

# **Exporter Supply Chain Assurance System Regulatory Performance Report**

1 July 2025 to 30 September 2025



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#### **Acknowledgement of Country**

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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## Overview

The Exporter Supply Chain Assurance System (ESCAS) requires exporters to have arrangements with supply chain partners (i.e. importers, feedlots, abattoirs) in importing countries to provide humane treatment and handling of feeder and slaughter livestock (cattle, sheep, goats, deer, buffalo and camelids) from arrival through to point of slaughter. As ESCAS only applies to feeder and slaughter livestock, the statistics in the report refer only to feeder and slaughter exports. ESCAS does not apply to the export of breeder livestock. ESCAS is underpinned by the following key principles – control, traceability and animal welfare – whereby the exporter must demonstrate, through a system of reporting and independent auditing of their supply chains:

- the exporter has control of all supply chain arrangements (including having agreements in place with supply chain partners) for the transport, management and slaughter of livestock, and that all livestock remain in the supply chain (control)
- the exporter can account for all livestock through the supply chain (traceability)
- animal handling and slaughter meets World Organisation for Animal Health (WOAH) animal welfare standards (animal welfare).

If issues arise, ESCAS requires exporters to address any non-compliance matters within their supply chains. This may be managed by undertaking additional steps or corrective actions at facilities (for example delivering training or upgrading infrastructure), removing non-compliant facilities from a supply chain, or not exporting any further livestock to a supply chain.

Additionally, the ESCAS regulatory framework enables the Department of Agriculture, Fisheries and Forestry (department) to assess information about reported non-compliances with ESCAS requirements and take regulatory action where appropriate. Reports are generally received through one of four pathways: self-reported by exporters, reported by third parties (for example, animal welfare organisations or private citizens in an importing country), reported by industry, or identified by the department itself. Reports are assessed by the department using the guideline for the management of non-compliance.

In response to ESCAS non-compliance, the department may apply regulatory actions to an ESCAS, or in more serious instances, to an exporter or an entire market. This may include revoking an ESCAS, varying an ESCAS to remove facilities or apply additional conditions, or suspending or cancelling an exporter's licence. Regulatory action is applied based on the nature of the non-compliance, and any corrective actions implemented by the exporter are taken into consideration.

# 1 Period summary: 1 July 2025 to 30 September 2025

Below is a summary of the number of feeder and/or slaughter livestock exported, number of reports received, and number of assessments completed during this period (1 July 2025 to 30 September 2025).

#### 1.1 Livestock exported

During this period 186,624 livestock were exported under ESCAS arrangements to 5 countries. The number by species exported to each country is presented in Table 1.

Table 1 Summary of livestock exported – 1 July 2025 to 30 September 2025

Country	Buffalo	Cattle	Goats	Sheep	Total
Indonesia	1528	139944	-	-	141472
Jordan	-	5125	_	-	5125
Malaysia	_	-	6951	1430	8381
Philippines	-	6473	_	-	6473
Vietnam	-	25173	_	-	25173
Total	1528	176715	6951	1430	186624

### 1.2 Reports received and completed

The department received 4 reports of non-compliance with ESCAS requirements during this period. A summary of notifications received and completed is presented in Table 2.

Table 2 Summary of reports received and completed - 1 July 2025 to 30 September 2025

Report type	Outstanding reports as at 30 June 2025	Reports received in current period	Assessments completed in current period	Assessments remaining in progress as at 30 September 2025 <sup>a</sup>
ESCAS	2	0	2	0
Exporter notifications	0	4	0	4
Total	2	4	2	4

**a** A summary of assessments in progress is provided in Section 5 of this report.

# 2 Summary of ESCAS non-compliance assessments

### 2.1 Overview of findings

An overview of findings for ESCAS assessments completed in this period is provided in Table 3. A detailed summary for each assessment is provided in Section 4 of this report.

Table 2 Assessments completed – 1 July 2025 to 30 September 2025

#	Date reported	Source	Market	Species	Australian animals involved	Summary of issues	Non- compliance finding
194	June 2025	Exporters	Malaysia	Sheep	6	Loss of control and traceability and animal welfare concerns	Major non- compliance
195	June 2025	Animals Australia	Jordan	Sheep	Approx 5-10	Non- compliant handling and slaughter of sheep during Eid	Major non- compliance

## 3 ESCAS Regulatory Performance Assessments

#### 3.1 Malaysia

#### **Background**

The Exporter Supply Chain Assurance System (ESCAS) was implemented in Malaysia on 1 September 2012.

As at 30 September 2025, a total of 1303 consignments of livestock have been exported by sea and air under ESCAS arrangements to Malaysia, including 379,174 sheep, 272,970 cattle, 364,591 goats and 10,741 buffalo. No feeder or slaughter cattle have been exported to Malaysia in 2025 and 25,622 slaughter sheep and goats have been exported to Malaysia in 2025 up to 30 September.

As at 30 September 2025, there are 7 Australian exporters with approved supply chains to export livestock to Malaysia.

The department has previously published assessments of 19 reports relating to ESCAS non-compliance in Malaysia. The assessments can be found at <u>ESCAS investigations</u>.

As at 30 September 2025, no further reports of non-compliance are under assessment for Malaysia.

# 3.1.1 Report #194: Sheep and goats exported to Malaysia – Major non-compliance

#### **Incident report**

On 10 and 11 June 2025, the department received information from 3 exporters in relation to possible non-compliance with Exporter Supply Chain Assurance System (ESCAS) requirements for sheep and goats in Malaysia on 6 June 2025, during the Korban cultural festival period. The department was provided photographic and video evidence that appeared to show 5 Australian goats tied up at a location outside of any approved ESCAS. Separately, one exporter advised that on 7 June 2025, they had witnessed non-compliant slaughter of an Australian sheep in a facility approved in the exporter's ESCAS.

#### **Department assessment**

At the time the photographs and video footage were collected, 3 exporters had Australian livestock in their approved supply chains in Malaysia (Exporters A, B and C).

The department assessed the credibility and relevance of submitted evidence and determined that 5 goats with yellow ear tags marked with the name of an Australian property had been tied up at a location outside of any approved ESCAS.

Based on records held by the department, it was confirmed that Exporter A and Exporter B had sourced goats from the relevant property for consignments exported to Malaysia in 2025.

On 19 June 2025, the department required each of the exporters to produce information and documents relating to their ESCAS operations in Malaysia as well as details of any corrective actions that were taken to address the issues identified in the photographs and footage, and the non-compliant slaughter witnessed by one exporter in their approved facility.

#### Exports to Malaysia in the 6-week period leading up to Korban

Exporters of sheep and goats to Malaysia choosing to export consignments during the 6-week period leading up to Korban are required to have detailed and independently assessed plans in place addressing the specific increased risks, mitigation activities and contingencies.

Exporters A and B exported consignments during this period and lodged plans including:

- strictly restricting access to facilities to trained staff and auditors and deploying security personnel to prevent access by the public
- physically verifying livestock numbers every day at all facilities from arrival of a consignment in Malaysia until after Korban
- applying unique, individually numbered ear tags to every animal prior to slaughter and reconciling these tag numbers daily with photographic evidence post-slaughter
- ensuring appropriate animal welfare outcomes during the Korban festival by:
  - o providing increased training to all staff involved during the festival period
  - o placing personnel at all facilities during the festival period
  - o restricting slaughter during the festival period to one abattoir and limiting the maximum slaughter capacity.

Exporter C did not export during this period but still had live sheep and goats from a previous consignment present in Malaysia at the time of the incidents.

#### **Exporter actions**

Each exporter provided a written response to the allegations of ESCAS non-compliance.

Exporters A and B confirmed they had both exported goats sourced from the relevant property and advised that they had applied additional unique, individual ear tags to each of their exported goats. Both exporters submitted reconciliation data to suggest there had been no loss of control or traceability from their supply chains.

Exporter A advised that the goats they had exported to Malaysia had brown and pink Property Identification Code (PIC) tags whereas the 5 goats in the photos had yellow PIC tags. This exporter also advised that they did not have any approved ESCAS facilities in the vicinity of the location where the 5 goats were photographed.

Exporter B advised that when they became aware of the 5 goats outside an approved ESCAS facility, they immediately collected them and moved them to an ESCAS approved abattoir in the exporter's supply chain where they were later slaughtered.

Exporter C did not source goats from the relevant property.

Exporter C advised that during the Korban festival, they visited an abattoir in their approved ESCAS and observed a member of the public carrying out slaughter of an Australian sheep. Poor crowd control had allowed members of the public to gain access to the slaughter area. The exporter immediately brought this to the attention of the facility owner and insisted that members of the public be removed from the area and that only trained slaughtermen should process Australian livestock. Compliant slaughter then recommenced.

After Korban, Exporter C ceased supply to the non-compliant abattoir until infrastructure could be improved to prevent public access, and further training could be undertaken. These corrective actions were assessed by an independent auditor and found to be effective.

#### **Department actions**

The department is considering its approach to control and traceability requirements for sheep and goats in Malaysia.

This includes potentially requiring unique individual identification of all sheep and goats prior to departure from Australia and mandatory visual evidence of each animal's slaughter in an approved facility during high-activity periods such as the 6-week period leading up to Korban.

Individual electronic identification is mandatory in Australia for all sheep and goats born after 1 January 2025 and will be mandatory for all sheep or goats, of any age, leaving a property after 1 January 2027.

#### **Department conclusions**

Based on the evidence provided by the exporters, the department determined that non-compliance with ESCAS animal welfare and control and traceability requirements with the potential for poor animal welfare outcomes had occurred in Malaysia during Korban 2025.

Photographs clearly showed 5 goats with Australian ear tags tied up at a location outside of any approved ESCAS. Immediate corrective action was taken with a known and compliant animal welfare outcome. Exporters A and B sourced goats from the property marked on the ear tags. Due to the absence of individual identification of these animals it was not possible to definitively link them to a specific consignment or exporter. Both exporters provided reconciliation data and independent review of their management plan and arrangements during the 6-week period leading up to Korban which suggested there had been no loss of control of their supply chains.

Exporter C reported that poor crowd control at an approved facility in its supply chain had allowed a member of the public to slaughter a sheep. Immediate corrective action was taken and the compliant slaughter resumed.

To address ongoing risks and to provide adequate assurances that livestock will be handled and dealt with in accordance with ESCAS standards, the department is considering its approach to control and traceability requirements for sheep and goats exported to Malaysia ahead of Korban in 2026.

In assessing this matter against the <u>Management of non-compliance – ESCAS</u>, the department recorded major non-compliance with ESCAS animal welfare requirements with potential poor animal welfare outcomes against Exporter C's Malaysia sheep and goats ESCAS and major non-compliance with control and traceability requirements with the potential for poor animal welfare outcomes against Exporters A and B's Malaysia sheep and goats ESCAS.

#### 3.2 Jordan

#### **Background**

ESCAS was implemented in Jordan on 1 September 2012.

As at 30 September 2025, a total of 67 consignments of livestock have been exported by sea and air under ESCAS arrangements to Jordan, including 1,761,565 sheep and 42,151 cattle. 40,856 slaughter sheep and 11,273 slaughter cattle have been exported to Jordan in 2025 up to 30 September.

As at 30 September 2025, there are 3 Australian exporters with approved supply chains to export livestock to Jordan.

The department has previously published assessments of 13 reports relating to ESCAS non-compliance in Jordan. The assessments can be found at <u>ESCAS investigations</u>.

As at 30 September 2025, no further reports of non-compliance are under assessment for Jordan.

#### 3.2.1 Report #195: Sheep exported to Jordan – Major non-compliance

#### **Incident report**

On 19 June 2025, the department received video footage, provided by Animals Australia, allegedly showing non-compliant animal handling and slaughter at an abattoir in Jordan during Eid al-Adha 2025. The footage appeared to show handling and slaughter of Australian sheep in a manner not compliant with ESCAS Animal Welfare standards.

#### **Department assessment and actions**

The department determined, through assessment of phone data, that the video footage was authentic and captured at the time and location claimed by Animals Australia. Assessment of the footage determined that ESCAS non-compliance had occurred at the abattoir in Jordan. At the time the footage was collected one exporter had the implicated abattoir approved in its Jordan supply chain.

The department provided the relevant footage to the exporter on 19 June 2025.

The department assessed the video footage provided by Animals Australia and confirmed that multiple instances of non-compliant handling and slaughter of sheep that appeared to be of Australian origin had occurred.

The non-compliances relate to the following ESCAS animal welfare standards:

- The head of the animal must be kept in extension to prevent the edges of the wounds touching until the animal is unconscious.
- Animals must not be hoisted, have water thrown on them or be otherwise disturbed prior to confirmed unconsciousness.
- Livestock must not be subjected to procedures that cause pain and suffering.
- The method of restraint employed must be designed and operated effectively for the size and class of livestock processed.

On several occasions, sheep had their throat cut and were immediately moved across the slaughter table and left unattended without clear confirmation of unconsciousness.

The wound often made physical contact with the slaughter table surface while being moved along the table prior to any unconsciousness checks.

Animals were moved into position for slaughter by pulling their limbs and dragging them by their ears.

On 4 July 2025, the department issued the exporter with notice to produce information and documents relating to its ESCAS operations in Jordan as well as a detailed plan of its proposed corrective actions to address animal welfare issues identified in the footage.

#### **Exporter actions**

On 23 July 2025, the exporter provided a written response to the allegations of ESCAS non-compliance including the following information:

Between 1 May and 9 June 2025, the Jordan supply chain manager visited the facility on 6 occasions:

- Visits in May were to implement a plan for Eid 2025. This included discussing the Eid management plan, inspecting the pens and livestock, and monitoring handling and slaughtering operations. No non-compliances were viewed during these visits.
- Visits in June were to train temporary staff and monitor procedures during Eid.

The response also included a plan of proposed corrective actions to address the animal welfare issues identified in the footage including:

- Training would occur at the facility to ensure that the slaughterman is checking consciousness prior to moving the animal to the bleed table.
- The Jordan Supply Chain Manager would conduct the training in person to guarantee that the slaughtermen understand the importance of verifying unconsciousness prior to moving.

#### **Department actions**

On 1 August 2025, the department issued the exporter with a notice of intention to direct it to:

- Implement its proposed corrective actions.
- Arrange for independent auditing of the implementation and effectiveness of its corrective actions.

Independent auditing was completed prior to the directions being issued and reported that all of the exporter's corrective measures had been implemented, were effective and that there were no further non-compliances identified during slaughter.

#### **Department conclusions**

Based on the evidence provided by Animals Australia, the department determined that non-compliance with ESCAS animal welfare requirements had occurred during the slaughter of sheep during Eid al-Adha 2025 at an abattoir approved in the exporter's ESCAS in Jordan. The video footage showed that following the throat cut, the head of animals was not kept in extension to prevent the edges of the wounds touching until unconscious was confirmed, animals were moved before unconsciousness was confirmed, and animals were subjected to unacceptable handling practices to move them into position for slaughter.

To address ongoing risks and to provide adequate assurances that livestock will be handled and dealt with in accordance with ESCAS standards, the department issued a notice of intent to direct the exporter to implement corrective actions at the facility. The exporter implemented corrective actions, and these were independently audited and found to be effective.

In assessing this matter against the <u>Guideline for the Management of Non-compliance</u>, the department recorded major non-compliance with ESCAS animal welfare standards against the exporter's Jordan sheep supply chain.

# 4 Exporter notifications: issues identified and addressed by exporters

Two exporters provided a total of 4 reports to the department regarding their supply chains in Vietnam, Oman and Qatar. The reports are still being finalised.

# 5 Summary of assessments in progress as at 30 September 2025

Table 3 provides an overview of all regulatory performance assessments in progress as at 30 September 2025. The status of all reviews can be found at ESCAS Investigations.

Table 3 Summary of ESCAS investigations in progress as at 30 September 2025

# Date reported	Туре	Market	Species	Report	
- June 2025	Self-report	Qatar	Sheep		
- July 2025	Self-report	Oman	Sheep		
- July 2025	Self-report	Oman	Sheep		
- Aug 2025	Self-report	Vietnam	Cattle		