

Horticulture Industry Quarantine and Biosecurity Review Submission

Briefing Paper for HAL Members – 28 May 2008

HAL provided a submission to the Biosecurity and Quarantine Review on 30 April 2008 (attachment 1). The submission addressed the questions outlined within the review committee's Issues Paper (attachment 2) and provided a series of recommendations (below).

This briefing paper provides an outline of the HAL position on broad issues relevant to quarantine and biosecurity review that were addressed within the submission and relevant information supporting each recommendation.

The submission recognised the considerable work currently being done by various government agencies in consultation with HAL and other industry groups across the quarantine continuum but also highlighted areas where improvements are required.

Broad areas outlined within the submission are:-

- There is a need for a benefit cost analysis to identify areas of highest quarantine risk and ensure that current resources are being expended in the areas of highest risk for greatest return;
- Appropriate level of protection (ALOP) needs to be better defined and communicated;
- Industry would like greater consultation on IRA prioritisation;
- State and Territory quarantine and biosecurity arrangements need to be aligned with international principles and standards;
- Industry supports the current quarantine and biosecurity structure across the continuum but has highlighted areas for improvement;
- Industry supports work underway to improve post border quarantine and biosecurity arrangements;
- Industry requires increased government support to ensure that R&D supporting market access outcomes is adequately funded; and
- QEAC has been suggested as the body to monitor activities across the quarantine continuum and report publicly at regular intervals.

Recommendations and briefing notes

Recommendation 1: Independent benefit cost analysis of risk and resource allocation

Key areas of risk for the Australian plant quarantine and biosecurity continuum to be identified by independent review and resource allocation to be directed accordingly.

Comments

Stringent airport and mail screening and the development of IRAs for plant products for human consumption have been areas of strong focus and resource expenditure for quarantine authorities. However, there are areas that pose at least equivalent or greater risk, such as incoming container hygiene, Post Entry Quarantine (PEQ) arrangements for nursery stock and seeds, and the need to monitor and review existing import policies that have not received the same focus or dedication of resources.

There is a need for an independent review and benefit cost analysis to examine biosecurity and quarantine expenditure across the continuum to ensure that current resources are being expended in the areas of highest risk for greatest return.

Recommendation 2: Improved container risk profile and risk management

Container risk profiling and an offshore hygiene program for predetermined high risk container source countries and ports to be developed by AQIS.

Comments

The volume of sea and air containers entering the country continues to increase rapidly. Contaminated containers and non compliant container cargo entering the country have been recognized as a major pathway for the introduction of exotic pests and diseases. The incursion/s of Red Imported Fire Ant into Brisbane is a recent and costly illustration of the risk posed by unchecked containers. A recent review by Ernst and Young of AQIS' performance (released under an FOI request) revealed that New South Wales ports have not met the sea container screening effectiveness benchmarks since 2003-04.

Screening methods to identify high risk importation areas and high risk containers is based largely on documentation. Most of the physical inspections of containers are random audits. AQIS must ensure that sufficient resources are available and that an appropriate mechanism for identifying areas of highest risk is employed. Closer cooperation with customs to identify high-risk containers or offshore container clearance or hygiene programs may be options for improved risk management.

Recommendation 3: Improved PEQ methods and management

Post Entry Quarantine (PEQ) management and strategies to be improved with an emphasis on improved screening methods such as the development and adoption of rapid low cost diagnostic protocols for plants and germplasm.

Comments

Post entry quarantine (PEQ) is an important mechanism for the screening of imported plants and seeds for pests and diseases of quarantine concern before they are released into the national horticultural environment for propagation. Plants and seeds are grown for specified periods of time and visually screened for pests and diseases of quarantine concern. If visual disease symptoms are detected further tissue testing is conducted. It is a requirement that secure containment measures should be in place at all facilities to ensure exotic pests or diseases do not escape into the surrounding environment.

However, in recent years there have been several documented escapes of exotic pests from PEQ research facilities. Radcliffe et al. (2003) reviewed Plant Research Biosecurity Protocols after the apparent escape of wheat streak mosaic virus, Scotch broom rust fungus and South African citrus thrips from post entry quarantine research institutions. The primary emphasis of the review was on winter cereal breeding and germplasm collections to identify any issues that may be applicable to other introductions of overseas plant material.

The Radcliffe Report provided 18 recommendations for better management and security of winter cereals. In response to these recommendations the Standards Working Group (SWG) was developed to address the issues raised. The SWG broadened its focus from the implementation of the Radcliffe Review recommendations to encompass development of recommendations for all plant PEQ facilities or facilities dealing with plant affecting organisms, not just those undertaking plant or plant related research. The SWG identified

numerous areas for improvement of PEQ operations. However, the implementation and adoption of all of the SWG recommendations has not occurred to date.

PEQ is a requirement for a wide range of nursery stock and seeds. The volume of material requiring screening through government PEQ facilities is expanding rapidly and space in these facilities is limited. Provision exists for private PEQ operation for certain categories of nursery stock. These private facilities must be operated under AQIS accreditation but the number of approved private facilities and the volume of material moved through these facilities, using visual screening as the main form of detection, raises serious questions about the integrity of the system.

Open PEQ operations also exist, where plants are grown under field conditions to allow for rapid assessment of large volumes of germplasm or in the case of ornamental bulbs, for flower production. The volume of material grown under these open conditions and the difficulty in devoting sufficient AQIS inspection resources to detect exotic pests or diseases in or on plant material would suggest that the prevention of the spread of exotic pests or diseases into the surrounding environment would be difficult, if the introduced plant material should be contaminated.

It is essential to industry viability to continue to introduce new germplasm. Current PEQ methods are based on visual screening and often lengthy growing periods. Increased demand for PEQ facilities operating under current arrangements are causing lengthy delays and screening methods may not always detect diseases. There is a need for a review of the PEQ system, including the development of rapid and cheap diagnostic tests to reduce the time required in PEQ and increase the likelihood of detecting exotic pests and diseases.

Recommendation 4: Improved accredited sources audit and verification

Current arrangements for accredited sources for nursery stock and seeds (including audit and verification requirements) to be reviewed and strengthened.

Comments

Some imported nursery stock, seeds and tissue cultures are sourced from AQIS accredited sources in other countries. Accredited sources produce plant material using parent material grown under AQIS approved guidelines and protocols. The ongoing stringent auditing and verification of these approved sources is crucial to ensure that production methods are sufficient to ensure freedom from exotic pests and diseases and to maintain Australia's plant health status. The review of accredited sources does not appear within AQIS or BA work plans and the extent of this essential activity is unclear.

Recommendation 5: Enhanced pre border risk management strategy

Current AQIS pre-border risk management programs to be assessed and an overarching pre-border risk management strategy for various commodity groups developed, where practicable.

Comments

The offshore management of quarantine risk through pre-clearance of commodities, offshore container hygiene programs and accreditation of service providers has been raised by previous reviews and AQIS management as a preferred strategy. The horticulture industry acknowledges that AQIS have worked to progress this strategy in some areas, such as the Australian Fumigation Accreditation Scheme (AFAS). However, the intent to further develop an overall offshore quarantine management strategy is unclear to industry. The scope of offshore quarantine risk management must be increased wherever practicable.

Recommendation 6: Increased discussion and definition of ALOP

BA to develop and distribute a document outlining appropriate level of protection (ALOP) classification and required risk management measures that are currently applied to categories of pests and diseases for existing import policies.

Comments

ALOP is not well understood by some areas of government and industry. The lack of understanding of ALOP has, in some instances, lead to commercial and or political considerations potentially becoming associated with the concept of ALOP. This lack of understanding has arisen due to inadequate communication and discussion of ALOP.

'Very low' is understood as the level of ALOP but how this level is attained should pests or diseases be assessed to be above the ALOP (the application of risk management measures) is not well defined nor communicated. Risk management may vary for a given pest/commodity/country combination but Australia now has sufficient existing import policy for details of established risk management measures for various categories of pests to be collated and be made publically available. This would greatly assist in the understanding of ALOP and how it is applied in existing policy.

A clearly defined ALOP and clear understanding of how it relates to pests and diseases associated with various commodities under existing trade will increase the confidence of both domestic and international stakeholders that ALOP is being applied in a consistent and non trade restrictive manner. For those pests or diseases where policy does not currently exist, a pest or disease risk analysis (rather than a commodity based IRA) to determine and establish the ALOP and risk management measures, may be an appropriate method to determine import policy and resolve ALOP issues in a timely manner.

Recommendation 7: Cost recovery requirements removed where public good is impeded

The requirements for AQIS cost recovery in areas where substantial public good may be suppressed due to these requirements (such as the compilation of detailed barrier interception data), identified and alternative funding arrangements determined in consultation with industry.

Comments

Several AQIS business areas operate on a cost recovered basis including the use of PEQ facilities, export inspection, auditing and certification and the identification of barrier breach specimens. The horticultural industry pays considerably to be able to develop their industries through the importation of new plant varieties and to be able to export their produce. The horticultural industry considers that a strong and robust horticultural industry with well developed markets is a direct and major benefit to the Australian economy. Recognition of this fact through subsidised PEQ arrangements and provision for reduced or non cost recovered export inspection, auditing and certification arrangements would be of major benefit to the Australian economy.

If pests and diseases are detected at the barrier the importer may opt to pay for identification of the pests to determine quarantine status, which may take several days, or have the consignment fumigated with methyl bromide and released. This system encourages the cheaper and timelier option of fumigation regardless of the quarantine status of the detected organisms. As a result identification to determine quarantine status of

a pest is not regularly done and essential data on the efficacy of current import policy is not gathered.

Cost recovery does limit the ability to deliver public good outcomes but it is difficult to determine the extent of the impact without readily available AQIS performance data. Whilst raising cost recovery as an issue requiring reform, industry acknowledges the dedication of individual AQIS staff to deliver public good outcomes regardless of the costing framework.

Recommendation 8: Biosecurity and contingency plans for all industries

Ensure that all key horticultural industries have risk analysis and contingency plans for exotic and regional pests and diseases.

Comments

HAL continues to work closely with its industry members and PHA to develop comprehensive Industry Biosecurity Plans (IBP's) and Pest Specific or Pest Generic Incursion Management Plans (IMP's). However, to date only thirteen horticultural industry IBP's (with another three under development) and four IMP's (with another three under development) have been completed. Considering that Horticulture consists of more than forty industries and numerous product lines the number of response plans currently developed is inadequate. Regular industry funds need to be committed each year in an ongoing program to ensure all industries have an IBP and most of the category 1 and category 2 incursion pests have up to date IMP's.

Recommendation 9: Additional grower insurance for incursions

Government to underwrite an insurance scheme to enable growers to insure against indirect losses from exotic pest and disease incursions. Grower eligibility to the fund dependent on meeting specified on farm biosecurity standards.

Comments

The horticulture industry supports and actively participates in the development of Industry Biosecurity Plans, biosecurity strategies and arrangements under the PHA Emergency Plant Pest Response Deed (EPPRD). Current cost sharing arrangements ensure that signatories to the Deed have a good understanding of their rights and obligations should an exotic pest or disease be detected.

However, there is not provision for grower reimbursement of costs not directly related to the EPPRD such as loss of existing markets, destruction of previously harvested produce, and ongoing wages for staff during non-production periods. An affected grower may suffer serious financial and operational impact even if they were eligible for EPPRD payments. Government underwriting of insurance to cover additional losses following an incursion linked to the implementation of on farm biosecurity requirements may be an option to address this issue and promote the widespread adoption of on farm biosecurity.

Recommendation 10: Alignment of animal and plant deeds

Align the Animal Health Australia (AHA) and Plant Health Australia (PHA) deeds to ensure plant industry pollination in Australia is protected should animal pests such as honeybee varroa mite enter the country.

Comments

AHA is responsible for incursion management plans and cost sharing arrangements for animals including honey bees, Varroa mite and other exotic animal pests associated with the honey bee industry. PHA is responsible for incursion management plans and cost sharing

arrangements for plant pests that threaten horticultural industries. Currently the PHA and AHA Deeds of Arrangement are not sufficiently aligned to recognise animal (e.g. honeybee Varroa mite) incursion management and cost sharing arrangements and their impact on pollination reliant horticultural industries under PHA Deed arrangements.

Varroa mite is an external parasite of bees and can be spread by the introduction of exotic bees. The recent incursion of this pest into New Zealand has increased the need for monitoring and surveillance as this pest has the potential to have a massive impact upon a wide range of horticultural industries through reduced pollination and ultimately the Australian economy through reduced horticultural production.

The Sentinel Hive program at Australian shipping ports is in place as our frontline of defence to detect exotic bees and bee pest's accidentally imported on ships or shipping containers. This program is crucial for continued integrity of Australia's bee and pollination dependent horticultural industries. We understand that it is the intention of the Federal and State Governments to no longer pay for the Sentinel Hive Program and that industry must pay for this service in the future. We urge governments to reconsider this decision as industry has limited capacity to pay for this program and if an exotic honeybee pest like Varroa mite was to arrive in Australia then the financial consequences would be great and Australian food security via bee pollination threatened.

Recommendation 11: Increased industry IMAAG consultation

Horticulture, as a major stakeholder within the current list of potential Plant Biosecurity IRAs, to become recognised as a major stakeholder whose views are consulted by Import Market Access Advisory Group (IMAAG).

Comments

Priority setting for the Biosecurity Australia (BA) Import Risk Assessment (IRA) process is assigned by the Import Market Access Advisory Group (IMAAG). The IMAAG consists of senior Department of Agriculture Forestry and Fisheries (DAFF) officers external to BA. In assigning priority to an import proposal, the IMAAG considers matters relating to Australia's national interests, the exporting country, and practical considerations. However, membership to IMAAG is currently limited to government, excluding priority setting input from private sector stakeholders such as horticulture.

Horticulture is a major stakeholder, accounting for approximately 80% of the entries on BA's plant list of 117 access requests as advised in July 2007. Such plant based import requests may have significant plant health and economic impacts upon the Australian horticultural community. To help ensure that wider consideration of the impact of quarantine and biosecurity arrangements occurs, HAL has requested opportunity for regular dialogue with IMAAG in respect of determinations under the IRA prioritisation process.

HAL works in a collaborative manner with all stakeholders to ensure that horticulture, as a major stakeholder, plays an active role in the development and implementation of quarantine and biosecurity arrangements. HAL has established a strong working relationship with the government agencies in the areas of international market access, prioritisation of research and development and in development of biosecurity and quarantine arrangements. HAL views it appropriate to seek to develop a similar level of involvement through dialogue on prioritisation and related matters with the IMAAG.

HAL also notes that the Chief Executive of BA determines the order in which analyses are conducted, taking account of the priorities assigned by IMAAG and the available resources and expertise.

Recommendation 12: Economic impact of IRAs to be determined before commencement

An assessment by industry of the potential economic impact of an import approval upon the industry to be provided prior to the commencement of an Import Risk Analysis (IRA).

Comments

Plant based import requests may have significant plant health and economic impacts upon the Australian horticultural community. The horticulture industry recommends that, as part of the dialogue between industry and the IMAAG as described above, horticulture industries which would be prospectively impacted by the outcomes of IRAs should be given prior advice by DAFF, so that industries can have adequate time to undertake and advise DAFF with industry economic impact statements which could be factored into IMAAG's recommended priorities. Economic impact assessments are already a feature of import access assessment processes by other countries.

Recommendation 13: Increased government funding for market access R&D

Dialogue with government to significantly increase urgently needed funding, beyond industries current capacity to contribute, for market access related research and development (where R&D to be supported by BCAs).

Comments

Effective research is essential to underpin biosecurity and quarantine arrangements to facilitate and maintain market access for horticultural industries. HAL and the National Horticulture Research Network (NHRN) developed a five year Strategic Research and Development Plan in 2005 (revised in 2007/08). Further, HAL established the Working Group for Market Access R&D (WGMARD) to ensure that the plant health market access R&D program was effective and well targeted.

The Revised Strategic Research and Development Plan is a five year rolling plan that sets out a priority R&D program that is based on a 'Pathways to Market' framework that will directly lead to market access. The plan describes an R&D program investment of \$18.3 million over 5 years.

Future funding for the plan will be dependent upon industry levy mechanisms with government providing matched funding through HAL. It is anticipated that there will be a significant shortfall in funding from industry due to drought and depressed market conditions which will significantly disadvantage Australian industry. Additional funding assistance to meet the quarantine and biosecurity research and development priorities that have been identified as essential to gain and maintain market access are urgently required. Further, this work must occur in a timely manner to ensure that essential quarantine and biosecurity requirements continue to be met and Australian horticulture continues to develop into a strong export oriented group of industries.

Recommendation 14: Ongoing support for biosecurity R&D capability

Ensure national biosecurity research capability is maintained and strengthened via adequately funded CRC's and research institutions to address high priority post border issues such as surveillance, monitoring, diagnostics and risk analysis.

Comments

Horticulture endorses the need for ongoing support from all sectors for the continued development of post border biosecurity R&D capability through HAL R&D funding, the CRC program, government and university based research providers.

Post border biosecurity is a shared responsibility and essential to protect our industries, markets and national prosperity. Horticulture contributes to the ongoing support of our national research capability through levies to HAL and through HAL R&D funding programs and HAL's collaboration with the CRC for National Plant Biosecurity (CRRCPNB), government and other research providers. Horticulture believes that long term ongoing support is a shared responsibility and it is essential to have well funded, proactive research programs that will help to maintain Australia's freedom from many exotic pests and diseases that could threaten our favourable plant health status.

Recommendation 15: Funding for improved quarantine and biosecurity skills

Ensure a stable funding program to encourage, promote and train plant health experts, succession planning strategies and the national sharing and utilisation of specialists' skills across programs and institutions.

Comments

There is a shortage of people with appropriate quarantine and biosecurity skills. Significant numbers of quarantine and biosecurity experts have left the system or are nearing retirement and students coming out of university do not have the broad based experience to meet the immediate needs of peak industry bodies, government departments, research centres and university teaching and research positions.

A stable funding program to encourage, promote and train plant health experts, succession planning strategies and the national sharing and utilisation of specialists' skills across programs and institutions is required. The CRRCPNB has a large education and training program underway. HAL, on behalf of the horticultural industry is seeking increased R&D funding under the Market Access Strategic Plan to set R&D priorities for the horticultural industry and provide a stable funding platform for quarantine and biosecurity workers into the future.

The long term availability of sufficient numbers of skilled quarantine and biosecurity specialists will be crucial to ensure that the horticultural industry continues to receive the support and collaboration required to promote sustainable production and increased market access into the future.

Recommendation 16: QEAC to become the continuum monitor

The role of Quarantine and Exports Advisory Council (QEAC) to be reviewed and a more formal role as quarantine continuum monitor with ongoing review capabilities and public reporting requirements developed.

Comments

Whilst some monitoring and performance indicators exist for each of the three government components of the quarantine continuum overall monitoring is difficult due to expanding roles and increasing public expectations. The Quarantine and Exports Advisory Council (QEAC) is a non-statutory advisory body that was established as part of the Government's response to the Nairn Review of Australian quarantine. The Council currently provides advice to the Minister and the Director of Quarantine on major quarantine and export policy issues.

QEAC's current role could be expanded to be an independent quarantine continuum monitor with public reporting responsibilities.