



Australian Government
**Department of Agriculture
and Water Resources**

SECRETARY

Ref: EC19-000462

Mr Brett Hosking
Chairman
GrainGrowers
Via email

Dear Mr ~~Hosking~~ ^{Brett}

Thank you for your letter of 21 May 2019 expressing your industry's concerns in relation to the importation of bulk and processed grains to Australia.

As you know, the department issued the first import permit for bulk wheat from Canada on 14 May 2019. That shipment is expected to arrive in six to eight weeks.

Australia has strict requirements and a long-established policy to ensure that imports of bulk grain do not compromise our vital biosecurity status.

The department is assessing applications to import bulk grain within existing biosecurity risk settings and in accordance with the *Biosecurity Act 2015*. This includes a comprehensive assessment (including desk and site audits) of the biosecurity arrangements proposed within industry supply chains. Each permit is issued for a single shipment. The department undertakes a rigorous verification process of offshore activities (sourcing, transport and loading) and onshore activities (loading, unloading, transport, storage and processing) to ensure that the biosecurity risks are managed to an acceptable level.

I have responded to the specific questions you have put forward in your letter. I note that you intend to publish this on your website, and I ask that you publish our full response, as we will do on our own website.

Question: Complete details of all conditions that must be met in order to import whole or processed grain into Australia (including pre-shipment, during loading and discharge, during transit, during processing, post-processing).

Answer:

The department has strict requirements which must be complied with in order to manage the biosecurity risks associated with imported grain. Multiple critical control points must be in place throughout the import pathway to manage the risks.

- A permit is required for any grain imports prior to arrival. Every permit application is considered on a case-by-case basis and is subject to a risk assessment to allow specific consideration of the biosecurity risks posed by the proposed import pathway.

- A department-approved and audited Process Management System (PMS) must be put in place outlining the processes for sourcing, movement and loading offshore and movement, storage and processing within Australia.
- Grain must be sourced from areas of low plant and animal risk, in particular free from pathogens and pests of biosecurity concern to Australia.
- The export pathway from the farm to the point of loading must be approved by the department to ensure the grain has been sourced from and transported within the designated areas.
- Storage and transport units used along the export pathway must be thoroughly cleaned prior to use to prevent contamination with imported and/or local whole grain, stock feed or stock feed ingredients, insect pests, and other infestible residues, soil, animal or avian remains, faeces or any other extraneous contamination.
- Assurance of cleanliness is provided through third party inspection certification or recognition of industry quality management systems that manage contamination risks.
- Grain must be inspected and certified free from quarantine pests by the National Plant Protection Organisation in the country of origin.
- Grain must be graded and certified by the exporting country's quality standards body at the point of export to ensure minimal levels of foreign material within the consignment such as weed seeds, soil, and animal material.
- On arrival in Australia, grain must be transported in clean conveyances and conveyances must be sufficiently secure to control the leakage of grain or dust during transport from the point of discharge through to the point of processing. For example, approved sealed containers or roll-over tarp trucks.
- Grain must be transported along approved routes that have been assessed by the department and tracked from the point of arrival to final release from biosecurity control. All grain movements must be reported to the department and grain weight reconciliations undertaken.
- Imported grain must be stored and processed while subject to biosecurity control in a facility covered by an approved arrangement (approved arrangement site). Storage and processing of imported grain must also be managed in accordance with the approved arrangement, including to contain spills and manage associated biosecurity concerns.
- A department-approved Site Operations Manual must be in place for the approved arrangement site outlining the processes for managing the grain within the confines of the approved arrangement site. Approval of the site is only given if department requirements are met at desk and site audit.
- The assessment of the approved arrangement site and the transport route considers a range of factors relevant to the management of biosecurity risk including proximity to agricultural production, potential hosts (animal and plant) and transport routes (especially passage through agricultural areas).
- Processing and treatment of imported grain must be undertaken with specific time and temperature requirements to further reduce the biosecurity risks before release from biosecurity control.

- Associated waste must be disposed of according to departmental requirements and in accordance with an approved arrangement, such as deep burial, high temperature incineration or autoclave.
- The importer must have emergency action plans in place to manage spillage or any other possible incidents on the import pathway.
- Imported grain must not be diverted to any location or used for any other purpose than that stated on the import permit.
- Verification inspections to assess biosecurity risk will be undertaken by a biosecurity officer during discharge at each port; on completion of discharge at each port; during receipt and unloading from each approved arrangement site and following decontamination at each approved arrangement site.
- When the import process has been completed, the storage and processing facilities must undertake comprehensive department-approved decommissioning processes prior to re-commencing normal operations.

More information on the conditions that must be met can be found on our website: <http://www.agriculture.gov.au/import/goods/plant-products/stockfeed-supplements#bulk-grains>

Question: How many other import permits is the Department currently assessing?

Answer:

The department is currently assessing a further eight applications to import bulk grain. The applications cover canola, wheat, corn, and sorghum. The applications are in varying stages of assessment, ranging from initial assessment to detailed assessment of the importer's proposed processes and procedures for managing biosecurity risks and site audits.

Question: Is it possible for a vessel to start loading in an overseas port before the Department issues an import permit? Market rumours suggest a second vessel has already commenced loading in Canada, destined for Australia.

Answer:

Loading a vessel before the department issues a vessel specific import permit is possible, however it would be a significant risk for the exporter and importer.

Australia's import permit conditions require the shipment to be certified as free from quarantine pests by the Canadian Food Inspection Agency (CFIA) prior to leaving Canada. The CFIA will only issue a phytosanitary certificate once it has verified Australia's import requirements for grain, which are stipulated on a vessel-specific import permit.

Australia's import permit conditions for bulk grain are designed to manage biosecurity risks to the appropriate level of protection (ALOP) for Australia (<http://www.agriculture.gov.au/biosecurity/risk-analysis/conducting/appropriate-level-of-protection>).

Consignments of bulk grain that do not comply with import permit conditions are likely to pose an unacceptable level of biosecurity risk, and a biosecurity officer may require biosecurity measures to be taken in relation to the goods, including requiring the goods to be exported or destroyed when the consignment arrives in Australia.

This approach to managing the biosecurity risks associated with imported bulk grain is consistent with Australia's policy and the International Plant Protection Convention; that is, management measures for quarantine and regulated pests should be done in the exporting country and certified by the exporting country's National Plant Protection Officer, so that the risk to the importing country is minimised.

Question: Has the Department issued any additional import permits for whole grains?

Answer:

As of 24 May 2019, two further permits have been issued.

Question: (a) What will the Department do in the case of a biosecurity breach following the importation of grain? (b) Who will bear the costs associated with an incursion?

Answer (a): What will the Department do in the case of a biosecurity breach following the importation of grain?

The department requires a suite of management measures to be in place along the import pathway – from the point of discharge through to the importer's proposed onshore processing facility. This ensures that any likelihood and consequences of a pest outbreak or incursion in Australia are reduced to ALOP.

Our decision to grant a permit is based on extensive assessments of the biosecurity risk using the best scientific evidence available. We also undertake desk and site audits of the supply chain for the proposed import. We will only issue a permit if we are confident the biosecurity risks can be managed. This includes ensuring the importer is adequately prepared to respond to an accident or breakdown of a vehicle transporting imported grain.

Onshore, the department has a range of powers under the *Biosecurity Act 2015* to assess and manage biosecurity risk, including conducting inspections to assess the biosecurity risk and verifying and monitoring that the conditions of the permit are being complied with. We also require the importer to provide us with regular weight reconciliations and processing records to show that there have been no spillages, and that the grains are being used as specified in the permit.

Verification inspections will be undertaken by a biosecurity officer and we may require the importer to take measures to manage any biosecurity risks we find during the verification inspections. We may also refuse to allow the shipment to be discharged, require corrective actions to be taken or greater departmental supervision of the shipment along the import pathway where this is reasonably required to manage the biosecurity risk.

Serious non-compliances by an importer or a biosecurity industry participant who holds an approved arrangement may result in compliance action, including suspension or

revocation of an import permit or the approved arrangement, or enforcement action including civil or criminal prosecution.

The department also undertakes surveillance for pests of biosecurity concern at the port precinct, along the transport route and at the approved arrangement sites as part of the National Border Surveillance Program. Details of this program are available at www.agriculture.gov.au/biosecurity/australia/border-surveillance

Answer (b): Who will bear the costs associated with an incursion?

The costs associated with a plant pest incursion are shared between Emergency Plant Pest Response Deed (EPPRD) parties. An EPPRD is a formal legally binding agreement between Plant Health Australia (PHA), the Australian Government, all state and territory governments and national plant industry body signatories.

It covers the management and funding of responses to emergency plant pest (EPP) incidents, including the potential for owner reimbursement costs for growers. It also formalises the role of plant industries' participation in decision making, as well as their contribution towards the costs related to approved responses. Further details are available at www.planthealthaustralia.com.au/biosecurity/emergency-plant-pest-response-deed

Question: Can the Department confirm the number and details of all relevant biosecurity incursions that have occurred within Australia during the past five years?

Answer:

There have been no biosecurity incursions in the past five years that can be directly linked to the importation of grain, grain products or stockfeed.

Details of emergency plant pest incursions are published by PHA in Chapter 2 of the annual National Plant Biosecurity Status Report. Copies of the 2013 to 2016 reports may be obtained by contacting PHA on 02 6215 7700 or info@phau.com.au. The 2017 report is available on the PHA website at www.planthealthaustralia.com.au/national-programs/national-plant-biosecurity-status-report. The 2018 report is due to be released soon and will also be published to the PHA website.

More generally, I note that GrainGrowers and other grains industry members have renewed their calls for the introduction of national grain stocks reporting and that you wrote to Minister Littleproud earlier this year seeking support for the introduction of a mandatory scheme in Australia. I also understand that a GrainGrowers representative met the department in early April to discuss the matter further.

I would reiterate the Minister's advice in his reply to you and request that you work with your colleagues across the supply chain to develop a proposal and bring that forward for consideration. The proposal should include a cost-benefit analysis and a model for a national grain stocks reporting scheme that is supported by the majority of the industry value chain.

Your members can find more information about Australia's management of the biosecurity risks of imported bulk grain on our website at <http://www.agriculture.gov.au/import/goods/plant-products/stockfeed-supplements>

If your members have any further questions, they can contact my team at imports@agriculture.gov.au or by calling 1800 900 090.

Thank you again for your interest in this matter.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Daryl Quinlivan', with a long horizontal flourish extending to the right.

Daryl Quinlivan

29 May 2019