



DEPARTMENT OF AGRICULTURE, WATER AND THE ENVIRONMENT CARGO CONSULTATIVE COMMITTEE

FINAL MINUTES

90th DCCC Meeting

25 November 2021

Microsoft Teams 10:00am-12:00pm

Attendees

Present

Department of Agriculture, Water and the Environment

Col Hunter (Chair)	First Assistant Secretary, Biosecurity Operations
Peter Timson	First Assistant Secretary, Compliance and Enforcement
Lee Cale	Assistant Secretary, Cargo Operations (VIC, SA, WA, TAS) & PEQ, Biosecurity Operations
Barb Cooper	Assistant Secretary, Pathway Policy Cargo and Conveyances, Biosecurity Operations
Leanne Herrick	Principal Director, Industry Partnerships and Engagement, Biosecurity Operations
Jim Simpson	Assistant Secretary, Pathway Ops Conveyances Maritime & Reg Capability, Biosecurity Operations (guest, in part)
Edwina Durnford	Director, Regulatory Assurance and Compliance, Biosecurity Operations (guest)
Anna Brezzo	Assistant Secretary, Enforcement, Compliance and Enforcement
Holly Buckle	Assistant Secretary, Biosecurity Compliance, Compliance and Enforcement
Rachel Short	Assistant Secretary, Funding and Revenue, Enabling Services
Paul Douglas	Director, Cost Recovery Biosecurity, Funding and Revenue (guest)
Kat Waterhouse	Director, Biosecurity System Reform, Biosecurity Strategy and Reform (guest, in part)
Rose Lenertz	Principal Director, Risk Intelligence and Strategy, Biosecurity Strategy and Reform (guest, in part)

Industry

Sal Milici	Freight and Trade Alliance
Dianne Tipping	Export Council of Australia
Tony McDonald	Federal Chamber of Automotive Industries
Craig Birchall	Board of Airline Representatives Australia
Melwyn Noronha	Shipping Australia Limited
Peter Van Duyn	International Cargo Handling Coordination Association
Paul Bagnall	Conference of Asia Pacific Express Carriers
Gregory Carroll	Australia Post
Michael Gallacher	Ports Australia
Zoran Kostadinovski	International Forwarders and Customs Brokers Association of Australia (proxy)

Secretariat

Amy Mason	Industry Partnerships and Engagement, Biosecurity Operations
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Apologies

Peta Lane	First Assistant Secretary, Biosecurity Strategy and Reform
Andrew Patterson	Assistant Secretary, Cargo Operations (NSW, QLD, NT, ACT) & Regulatory Assurance, Biosecurity Operations
Paul Damkjaer	International Forwarders and Customs Brokers Association of Australia
Carolyn Macgill	Food and Beverage Importers Association



Agenda item 1 - Chair's introduction and welcome

Col Hunter welcomed all members, observers and guests to the Committee's 90th meeting. No declarations of conflicts of interest, or items for other business, were raised by members.

The DCCC welcomed newly appointed member, Michael Gallacher, representing Ports Australia.

Members noted agenda papers circulated prior to the meeting had been identified as suitable for sharing more broadly with members' industry groups or noted for DCCC information only and hence not for further distribution.

Members also noted the department's advice of a scheduled system outage to its finance and payment systems between 12pm Friday 3 December until 9am Saturday 6 December 2021 to enable migration to the new platform. The impact of industry was expected to be minimal with account clients still being able to pay through ICS and third-party logistics software during the outage period. An Import Industry Advice Notice will be provided to members for comment.

Mr Hunter acknowledged the disruptions to sea freight and supply chains due impacts of the COVID-19 pandemic which had brought a new level of issues for both imports and exports. The use of old and/or contaminated shipping containers for non-US and European routes is also generating additional biosecurity risks for Australia in relation to hitchhiker pests. Members were advised that 67% of the increase in khapra beetle interceptions since 2020 were suspected to be a direct result of contaminated sea containers. Members noted the range of measures underway to reduce the risks of khapra beetle entering Australia as part of its hitchhiker program. In addition, the department was:

- working with the Quads Sea Container Task Force and the International Plant Protection Convention to raise awareness of the risks of khapra beetle and improve the global management of sea containers.
- exploring molecular technology to detect environmental DNA (eDNA) and RNA (eRNA) providing faster diagnostic tools
- trialling the use of cameras to automate external screening of shipping containers as they move from ship to shore, and
- working with importers, brokers and other stakeholders to build a stronger biosecurity system based on enhanced data modelling, and analytics, and partnership arrangements.

Ms Tipping advised exporters were interested in updates on the Simplified Trade System (STS) reform agenda following townhall meetings by the whole of government STS Taskforce. Noting that many of the STS initiatives were longer term, Ms Tipping recommended the department hold a roundtable discussion to share exporter insights from an agriculture perspective.

Mr Milici advised industry's prime concerns from an import perspective were around delays in document assessment and similar challenges in the inspection space. FTA would be focusing on these issues in upcoming bilateral discussions with the department, with a view to co-designing potential solutions.

Mr Hunter informed members he had established similar meetings with Ports Australia and the International Forwarders and Customs Brokers Association of Australia. Should other DCCC members be interested in similar sessions, they were invited to contact the secretariat to arrange.

Action: Mr Hunter to engage Matt Koval, First Assistant Secretary, Trade Reform Division, to consider a round table discussion with exporters for their views and insights on how the STS works for the export industry.



Members noted the department is progressively redeploying staff back to the airports with expected increase in passenger traffic following the reopening of the borders. Sydney Airport was already receiving some international flights. The department recently recruited 100 new biosecurity officers who are undergoing training and will be deployed shortly. Non-ongoing staff are also being onboarded for additional surge capacity in the assessment space and at international airports.

Mr Hunter advised that the department's operational resources had been significantly affected by the impacts of COVID, with staff required to isolate if exposed at Third Party Premises and/or public sites. This has had flow-on effects for the delivery of assessment and inspection services as staff were taken out of the system. It had also impacted the progress of various reforms.

Minutes and actions

The minutes from the 89th meeting were accepted without change. Members noted that action items from previous meetings are either in progress, complete or closed.

Agenda item 2 - Items for discussion and decision

2.1 Revised DCCC operating arrangements (for endorsement)

The revised DCCC Terms of Reference (ToR) and Administration Guidelines, which had been circulated prior to the meeting, were endorsed without change. The ToR will be published on the department's website and the revised DCCC confidentiality agreement circulated for members to sign ahead of next meeting.

Action: Secretariat to publish the DCCC Terms of Reference on the department's website.

Action: Secretariat to circulate the revised DCCC member confidentiality agreement to members for signing before the next meeting

2.2 National Biosecurity Strategy

Ms Waterhouse reported on work underway between the Commonwealth, state and territory governments, Animal Health Australia and Plant Health Australia to develop a National Biosecurity Strategy (Strategy), under the remit of the National Biosecurity Committee. An integrated delivery team had been established which would be assisted by Price Waterhouse Coopers. An external reference group had also been set up with membership from sectors where biosecurity is critical, to provide strategic insights and advice. The Strategy will draw on existing work, including the Commonwealth Biosecurity 2030 roadmap, to form a collective vision and shared objectives to strengthen our national biosecurity system.

Ms Waterhouse advised that industry views on areas of focus for the Strategy had been sought via a [Have Your Say survey](#), which closes Friday, 26 November 2021. The integrated delivery team and reference group were also engaging with as many stakeholders as possible in order to deliver a strategy that resonates with all. Feedback will be used to inform the development of the Strategy's consultation draft, expected to be released for public consultation in February 2022.

Mr Kostadinovski advised biosecurity measures are causing a barrier to trade due to current clearance delays at the border. The Strategy needs to incorporate sufficient funding to improve efficiency of the imports program, noting industry are happy to pay more if this results in clearer facilitation outcomes. Industry is also seeking for service providers to have good systems and an interface that is fit-for-purpose today and into the future.

Members agreed system investment and sustainable funding (across government and non-government) needs to be part of the conversation.

Mr McDonald noted feedback from recent workshops suggesting a greater focus on government/industry relationships was needed and on strategic alignment in the international space.



Mr Noronha queried if the Strategy would consider overseas partners and the roles they play or influence they hold in helping to keep harmful pests and diseases out of Australia.

Members were invited to contact the national biosecurity strategy project team at Nationalbiosecuritystrategy@awe.gov.au to provide any additional views.

Action – Secretariat to circulate contact details for the national biosecurity strategy project team for members to provide additional views and insights on what a national biosecurity strategy should focus on.

2.3 Advice on non-compliant behaviours

Mr Timson advised the department is changing its regulatory assurance model to incentivise good behaviour as well as concentrating on bad behaviour within the system. The department will initially focus on educating those identified as repeat bad behaviours and if compliance did not improve, regulatory enforcement action may be taken.

Members noted the department is also looking to redesign its fit and proper person (FPP) model to streamline the application process and align with the approach under the Australian Trusted Trader program.

Mr Timson will present on the entire regulatory system at a future DCCC meeting, including on partnering with industry to improve biosecurity compliance rates.

Action – Secretariat to include a presentation on an overview of compliance system on next meeting agenda.

Members noted the department is keen to develop a meaningful report to communicate the non-compliant behaviours the department is seeing, and how these impact the department and industry to address inadvertent behaviour. The department sought views on how it can work with members to build its intelligence holdings to address non-compliance, including through sourcing external data.

Mr Milici noted FTA's members have suggested modifying cost recovery arrangements to incentivize better behaviour, also noting ABF puts out a quarterly goods report for the department to consider in the development of its non-compliant behaviours report.

Mr Kostadinovski noted there should be a focus on Approved Arrangements and what the department wants to target, and identifying any training gaps including for new brokers or anyone that has to be biosecurity accredited. The report should separate the import and export program, with more focus on the import system.

Mr Hunter proposed an offline discussion between Holly Buckle and Zoran Kostadinovski to further discuss these views, agreeing to the need to focus on the import system in a joint approach.

Action – Holly Buckle to have an offline discussion with Zoran Kostadinovski on the development of the non-compliant behaviour report.

2.4 Proof of Concept Trial of new arrangements for imported cargo

Ms Herrick delivered a presentation on the proof-of-concept trial which the department is working in partnership with importers to test:

- their ability to manage biosecurity risk across their supply chains, and if equal or better regulatory outcomes can be achieved through that process
- the future scalability of that model within the importer business and across other businesses/sectors; and
- improved business to government data sharing and whether access to a wider data net would lead to better targeting and managing of risk earlier in the supply chain.



The intention of the trial is to deliver a new style of arrangement that will essentially deliver a 'green lane' for importers with strong compliance records and mature supply chain controls, subject to a level of ongoing assurance. It will also benefit others by reducing congestion in the system and allowing departmental biosecurity resources to be redirected to areas of greater risk or priority.

Four trial pilots are underway with Kmart, FTA Food Solutions, Stora Enso Wood Products and Becton Dickinson. An additional 3 pilots are being explored with importers from different supply chains and business models; the business names will be released on receipt of the entities' permission.

The department has mapped the importer's entire process to understand the end-to-end supply chain from the importer's perspective, overlaid by biosecurity controls and trigger points. This process has highlighted visibility gaps for both industry and the department and opportunities to do things differently to get a better outcome.

The aim is to transition the participants of successful pilots to new arrangements as soon as practicable, noting that it may take a few months for required system and process changes to be put in place, on both sides. The intent is to open the new arrangements to other importers by mid-2022.

Members congratulated the department on this initiative which was seen as ground-breaking in terms of its deregulation benefits and true partnering approach with industry.

Agenda item 3 - Presentations

3.1 Workforce Capability

The planned presentation on improving operational workforce capability as part of the department's regulatory uplift program was deferred to the next meeting. It was agreed to also include an update on the establishment of the Biosecurity Training Centre.

In the interim, Mr Simpson provided a quick overview of work to date, noting the aim was to ensure biosecurity officers have better tools and training to be able to deliver lawful, reasonable, transparent and accountable regulatory decisions. This was at the core of the Biosecurity Training Centre, which would eventually be open to industry participants.

Action – Secretariat to include a presentation on regulatory uplift and establishment of the Biosecurity Training Centre on next meeting agenda.

Agenda item 4 - Updates for noting (discussion by exception)

Members noted updates on cargo operational reforms; the Simplified Trade System (STS) reform agenda; BMSB and khapra beetle response measures; compliance activities; legislative amendments; and biosecurity financial and cost recovery arrangements.

Members noted the department is undertaking a review of the biosecurity cost recovery arrangement, establishing a cost base that will be proposed to industry in the new year for consultation, ensuring robust discussions for the delivery of a cost recovery model that is modern and meets the cargo movement. The department is also happy to look at what other options are available that drive industry behaviour through incentivisation of fee for service as opposed to the biosecurity levy.

Mr Hunter advised he would be exploring with the department's Chief Financial Officer the potential to reinvest funds into the system for additional assessment and inspection staff and better regulatory training.



Mr McDonald noted a potential anomaly in the Biosecurity Cost Recovery Arrangement Financial Report around volume of new vehicles determined to be contaminated. There is stress in the system at the moment which is causing industry to take action to clean all vehicles to get them off the terminal, which is not necessarily reflective of actual contamination. It was agreed that this discussion would be taken offline.

Action – Paul Douglas and Barbara Cooper to meet with Tony McDonald on the data sets for contamination of new vehicles which are informing cost recovery.

Mr Noronha advised Shipping Australia is working with the department to provide historic information in relation to containers to manage the risk of khapra beetle. Mr Hunter acknowledged these efforts and from other industry parties in helping to reduce the khapra threat.

On delays for assessment and inspection services, Ms Cale advised, for the period between August to October 2021, cargo volumes had increased by 33% (majority in airfreight) and the SAC workload by 44%. Members noted:

- Cutting-edge automation solutions for Self-Assessed Clearances (SACs) and Min Docs were expected to reduce the manual document assessment effort.
- The significant increase in airfreight has had a flow-on impact on the resources available to assist with Full Import Declarations (FID) assessments.
- Assessments for imported food were now back in service, previously out by 1 day equating to 16 Lodgement Reference Numbers (LRNs).
- Biosecurity lodgements, out of service standards by 2 days, were starting to come back into service.
- The department has implemented strategies for direction reissues, currently in service.

Mr Hunter acknowledged the department needs to consider its 24/7 capability, noting front-line staff were already working after hours/weekends to address delays in inspections, assessments and treatments but had been impacted by COVID restrictions. The department needed to also consider ways to incentivise industry to undertake activities on behalf of the department.

Members noted the department is working closely with the STS Taskforce on longer term trade related reform and had provided extensive information to aid their understanding of the biosecurity landscape. This included archetype journey mapping completed under the POC trial to inform similar work being undertaken by the Taskforce. The department has also been observers at sessions held by the Taskforce with import and export businesses on their experiences.

The department was also working with the Department of Home Affairs and the ABF on certain initiatives under the STS reform agenda, including the proposed new cargo screening intervention model for air and sea cargo.

Agenda Item 5 - Next meeting and other business

The next meeting will be held in February or March 2022, expected to be face-to-face in either Sydney or Melbourne should COVID-19 restrictions allow.

The meeting concluded at 12.05pm.



Summary of action items

Item no	Action	Responsible Owner
1	Engage Matt Koval, First Assistant Secretary, Trade Reform Division, to consider a round table discussion with exporters for their views and insights on how the STS works for the export industry	Col Hunter
2.1	Circulate the revised DCCC member confidentiality agreement to members for sign before the next meeting	Secretariat
2.1	Publish the DCCC Terms of Reference on the department's website	Secretariat
2.2	Circulate contact details for the National Biosecurity Strategy Project Team for members to provide additional views and insights on what a national biosecurity strategy should focus on	Secretariat
2.3	Include a presentation on an overview of the compliance system on next meeting agenda	Secretariat
2.3	Offline discussion with Zoran Kostadinovski on the development of the non-compliant behaviour report	Holly Buckle
3	Include presentations on regulatory uplift and establishment of the Biosecurity Training Centre on next meeting agenda	Secretariat
4	Offline discussion with Tony McDonald on the cost recovery model for data sets for contamination of new vehicles	Paul Douglas and Barbara Cooper
4	Provide comments from members on the Biosecurity Strategy to the National Biosecurity Strategy Project Team	Secretariat