



Dear Establishment management

RE: Update on Progress of Meat Modernisation Year One Projects

On behalf of the members of the Meat Modernisation Working Group (MMWG), we write to provide you with a report of priority activities delivered in the first year of our joint modernisation agenda to transform the Australian Export Meat Inspection System (AEMIS). This update follows a recent meeting of the MMWG at which the progress of agreed work was discussed.

Details of the status of each of our year one projects is provided at **Attachment A**. Of note, there has been considerable progress in transitioning export meat establishments to the Australian Government Authorised Officer (AAO) inspection model.

We also wish to draw your attention to proposed amendments to the *Export Control (Meat and Meat Products) Rules 2021* to embed the AAO inspection model in the export meat system. Public consultation on the proposed legislative amendments closed on 30 November 2021, with an expected implementation date of 1 January 2022.

User acceptance testing for two meat establishments to directly access their automated **Product Hygiene Indicator (PHI) reports** has been successfully completed with roll out to all establishments commencing from December 2021. This initiative supports one of the key pillars of the modernisation agenda in providing high-quality and timely information to the meat processing sector, and the department, to embed risk-based regulatory decision making.

In line with this shift to a risk-based regulatory approach, from 30 September 2021, export meat establishments have been able to apply to transition from six monthly to an annual audit regime in accordance with the MMWG endorsed risk-based audit policy (provided at **Attachment B**). Risk-based auditing will allow high-performing establishments to see greater benefits, contingent on a high level of compliance with product safety and integrity being maintained.

To complement this policy and support the implementation of the risk-based audit regime, the department has commenced work to automate the data collection capacity of the **Meat Export Data Collection (MEDC) system**. This will allow near to real time data transfer of export facility performance and production data and remove the need to manually upload data into the MEDC system, saving time and improving data quality. The department is working with iLeader in the first instance, as a key supplier of data management software to the export meat industry.

A key initiative delivered in the first year of the modernisation agenda is the implementation of a **Market Access Prioritisation Tool (MAPT)** developed through collaboration between red meat industry and the department. The MAPT, oversights by the Market Access

Prioritisation Working Group (MAPWG), is now assisting the department and industry in undertaking market access work more efficiently, effectively and transparently based on agreed high-priority market access items. The MAPWG has developed a new market access request form to be completed by industry when further opportunities for new or improved market access are identified. This form is now available on the MICOR meat landing page.

Over the 12 months progressing the MMWG's work, the department has promoted the meat modernisation program with our major overseas trading partners. The department has engaged overseas food regulators and the departments representatives at overseas posts to highlight the completed and future projects, providing detailed information and addressing their questions. Further to this, we have submitted information on our **PHI microbiological monitoring system** to key trading partners to seek agreement on its equivalence, which is required to realise the benefits of this reform.

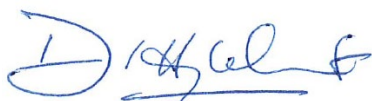
Culture, communication and interactions between the export meat industry and the department remains a key focus of the MMWG. Whilst an ongoing process, progress has been made on key products agreed by the MMWG:

- A **joint statement of intent and feedback and complaints handling process**, has been finalised. The joint statement of intent and complaints handling process has been rolled out to all export meat establishments. A copy of both documents is provided for your consideration at **Attachment C**.
- The department, with support from industry leaders, has engaged Deloitte to assist with understanding the **current state of regulatory relationships**, including the JSOI and feedback and complaints handling process, between the Department and the export meat sector. As part of this program Deloitte will be conducting:
 - A survey for internal staff and industry representatives, to provide feedback on workplace culture in the export meat sector.
 - Individual interviews with department leaders and industry representatives.
 - Focus groups involving internal staff and industry representatives.

We are pleased that work in modernising the meat regulatory system remains positive and collaborative.

Thank you for your continued support.

Yours sincerely



David Hazlehurst
Deputy Secretary
Co-lead, MMWG



Terry Nolan
AMIC NPC Chair
Co-lead, MMWG

09 December 2021

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ATTACHMENT A – STATUS OF YEAR ONE PROJECTS

Modernisation Initiative	Progress	Comments
<u>Inspection reform</u>	In-progress	<ul style="list-style-type: none"> • Completion of transition to AAO inspection model expected in January 2022. • Legislative changes to embed the AAO inspection model are on track to come into force from 1 January 2022. Public consultation on the proposed amendments to the Export Control Rules 2021 closed on 30 November 2021.
<u>Post-mortem inspection & disposition</u>	In-progress	<ul style="list-style-type: none"> • Execution of a Deed with enable Standards Australia to update the <i>Australian Standard for the Hygienic Production and Transportation of Meat and Meat Products for Human Consumption</i> (AS4696). • Each state and territory jurisdiction, as well as the Commonwealth, need to execute the Deed with Standards Australia. The content of the proposed revisions has already been previously approved by both Food Regulation Standing Committee and Food Standards Australia New Zealand (FSANZ). • Seven jurisdictions and the Commonwealth have now signed the Deed. The department continues to work with the remaining jurisdiction to execute the Deed. • Following execution of the Deed, the mandatory, nine-week Standards Australia consultation process can begin. The revised Standard needs to be accepted by trading partners in order for it to be implemented in export abattoirs. Trading partner engagement will be initiated concurrently with this nine-week domestic consultation process. Noting that acceptance of key trading partners will be required and timeframes for this are determined by the trading partner.

<p><u>Technology reform</u></p>	<p>In-progress</p>	<ul style="list-style-type: none"> • There are many elements that make up the technology reform package. • A suite of analysis and reporting tools for meat establishment performance data have been developed or continue to be progressed. • The following projects have been completed: <ul style="list-style-type: none"> - A Product Hygiene Indicator (PHI) report providing performance reporting for departmental staff and establishments. - An animal condemnation reporting tool is available for departmental staff to monitor trends in animal condemnations over time. - Port-of-entry violations reporting is available to departmental staff to monitor trends over time to mitigate potential deterioration in market access. - Second iteration of the performance reporting tool to allow more granular analysis of key performance data to allow establishments to maintain and improve performance. • To date, the following projects continue to be progressed: <ul style="list-style-type: none"> - An automated collection capacity, allowing real time, or near real time uploading of export facility performance and production data and information into the MEDC system.
<p><u>Market access prioritisation framework</u></p>	<p>Complete</p>	<ul style="list-style-type: none"> • A framework has been agreed between the department and the red meat industry and is active. • The Market Access Prioritisation Working Group (MAPWG), comprised of representatives of the red meat industry and the department, has finalised the content and assessment of market access work in the Market Access Prioritisation Tool (MAPT). • The MAPT, oversighted by the Market Access Prioritisation Working Group (MAPWG), is assisting the department and industry to prioritise market access requests.

ATTACHMENT A

		<ul style="list-style-type: none"> • A new market access request form, developed by the MAPWG, to be completed by industry is now available on the Micor meat landing page.
<p><u>Transition to 6 monthly audits for Tier 2 establishments</u></p>	Complete	<ul style="list-style-type: none"> • From 30 September 2021, 28 export meat establishments on a monthly audit schedule will be required to transition to six monthly audits. • To support this transition and to formalise the departments COVID-19 audit response (partial remote audit), a revised policy relating to the deployment of Area Technical Managers (ATM), senior departmental veterinarians with responsibility for conducting audits, has been developed. • The revised policy relating to the deployment of ATMs was supported by the MMWG at its 14th meeting on 7 October 2021.
<p><u>Transition to a risk-based audit regime</u></p>	Complete	<ul style="list-style-type: none"> • A MMWG endorsed risk-based audit policy has been finalised and provided to all export meat establishments. • From 30 September 2021, export meat establishments will be able to apply to transition from six monthly to an annual audit regime in accordance with the MMWG endorsed risk-based audit policy. • To complement this policy, the department has substantially upgraded its performance hygiene indicator (PHI) reporting from the Meat Export Data Collection (MEDC) system, which will underpin the risk-based audit regime. • PHI reports are available to departmental staff and establishments. Direct access capacity for meat establishments has been tested with two establishments. The roll out to all establishments expected to commence in December 2021.
<p><u>Review of species testing framework and transfer of function to industry</u></p>	In-progress	<ul style="list-style-type: none"> • A review of the existing species testing framework has been undertaken and the project remains in progress, with further information regarding export establishment verification techniques and statistical justifications required before the policy is comprehensively developed. The policy will be presented for further consideration to the MMWG before finalisation.

<p><u>Acceptance of alternate verification technologies (formerly 'short staffing policy reform')</u></p>	<p>In-progress</p>	<ul style="list-style-type: none"> • Formerly known as 'short staffing policy reform', this project has now evolved with a refined scope. • In April 2021, the MMWG agreed the current departmental short staffing policy is performing well in managing short staffing events. • The project will now focus on identifying technology-enabled alternative verification methods on a short term, contingency basis, and seek trading partner acceptance where required.
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