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Output 6

Quarantine and Export Services

The Department delivers Output 6 through the Australian Quarantine and Inspection Service (AQIS).

Our year

Priorities

In 2005–06, the Department’s priorities for Output 6 were to:

- maintain Australia’s quarantine integrity through border control arrangements and post-entry plant and animal quarantine
- maintain Australia’s export integrity by providing export inspection, auditing and certification services to industry to ensure compliance with importing country requirements
- raise awareness of quarantine and export requirements and promote compliance with those requirements by Australians and by overseas visitors and traders
- work in partnership with stakeholders to deliver a high level of service to industry and other external clients, and support the international trade regulatory framework to maintain Australia’s animal, plant and human health status and export market access
- implement and administer strict quarantine controls at Australia’s borders to minimise the risk of exotic pest and disease incursions, and respond to potential quarantine threats
- maintain market access for Australian agricultural and food products by providing export inspection, auditing and certification services.

Summary of achievements

In 2005–06, AQIS continued work to mitigate the risk of highly pathogenic avian influenza (HPAI) entering Australia, including through surveillance in northern Australia as part of the Northern Australia Quarantine Strategy, extra staff at airports and seaports, and community awareness campaigns. Additional funding provided in the 2006–07 Budget will help us expand these programmes (see ‘Outlook’ in this section).

To support plant quarantine, AQIS took part in bilateral technical discussions with overseas government officials and developed and implemented quarantine clearance processes in line with international sanitary and phytosanitary standards.

In other quarantine work, AQIS implemented new offshore inspection arrangements in China and California, and implemented new import conditions to minimise the risk of sudden oak death and guava rust entering Australia.

To keep Australian importers aware of quarantine requirements, AQIS posted public quarantine alerts and published new and amended conditions on the AQIS import conditions 'ICON' database, and conducted meetings with key importers.

AQIS Export Programmes facilitated overseas audits of Australia's meat, egg, horticulture and dairy export programmes. The results support ongoing access to international markets, and justify overseas importing authorities' high levels of reliance on the Australian export certification system.

As a result of AQIS's work, new meat and processed food markets were created and existing markets were maintained in countries and regions such as the United States, New Zealand, Singapore, Japan, China, the European Union, Malaysia and Indonesia. AQIS also supported the development of grain exports to India.

To ensure that Australian exporters are aware of the requirements of importing countries, AQIS officers provided assistance and advice to exporters of agricultural and fisheries produce. AQIS officers handled enquiries from new and existing exporters, liaised with Austrade, attended trade shows and gave presentations at Export Market Development training courses.

AQIS supported the AQIS Grains Industry Consultative Committee to develop operational procedures to manage soil contamination in grains and plant products. Other work for the grain industry included development of a grain export proficiency programme for grain sampling.

Internationally, AQIS took part in the Codex Alimentarius Commission's committees on fish and fishery products, residues of veterinary drugs in food, food import and export inspection and certification systems, milk and milk products, and food labelling.

Quarantine integrity

During 2005–06, HPAI continued to be a risk to Australia's poultry industries and people. At air and sea ports, AQIS screened passengers arriving from targeted high-risk avian influenza countries, using detector dogs, X-ray examinations and physical inspections of passenger baggage. AQIS inspection activity focuses on risk products such as meat, eggs, feathers and manure. Such inspection also takes place at mail centres. As part of the Northern Australia Quarantine Strategy, AQIS also

undertook specific activities relating to avian influenza and ongoing surveillance in northern Australia and the countries in our near north. Activities include targeted wild bird surveillance on shore, capacity building off shore to aid our neighbours' preparedness and response capabilities, and targeted public awareness campaigns.

AQIS continued the development of a horticultural best practice manual for high-risk plants required to undergo post-entry quarantine. The manual comprises a number of commodity-specific procedural manuals, including a manual for grapevines that was revised during the year. All government nurseries are to implement the revised conditions for grapevines.

During the year, AQIS implemented new import conditions for plant material that could host *Phytophthora ramorum*, which causes sudden oak death. Host plant species (including cut flowers and propagative material) are now prohibited entry into Australia from countries affected by the disease (the United States, New Zealand and the European Union countries).

The Airports Programme continued work on strategies to increase quarantine effectiveness levels at airports, and to ensure more effective targeting of risk. The strategies include improving staff skills in profiling and X-ray screening, and using detector dogs to supplement X-ray screening, including 'on body' detection.

To help raise quarantine effectiveness levels for mail over the longer term, additional detector dog teams were trained during the year, bringing the number of teams in the Mail Programme to 28. This will allow increased coverage of the 'other articles' (OA) class of mail, which continues to be the mail class with the lowest effectiveness level. The OA mail category raises concerns because of the number of such articles containing small amounts of quarantine material that are extremely difficult to detect using X-ray machines, particularly dried plant material and small packets of seed. AQIS expects the use of dog teams in combination with X-rays to reduce this risk.

Export integrity

AQIS is Australia's competent authority responsible for issuing export certification attesting that prescribed agricultural export commodities are exported in accordance with the requirements of our export markets. Activity during 2005–06 further strengthened AQIS export systems. Two working groups, comprising export managers and senior AQIS staff, were formed to discuss amendments to trade description and registered establishment requirements.

During the year, AQIS reviewed and amended the Plant and Plant Product Orders and aligned current inspection and certification practices with the legislation.

AQIS continued routine audits of fruit fly surveillance systems. This work is carried out to certify areas for the differing requirements of various importing countries and to verify that field surveillance meets standards set by overseas countries.

During 2005–06, AQIS improved supply-chain security by developing and implementing an export meat programme security strategy. A compliance officer worked with the Meat Programme to analyse the security risks throughout the export supply chain, in order to develop strategies to mitigate those risks. Increasing international focus on the security of the supply chain requires the through-chain security system to provide product integrity, cold chain integrity and segregation of products to meet importing countries' requirements.

AQIS also improved information technology services for AQIS field staff in export meat establishments through the rollout of broadband connections. The rollout was 90% complete at the end of the reporting period, and there had been a significant improvement in productivity and reliability of access to systems. Fast and efficient communication is essential for access to information databases, and can aid industry improvements.

In response to the United States and European reviews of the Australian meat export systems, a comprehensive residue and microbiological testing regime, including a microbiological verification system, has been implemented. The regime has been strengthened by a deed of agreement between AQIS and the National Association of Testing Authorities.

To make service delivery to the export meat industry more consistent, AQIS continued to implement the Meat Training Programme during 2005–06. This ongoing training strategy has been developed to ensure that the operational knowledge of Meat Programme staff remains current.

AQIS audited all active licensed exporters of live animals during the year to ensure compliance with the Australian Standards for the Export of Livestock and importing country requirements. No consignments of live animals were rejected by overseas markets for failing to meet import requirements.



AQIS WA detector dog Pepper waits to screen passengers from a cruise vessel in Albany

Awareness of quarantine and export requirements

AQIS consultative and advisory committees are forums designed to increase industry and stakeholder awareness and understanding of export requirements, and to help industry comply with the requirements. They are valuable channels for two-way communication, allowing AQIS and the industries to understand current and emerging quarantine and export issues and share information on requirements, current trends and production levels. Table 10 lists the main committees, their meetings during 2005–06, and the main topics they discussed.

During the year, AQIS continued to issue industry advice notices (IANs) to industry operators to inform them about importing country requirements and changes in operational procedures.

AQIS officers regularly advise individual exporters on certification requirements for their products, to help them comply and to reduce industry costs. For example, AQIS held 17 meetings in production areas of the horticulture industry in 2005–06. The meetings helped exporters understand and comply with the specific work plans that give effect to negotiated protocols for market access, such as exports of mangoes or citrus to China. In addition to 31 IANs, AQIS issued 10 phytosanitary alerts to the horticulture industries during the year.

AQIS continued to increase public awareness of the importance of quarantine through publications, the AQIS website and targeted public awareness campaigns.

Nine editions of the *AQIS Bulletin*, highlighting operational and legislative news relevant to AQIS clients and stakeholders, were published. The bulletin was sent out to more than 3,600 subscribers during the year, and a similar number of people read the online version.

The AQIS website (www.aqis.gov.au) had an average of 3,200 unique visits per day, or more than 1.1 million visits for the year. The most popular pages contained information about export certification, importing dogs and cats, and what cannot be mailed to Australia.

The *Quarantine Matters!* campaign aims to increase the awareness of, and compliance with, Australian quarantine requirements. The campaign uses mainstream television and press advertising, inflight videos, airport signage, media liaison and special events, such as travel shows and multicultural festivals.

As a result of *Quarantine Matters!*, which has now been running since 1998:

- around 75% of Australians over 18 years old feel well or very well informed about the items that need to be declared when entering Australia
- about two-thirds are aware that not all items that need to be declared are prohibited
- high levels of ‘intention to declare’ have been maintained.

In 2005–06, AQIS distributed more than 680,000 travel and 860,000 mail information brochures in 15 languages. AQIS also distributed more than 250,000 travel destination guides (published in conjunction with Lonely Planet and containing quarantine and other important Australian Government advice) for 13 different overseas destinations.

During the year, AQIS became the first government agency to sponsor the annual programme of SBS Radio outside broadcasts. This gave AQIS an on-the-ground presence at festivals at four locations attended by more than 60,000 people, and an additional listening audience of more than 200,000 through in-language programmes broadcast live from the festival sites on SBS Radio.

AQIS provided support for the popular commercial television series *Border Security* to raise the profile of quarantine. The show was among Australia's highest rating, with up to 2 million viewers per episode.

The *Top Watch* quarantine awareness campaign, part of AQIS's Northern Australia Quarantine Strategy, aims to increase quarantine awareness among residents and visitors to northern Australia, from Broome in the west to Cairns and the Torres Strait in the east. During the year, the campaign produced and distributed Top Watch 2006 calendars for Cape York and the Torres Strait, wall planners for Western Australia and the Northern Territory, two editions of *NAQS News*, *NAQS year in review*, and a fully revised and updated edition of the *NAQS quarantine handbook*.

Regional public awareness staff attended a number of community events, including Croc Festivals at Halls Creek (Western Australia) and Thursday Island in the Torres Strait, and the annual Australian Banana Industry Congress Field Day in north Queensland, to continue to raise awareness about the importance of quarantine.

The annual National Quarantine Award, which is judged by the Quarantine and Exports Advisory Council in conjunction with AQIS, recognises organisations and people who have made a significant contribution to protecting Australia's agriculture industries and environment from the threat of exotic pests and diseases. The national winner is selected from eight regional winners identified by AQIS regional staff.

The 2005 winner was TNT Freight Logistics, which is based in Adelaide. A TNT employee found a *Xeris* wasp while unpacking crates of automotive parts from France. The wasp is a serious pest for timber industries worldwide. After the discovery, TNT staff worked closely with AQIS to shut down the TNT warehouse for four days while the entire consignment was fumigated.

The awards gained good media coverage at a regional level, helping to increase quarantine awareness and highlighting the role that individuals and industry can play in protecting Australia from pests and diseases.

Table 10 AQIS consultative and advisory committees and groups, 2005–06

Committee/group and meetings during year	Significant achievements
Post Entry Plant Industry Consultative Committee October 2005, March 2006	<p>Discussed work undertaken by the AQIS Operational Science Programme in developing and refining manuals for diagnostic testing and screening of plant diseases for use across the network of Australian Government and state post-entry plant quarantine facilities.</p> <p>Supported AQIS online training in quarantine awareness for key personnel in quarantine approved premises. Personnel must be trained as part of the registration process for approved premises.</p>
Horticulture Exports Consultative Committee October 2005, March 2006	<p>Provided strategic advice from an industry perspective to the Horticulture Exports Program, on communication, resource and operational issues, including improvements to service delivery and AQIS export certification systems. It endorsed proposed increases in export inspection and certification fees.</p> <p>Contributed to assessments of seasonal export activity, which helped AQIS to manage resources to meet industry requirements.</p>
AQIS Grains Industry Consultative Committee August, December 2005; May 2006	<p>Established the Through Chain Education Working Group to enable effective communication with a wider audience through targeting the entire export chain.</p> <p>Developed an operational procedural document for the management of soil contamination in grains and plant products.</p>
Dairy Export Industry Consultative Committee October 2005, March 2006	<p>Discussed companies' compliance with the industry's approved arrangement.</p> <p>Developed several instructions and standard operating procedures for use in the industry.</p> <p>Developed strategies for action items arising from importing country reviews of the Australian dairy export inspection system.</p> <p>Developed strategies for implementing the Export Control (Milk and Milk Products) Orders.</p> <p>Consulted on development of the Dairy Export Programme Operations Manual, with ISO-based standard operating procedures.</p> <p>Developed strategies for communication with the dairy export industry, including provision of information on the AQIS website.</p> <p>Received briefings on market access issues, including Codex developments.</p>
Seafood Export Consultative Committee November 2005	<p>Discussed the implementation strategy for authorised arrangements and its resource implications; developed ongoing strategy to ensure that the fishing industry understands where to get the information it needs to complete an approved arrangement.</p> <p>Discussed changes to market access (including rejection of consignments).</p> <p>Discussed a testing plan for cadmium in prawns.</p> <p>Discussed reintroduction of a National Residue Survey for aquaculture product, and continuation of monitoring of wild-caught product, funded by a levy on seafood exports.</p> <p>Accepted recommendation that the industry develop an application to Food Standards Australia New Zealand to change the domestic maximum limit for arsenic in molluscs.</p>
Export Meat Industry Advisory Committee November 2005, March 2006	<p>Discussed access to Malaysian, Korean, Chinese markets; overseas audits of the Australian export meat system; National Livestock Identification System.</p> <p>Malaysian review: evaluated draft AQIS protocol; three of five beef establishments accepted for exports of halal beef to Malaysia; further audits expected in 2006–07.</p> <p>Russian review: all 18 audited establishments gained export listing for Russia.</p> <p>Approved Arrangement Guidelines: released 18 July 2006; will aid continued development and improvement of approved arrangements to ensure compliance with legislative requirements.</p>

Export Meat Industry Advisory Committee November 2005, March 2006 (continued)	Chinese market: access for tripe currently under negotiation; protocol developed and forwarded to China for assessment; access from boning rooms and further processing establishments negotiated. Korean market: requires boned meat to be free of metal, so metal detectors must be used; establishments without a metal detection process will be ineligible for exporting to Korea.
Livestock Export Industry Consultative Committee August, October 2005; January, March, June 2006	Discussed and generally approved AQIS service delivery and performance. Discussed market access extensively, particularly to Middle East markets; Saudi Arabian market reopened in July 2005. Discussed industry emergency response planning. Examined initiatives to help importing countries improve their animal handling procedures. Discussed industry research and development, such as research into improving transporters' knowledge of requirements for transporting livestock by air.
Organics Industry Export Consultative Committee November 2005, May 2006	Discussed application to Standards Australia seeking agreement for the development of an Australian Standard for Organic and Biodynamic product. Examined proposals for alternative service delivery in the light of increasing emphasis by importing country authorities on direct registration conformity assess systems.
Imported Food Consultative Committee November 2005, May 2006	Review of membership. Terms of reference of the committee being redrafted.
Biologicals Consultative Group September 2005, March 2006	Discussed importation of petfoods. Discussed importation of animal vaccines and opportunities to streamline the process.
AQIS Aviation Industry Consultative Committee December 2005, April 2006	Focused on high level strategic issues affecting the aviation industry. Discussed a range of human health issues, including preparation for a possible pandemic and increased focus on human quarantine management. Discussed the establishment of the Passenger Facilitation Taskforce.
AQIS/Industry Cargo Consultative Committee August 2005, November 2005, April 2006	Discussed issues arising from the implementation of the Integrated Cargo System (ICS) by the Australian Customs Service, its impact on AQIS operations and industry, and AQIS's contribution to the ICS Action Group to address outstanding matters. Reviewed AQIS fees applied to imported cargo, based on economic modelling and trade forecasts, to ensure that cost recovery is maintained. Discussed the expansion of international pest and disease treatment standards applied to the global movement of wood packaging material to incorporate air and break bulk cargoes imported into Australia. Approved the development and implementation of online quarantine awareness training packages for employees of businesses operating under compliance agreements or operating as quarantine approved premises.
Northern Australia Quarantine Strategy Consultative Committee December 2005	The departmental Secretary and AQIS Executive Director attended the December 2005 meeting and outlined the importance of current quarantine and biosecurity issues in northern Australia. Provided an update on Northern Australia Quarantine Strategy programme activities. Major activities included the successful completion of an animal health survey of Indonesian Papua in December 2005, the first since 1999. Provided updates on avian influenza and illegal foreign fishing initiatives.

Service delivery

AQIS held regular industry consultative committee meetings during the year. These committees were our main formal mechanism for interaction, consultation and communication with export industries. Discussions typically included market access, progress in key projects, importing country reviews, legislation, financial management and other operational matters. Details of the committees' roles and activities are in 'Awareness of quarantine and export requirements' and Table 10, above.

Plant quarantine

During 2005–06, the Department took part in nine bilateral plant quarantine technical discussions with overseas government officials to give them a clear understanding of Australia's import requirements. Better understanding ensures better compliance, particularly with overseas certification.

We listed consistent import conditions on the AQIS ICON information system.

AQIS developed and implemented quarantine clearance processes in accordance with the international sanitary and phytosanitary standards of the International Plant Protection Convention, to make sure that Australia's import processes are justified and defensible in international forums. As a signatory to the convention, Australia has an obligation to adhere to the standards.

Food exports

During 2005–06, AQIS's Food Export Programme Branch facilitated audits of Australia's export system requested by overseas authorities. Overseas audits are integral to gaining and maintaining market access for the food export industry. See 'Market access' below for details of audits during the year.

AQIS also guided and trained internal and external stakeholders on revised legislation and approved arrangements. New export control orders for the meat, dairy and fish export industries require all registered establishments to have approved arrangements by 1 July 2007. The Department has finalised guidelines to help the industries develop and maintain their approved arrangements and to aid AQIS verification activities.

During 2005–06, AQIS developed and implemented the Export Meat Management Scheme, a quality management system to ensure consistent service delivery and to support training and operations. It was developed to be ISO compliant, with the aim of having it accredited. The first component of the scheme is the on-plant management system, which includes a national establishment verification system reporting form introduced in June 2006. The report allows the consistent completion of monthly audits across Australia, in a way that is more closely aligned with the elements of the industry's approved arrangement.

Output 6 case study 1

Rapid diagnosis for an edge in the fight against bird flu

In 2005–06, the Australian Quarantine and Inspection Service (AQIS) evaluated the use of a rapid diagnostic test for avian influenza. As a result, the test is now in use in Indonesia, Papua New Guinea and East Timor, as well as northern Australia.

Quarantine agencies in Papua New Guinea and East Timor are very interested in bird flu, as the disease is widespread in neighbouring Indonesia and so poses a threat to both countries. An outbreak of avian influenza in those countries may put Australia at risk.

‘Early diagnosis of avian influenza will enable the rapid launch of an emergency response,’ says Pat Boland, Senior Veterinary Officer with the Northern Australia Quarantine Strategy (NAQS).

The test takes 15–30 minutes to give a result, and can be done in the field, far from laboratory facilities. It complements laboratory testing, and has an important place in early diagnosis at the field investigation level.

‘We always insist that duplicate samples be sent for laboratory confirmation, but this gives us a head start,’ Pat says.

AQIS conducted a trial in Indonesia of three potentially suitable rapid diagnostic tests. The tests involved hundreds of birds in Yogyakarta, where avian influenza cases were occurring.

Animal health officers from PNG and East Timor visited Australia recently to attend a NAQS training course on the use of the test. The course allowed them to use the test just as they would in a real disease investigation.



Pat Boland with local counterparts using rapid diagnostic test kits near Yogyakarta, Indonesia.

As part of the implementation of the approved arrangements in the dairy industry, stakeholders were provided with detailed training material through presentations and supporting guidelines. State regulators were given detailed training on the implementation of the orders and, importantly, on AQIS's expectations for delivery of services on our behalf. All state training was supported by on-the-job training and standardisation activities.

The Fish Programme developed an interactive CD for vessels, and also actively promoted the implementation of the industry's approved arrangement in nationwide seminars and mass mail-outs to registered establishments through the billing system.

Grain exports

During the year, AQIS delivered the Dry Box Inspection Course to grain industry members operating under approved arrangements. This built national consistency in inspection procedures for containers exported from Australia.

Staff also developed a grain export proficiency programme for grain sampling. The programme allows us to assess our performance in grain inspection activities and to improve the consistency and quality of grain inspections across regions. The Department expects proficiency testing to aid national consistency and help us maintain the integrity of AQIS export certification services to clients.

Live animal exports

In 2005–06, over 8,000 consignments of live animals and reproductive material were exported. No consignment was rejected or required the intervention of AQIS to facilitate release.

Horticulture exports

During the year, AQIS monitored the integrity of horticulture export certification by conducting audits of protocol and legislative requirements. This activity maintained consistent service delivery across all regions and ensured correct certification against importing country requirements.

AQIS offices in Cairns, Darwin, Tasmania and Western Australia were audited, revealing no major nonconformance.

Two separate audits were conducted in conjunction with the Department for Quality Supervision on Animal and Plant Quarantine, General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China on the protocols for exporting mangoes and citrus to China, in order to allow the trade to begin.

During 2005–06, AQIS held post-season teleconferences with the mango and cherry export industries, and pre- and post-season meetings around Australia with the citrus fruit export industry, to keep the industries and us informed about current and emerging issues. The mango discussions raised a number of administrative matters for action through the Department's agricultural counsellor in Beijing. With the cherry exporters, AQIS officers discussed implementation of a new work plan; as well as market access matters raised with Biosecurity Australia.

Codex Alimentarius Commission committees

Strategic and effective engagement in international standard setting can improve trade by influencing the scope, direction and technical content of standards. During 2005–06, AQIS's participation in international standard setting forums, such as the Codex Alimentarius Commission, ensured the development of policies and technical standards that support Australia's export food trade.

During the year, AQIS hosted the Food Inspection and Certification Committee and participated in the Codex committees on fish and fishery products, residues of veterinary drugs in food, food import and export inspection and certification systems, milk and milk products, and food labelling.

Strict quarantine controls to minimise risk

In the May 2001 Budget, the Australian Government announced the \$596.4 million *Increased Quarantine Intervention* package to strengthen border agencies in their work to counter threats to Australia from exotic pests and diseases. This policy was renewed in the 2005–06 Budget through the *Quarantine Border Security* measure. Together, the two initiatives have led to a substantial increase in the level of intervention at the border. See 'Our performance: Delivery of effective AQIS quarantine services' for an assessment of our performance during 2005–06.

During 2005–06, AQIS officers reviewed and amended aspects of the plant quarantine system to minimise risks to Australian industry.

Pre-inspection (or offshore inspection) is an effective way to conduct quarantine clearance before goods are exported to Australia. It helps to keep quarantine risks offshore, minimises costs to industry for non-complying produce, and makes the most efficient use of AQIS staff resources. During 2005–06, Australia implemented new offshore inspection arrangements for fresh pears from China and fresh citrus from California.

AQIS relies on fumigation certification to ensure that the risks associated with imported cargo are managed. The Australian Fumigation Accreditation Scheme (AFAS) helps trading partners with their fumigation performance to develop training,

monitoring and auditing regimes to meet the AQIS fumigation standard. When AFAS is implemented in a particular country, AQIS will accept fumigation certification only from registered companies.

By transferring world's best practice in methyl bromide fumigation procedures and by providing assistance to the local authority on the development of fumigator accreditation, company registration and audit procedures, Australia expects to achieve more reliable fumigation certification and a subsequent reduction in quarantine risk.

Indonesia was the first country to sign on to AFAS. To date, AFAS Indonesia has 72 companies registered. In 2005–06, the scheme signed on Thailand and Malaysia. These countries benefit from training, improved occupational health and safety and faster clearance through Australian quarantine. Improvements in methyl bromide fumigation reliability could also provide them with a trade advantage with other countries. Importers are also benefiting, due to a reduction in border clearance delays resulting from fumigation failures.

Market access

During 2005–06, AQIS negotiated with a number of countries to address technical market access issues and to facilitate reviews of Australian export industries. This work included assistance to overseas authorities in auditing Australian exporters' facilities, and resulted in improved or new access to a number of markets.

The Russian Federal Service for Veterinary and Phytosanitary Surveillance reviewed Australian meat exporting establishments in May 2006. Russian meat import conditions require that all Australian meat exporting establishments intending to export to the Russian Federation be approved by the service. All 18 establishments included in the review were approved.

A protocol was developed to address Malaysian concerns about the *halal* status of abattoirs. After the protocol was accepted by Malaysia on 30 May 2006, three beef establishments were audited and were given listings for that country.

The Dairy Programme assisted in a review of the Australian dairy system for Panama in August 2005. The review accepted that the system achieves desired outcomes, and Panama accredited all establishments reviewed.

A review of egg farms in Queensland and New South Wales, conducted by the Agri-Food and Veterinary Authority of Singapore in June, was positive. Farms in Victoria and New South Wales had previously been accredited to supply eggs to the large export market in Singapore based on their *Salmonella enteritidis* monitoring programmes, and can continue to export. Queensland farms can start exporting eggs when that state's authorities implement a monitoring programme. The Singapore authority undertook to develop criteria for exporting free range eggs, which are currently banned.

In late 2005, China provided a draft protocol for the export of edible deer products from Australia. AQIS and the Chinese authorities have since finalised the protocol, allowing the recommencement of exports of edible deer meat and meat products to China.

AQIS contributed to negotiations with the Thai Food and Drug Administration to have it abandon a proposed import testing requirement that would have significantly increased the cost of importing food into Thailand. With the Department of Foreign Affairs and Trade, we developed arguments against the proposed import regime based on science and on World Trade Organization rules. The regulation was replaced in late 2005, protecting Australian access to the \$74 million Thai dairy market.

The Department maintained EU market access for export prawn producers (worth \$39 million in 2005), and helped them to manage cadmium levels to meet the EU maximum limit of 0.5 mg/kg. Rejections of prawn consignments had increased, highlighting uncertainties in contaminant sampling and analysis. AQIS also initiated negotiations with the European Commission to amend the EU cadmium maximum limit for crustaceans.

During the year, AQIS developed and implemented operational standards to enable exports of cherries to Japan. The first shipment was in December 2005. This expansion into a new export market will increase returns for the cherry industry. Similar work resulted in the opening of a market for Australian papaya in New Zealand and for mangoes and citrus in China.

AQIS had a significant role in achieving continuation of wheat exports to India under stringent quarantine conditions applied by Indian plant health authorities. AQIS was able to advise on the development of operational systems that enabled ongoing certification of wheat exports, successfully maintaining significant market opportunities for the Australian wheat industry.

The Trans Tasman Working Group has met three times since its establishment in 2004, most recently in November 2005. The work of the group, which comprises senior officers from AQIS and the New Zealand Government and industry representatives, has improved communications between Australia and New Zealand and led to a better understanding of emerging and day-to-day import and export issues at the operational level. During 2005–06, New Zealand amended its health standard for imports of grain for consumption or processing. The amendments removed a number of documentation requirements, benefiting the Australian export industry by reducing delays.

In 2005–06, AQIS developed and implemented the Australian Wood Packaging Certification Scheme, which accredits treatment providers and wooden packaging manufacturers as able to meet the requirements of ISPM 15, one of the international standards for phytosanitary measures of the International Plant Protection Commission. Those certified can apply an internationally recognised mark to wood packaging material they produce for the export industries. The development of the Australian certification scheme has benefited all export industries by ensuring that Australian exporters have access to ISPM 15 compliant wooden packaging material that meets importing country entry requirements.

Output 6 case study 2

Australian Quarantine and Inspection Service helps Aussie meat to China

China's vast market is drawing the attention of exporters from around the world, including Australia's meat producers.

We export top-quality meat to more than 130 countries, but until a few years ago our exports to China were restricted to a few narrow categories, preventing direct sales to Chinese consumers. This restriction was eased in 2003, with the signing of protocols allowing exports of beef, sheepmeat and goat meat from a number of approved abattoirs.

But the market for other products remained restricted until this year, when AQIS brokered a deer meat protocol and an agreement on export of beef, sheepmeat and goat meat processed in establishments other than the original few approved abattoirs. This work will add significantly to our \$50 million meat export trade to China.

AQIS is also working with its counterpart agencies in China on arrangements to resume exports of tripe—a trade that could grow to more than \$22 million a year.

AQIS's Mark Schipp has just returned from three years as Agriculture Counsellor in the Australian Embassy in Beijing, where he helped broker the 2003 protocols. He hails the market access developments of the past year as a breakthrough for Australia.

'China is a significant market for Australian meat exports, and the recent agreements—on top of the beef, sheep and goat meat protocols signed in 2003—mean Australia is well placed to take full advantage of one of the world's fastest growing markets,' he says.



As a result of a 2006 audit by the New Zealand Ministry of Agriculture and Forestry and a revised management strategy submitted by AQIS, New Zealand has reduced sampling requirements and other measures to manage all varieties of tomatoes exported to New Zealand. The new arrangements will reduce costs and delays.

Our performance

Output 6 contributes to two of the eight components of the Department's planned outcome:

- *access to markets*, for which AQIS's performance is measured by
 - maintaining the integrity and delivery of inspection and certification services, standards setting, technical market maintenance and public awareness
- *pest and disease protection*, performance for which is measured by
 - maintaining the integrity and delivery of inspection and certification services, standards setting, technical regimes and public awareness.

The output has two components:

- *delivery of effective AQIS quarantine services*, performance for which is measured by
 - quarantine intervention levels at the border
 - quarantine risk effectiveness at the border
 - the level of awareness of AQIS quarantine services
- *delivery of effective AQIS export services*, performance for which is measured by
 - the number of consignments in export markets where facilitation of release of cargoes is attributed to AQIS involvement
 - the rate of rejections of export consignments
 - the level of awareness of AQIS export services.

AQIS manages no administered items.

Access to markets

During 2005–06, the Department maintained access to markets by:

- revising *halal* protocols with Malaysia, facilitating Russian review of 18 red meat establishments and their subsequent access to the Russian market, and improving market access to China through revision of the edible deer products protocol
- auditing all active licensed exporters of live animals (no consignments were rejected by overseas markets for failing to meet import requirements)
- reducing delays for exports of wheat and tomatoes to New Zealand
- undertaking discussions with Indian authorities to facilitate exports of wheat to that market
- implementing a scheme to accredit manufacturers of wooden packaging

- opening export markets for cherries in Japan, papaya in New Zealand and mangoes and citrus in China
- overcoming technical market access barriers for exports such as eggs to Singapore, food products to Thailand and prawns to the EU.

Pest and disease protection

Our work to protect Australian industry from pests and diseases included:

- reviewing and implementing post-entry plant quarantine import conditions for grapevines
- implementing new import restrictions for plant material that might host *Phytophthora ramorum*
- increasing surveillance activities in northern Australia and building capacity in our near neighbours to protect against avian influenza
- implementing the Australian Fumigation Accreditation Scheme
- expanding quarantine surveillance targeting quarantine risks posed by illegal foreign fishing vessels in our northern waters.



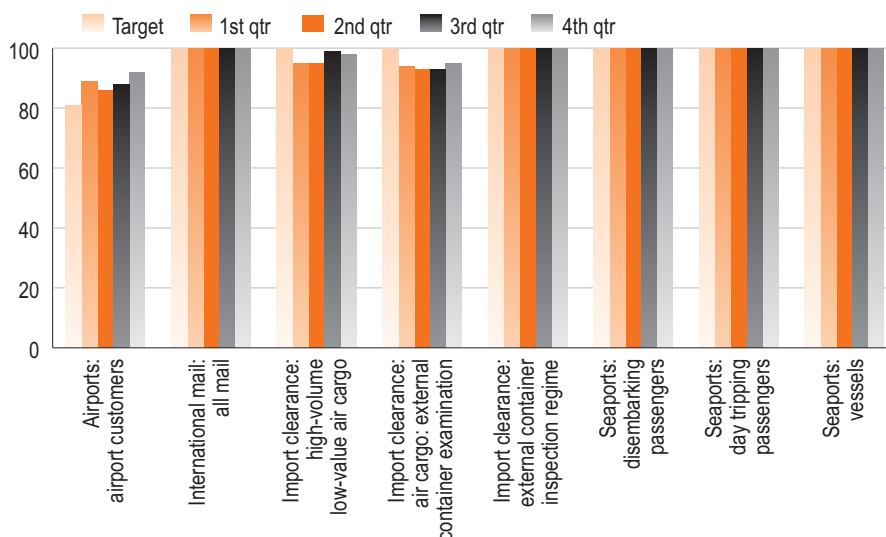
Quarantine officers Shane Day and Noel Edwards at work.

Delivery of effective AQIS quarantine services

Quarantine intervention levels at the border

Figure 8 shows quarantine intervention levels against targets for 2005–06.

Figure 8 Quarantine intervention levels and targets, 2005–06



Government policy sets quarantine intervention levels at 100% for all streams of arriving passengers and cargo, except for passengers arriving at airports (for whom the target is 81% to allow efficient processing at peak arrival times). Given the reduced intervention target at airports, airline passengers are subjected to risk profiling by quarantine inspectors to ensure that intervention is directed at passengers who pose a greater quarantine risk.

At airports, intervention involving humans is measured as the proportion of international passengers and crew whose baggage is inspected or X-rayed. The national intervention level remained above the 81% target during 2005–06. Intervention levels were lower during summer peak passenger traffic in January. However, intervention for passengers from avian influenza risk countries was maintained at 100%.

During 2005–06, high-volume, low-value (HVLV) air courier consignments were intervened at a rate of at least 93%, slightly below the 100% target. Because items in this category are of lower quarantine concern, this does not pose as serious a quarantine risk. The rate of intervention of air cargo containers (88–95%) also

fell below the 100% target. The small number of containers not subjected to full quarantine intervention during peak times were carefully selected to ensure that only low-risk containers were not subject to intervention. Containers not subject to full intervention are considered to be a minimal quarantine risk because they are not usually moved beyond the air cargo controlled environment.

For international mail, the intervention rate is the proportion X-rayed or inspected by dogs. Intervention was maintained at the 100% target level.

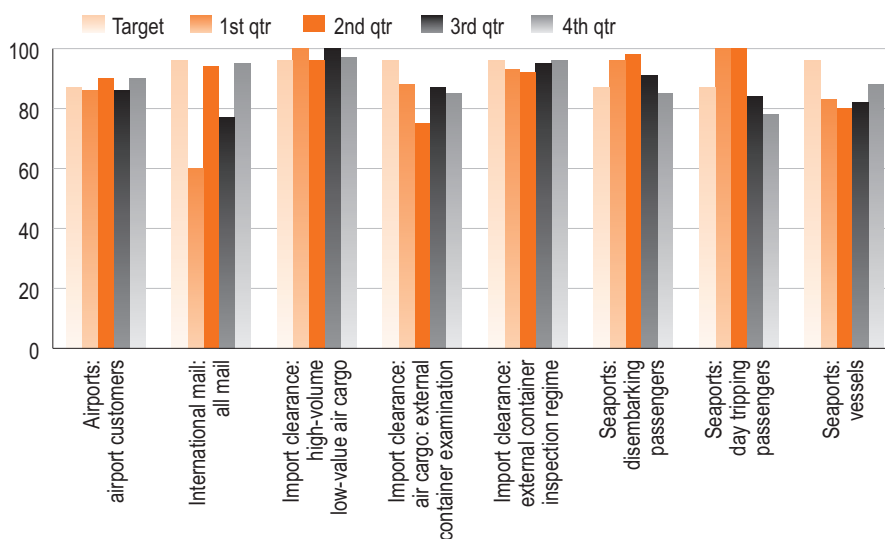
For vessels in seaports, the intervention rate is the proportion of vessels inspected at their first port of arrival. During 2005–06, intervention continued at the target rate of 100%.

For import clearances (air and sea containers), the intervention rate is the proportion of arriving units intercepted. Intervention ranged from 88% to 95% for the year.

Quarantine risk effectiveness at the border

Figure 9 shows quarantine risk effectiveness against targets for 2005–06.

Figure 9 Quarantine risk effectiveness and targets, 2005–06



For airports, quarantine risk effectiveness is measured by the number of quarantine items seized at the border as a proportion of total quarantine items approaching. During 2005–06, effectiveness for higher-risk items was maintained at high levels. January effectiveness results of 90.3% exceeded the target level, and risk effectiveness continued to remain above the target level of 50%.

For mail, effectiveness is measured by the number of quarantine items seized at the border as a proportion of approaching quarantine items, estimated using three-month survey data. In 2005–06, the 12-month rolling effectiveness level (April 2005 to March 2006) for higher risk material was 78%. For the January–March 2006 quarter, higher risk effectiveness was 80%. Higher risk effectiveness improved significantly in the September–December 2005 quarter and subsequently remained around that level. The risk material effectiveness level improved significantly from 66% in the October–December quarter to 84% in the January–March quarter.

For vessels, quarantine risk effectiveness is measured using a framework developed by the Australian National Audit Office (ANAO). Under that system, detection of quarantine material on board a vessel at the vessel's second port of call, when the material should have been detected during the inspection at the first port of call but was not, indicates a failure of the initial quarantine inspection. During 2005–06, effectiveness ranged from 71% to 100%.

For import clearance of HVLV cargo, air cargo containers and sea cargo containers, quarantine risk effectiveness is measured by the number of prohibited quarantinable items seized at the border as a proportion of total prohibited quarantine items approaching Australia. During 2005–06, overall effectiveness for HVLV remained at or above the 96% target.

For air containers, effectiveness ranged from 75% to 96%, continuing an upward trend.

For sea containers, effectiveness ranged from 90% to 95%. The results for the external container inspection regime were stable at 94% for three months from July to October 2005.

Level of awareness of AQIS quarantine services

AQIS activities during the year maintained Australians' high level of awareness about AQIS quarantine services. See 'Our year, Awareness of quarantine and export requirements' for figures.

Delivery of effective AQIS export services

We delivered effective AQIS export services during 2005–06 by

- reviewing and amending Plant and Plant Product Orders
- developing and implementing an export meat programme security strategy
- developing a comprehensive residue and microbiological testing regime
- meeting overseas government officials in nine bilateral plant quarantine technical discussions, meeting Australian horticulture exporters before and after the season, and holding regular industry consultative committee meetings

- developing a course on container inspection and a sampling proficiency programme for the grain industry
- auditing the horticulture export certification system, and aiding overseas audits of Australia's export certification systems for beef and dairy products.

Performance for export services is measured by the proportion of consignments rejected by importing countries and the number of consignments that require AQIS intervention to secure their release.

Consignments rejected or released after AQIS intervention

Live animal exports

In 2005–06, over 8,000 consignments of live animals and reproductive material were exported. No consignment was rejected or required the intervention of AQIS to facilitate release.

Grain exports

The rejection rate for export consignments in 2005–06 was 1.43% of the total tonnage exported (2004–05: 3.16%). The low rate of rejections reflects a high level of compliance with AQIS certification requirements. No grain export consignments required AQIS intervention for release.

Horticulture exports

Less than 1% of total horticultural export consignments were rejected on arrival at destination because of the identification of pests or contamination with soil. These were treated by the importing authority and released, and none required AQIS facilitation.

Other exports

The number of rejections of meat export consignments cannot be reliably determined because importing countries do not routinely notify AQIS of rejections, and there is no requirement for industry to report this information. While rejection data has been reported by the United States in the past, incompatibility of IT systems resulted in no rejections being reported for some years, and more recent rejection data from the United States requires enhancement.

A preliminary report from the ANAO recommends removal of this performance indicator, as the Meat Programme has no control over it. This performance indicator will be reviewed as part of the 2006–07 business planning process.

Compared with 2004–05, there was an overall reduction in the number of consignments of meat, dairy, eggs and fish requiring clearance assistance, after a peak in the first quarter of 2005–06. This reflects AQIS's work with industry to

ensure compliance with overseas country import requirements and work with trading partners to improve market access. The figures in Table 11 include consignments of meat, game meat, poultry, animal byproducts, dairy products, eggs and fish.

Table 11 Export consignments of meat, dairy products, eggs and fish requiring AQIS intervention for release

	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
2005–06	270	191	124	152	737
2004–05	172	208	160	232	772

Level of awareness of AQIS export services

Australian exporting industries' awareness of AQIS export services remained high during the year. See 'Our year, Service delivery' for details of AQIS's work in this area.

Administered items

AQIS manages no administered items.

Evaluations

ANAO follow-up audit—Managing for quarantine effectiveness

The objective of the follow-up audit was to assess progress in implementing the recommendations in the 2000–01 ANAO Audit Report No. 47, *Performance audit: Managing for quarantine effectiveness* and the recommendations of the report of the Joint Committee of Public Accounts and Audit, *Review of Australia's quarantine function*, tabled in February 2004. The audit did not address four Joint Committee recommendations that were either not supported by the government, or were policy matters for the government to consider.

The audit began on 1 January 2005, and the report was tabled on 1 December 2005.

The ANAO found that, since the 2000–01 audit, AQIS and Biosecurity Australia have made substantial overall improvements in the administration of quarantine. The agencies have also made significant progress in implementing previous recommendations. All but two recommendations have been implemented in whole or in part, and the implementation of these two is in progress. In many cases, work to meet the parts of recommendations yet to be fully implemented is well advanced.

The ANAO made five new recommendations aimed at strengthening the ongoing administration of quarantine. The Department and Biosecurity Australia have agreed to the new recommendations.

ANAO audit of Export Certification Services

An ANAO audit of Export Certification Services began in 2005–06 and is expected to be concluded during 2006–07. The audit will assess the effectiveness of these services.

Outlook

Highly pathogenic avian influenza continues to be a risk to Australia's poultry industries and people. In the 2006–07 Budget, AQIS received funding of more than \$36.2 million over three years to mitigate the risk of HPAI entering the country. Additional measures include enhanced surveillance in northern Australia, extra staff at airports and seaports, and ongoing community awareness campaigns.

Illegal foreign fishing vessels (IFFVs) can carry exotic pests and diseases that threaten Australia's quarantine status. The 2006–07 Budget included funding of \$10.7 million for AQIS measures to respond to the biosecurity risks posed by IFFVs. The additional funding will help us expand existing programmes to engage indigenous communities in northern Australia in quarantine surveillance through the Northern Australia Quarantine Strategy. Funding has also been provided for an additional 10 quarantine surveys each year of likely and known IFFV landing areas. The additional resources will also provide for quarantine staff to make rapid responses to IFFV landings and for the destruction of abandoned or drifting vessels.

AQIS will also work with the Australian Fisheries Management Authority to undertake quarantine clearance of IFFVs and their crews, including the destruction of seized vessels. A departmental officer will also be located in the expanded Joint Offshore Protection Command in Customs to cover the Department's fisheries and quarantine interests.

Over the next three years, AQIS will continue work on activities to strengthen Australia's pre-border pest and disease risk management. Activities include:

- continuing implementation of the Australian Fumigation Accreditation Scheme
- enhanced desk and site audits of plant-based stockfeed manufacturing plants and import pathways
- use of the ISPM 15 standard for wood dunnage and packaging
- improved certification requirements for imported fertiliser shipments
- enhanced pre-inspection arrangements for imported machinery and returning military equipment.

Output 6 case study 3

Australian Quarantine and Inspection Service wins on risk management, workplace safety

In 2005, AQIS won the Comcover award for innovative risk management, and took out two major awards from Comcare's Safety, Rehabilitation and Compensation Commission.

AQIS's Executive Director, Peter Yuile, said the awards recognise AQIS's longstanding commitment to risk management and workplace safety.

The Comcover award was for the development of a unique risk management framework, implemented through a balanced mix of public awareness, scientific surveillance and border control across 30 risk-rated zones between Cairns and Broome. Peter said the award is a great tribute to AQIS's contribution to the Northern Australia Quarantine Strategy (NAQS).

'It's a real credit to AQIS and the dedicated individuals in NAQS who work to mitigate the risks posed by exotic pests and diseases in neighbouring countries to our north, which have the potential to threaten productivity, our valuable export markets and unique environment,' he said.

'In our remote north, the terrain is often rough, communication difficult and the climate harsh. This unprecedented framework continues to adapt to emerging threats in the region without compromising risk management or quarantine integrity.'



Joanne Pearce (then programme manager, NAQS) shows off the Comcover award for innovative risk management.

Because AQIS's work is often hazardous, the service gives workplace safety extremely high priority—and has a host of recent workplace safety awards to prove it.

AQIS won Comcare's Innovative Solutions award in 2005 with a vessel inspection strategy for bulk fertiliser imports. The system has reduced the need for AQIS staff to enter ships' holds, without compromising their high inspection standards.

Continuing its winning streak, AQIS also received a 'highly commended' from Comcare for a strategy to improve employee safety by using a site register to minimise the risk of injury. AQIS officers must work in varied environments, such as bond stores, grain terminals and orchards. The site register gives them advance notice of potential hazards.