

Department of Agriculture and Fisheries

Reference: 17208/16

20 JUL 2016

Dr Wendy Craik AM Chair Independent Review of IGAB igabreview@agriculture.gov.au

Wendy Dear Dr Craik

The Queensland Department of Agriculture and Fisheries welcomes the opportunity to respond to the discussion paper produced for the review of the Intergovernmental Agreement on Biosecurity (IGAB). As one of the parties to the agreement, Queensland has a keen interest in the future form and operation of IGAB. The panel's broad approach to engagement has been encouraging.

Since its commencement in 2012, IGAB has provided policy direction and a framework for cooperation between the Federal and state and territory governments on biosecurity issues. The achievements made towards implementing the seven priority areas under the agreement have been instrumental in better protecting Australia's economy, environment and community.

The department's comments in response to the discussion paper are attached. Broadly the response covers five key themes:

- 1. the implementation and effectiveness of IGAB
- 2. shared responsibility for biosecurity and the role of stakeholders in the national biosecurity system
- 3. funding arrangements supporting the national system
- 4. domestic market access arrangements
- 5. the role of research and innovation in the future biosecurity system.

I trust the submission will be of assistance to the review panel.

Floor 8 Primary Industries Building 80 Ann Street Brisbane GPO Box 46 Brisbane Queensland 4001 Australia Business Centre 13 25 23 Website www.daf.qld.gov.au ABN 66 934 348 189 Yours sincerely

Elizabeth Woods

Dr Elizabeth Woods Director-General Department of Agriculture and Fisheries

Att

Queensland Department of Agriculture and Fisheries

Response to the Discussion Paper: Is Australia's national biosecurity system and the underpinning Intergovernmental Agreement on Biosecurity fit for the future?

Introductory remarks

A strong biosecurity system is critical to Queensland's future. It underpins Queensland's agriculture, fisheries and forestry sectors – worth more than \$17 billion to the economy – and supports many rural and regional communities across the state. Biosecurity is a central focus for the Queensland Government, playing an important role in the government's four objectives for the community: creating jobs and a diverse economy; delivering quality frontline services; protecting the environment; building safe, caring and connected communities. In recognition of this role, the government commissioned a review of Queensland's biosecurity system (the Queensland Biosecurity Capability Review) to develop a long-term plan to restore the state's biosecurity response to world's best practice.

As one of the parties to the Intergovernmental Agreement on Biosecurity (IGAB), Queensland has a keen interest in the review of IGAB being conducted by the Independent Review Panel (the panel). The Queensland Biosecurity Capability Review sets out the challenges facing Queensland's biosecurity system over the coming years. As the IGAB discussion paper notes, such challenges are complex, significant, but not insurmountable. The panel is encouraged to consider this report (available at https://www.daf.gld.gov.au/biosecurity) in the development of their own findings.

The Queensland Biosecurity Capability Review outlines a vision for what the Queensland biosecurity system could and should look like into the future to respond to emerging challenges. In this future, government, industries, natural resource managers and the community work together in partnership. Such shared leadership and accountability should build confidence in the system and reinforce system sustainability. The Review recommended that this partnership approach be supported by governance and accountability arrangements that see progress measured and reported, with clear and accepted roles and responsibilities of all parties. This would support a decision-making framework that targets and prioritises investment.

To keep the system flexible and adaptable, government and stakeholders must maintain strong relationships with each other and other potential contributors, such as the research community. The parties must also draw lessons from other fields to deliver improved outcomes. In this regard, knowing and understanding the networked and interrelated impacts of biosecurity threats will only become more important. The future biosecurity system will need to extend beyond a scientific and regulatory base in order to effect behaviour change. Reflecting this, closer integration with alternate policy levers and the capacity of others to provide insights and resources is necessary.

Finally, the system will need to retain the capability and the capacity to manage and respond to threats across the biosecurity continuum. It is clear that neither government, industry, natural resource managers or the broader community is able to do this unilaterally.

IGAB

IGAB was a landmark achievement that has provided a platform for collaboration between the Commonwealth and state and territory governments. It has been a successful institutional feature of the national biosecurity system and facilitated better biosecurity outcomes across Australia.

The IGAB is important in that it recognises that many biosecurity risks carry national consequences and increased collaboration is necessary in this environment. Queensland supports the structure of the current IGAB, which logically steps through the purpose of the agreement, goals and objectives, principles, key features of the national biosecurity system, and states intentions to continually improve both the system and partnerships between governments and with industry groups. This structure clearly defines the parameters of a national biosecurity system between governments.

The seven priority areas detailed in the schedules of IGAB have given vital focus to the national biosecurity system. They aimed to provide stable foundations for enhanced collaboration between parties to the agreement and for those parties to discharge their obligations to the people of Australia. To that end, they succeeded.

However, a number of practical limitations have emerged since the commencement of IGAB in 2012 that have detracted from its efficacy. Firstly, as the discussion paper notes, IGAB seeks to build relations with industry and community groups, but did not involve them in its original development. As a result, implementation of the principles and directions of IGAB has suffered from a lack of stakeholder input. Moreover, industries and members of the community have not felt their contributions to the national biosecurity system have been appropriately recognised. Queensland is, however, encouraged by the conduct of the review and its efforts to involve a wider stakeholder base to inform the future of the IGAB.

Secondly, the absence of clearly defined performance indicators for the biosecurity system has made it difficult to identify and measure its success. Although IGAB states the objectives for the system, agreed outcomes could be specified. Similarly, as the Discussion Paper notes, varied data collection and reporting across jurisdictions does not lend itself well to central analysis. With much of the IGAB implementation work occurring under the aegis of the National Biosecurity Committee and Sectoral Subcommittees, there is limited public visibility of the outcomes achieved. It will be important to communicate the significant progress made to interested stakeholders.

A way forward

The reconstituted IGAB must be a forward facing document. It should recognise the risks and pressures on the biosecurity system and position parties to the agreement for their roles in five years, consistent with the current review clause. The national biosecurity agenda has progressed significantly over recent years, and as such, there is room for IGAB to evolve. This could be done by recognising the contributions of all stakeholders to the effectiveness of the national biosecurity system, and provide a basis for these resources to be integrated and aligned to an agreed purpose. This will mean recognising the increasingly networked challenges posed in biosecurity, and the networked solutions required to address them.

Queensland supports the involvement of industry and community in the IGAB review process. IGAB could advance the national biosecurity framework by clarifying the roles and responsibilities of different parties in the system, particularly industry. While the agreement itself is not the place for a comprehensive breakdown of obligations, it is important that a platform is established for this discussions to be had. The development of a national biosecurity statement affords such an opportunity. Queensland notes the *Council of Australian Governments National Disaster Resilience Statement* goes some way towards defining roles for those outside of government. For example, non-government stakeholders could have an interest and capacity to contribute to priority activities under the agreement.

IGAB could also develop new priorities to take the system forward. Rather than providing detailed schedules for each reform area, the review panel might consider development of a schedule for policy and reform objectives that articulates principles and requirements for subsidiary priority agreements between parties. Ideally, the objectives for these priority agreements would be agreed with stakeholders and align to the objectives of each jurisdiction. This approach would provide increased flexibility by enabling priorities to reflect emerging risks and enable closer involvement of stakeholders in priority setting and implementation. It may also allow for jurisdictions to align their State-based activities to agreed national objectives, whilst delivering on their own priorities. If desirable, two schedules could describe arrangements for priorities between governments and priorities negotiated with stakeholders.

The IGAB Implementation Taskforce recently reviewed progress against the IGAB schedules, and the panel will no doubt consider the reports prepared by that taskforce over the course of their review. Queensland supports the findings of the taskforce. However, future efforts could be directed towards investment decision making and development of performance measures for the system as a whole. Explicit focus on these two priorities will position the national biosecurity system for the future. To support the engagement of stakeholders and the communication of progress on priority reforms, an annual scorecard approach could be adopted. This would maintain interest in the national biosecurity agenda and provide a platform for engaging all stakeholders in the setting of strategic directions.

Shared responsibility

Shared responsibility has been a regular refrain across the biosecurity landscape since the Nairn review of 1996. Over this period, considerable progress has been made in transforming a complex concept into tangible outcomes. For example, nationally the Emergency Animal Disease Response Agreement (EADRA) and the Emergency Plant Pest Response Deed (EPPRD) are founded upon the shared responsibility concept. At a state level, Queensland's new *Biosecurity Act 2014* creates an

obligation for risk creators to manage biosecurity risks – an articulation of shared responsibility in a regulatory context.

Considerable awareness exists around shared responsibility. At its heart it is an intuitive concept, similar to an environmental duty of care. However, there remains a considerable lack of clarity about what shared responsibility means in practice. Shared engagement processes, such as the regional biosecurity roundtable initiative of the National Biosecurity Committee appear to be making some progress in establishing role clarity. However, given the prominence of shared responsibility at the June 2016 Queensland roundtable, it is evident that a common position on what the concept does and should mean has yet to be achieved. Moreover, although awareness is high, the implications for behaviour in government, on farm and throughout the supply chain have yet to be fully scoped. This is an important distinction, as biosecurity is dependent on behaviour change to reduce risk.

As the discussion paper notes, shared responsibility is inherently contested and carries many negative connotations. In the first instance, this can manifest in conflicting ideas about who is responsible for what tasks, at what point in time. Such conflict is particularly relevant given the historical allocation of roles and responsibilities for managing pests and diseases in the Australian context. Moreover, fears of cost shifting further reinforce views that the status quo is preferable to more flexible arrangements. The second challenge derives from strong statements advocating shared responsibility. By providing limited guidance about putting the concept into practice it remains challenging to implement. A misunderstood rationale for why shared responsibility is necessary and a lack of clarity about the expected behavioural change is the key barrier to its use as a policy principle. There is a need to put some reality around the shared responsibility concept to increase understanding. However, the pursuit of a one-size-fit all approach is untenable and impractical.

Comprehensive research on shared responsibility was undertaken by the former Bushfire Cooperative Research Centre in the disaster management context. Preliminary consultation for this research project suggested that government needed to more clearly outline what was and wasn't possible with resourcing levels, to counter perceptions of avoiding responsibility. This research project identified a number of mechanisms for sharing responsibility. Central to all of them was sharing control and influence over policy design and implementation. This would involve a shared process for negotiating, determining, and agreeing on priorities, outcomes and deliverables.

It was acknowledged in this project that there is tension between government sharing control over decisions, and the accountability for decisions and expenditure resting with government alone. This tension is clearly apparent in the biosecurity context, where governments need to balance the public interest and regulatory responsibilities with the desire for shared decision-making. Such a fundamental challenge therefore needs to be understood by all parties and requires governments to act in an increasingly transparent manner.

A way forward

A national biosecurity statement of intent may provide a platform to establish a common understanding of the national biosecurity system among stakeholders and the broader community. It offers an opportunity to realise a shared vision of the challenges facing the system, including funding and capability. Moreover, it could serve to reinforce the policy and reform objectives articulated by IGAB. The process established to develop this statement will be critical.

Queensland's Biosecurity Capability Review has suggested closer collaboration and sharing control with industry and community groups to develop a new state strategy and action plan. In practice, this may involve co-design of the strategy with relevant stakeholders. This is a fundamentally different approach to the way in which previous strategies have been developed. Adoption of a similar model nationally could increase ownership of roles and responsibilities articulated in a national statement of intent. Processes for continual reengagement are required to maintain a common understanding of priorities and contributions of the national biosecurity, not just during the development phase. This will help institutionalise changes beyond the current cohort of government and stakeholder leaders.

If developed with key stakeholders, a national biosecurity statement could resolve conflicting perceptions of responsibility and outline a more detailed process for how role uncertainty is resolved. To this end, it would define how each class of stakeholder (e.g. government, industry, individuals) should contribute and perhaps some practical illustrations of this in operation. A particular area of focus could be clarifying expectations surrounding the financial roles of government, risk creators and beneficiaries for biosecurity. A system where each group is cognisant of the responsibilities of other actors and has a stake in collective action will yield better outcomes.

Queensland's Biosecurity Capability Review also advocated an increased role for stakeholders in decisions and priority setting. It argued that by sharing decisions with stakeholders, ownership and acceptance of a final position would be enhanced. The other element recommended by the report was to embed an institutional framework that facilitated shared decision making into the structure of the biosecurity system. There are a range of considerations in this approach that require further exploration, and much of this work will occur through development of a new state biosecurity strategy. There is however room for the IGAB review to consider the virtues of a similar approach.

With respect to accountability, Queensland is currently exploring models to monitor the implementation of its new biosecurity strategy (in development). As actions towards the strategy may be undertaken by government parties or external groups such as industry, some form of public progress report would provide a crucial source of accountability for all parties. Furthermore, documentation and evaluation of the actions of each party against outcomes will present tangible examples of shared responsibility in practice, reinforcing the partnership based approach. Monitoring of the implementation of the IGAB priorities, or indeed the (to be developed) performance measures for the national biosecurity system may be suitable for this model of accountability.

System funding

Funding of the national biosecurity system is an imperative that underpins actions to protect Australia's favoured biosecurity status. Design of the funding system also reflects the collaborative approach to risk management in the Australian context. The investment principles outlined in the IGAB are a practical extension of shared responsibility and appropriately tie investment to an evidence base, contributions to benefits, and decision making to responsibility. They are a solid platform for Australia's national biosecurity system. However implementation of these concepts are not without challenge. Three related challenges are outlined below with respect to the timeliness and continuation of cost-shared agreements; the total investment in the biosecurity system, including contributions from risk creators and beneficiaries; and the prioritisation of investment.

The national cost sharing deeds were a major public policy achievement for the biosecurity system. They provide a structured framework for the sharing of costs in responding to biosecurity emergencies. Both the EADRA and the EPPRD set out clear expectations and rules for funding that recognise the public and commercial benefits of biosecurity risk management. However, in practice, technical requirements around feasibility of eradication and the delay between the Incident Definition phase and agreement to a response plan leave state governments bearing costs and risks. A second challenge associated with the present cost sharing deeds are the term of funding and reporting requirements.

Of more significance are those incidents which fall outside the current deed arrangements. These incidents require collective agreement between national partners to navigate a cost sharing approach. It is a credit to the strength of the national biosecurity system that agreements in these circumstances can be managed broadly consistently with the deed arrangements. In some cases, these incidents represent pests or diseases that are outside the scope of the deeds. Alternatively, it may be that a form of asset-based protection remains in the national interest. The absence of an agreed process to triage and rapidly resolve such incidents is again a concern for state governments, and has been raised in response to previous reviews of these deeds.

A more fundamental question than cost sharing between Australian governments is the cumulative investment in the national biosecurity system. Governments need to consider funding for biosecurity against competing priorities in health and education. In some ways, the level of investment made by government and others in the system (such as producers) is a signal of the priority these different groups place on biosecurity.

This leads to the challenge of non-government contributions towards risk management. The two cost sharing deeds mentioned above provide a framework for contributions from risk creators and beneficiaries, however, the National Environmental Biosecurity Response Agreement (NEBRA) provides no such structure. Similarly, those incidents which occur outside the deeds lack pre-existing structures to facilitate contributions. This speaks to a broader issue in biosecurity, namely the potential for free riders on government investment in the form of risk creators and beneficiaries. As a consequence, biosecurity programs face increasing scrutiny in a competitive funding environment. The future sustainability of biosecurity funding is threatened by an overdependence on public investment.

A parallel issue to that of funding itself is where investments are made. Queensland's Biosecurity Capability Review noted that investment decisions for routine activities are largely based on historical funding allocations. It found that Queensland has limited biosecurity resources to address the increasing risk of pests and diseases, so it is critical that these resources are used efficiently. The government must consider a wide array of risks, consequences, risk treatments and associated costs in allocation determinations, and the greatest return for public funds is a key consideration. This problem is exacerbated by the complex and interconnected nature of threats and risk pathways, uncertainty around national priorities, and the impact of conflicting stakeholder interpretations of investment priorities.

A way forward

It is clear there are still challenges in funding the management of biosecurity incidents in the national system. Queensland is encouraged by efforts to further develop the cost sharing deeds, and in particular efforts towards a deed for aquatic animal health. Similarly, efforts to extend the current deeds through a transition to management window are a step in the right direction. These are complex issues and Queensland will continue to work through the national system to achieve positive progress. Defined timeframes for response phases and a more active role for AGSOC in funding deliberations offer potential the panel may wish to explore further.

Perhaps the most significant gains to be made towards improving funding for the biosecurity system and at the same time better defining shared responsibility - will occur through a widening of the investment pool. This could occur in a number of ways. Queensland's new *Biosecurity Act 2014* establishes a fee structure that is predicated on cost recovery, consistent with Queensland Government policy and the IGAB funding principles. Similarly, the Queensland Biosecurity Capability Review had a strong focus on cost recovery for lower risk and lower return programs. Much of the work done under the *National Framework for Cost Sharing of Biosecurity Programs* provides a clear path forward. The principles underpinning a cost sharing model are thorough and appropriately set out a decision making framework. However, this national project does not provide sufficient guidance around the information requirements and evaluative measures required to support more efficient allocation. The development of the decision tool under the framework is a first step in supporting the application of these principles by decision makers.

Design of a funding model for biosecurity that recognises risk creators and beneficiaries, distinguishes between public and commercial benefits, acknowledges limitations on capacity, supports multistakeholder decision making, and relies on viable and effective mechanisms for contributions is a challenging prospect. It is important for parties in the system to recognise the challenges posed by cost-sharing for biosecurity. Queensland will work with other parties in the national biosecurity system, including those outside government to progress such a model. Recognising that biosecurity levies have been used effectively in other Australian jurisdictions, Queensland is considering the feasibility of models for the implementation of biosecurity levies in the state.

However, it must also be recognised that seeking greater contributions from stakeholders cannot come without conferral of additional rights. A key recommendation of the Queensland Biosecurity Capability Review was the co-design of a transition strategy for the changing role of the state government in asset-based protection activities where beneficiaries are clearly identifiable. It suggested development of a mechanism to enhance the success of efforts to change investment by working collaboratively with stakeholders to develop transition strategies. The intention would be to use a gradual process to tackle legacy funding issues which have exacerbated investment tensions within the biosecurity system. It would likely see government and risk creators and beneficiaries take on changing roles in risk management of established pests and diseases over a medium to long term time horizon. Crucially, involvement in the design of these transition strategies will facilitate greater ownership of the changes.

Another key focus for the Queensland Biosecurity Capability Review was leveraging investment from others. Joint approaches to investment offer the potential for government to realise a magnified return by aligning projects and outcomes with others. For example, closer coordination in Northern Australia by the Commonwealth Department of Agriculture and Water Resources and the Queensland Department of Agriculture and Fisheries - such as a collaborative approach to surveillance - should result in efficiencies and greater return on investment. Similarly, industry driven efforts in research and development, much of which leverages government infrastructure and capabilities, play a crucial role in mitigating current and future biosecurity issues. Moreover, the department is actively exploring further opportunities to improve service delivery. For example, this may involve third party arrangements for systems such as accreditation and auditing. Efforts to work in partnership with industry and others in the private sector to deliver services offer opportunities to invest government resources in activities that generate greater public value.

The future health of the national biosecurity system cannot be assured by increased government investment alone. Through the IGAB, Australian governments need to look towards a more collaborative approach to biosecurity risk management. This approach should recognise in-kind contributions and other resource efforts as aligned towards the realisation of better biosecurity outcomes. Recognition of the diverse contributions that can be made across the biosecurity system by a broad array of different groups, from government to industry to not-for-profit groups, and the alignment of their efforts will yield more benefit than the sum of their parts. However, a precondition to this is a closer partnership. That means embracing shared responsibility and shared decision making, an approach that will be trialled in developing Queensland's new biosecurity strategy. In part, this will rely on development of more sustainable and long term funding arrangements between parties to the IGAB, to provide state governments and stakeholders with the certainty needed to plan, develop and commit to partnership arrangements.

Other Comments

The panel raised a number of other topics that warrant consideration.

Market Access

Protection of market access is a clear and tangible purpose of biosecurity activities. The current national system is heavily focused on maintaining the international trade benefits afforded by Australia's favourable biosecurity status. Queensland supports the continuation of this approach. However, significant gains stand to be made with regards to domestic market access requirements for the benefit of both industry and government.

For example, differential trade regulation of plant products and produce operate in each state through interstate certification assurance agreements. These agreements, while successful, largely operate independently of each other and would be complemented by a more strategic approach to domestic market access. This issue has been raised previously in response to relevant national reviews, with little progress made. There may be value in the review panel exploring the benefits and costs of a harmonised policy framework for domestic market access arrangements.

Consistent with efforts to work in partnership with stakeholders, an explicit focus on a strategic framework for domestic market access would involve considerable engagement with industry and community groups. Such a framework may provide a platform to explore ways in which government can better partner with industry to reduce risk, such as market verification schemes and industry-based certification. It may also provide much needed flexibility to adapt regulation to changing circumstances, such as new and innovative applications of technology.

Involvement in the development of principles for domestic market access arrangements offers an opportunity to build industry capacity alongside that of government. It would offer strong incentives for primary producers to enhance their own surveillance and data collection systems and practically minimise risk.

Research and Innovation

Queensland's Biosecurity Capability Review was explicit that rapid technological change and structured research programs offer opportunities to address emerging biosecurity threats more effectively, and in less costly ways. It argues that greater use of data, as is being progressed by the Biosecurity Integrated Information System Taskforce, is central to informing the design of biosecurity policies and programs. With an explicit focus on data, the national biosecurity system is in need of rules and standards to guide collection and analysis. A refreshed IGAB should continue to make provision for coordinated progress towards improved data frameworks.

The practical applications of emerging technologies in areas such as surveillance offer opportunities to profoundly change the nature of biosecurity service delivery. For example, CSIRO is promoting the use of smart traps for fruit fly that could have the potential to quickly and efficiently confirm detections. The technology roadmaps CSIRO is preparing for the Commonwealth may also illustrate the wider efficiencies to be gained from adoption of new technologies.

Such technologies could lower costs at the prevention and preparedness end of the invasion curve, enabling more efficient and targeted government investment. Similarly, advancements in control agents and the potential for markets to form around provision of services in asset-based protection may allow for smarter investment decisions and risk management. These changes will require governments to think beyond risks and response, and to understand and account for the implications of new market dynamics on biosecurity risk treatments.