



**Australian Government**  
**Department of Agriculture**

# **Compliance Investigation Report 12**

## **Cattle Exported to Vietnam**

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**May 2014**



**Table of Contents**

**Summary**.....3

**1. Allegations**.....4

**2. Conduct of the Investigation** .....4

**3. Investigation Findings** .....4

**4. Investigation Conclusions** .....6

**5. Actions** .....7

## **Summary**

On 28 June 2013 the Department of Agriculture received a report from a member of the public alleging that cattle exported to Vietnam had been slaughtered in a manner not compliant with World Organisation for Animal Health (OIE) recommendations. Videos and photographs of animal slaughter were also provided.

When informed of the report, the exporter travelled to Vietnam to investigate. This consignment was the first consignment exported to the supply chain.

The department assessed the information provided by the member of the public as well as information provided by the exporter, departmental records and information from the National Livestock Identification System (NLIS) database. The NLIS tag numbers were linked to cattle exported by Wellard Rural Exports Pty Ltd (Wellard).

Wellard reported that 96 cattle from one of their supply chains in Vietnam could not be accounted for. The exact whereabouts of those cattle was not determined. A critical non-compliance was recorded against the affected Wellard Vietnam supply chain.

The investigation found that the cattle shown in the videos were slaughtered in a manner not consistent with OIE recommendations. The investigation concluded these cattle were likely to be some of the cattle missing from the Wellard supply chain.

Wellard also identified that a further 94 cattle were sent to an abattoir not listed in that supply chain in advance of the department's approval. The abattoir was listed in another approved supply chain for Wellard. A minor non-compliance was recorded against Wellard.

The exporter supervised the slaughter of the remaining livestock in that supply chain and has committed to not export any more cattle to this supply chain. The department will consider the findings of this investigation when considering future Wellard applications to export livestock and applications by other exporters that include this supply chain.

## **1. Allegations**

On 28 June 2013 the Department of Agriculture received a report from a member of the public alleging that cattle exported to Vietnam were being slaughtered in a manner not compliant with the World Organisation for Animal Health (OIE) recommendations at a facility outside the approved supply chain. This allegation is the subject of this report. The allegation was accompanied by video of the slaughter as well as four National Livestock Identification System (NLIS) ear tag numbers. The videos were reported to be taken on 27 June 2013.

## **2. Conduct of the Investigation**

On receipt of the report, the department assessed the information and commenced an investigation. Exporter Supply Chain Assurance System (ESCAS) requirements for feeder and slaughter livestock exported to Vietnam took effect from 1 January 2013.

The focus of the investigation was to determine:

1. If the cattle shown in the videos were exported under ESCAS arrangements (that is, after 1 January 2013), and if so, can the exporter be identified.
2. If the animal handling and slaughter in the videos was complaint with OIE animal welfare recommendations.
3. If there was non-compliance with any other aspect of ESCAS requirements.

## **3. Investigation Findings**

Four NLIS tag numbers were provided to the department. The department was able to link the NLIS tag numbers to cattle exported by Wellard Rural Exports Pty Ltd (Wellard). This was the first consignment of cattle Wellard had exported to Vietnam. The consignment of 3229 cattle was exported on 8 June 2013, and arrived in Vietnam on 14 June 2013. There were two supply chains (supply chain one and supply chain two) approved for this consignment. The department wrote to Wellard requesting information about the consignment.

The department reviewed the videos of cattle handling and slaughter against the ESCAS animal welfare performance targets and measurements checklist for cattle. NLIS tags were visible on some of the cattle but the tag numbers were not readable in the videos. The videos showed *Bos indicus* type cattle, consistent with the type of cattle exported from Australia to Vietnam. The investigation concluded that the cattle shown in the videos were exported from Australia.

The videos showed the slaughter of cattle in a facility with no suitable animal handling equipment and no restraint box. Some animals were slaughtered on the floor of the facility, some cattle were repeatedly struck in the head with a sledge hammer in an apparent attempt to make the animal unconscious and one animal's spinal cord was severed with a knife while the animal was conscious. The assessment determined that the handling and slaughter shown in the videos did not comply with several points in element 1 (handling of livestock), element 5 (slaughter with stunning) and element 6 (slaughter without stunning) of the checklist. A summary of the non-compliances is provided in Table 1.

**Table 1. Summary of non-compliances identified during the department’s animal welfare assessment of videos of cattle handling and slaughter against ESCAS checklist**

Animal welfare performance measure or target	Assessment by the department
<i>Element 1 - Animal Handling</i>	
<p><b>1.1</b> The movement of animals is carried out calmly and effectively.</p> <p><b>1.8</b> Animals are handled to avoid harm, distress or injury.</p> <p><b>1.10</b> Livestock are not subjected to procedures that cause pain and suffering.</p>	<p>In many of the videos the cattle are visibly distressed. The cattle can see slaughter and dressing of other animals, are restrained with ropes, are tied to the floor, hit with sticks and are seen to slip, trip and fall (1.1).</p> <p>The cattle have ropes placed around their necks and bodies and the abattoir workers attempt to make the animals trip and fall to the ground (1.8).</p> <p>Animals are struck in the head multiple times with a sledge hammer in an attempt to make the animal unconscious (1.10).</p>
<i>Element 5 and 6 – Slaughter with/without Stunning</i>	
<p><b>5.1/6.1</b> Slaughter of livestock is carried out calmly and effectively.</p> <p><b>5.3/6.2</b> The approach to, and floor of the restraining area is not slippery.</p> <p><b>5.4/6.4</b> Animals are presented for slaughter without being unduly stressed.</p> <p><b>5.5/6.3</b> The method of restraint employed is appropriate for the size and class of livestock being stunned.</p> <p><b>5.7</b> The method of restraint employed is working effectively.</p> <p><b>5.13</b> The stunning equipment is correctly applied.</p> <p><b>5.14</b> For pre-stick stunning, livestock are stunned in an upright position.</p> <p><b>5.15</b> The stun results in immediate collapse and unconsciousness of the animal.</p>	<p>In many of the videos the cattle are visibly distressed. The cattle can see slaughter and dressing of other animals, are restrained with ropes, are tied to the floor, hit with sticks and are seen to slip, trip and fall (5.1, 5.4, 6.1, 6.3).</p> <p>Animals are seen to slip and fall in many videos (5.3, 6.2).</p> <p>The only restraint employed is manual restraint using ropes. The cattle are visibly distressed and are seen to trip, slip and fall (5.5, 5.7, 6.3).</p> <p>Cattle are struck on the head with a sledge hammer in an attempt to make them unconscious. Many of the animals are struck several times before collapsing (5.13).</p> <p>Some of the animals are tripped and tied to a metal frame attached to the floor before the attempt at stunning is applied (5.14).</p> <p>Many of the animals are struck several times before collapsing (5.15).</p>

After being notified of the report by the department, Wellard reviewed the security arrangements at each facility in its two supply chains in Vietnam and performed a physical count of cattle

remaining in the affected supply chain. Wellard also met with the management staff of the affected supply chain regarding the allegations and reinforced the importance of meeting ESCAS requirements.

In response to the department's request for information, Wellard identified that the four NLIS tags belonged to cattle in supply chain two. The company performed a reconciliation of supply chain two and reported that of the 1485 cattle sent to that supply chain, 96 cattle were missing, including the four cattle which were identified by the tags.

Wellard reported that some of the 96 missing cattle may be due to theft and suggested that 15 to 18 may have been stolen. The exporter also stated that it is possible that the remaining cattle were slaughtered in supply chain two; however there are no records to verify this. The independent audit of supply chain two (which was undertaken on 24 and 25 July 2013) confirmed that 96 cattle were unaccounted for; there were no records to confirm the movement or whereabouts of the cattle.

Subsequently, the importer provided Wellard and the department with a statement advising that some of the missing cattle had been removed from the supply chain without authorisation by an associate of the importer for his own personal profit. Wellard reported the unauthorised removal of the cattle to the Vietnamese police.

The possibility that the missing cattle were slaughtered outside the approved supply chain in the abattoir shown in the video cannot be excluded.

Wellard also reported that a further 94 cattle from supply chain two were sent to an abattoir in supply chain one. The cattle were moved to the abattoir between 17 and 21 June 2013. Wellard applied to the department to have the abattoir added to supply chain two on 19 June 2013. On 21 June 2013 the variation to include the abattoir in supply chain two was approved by the department.

Wellard advised the department that all remaining cattle consigned to supply chain two were slaughtered in the approved abattoirs by 31 July 2013.

#### **4. Investigation Conclusions**

The investigation concluded that 96 cattle could not be accounted for by the exporter.

The cattle shown in the videos were slaughtered in a manner not consistent with OIE recommendations. The investigation concluded these cattle were likely to be some of the cattle missing from the Wellard supply chain.

A critical non-compliance was recorded against Wellard Vietnam supply chain two. This was the first use of supply chain two. There was a failure of the parties in the approved ESCAS for supply chain two to comply with the exporter's control arrangements to only supply cattle to the facilities listed. In this case, Wellard reported that a partner in the business made a decision to sell the cattle outside the agreed arrangements for their own benefit.

In addition to the 96 missing cattle, the investigation also found that 94 cattle from the Wellard supply chain two were moved to an abattoir that was not yet included in that supply chain, however was included in supply chain one. A minor non-compliance was recorded against Wellard.

## **5. Actions**

The exporter arranged for Wellard staff to be present at each of the facilities in supply chain two until the remaining cattle were slaughtered to minimise risk of further movement of the cattle outside of the approved supply chain. Slaughter of the remaining cattle was completed by 31 July 2013.

Wellard has committed to not export any more cattle to this supply chain. The department has not received any further applications to export livestock to the affected supply chain. In the event that the department received an application to export livestock to this supply chain, the findings of this investigation would be considered when deciding whether to approve an application and whether to apply additional conditions to the application.