



**Australian Government**  

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**Department of Agriculture,  
Water and the Environment**

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

**1 December 2019 to 31 March 2020**

## TABLE OF CONTENTS

1	OVERVIEW .....	1
2	PERIOD SUMMARY: 1 DECEMBER 2019 to 31 March 2020 .....	2
	2.1 Livestock exported .....	2
	2.2 Reports received and completed .....	2
3	SUMMARY OF ESCAS NON-COMPLIANCE ASSESSMENTS.....	3
	3.1 Overview of findings.....	3
	3.2 Actions taken in response to ESCAS non-compliance reports.....	4
4	ESCAS REGULATORY PERFORMANCE ASSESSMENTS.....	5
	4.1 INDONESIA.....	5
	Background .....	5
	Report #172: Cattle exported to Indonesia – Critical non-compliance.....	5
	4.2 KUWAIT.....	10
	Background .....	10
	Report #169: Sheep exported to Kuwait – Major non-compliance.....	10
	4.3 VIETNAM.....	13
	Background .....	13
	Report #175: Cattle exported to Vietnam – Major non-compliance.....	13
5	ESCAS ISSUES IDENTIFIED AND ADDRESSED BY EXPORTERS.....	15
6	SUMMARY OF ASSESSMENTS IN PROGRESS AS AT 31 MARCH 2020.....	15

## 1 OVERVIEW

The Exporter Supply Chain Assurance System (ESCAS) requires exporters to have commercial arrangements with supply chain partners (i.e. importers, feedlots, abattoirs) in importing countries to provide humane treatment and handling of feeder and slaughter livestock<sup>1</sup> 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 – animal welfare, control and traceability – whereby the exporter must demonstrate, through a system of reporting and independent auditing of their supply chains:

- animal handling and slaughter meets World Organisation for Animal Health (OIE) animal welfare standards (animal welfare)
- 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).

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, Water and the Environment 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 cancelling 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 is taken into consideration.

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<sup>1</sup> 'Livestock' refers to cattle, sheep, goats, deer, buffalo and camelids.

## 2 PERIOD SUMMARY: 1 DECEMBER 2019 TO 31 MARCH 2020

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 December 2019 to 31 March 2020).

### 2.1 Livestock exported

During this period 797,541 livestock were exported under ESCAS arrangements. Fifteen countries imported these livestock. The number by species exported to each country is presented in Table 1.

*Table 1 Summary of livestock exported - 1 December 2019 to 31 March 2020*

Country	Buffalo	Cattle	Goats	Sheep	Total
Brunei Darussalam		1697			1697
China		3867			3867
Indonesia	1444	153392			154836
Israel		20092		13979	34071
Japan		4500			4500
Jordan		510		85748	86258
Kuwait		244		135305	135549
Malaysia		2817	1322	10452	14591
Oman				14000	14000
Philippines		1809			1809
Qatar		1798		160000	161798
Russia		16655			16655
Sarawak		400			400
United Arab Emirates		416		46000	46416
Vietnam	775	120319			121094
<b>Grand Total</b>	<b>2219</b>	<b>328516</b>	<b>1322</b>	<b>465484</b>	<b>797541</b>

### 2.2 Reports received and completed

During this period, the department received 6 reports of non-compliance with ESCAS requirements. These reports involved supply chains in Israel, Kuwait and Vietnam. A summary of reports received and completed is presented in Table 2.

*Table 2 Summary of reports received and completed - 1 December 2019 to 31 March 2020*

Report type	Outstanding reports as at 30 November 2019	Reports <u>received</u> in current period	Assessments <u>completed</u> in current period	Assessments remaining in progress as at 31 March 2020 <sup>2</sup>
ESCAS	2	1	3	0
Self-reports <sup>3</sup>	0	5	5	0
<b>Total</b>	<b>2</b>	<b>6</b>	<b>8</b>	<b>0</b>

<sup>2</sup> A summary of assessments in progress is provided in Section 6 of this report.

<sup>3</sup> These reports were received within the required time frame, appropriate corrective action was implemented by the exporter and no regulatory action was taken by the department. A summary of these reports is provided in Section 5 of this report.

### 3 SUMMARY OF ESCAS NON-COMPLIANCE ASSESSMENTS

#### 3.1 Overview of findings

An overview of findings for 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 3 Assessments **completed** - 1 December 2019 to 31 March 2020*

#	Date reported	Source	Market	Species	Australian animals involved	Exporter	Summary of issues	Non-compliance finding
169	Aug 2019	Animals Australia	Kuwait	Sheep	330	Livestock Shipping Services Pty Ltd; Rural Export & Trading (WA) Pty Ltd	Loss of control and traceability	Major
172	Aug 2019	Animals Australia	Indonesia	Cattle	4	International Livestock Export Pty Ltd	Loss of control and traceability with animal welfare concerns	Critical
175	Dec 2019	Self-reported by exporter	Vietnam	Buffalo	45	South East Asian Livestock Services Pty Ltd	Animal welfare concerns	Major

### **3.2 Actions taken in response to ESCAS non-compliance reports**

A range of regulatory, corrective and preventative actions were taken in response to confirmed non-compliance during the reporting period.

Regulatory actions applied by the department in this period included:

- Applying additional monitoring, oversight and reporting conditions
- Suspension and removal of facilities from exporters' supply chains
- Requiring exporters to update their Supply Chain Management Plans (SCMP) to include further details about how they will verify the accuracy of their traceability data.

Corrective actions implemented by exporters in this period included:

- Providing additional training to supply chain staff
- Implementing more formal training programs
- Performing a physical reconciliation of animals in market to verify the accuracy of the traceability reports
- Requiring removal of facility staff responsible for non-compliance
- Ceasing supply of livestock to a facility
- Reviewing and reinforcing Standard Operating Procedures (SOPs) at facilities

## 4 ESCAS REGULATORY PERFORMANCE ASSESSMENTS

### 4.1 INDONESIA

#### Background

The Exporter Supply Chain Assurance System (ESCAS) was implemented in Indonesia on 8 July 2011.

As at 31 March 2020, there are 8 Australian exporters with approved supply chains to export livestock to Indonesia.

Since 2011, the department has previously completed assessments of 24 reports relating to non-compliance in Indonesia. The assessments can be found at [Regulatory Compliance Investigations](#). As at 31 March 2020, no reports of non-compliance are under assessment for Indonesia.

#### **Report #172: Cattle exported to Indonesia – Critical non-compliance**

#### Incident Report

On 13 August 2019, the Department of Agriculture received notification from Animals Australia regarding an alleged non-compliance with Exporter Supply Chain Assurance System (ESCAS) requirements relating to the roping slaughter of allegedly Australian cattle on 11 August 2019, in the basement carpark of the construction site of a mosque in Medan, Sumatra, Indonesia.

The Animals Australia report alleged that there were clear breaches of ESCAS standards relating to the control, traceability and welfare of four Australian cattle in Indonesia.

Animals Australia provided video evidence of the allegations as well as still images depicting ear notches and one animal with a brand.

#### Department assessment and actions

The department assessed the report and video footage provided by Animals Australia. The department determined there had been loss of control and traceability as well as non-compliant handling and slaughter of Australian cattle. The duration of the footage is 22 minutes 39 seconds. Footage details and the department's assessment are outlined below:

Time (minutes)	Details and Department Assessment
0:20-0:27	<ul style="list-style-type: none"><li>• Pan of carpark showing 11 head of cattle and nine sheep – no characteristic can identify them as Australian at this stage.</li></ul>
0:35-1:34	<ul style="list-style-type: none"><li>• Close up view of three cattle with visible ear notches and holes in ears.</li></ul>
2:04	<ul style="list-style-type: none"><li>• One animal has been slaughtered and another views it.</li></ul>

2:25-6:39	<ul style="list-style-type: none"> <li>• White Brahman bull with visible ear notches and holes in ear.</li> <li>• Tail pulling, slipping/ falling, hitting, kicking, ear pulling, leg roping, sitting on head.</li> <li>• Excessive head restraint prior to slaughter.</li> <li>• Slaughter: 7 knife strikes back and forth. Man touches the open wound with his hand.</li> </ul>
6:40-16:52	<ul style="list-style-type: none"> <li>• Dark grey bull with visible ear notches and hole in ear.</li> <li>• Excessive tail pulling, slipping/ falling, leg roping, sitting on head.</li> <li>• Slaughter: 20 knife strikes back and forth.</li> </ul>
16:53-18:17	<ul style="list-style-type: none"> <li>• Vision of dark grey bull carcass with visible ear notches.</li> </ul>
18:17- 22:39	<ul style="list-style-type: none"> <li>• Brown bull with visible ear notches and hole in ear.</li> <li>• Tail pulling, slipping/ falling, leg roping, tying rope around nose and throat, standing on head</li> <li>• Slaughter: 14 knife strikes back and forth.</li> </ul>

The department's assessment of the footage is that there was a breach of ESCAS control and traceability requirements as well as numerous breaches of ESCAS animal welfare requirements (including breaches of handling, methods of restraint and slaughter technique).

Animals Australia provided 21 still images which showed ear notches and holes in the ears of four bulls. Also included in the still images was a close up of one grey bull with a brand on its rump. The department was able to track the ear notches back to a property of origin.

At the time of the report, 10 exporters had approved supply chains for cattle in Indonesia and these exporters were notified of the incident on 14 August. The department initially asked them to assess the still images and report from Animals Australia, cross-reference the GPS coordinates with their facilities, and identify any of the ear notches as being consistent with properties where they had sourced cattle for their consignments.

The footage was not initially shared with the exporters due to a reduced file being provided by Animals Australia which was not clear enough to identify the animals properly. This issue was related to technical difficulties with uploading capacity at the department. However, at the exporters' request, the department later provided the reduced footage to them on 22 August and advised that the original footage was being sourced from Animals Australia and would be provided once it had been received.

On 27 August 2019, following provision by Animals Australia on 22 August 2019, the original footage was provided to the exporters for them to conduct further investigations. The department required the exporters to provide the information below:

- Any details about the brand shown on the grey animal in the still images.
- Tag lists for all consignments sent to Indonesia in the last 18 months including property of origin details.
- Individual End of Processing reports (EOPs) for all cattle consignments sent to Indonesia for the previous 18 months.



On 28 August, International Livestock Exports Pty Ltd (ILE) notified the department that they had been conducting an internal investigation and discovered suspected leakage from their supply chain. They identified cattle had been leaked from an abattoir approved in their supply chain to the mosque in Medan where the footage was taken.

On 29 August, the two other exporters, identified as having the abattoir approved in their supply chain were notified. The exporters were instructed to cease supply to the abattoir until the situation had been investigated. The exporters were advised that the scope of the initial request would be narrowed to the specific abattoir involved. The department required a full reconciliation of all cattle sent to the abattoir over the previous 18 months. The reconciliation had to include details of numbers arriving at the abattoir, any mortalities and numbers slaughtered, referenced by consignment number. Detailed reasons were to be provided where cattle arriving at the abattoir were not slaughtered, and of cattle supplied to the abattoir but which could not be accounted for. The exporters were also to provide detailed explanations of their verification processes, including on-site verification, used to confirm their ESCAS control and traceability arrangements as they related to the abattoir.

Both exporters provided all the required information requested by the department. One exporter advised the department that they had never supplied cattle to the facility and removed it from their supply chain. The other exporter notified their Indonesia office and importer to cease supply of cattle to the facility and also removed it from their supply chain.

On 13 September, ILE provided a final report of their investigation findings and corrective actions implemented. Due to the findings of the report the department removed the abattoir from ILE's Indonesia cattle supply chain.

### **Exporter actions**

There were 10 exporters identified as having approved cattle supply chains in Indonesia at the time of the report. All responses to the department's initial requests sent on 14 August, were received by the required date, except for two exporters, who the department later identified as not having the relevant abattoir in their supply chain. The remaining eight exporters denied any loss of control and traceability within their supply chains. One exporter did identify the ear notches from the footage however they had not sent any cattle from the two properties identified since November 2018 and could account for all those cattle in their supply chain.

On 28 August ILE informed the department that the cattle identified in the footage were from their Indonesia supply chain. They identified the source of the leakage as a specific importer, feedlot and abattoir within their supply chain and they had ILE Indonesian staff in Medan conducting initial investigations. The preliminary actions taken by ILE were:

- Cease supply of Australian animals to the importer and the feedlot
- Cease supply of Australian animals to the abattoir
- Feedlot staff and management interviewed.
- Abattoir staff and management interviewed.
- ILE in-market staff confirmed four head remained in the abattoir and ILE in-market staff would remain at the abattoir until all animals were slaughtered, under ILE supervision.
- ILE in-market staff would confirm/report when all animals were processed.
- There would be an independent audit of importer's supply chain and in particular the abattoir.

ILE's preliminary investigations concluded that cattle had been supplied to the mosque in Medan however the number was yet to be confirmed. A person had offered money to purchase cattle direct from abattoir. An abattoir employee (manager) had been identified as the source of leakage and the feedlot owner had immediately terminated his employment.

Based on the information provided by ILE, the other two exporters with the approved abattoir in their supply chain were notified and told to conduct internal investigations. The remaining seven exporters were notified on 30 August that no further information was required from them. After the two other exporters were notified on 29 August, both conducted internal investigations confirming that there had been no loss of control and traceability associated with livestock exported by them and both advised they would remove the abattoir from their Indonesian cattle supply chain.

On 13 September, ILE provided their final report findings with the corrective actions that would be implemented. The final report detailed that the animals were clearly Australian due to their ear notching and ear holes where NLIS tags had been removed. Also, due to them being halter trained, ILE suggested that the cattle had been in Indonesia for a number of months prior to slaughter.

ILE noted that all the ESCAS reconciliation reports supplied to their Indonesian office showed no traceability abnormalities to suggest the animals slaughtered at the mosque were leaked from their supply chain. However, due to ILE Indonesian staff in Medan suspecting the leakage they conducted further internal investigations in conjunction with the importer.

During the investigation, interviews were conducted and the manager of the abattoir admitted to supplying the animals directly from the abattoir to the mosque on 10 August. The manager admitted at the time to only three animals being leaked from the supply chain and his employment was terminated immediately. ILE also imposed an immediate cease supply to the abattoir and the remaining four animals at the abattoir were to be slaughtered under ILE staff supervision.

Further investigation by ILE on 5 September determined that there had been leakage of a further 17 animals, bringing the total number to 20 head, which were all purchased by the same customer who supplied the mosque. All 20 cattle had leaked from the abattoir. The customer was interviewed and admitted to secretly working with the abattoir manager. He confirmed that the animals were distributed to another mosque and one farm. ILE in-market staff visited the mosque and farm and confirmed that all the animals had been slaughtered.

On 11 September ILE received additional information regarding the animals slaughtered in the mosque. It was suspected that the Korban co-ordinator for the mosque, who is also an employee for another abattoir, arranged for the animals to be supplied and filmed their slaughter. He confirmed to ILE that he filmed the slaughter however would not allow ILE to review the footage.

ILE confirmed there had been a clear breach of ESCAS in the relevant abattoir, however they also claimed that there had been outside influences on abattoir staff which led to these non-compliances occurring. ILE believe they have the right contracts, procedures and actions in place to be able to provide confidence that animals will remain within the approved supply chain and meet ESCAS animal welfare standards. However, the integrity of the supply chain also relies on the individuals within the elements of the chain to ensure they personally uphold their responsibilities within the chain. ILE has conveyed their view to the importer and facility and highlighted the importance of supervision and employee selection and training, to prevent breaches occurring within the supply chain.

Further to the preliminary actions taken and to prevent future ESCAS breaches, ILE:

- Tightened security and supervision at the abattoir.
- Undertook ongoing monitoring and verification requirements through frequent ILE in-market staff audits, weekly reconciliation reports and spot checks, ongoing staff training and upgrading facilities to prevent loss of control.

Following ILE's submission of their final report and corrective actions the department still required that they remove the relevant abattoir from their supply chain.

### **Department conclusions**

The department determined that non-compliance with ESCAS control and traceability requirements had occurred in an Indonesia cattle supply chain. This loss of control and traceability resulted in further non-compliance with ESCAS animal welfare requirements.

ILE took action to investigate and apply corrective action in response to the non-compliance. However, the department determined that removal of the abattoir from their supply chain was the most effective action due to the severity of the non-compliance.

Even though the department determined there had been no non-compliance in relation to the two other exporters' supply chains, they proactively removed the abattoir from their supply chains.

In assessing this matter against the [Guidelines for management of non-compliance](#), a *critical* non-compliance with ESCAS control and traceability, and animal welfare requirements has been recorded against ILE's cattle supply chain in Indonesia.

## 4.2 KUWAIT

### Background

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

As at 31 March 2020, there are 2 Australian exporters with approved supply chains to export livestock to Kuwait.

Since 2011, the department has previously completed assessments of 23 reports relating to non-compliance in Kuwait. The assessments can be found at [Regulatory Compliance Investigations](#). As at 31 March 2020, no reports of non-compliance are under assessment for Kuwait.

### **Report #169: Sheep exported to Kuwait – Major non-compliance**

#### Incident Report

On 2 August 2019, the Department of Agriculture received a report from Animals Australia of non-compliance with ESCAS control and traceability requirements in Kuwait. Animals Australia reported observing at least 1,000 sheep at two facilities (800 and 200 respectively) in Kuwait on 29 and 30 July 2019, prior to Eid-al-Adha (celebrated over 11 and 12 August 2019).

The report included location details of the facilities and photographs of three ear tags that were taken at one of the facilities, as well as two photographs of sheep with no ear tags taken at the second facility.

Animals Australia provided video footage and a further 15 screenshots on 5 August 2019.

#### Department assessment and actions

At the time of the report, two exporters had approved supply chains for sheep in Kuwait - Livestock Shipping Services Pty Ltd (LSS) and Rural Export and Trading (WA) (RETWA).

The department compared the Global Positioning System (GPS) coordinates provided by Animals Australia against exporter supply chain records. The department identified that the facilities in the Animals Australia report were not approved facilities in either of the exporters' supply chains.

The department required both exporters to determine whether there were any of their sheep in the facilities and if so, provide a management plan to remove the sheep and return them to the approved supply chain. Both exporters denied any loss of control from their supply chains and therefore did not attempt to remove the sheep from the facilities.

Following receipt of the additional information from Animals Australia, the department required both exporters to provide copies of contracts with supply chain partners, full audit checklists, property of origin lists for sheep in market and full reconciliation reports, including information about how the exporter verified their accuracy.

The department reviewed the photographs and video footage provided by Animals Australia. The video shows around 230 sheep in pens at the first facility, and around 100 sheep at the second

facility. The sheep in the photographs and video footage were determined to likely be of Australian origin, based on visible NLIS ear tags, identifying physical characteristics including breed (merino-type), ear notching and mulesing.

Photographs of three ear tags were included in the original submission. An additional four tags were visible in the screenshots provided on 5 August 2019, with an additional two tags visible in the video footage. Of the identifiable tags, two were exclusively linked to LSS consignments, one exclusively linked to a REWTA consignment, and one tag was on the property of origin list of both exporters. Review of the sheep in the photographs and video footage taken at the second facility showed numerous sheep at the second facility with ear holes consistent with removed NLIS tags as reported by Animals Australia.

As per the [Industry Government Working Group on Live Sheep and Goat Exports Final Report 2011](#), due to lack of individual identification on sheep, it is not always possible to link sheep to a specific exporter where there is more than one exporter supplying the market. In these cases, any remedial or other compliance measures will be applied across all exporters with a supply chain in the market.

The department required both exporters to provide ongoing monthly reconciliation reports including full movement data with a summary of current location of animals remaining in the supply chain, number and cause of feedlot mortalities, and date and location of slaughtered animals. The department also required both exporters to update their Supply Chain Management Plans (SCMP) to include further details about how they will verify the accuracy of their traceability data. Compliance with the SCMP is a condition of ESCAS approval and the department audits the SCMP on a regular basis.

### **Exporter review and actions**

On 2 August 2019, the department provided all relevant information from Animals Australia to LSS and RETWA to conduct their own investigations into the allegations. The additional footage was subsequently provided to the exporters on 8 August 2019.

The exporters advised that they had checked their records in market and no animals had been sent to facilities that were not approved within their supply chain. Both exporters denied any non-compliances had occurred in relation to their Kuwait supply chains.

### **LSS**

LSS reported that there were no LSS sheep in either of the facilities identified by Animals Australia, and that there was no loss of control or traceability from their supply chain. To support this claim, LSS advised that their supply chain verifies the reconciliation reports through:

1. The number of sheep departing each feedlot is recorded listing the originating feedlot and destination abattoir.
2. The abattoir documents daily records for each butcher customer's name, number of animals received, previous day's stock on hand, the number slaughtered, number of lairage mortalities and remaining stock on hand.
3. Each abattoir has a document signed by an abattoir official confirming that all delivered animals were slaughtered.

## RETWA

RETWA sent their supply chain consultant (SCC) to Kuwait on 8 August 2019. The SCC confirmed that body parts (including heads, feet, offal/intestines, skins and carcasses) are counted and recorded in the internal database, then verified against the slaughter numbers. The SCC determined the database to be accurate as the consignment and slaughter traceability records correlated with the number of sheep remaining in the feedlot.

On 8 and 10 August 2019, RETWA's SCC visited both facilities identified by Animals Australia and did not observe any Australian sheep, however observed 'a few' local sheep. The SCC advised that between both facilities, their combined pen area would not be large enough to house 1,000 sheep as reported by Animals Australia. Based on the video footage provided by Animals Australia, RETWA estimate that only approximately 150 sheep were filmed.

The SCC confirmed that the importer did not take action to remove sheep from either location as the importer denied that the sheep observed in the footage were from their supply chain and therefore had no right to enter the property and claim the sheep.

The SCC noted that several sheep in the video footage provided by Animals Australia appeared to have been recently shorn. RETWA reported that their importer does not shear sheep in its facilities and all Australian sheep in its feedlot have wool at least 20 to 30 millimetres long, having been shorn in Australia prior to being shipped to Kuwait in May and June 2019.

## Department conclusions

Based on evidence and information from Animals Australia and exporters, the department determined there were Australian sheep observed outside approved supply chains at two unapproved facilities in Kuwait, and these sheep remained outside of approved supply chains. After assessing and reviewing the information provided, the department was unable to determine which supply chain or exporter the sheep originated from.

In assessing this matter against the [Guideline for the Management of Non-compliance](#), the department recorded a *major* non-compliance with ESCAS control and traceability requirements against both the LSS and RETWA Kuwait sheep supply chains.

## 4.3 VIETNAM

### Background

The Exporter Supply Chain Assurance System (ESCAS) was implemented in Vietnam on 31 December 2012.

As at 31 March 2020, there are 8 Australian exporters with approved supply chains to export livestock to Vietnam.

Since 2011, the department has previously completed assessments of 67 reports relating to non-compliance in Vietnam. The assessments can be found at [Regulatory Compliance Investigations](#). As at 31 March 2020, no reports of non-compliance are under assessment for Vietnam.

### **Report #175: Cattle exported to Vietnam – Major non-compliance**

#### Incident Report

On 17 December 2019, the then Department of Agriculture received a report from South East Asian Livestock Services Pty Ltd (SEALS) of non-compliance with ESCAS animal welfare requirements in Vietnam. SEALS reported that buffalo were slaughtered in the back of trucks at an approved abattoir.

#### Exporter actions

SEALS immediately ceased supply of buffalo to the abattoir while investigations were undertaken, and removed the abattoir from their buffalo supply chain at the department's request. No other exporters are approved to slaughter buffalo at the abattoir.

On 25 February 2020, SEALS provided their final report to the department. SEALS reported that between 7 and 12 December 2019, the abattoir slaughtered a total of 45 buffalo in the back of trucks in the loading area of an approved abattoir. To slaughter the buffalo, abattoir staff climbed on top of the truck and used an electric prodder to lift the buffalo's heads to be able to reach them with the stunner. Once stunned, the buffalo were then slaughtered in the truck.

The abattoir staff had previously been instructed by their supplying feedlot to euthanase any sick or downer animals (unable to stand) as soon as possible, even if it means doing so on the truck. The abattoir staff had misinterpreted this to mean that slaughtering in trucks is ESCAS-compliant.

The truck movements and slaughter were conducted in full view of the Closed Circuit Television (CCTV) cameras and supervised by the Animal Welfare Officer (AWO) who thought that slaughtering buffalo on the trucks was ESCAS-compliant.

Similar issues were not identified in the handling or slaughter of the cattle at the abattoir – all cattle were slaughtered in the approved restraint box.

SEALS have implemented the following corrective actions:

- SEALS directed the importer to cease supply of both cattle and buffalo to the abattoir until further notice.

- The importer has completed training with the abattoir management and will deploy a new and experienced AWO if the abattoir is reapproved. SEALS will provide additional training to the new AWO to ensure they understand ESCAS requirements.
- SEALS staff have commenced training with the feedlot to ensure they fully understand ESCAS requirements, particularly in relation to the health and welfare of buffalo and dealing with sick animals.
- SEALS propose to implement a more formal training program with the feedlot and abattoir to train staff in the following, if the abattoir is reapproved:
  - Animal welfare requirements
  - Animal handling
  - Dealing with sick animals
  - Fitness of animals to load and transport
  - Effective euthanasia
- SEALS reviewed the Standard Operating Procedures (SOPs) for the abattoir and feedlot, and determined them to cover all the relevant issues. SEALS will place a stronger focus on making sure staff understand all the requirements of the SOPs. SEALS staff will undertake immediate training covering all SOP requirements when supply recommences to the abattoir.

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

The department requested SEALS to remove the abattoir from their buffalo supply chain on 16 January 2020.

SEALS provided the AWO's photographs and a full tag list of all the buffalo that were slaughtered in the trucks. SEALS also provided a total of five CCTV videos. The video footage showed buffalo being loaded onto the trucks at the abattoir, trucks parked out the front of the facility, and trucks returning to the abattoir. One video was provided showing the slaughter of the buffalo in a truck.

SEALS received information regarding the non-compliance on 9 December 2019, but did not report it to the department until 17 December 2019. Exporters are required to notify the department in writing within five working days of becoming aware, or receiving information that suggests non-compliance with ESCAS control, traceability, or animal welfare requirements has occurred.

#### **Department conclusions**

Based on evidence and information provided by SEALS, the department determined that non-compliant handling and slaughter of Australian buffalo occurred. No loss of control or traceability was identified.

In assessing this matter against the [Guideline for the Management of Non-compliance](#), the department recorded a *major* non-compliance with ESCAS animal welfare and reporting requirements against the SEALS Vietnam cattle supply chains.



## 5 ESCAS ISSUES IDENTIFIED AND ADDRESSED BY EXPORTERS

Exporters provided reports to the department regarding their supply chains in the below markets. The reports complied with the department's ESCAS self-reporting requirements. The reports were received within the required time frame, appropriate corrective action was implemented by the exporter and no regulatory action was taken by the department.

*Table 4 ESCAS issues identified and addressed by exporters - 1 December 2019 to 31 March 2020*

#	Market	Species
1	Vietnam	Cattle
2	Kuwait	Sheep
3	Israel	Cattle
4	Vietnam	Cattle
5	Vietnam	Cattle

## 6 SUMMARY OF ASSESSMENTS IN PROGRESS AS AT 31 MARCH 2020

As at 31 March 2020, there are no regulatory performance assessments in progress.