing country requires establishments that produce a particular non-prescribed product to be listed with the department (see Exporting non-prescribed goods: becoming export listed), or where there is an importing country requirement that must be verified at audit.

At present, establishments producing blood products, pet food products, skin/hide products, leather products and rendered animal products are required to be audited (and listed with the department—see Export listed establishments for non-prescribed goods) for some markets. Establishments producing other types of non-prescribed goods (for example, wool) are not currently required to be audited but the exporter of a non-prescribed good is responsible for ensuring they have been manufactured in accordance with importing country requirements.

Known importing country requirements are set out in the department's Manual of Importing Country Requirements (Micor).

Obligations and recognition

Australian manufacturing establishments have an obligation to comply with Australian laws and, in some cases, national food standards or other appropriate Australian Standards. As a result, government officials, third-party auditors or, in some cases, both will conduct regular audits of these domestic schemes.

The department will recognise audits regularly performed by other Australian Government agencies and accredited/approved third-party bodies as meeting all Australian domestic requirements. These audits must be capable of fulfilling clear objectives in public and animal health arenas, meet Australian or International Standards, or a CODEX Alimentarus publication (for example, CODEX HACCP).

Where there are specific importing country requirements in addition to Australian Standards, these export specific elements may be covered during the routine audit of an establishment by a third-party body approved by the department. This minimises the regulatory burden on manufacturing establishments.

Auditor arrangements

Establishments producing pet food for export are encouraged to liaise with Pet Food Industry Association of Australia (PFIAA) as they are an approved third-party body able to undertake audits which cover export elements.

Establishments producing rendered products for the purpose of export are encouraged to liaise with Australian Renderers Association (ARA) as they are an approved third-party body able to undertake audits which cover export elements.

Establishments producing hide, skin and leather products for the purpose of export are encouraged to liaise with the Australian Hide Skin & Leather Exporters Association (AHSLEA) as they are an approved third-party body able to undertake audits which cover export elements.

If an establishment is required to be audited and no third-party body is approved to do so, departmental auditors will perform the audit to meet importing country requirements. This is currently the case for establishments processing blood products destined for export (to particular markets), as an example.

Audit scope

The audit scope for the purpose of export depends on importing country requirements. Only elements that are a requirement of the importing country, and which are in addition to Australian Standards, will be covered at audit for the purpose of export.

The department has created specific checklists for departmental auditors, and approved third-party auditors, to ensure importing country requirements for specific non-prescribed goods are met.

For more information, contact the Non-Prescribed Goods Program.

Audits and frequency

Audits for any non-prescribed good establishment, for the purpose of export, should be conducted once per calendar year or more frequently where required by an importing government authority.

These audits will verify that the policies and practices of the non-prescribed good establishment are effective in satisfying importing country requirements (and other domestic requirements in cases where the audit is undertaken by an approved third-party auditor). All elements of the establishment's system, from sourcing raw material through to processing and packing of the finished good, will be audited at least once a year against the appropriate audit checklist (depending on particular product and importing country).

If a non-prescribed good establishment is found to be non-compliant against an importing country requirement (or a domestic requirement in cases where the audit is undertaken by an approved third-party auditor), the government officer or independent third-party auditor will issue a corrective action request.

The establishment must rectify all corrective action requests within a timeframe agreed between the auditor and the establishment. Additional sanctions and/or audits may be conducted as a result of non-compliance.

Each part of the audit scope will be allocated an 'acceptable' or 'unacceptable' finding by a government official or approved third-party auditor. Where a provision in the checklist does not apply, the auditor will indicate 'not applicable' (N/A).

The non-prescribed good operation will be issued an audit report detailing findings, corrective actions and any observations within 15 working days after the audit.

TABLE 1 Risk and audit frequencies for non-prescribed good operations

Type of non-prescribed good operation	Potential risk	Audit frequency
Animal by-product rendering facility:	High	Annual or greater
– human consumption	Medium	Annual or greater
– animal feed or ingredient	Low	Annual
– non-human use		
Pet food (not including pet meat) manufacturing facility:	Low	Annual or greater
– dried pet treats	Low	Annual or greater
– canned pet food	Low	Annual or greater
– semi-moist pet food	Low	Annual or greater
– food for birds	Low	Annual or greater
– pet milk		
Animal by-product (skins and hides):	Low	Annual or greater
– hides and skins (treated)		
Animal by-product (blood and blood products):	High	Biannual or greater
– serum (treated or untreated)	Low	Annual or greater
– spray dried plasma or blood	Medium	Biannual or greater
– blood (untreated)		

Additional audits

A non-prescribed good operation may be subject to additional audits, including unannounced audits:

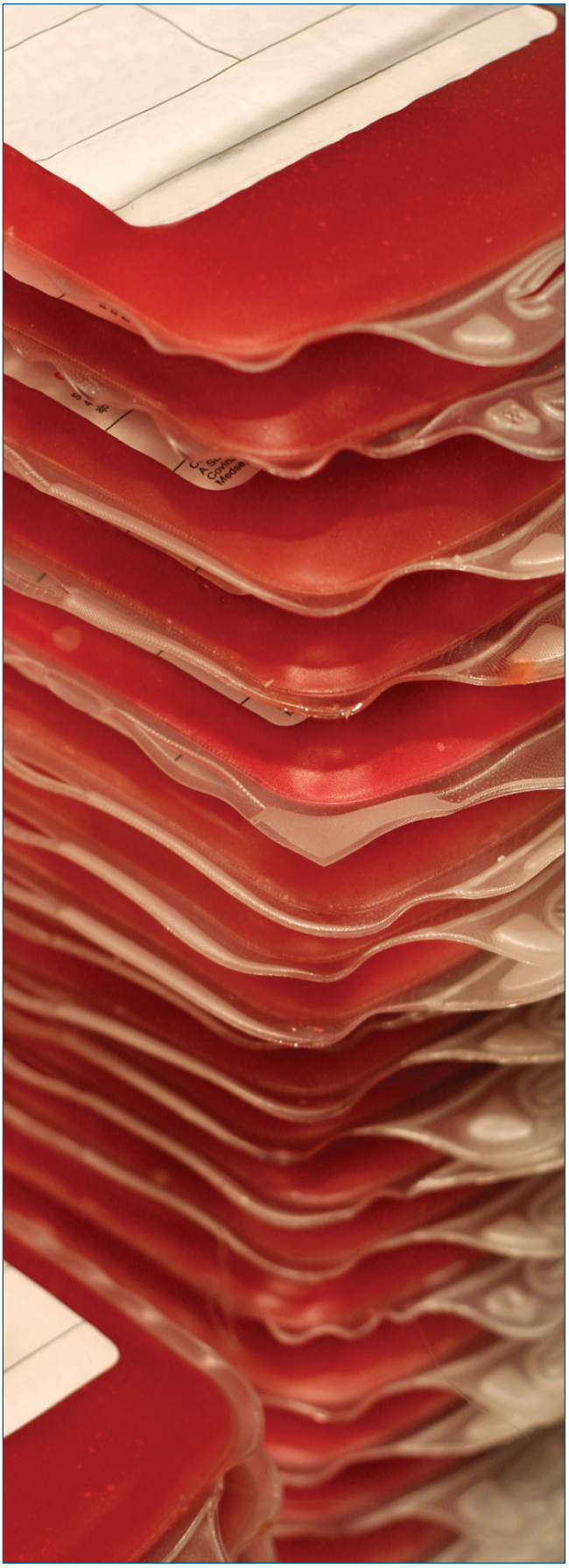
- to verify that corrective action has been taken to address non-compliance and that the action is effective
- to support an overseas government review or finding
- as a result of sanctions levied under Australian laws by a government officer or by accredited/approved third-party certifying body.

Sanctions

Sanctions will be applied depending on circumstances and evidence obtained. The severity of sanctions depends on compliance history or potential impact to market access.

Sanctions imposed on a non-prescribed good establishment by a government official or independent third-party body or auditor include:

- issuing a 'show cause' letter asking the non-prescribed good establishment for explanation on why they should be allowed to continue operating under an export scheme
- suspending or revoking the export number assigned (if required)
- suspending or withdrawing audit services
- refusing to issue government to government certification for export shipments of non-prescribed goods
- notifying other government agencies including overseas competent authorities
- increasing the number of audits (both announced or unannounced).



Useful links

Australian Food & Grocery Council
afgc.org.au

Australian Hide Skin & Leather Exporters Association Inc
ahslea.com.au

Australian Renderers Association Inc
ausrenderers.com.au

Pet Food Industry Association of Australia Inc
pfiaa.com.au

Australian Honey Bee Industry Council
honeybee.org.au

Export Documentation system (EXDOC)
agriculture.gov.au/export/certification/exdoc

Export legislation
agriculture.gov.au/biosecurity/quarantine/legislation

Non-prescribed goods fees and charges
agriculture.gov.au/fees/charging-guidelines

Manual of Importing Country Requirements (Micor)
agriculture.gov.au/micor

Regional departmental office contact details
agriculture.gov.au/about/contactus/our-offices

Non-Prescribed Goods Programme
Residues and Food Branch
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