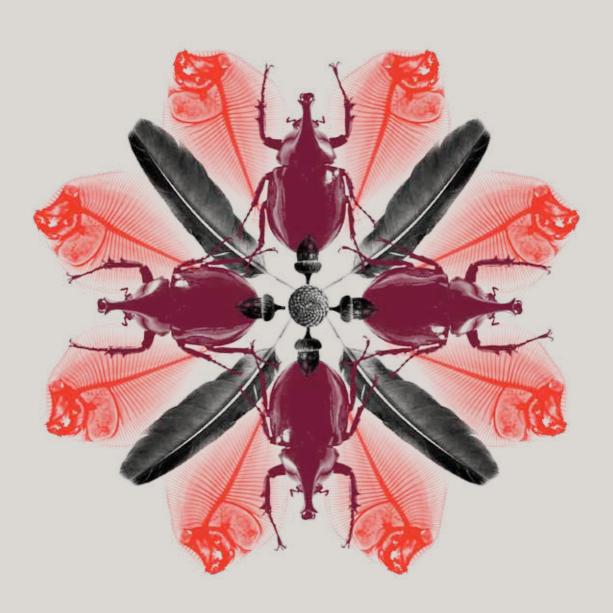
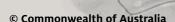
Reform of Australia's biosecurity system An update since the publication of One Biosecurity: a working partnership

MARCH 2012





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1 Executive summary

The Department of Agriculture, Fisheries and Forestry (the department) is implementing reforms to Australia's biosecurity system to continue to deliver a modern system that is responsive and targeted, in a changing global trading environment. The reform program is substantial and changes achieved incrementally, with funding considered on an ongoing basis as part of the usual budget processes.

Australia's biosecurity system lies at the heart of our position as a trading nation. The system ensures good biosecurity outcomes through Australia's activities as an exporter and importer of goods. It relies on cooperation between the Australian Government and state and territory governments, as well as importers, exporters and the wider community. Onshore, industry groups contribute through planning, preparedness and response activities in cooperation with governments.

Australia's biosecurity system has been subject to review several times. Recommendations made for improvements to the way it operates started with the Nairn Review in 1995, and culminated in the 2008 independent review of Australia's quarantine and biosecurity arrangements – *One biosecurity: a working partnership* (the Beale review). The Beale review found that Australia's biosecurity system operated well, but could be improved. It proposed significant reforms to strengthen the system by revising legislation; targeting resources to the areas of greatest return from a risk management perspective; sharing responsibility between government, businesses and the community; and improving transparency, timeliness and operations across the continuum.

Changing global demands, growing passenger and trade volumes, increasing imports from a growing number of countries, population expansion and climate change mean that biosecurity risk is growing. There is also an increasing demand from international trading partners for greater levels of assurance in relation to Australia's exports.

The reforms being undertaken position the department to meet this increasing demand and to ensure the biosecurity system is effective and sustainable into the future. The reform program is consistent with the themes outlined in the Beale review, informed by previous reviews and stakeholder needs; and underpinned by five key principles:

- implementing a risk-based approach to biosecurity management
- managing biosecurity risk across the continuum offshore, at the border and onshore
- strengthening partnerships with stakeholders
- · being intelligence-led and evidence-based
- supported by modern legislation, technology, funding and business systems.

Through these themes, the focus on the continuum better supports consistent service delivery onshore, at the border and offshore; provides effective biosecurity risk management underpinned by sound evidence and policy; improves the efficiency and responsiveness of operations through modern legislation and technology systems; and strengthens relationships.

The benefits of the reformed biosecurity system will be realised by industry, government, the environment and international trading partners – with positive flow through effects to the economy more generally. This will be through improved trade, streamlined business process, productivity improvements and reduced regulatory burden in a seamless and lower cost business environment; emphasising risk-based decision making, the use of intelligence, a single point of regulatory contact and robust partnerships.

This report provides an overview of the achievements and progress made against these five key principles; linked to the applicable recommendations of the Beale review.

2 Overview

The agriculture, fisheries and forestry industries were estimated to generate approximately 3 per cent of Australia's gross domestic product in 2010–11. Australia gains significant economic benefits as a major net exporter of agricultural products, with around two-thirds of national agricultural production exported to overseas markets. Australia also benefits from importing a range of goods from overseas. Imports provide Australia access to a wide range of products, technology and services which enable economic growth in multiple sectors. The Australian tourism and education sectors are major industries and benefit from facilitating the safe movement of people across the border.

Historically, elements of the past approach to biosecurity have been underscored by mandatory border intervention targets, giving little regard to the differing level of risk posed by different passengers, goods, or incursions or where along the continuum (offshore, onshore and at the border) intervention is most effective. It has been largely reliant on direct intervention by departmental inspectorate staff.

Biosecurity risks are increasing due to growing numbers of vessels, passengers and goods from higher risk origins and risks arising from climate change. There is an increasing number of incursions and escalating demand from international trading partners for greater levels of assurance in relation to Australia's exports. Looking forward, the department will be impacted by a range of domestic and global challenges, including:

- increased complexity in biosecurity risk management as new and different products arrive from a wider variety of countries and growing demand for timely import risk analyses, as more countries seek access to Australian markets
- increased volumes of goods arriving via international mail rather than more traditional importation routes; such as sea cargo
- tighter timelines in logistics chains; increasing the pressure on border agencies to process goods more rapidly

- rising demands for specialist export inspections, auditing and verification systems as new markets become available to Australian producers and increased complexity in requirements from importing countries, putting pressure on export systems and our ability to open new international markets
- increased pressure for the department to service regional ports and airports where staff have not traditionally been located
- increased competition for skilled staff, with the changing demographics of the Australian Public Service and potential changes to the supply of scientific specialists
- shifts in climate patterns which could potentially affect vector pathways (such
 as airborne or tidal movements) for pests and diseases and continued population
 growth and expanding urban areas bringing people closer to agricultural
 production and sensitive environmental areas.

3 Australia's biosecurity system

Australia's economy and environment benefit significantly from a strong biosecurity system. Australia has enjoyed a high degree of protection from biosecurity risks, based on natural advantages of relative geographical isolation, the absence of shared land borders and a border-focused system of biosecurity. These advantages have meant that the environment has been free of many pests and diseases common elsewhere and has positioned Australia well to prevent their entry into the ecosystem. The freedom of the agricultural sector from the most destructive pests and diseases confers a higher degree of quality on Australia's agricultural exports.

As a nation that exports approximately two-thirds of its agricultural produce, the Australian economy and rural communities, including 300,000 jobs, are dependent on the flow of trade. Australian farmers benefit from the World Trade Organization's (WTO's) system of rules-based trade. Australia, like other WTO Members, must adhere to a science-based process for assessing quarantine import risks.

The WTO's Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) defines the concept of an "appropriate level of sanitary and phytosanitary protection" (ALOP) as the level of protection deemed appropriate by a WTO Member establishing a sanitary or phytosanitary measure to protect human, animal or plant life or health within its territory.

Like many other WTO Members, Australia expresses its ALOP in qualitative terms. The Australian Government, with the agreement of all state and territory governments, has expressed Australia's ALOP as "providing a high level of sanitary and phytosanitary protection aimed at reducing risk to a very low level, but not to zero".

The Australian Government's policy reflects community expectations and provides for a high standard of quarantine that manages risks to a very low level. Zero risk to Australia's biosecurity is unattainable: the shifting nature of global trade, climate change, the introduced nature of Australia's crops and livestock, and the impossibility of examining each and every shipment of goods imported, mean that such a goal is unrealistic. In practical terms, adoption of a zero-risk threshold would imply the

cessation of international travel, trade, and tourism. Even then, risk would remain from the natural migration of birds and climatic events that could bring windborne pests and diseases to Australia.

Australia's approach to managing the risk of incursions of exotic pests and diseases is multi-layered, involving complementary measures applied along the biosecurity continuum—offshore, at the border and onshore.

Offshore activities seek to prevent biosecurity risks reaching Australia. It involves understanding global risks, working with international trading partners, the private sector and engaging with travellers about Australia's biosecurity requirements. Specific offshore activities include cooperation in multilateral forums, import risk analyses, intelligence gathering and audit activities.

Border activities seek to intercept biosecurity risks that present at airports, seaports, mail centres and along Australia's coastline. Border activities include import permit decisions, inspection of passengers, goods, vessels and mail, audit activities and postentry quarantine.

Finally, in the event that there is an incursion of a pest or disease of biosecurity risk, onshore arrangements are designed to reduce the likelihood that the pest or disease will become established in Australia. Examples of onshore activities include Australia's monitoring and surveillance activities for exotic animal and plant pests and diseases, and emergency preparedness and response plans. Formal national arrangements exist for managing responses to emergency animal and plant pests and diseases, and food safety issues in aquatic and terrestrial environments.

4 Beale Review

In the recent years preceding 2008, a spate of biosecurity events occurred that included the outbreak of foot and mouth disease in the United Kingdom, bovine spongiform encephalopathy (BSE, or "mad cow disease") in Europe, Japan and North America, the emergence of the H5N1 strain of avian influenza, an outbreak of equine influenza in 2007 in Australia and incursions of several exotic pests and diseases in Australia such as European house borer, sugar cane smut, citrus canker and khapra beetle. Against this background, the Australian Government commissioned an independent panel of experts chaired by Mr Roger Beale AO to conduct a comprehensive review of Australia's quarantine and biosecurity systems.

The panel's report - *One biosecurity: a working partnership* - was released on 18 December 2008. The review found that Australia's biosecurity system operated well, but could be improved. It proposed significant reforms to strengthen the system by revising legislation and improving governance arrangements, transparency, timeliness and operations across the biosecurity continuum.

Some of the key concerns identified by the Beale review were:

- the use of mandatory intervention targets, which led to resources being allocated to lower risk areas rather than where they could achieve a better biosecurity outcome
- outdated information technology capability, leading to inefficient operations and higher costs to business
- · complicated and dated legislation, leading to complex administration and compliance costs
- a need for comprehensive onshore monitoring and surveillance to support Australia's exports, which are classed as having a low pest and disease risk, and a need to support onshore pest management
- a need for an improved partnership approach to biosecurity in which all stakeholders play a role

- inadequate resources for the task, particularly for offshore and onshore activities. The review recommended an increase in funding of about \$260 million a year, subject to budgetary processes. It also identified the need for an investment in the order of \$225 million to improve information and technology systems
- sub-optimal organisational structures and governance arrangements that did not support a clear role for the Australian Government or Parliament, encouraged the perception of political interference and detracted from the sharing of information and a common mission.

In December 2008, the Australian Government agreed in principle to the recommendations outlined in the report and directed the department to commence some reforms, including a move away from mandatory Increased Quarantine Intervention targets introduced by the former Government in 2001.

8

5 Direction of reform

Since the Beale Review the department has been progressing reform to deliver a modern biosecurity system that is responsive and targeted. The system focuses efforts across the biosecurity continuum on activities that are based on risk, science and an effective regulatory framework.

The government's commitment to biosecurity reform has been supported by the provision of resourcing through successive budgets. This work has informed the development of a comprehensive overarching policy framework and includes:

- moving to a risk-based approach for biosecurity supported by intelligence, analysis, risk profiling, operational changes and feedback capabilities
- · increasing the management of risks offshore
- building the capability and capacity to proactively anticipate, detect and respond to emerging pests and disease threats
- improving partnerships between the Commonwealth, states and territories, industry, trading partners and the community
- enhancing co-regulatory arrangements with industry partners
- enhancing export market access
- enhancing audit and verification activities
- new biosecurity legislation to replace the Quarantine Act 1908 and associated civil enforcement activities
- business improvements, information and communication technology (ICT) systems, training and communication to support the new legislation and new business model
- updating import conditions and facilitating more efficient importation of goods
- urgent maintenance and refurbishment of existing post-entry quarantine facilities and the purchase of land and design for future arrangements.

To allow resources to be focused on the delivery of more effective and efficient biosecurity systems, the Australian Government announced in May 2011 that biosecurity services will continue to be delivered through the department. The key biosecurity functions have been combined as recommended by the Beale review but as a core function of the Department of Agriculture, Fisheries and Forestry; rather than a separate statutory authority and commission (recommendations 12, 13, 16, 17, 19, 22 and 67 of the Beale review refer). Related recommendations are being addressed within the current organisational arrangements and in the development of new biosecurity legislation.

The government's biosecurity reform program embodies the principles of the Beale review and is moving forward at a measured pace; with funding considered as part of the usual budget processes.

6 Reform activities and achievements

The department has been progressing a range of activities to deliver a more efficient and effective biosecurity system in line with the themes of the Beale review. A detailed analysis of reform activities and achievement is outlined below, providing an integrated overview of the biosecurity reform program. A summary of the progress on implementing specific recommendations of the Beale review can be found at Attachment A.

6.1 A risk-based approach

Consistent with the Beale review, the department is moving to a risk-based approach to biosecurity operations in which resources are focused on the risks of greatest biosecurity concern. Implementation of a risk-based approach is a central component of the reform program; and will allow the allocation of effort and resources on the highest biosecurity risks, while maintaining assurance on lower-risk items and pathways.

Risk-based operations will reduce the administrative burden on compliant clients, enabling faster clearance at the border through better targeting and focus on higher risk commodities and stakeholder behaviours. It will also reduce delays for industry and cut the costs for clients who actively and conscientiously take account of biosecurity risks.

Relevant Beale review recommendations:

5, 28, 29, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55,

56, 57, 58, 59, 60, 63, 64, 65, 66, 68, 79

Achievements and work underway to implement a risk-based approach includes:

- The department has moved away from mandatory intervention targets for international passengers and mail, arriving international sea vessels, sea and air cargo containers and for high volume low value consignments. With advice from the Australian Centre of Excellence for Risk Analysis it has introduced risk-based intervention methodologies in order to optimise the interception of material that poses a high biosecurity risk.
- Changes have been made to the use of detector dogs at airports and mail centres in
 order to maximise their effectiveness at detecting quarantine risk material. Instead
 of working around the baggage carousels at airports, quarantine detector dogs are
 now used in dedicated dog channels to screen passengers who have been assessed
 as being more likely to be carrying high risk material.
- As well as the operational changes, the Australian Government has committed funding over four years to progress scoping work and planning to implement a riskbased approach to biosecurity decision making.
- The department is consulting on options to prevent marine pests from entering Australian waters as biofouling. Options under consideration promote risk mitigation activities such as hull treatments, appropriate use of antifouling coatings and use of in-water treatment systems as a way to minimise the potential of translocation of exotic marine pests into the Australian environment. A call for public submissions on a consultation regulation impact statement for the proposed requirements closed on 29 February 2012.
- The department in conjunction with New Zealand authorities is developing
 new antifouling and in-water cleaning guidelines to address biosecurity and
 contaminant risks associated with cleaning vessels in-water. Once finalised, the new
 guidelines will provide a clear and practical risk assessment framework to facilitate
 consistent decision making about whether to permit in-water cleaning of vessels.
- Changes have been made to the way the department investigates non-compliance
 in order to maximise the effectiveness of detecting deliberate criminal breaches
 of quarantine legislation. Investigations are now prioritised and initiated through
 enhanced data analysis and intelligence sharing with national programs to
 focus on the highest areas of compliance risks, identified by implementing a
 risk-based approach. This approach is reflected in the department's Biosecurity
 Compliance Strategy.
- Review of import conditions for plant based products has removed the need for an
 import permit for highly processed plant products. This has reduced the number of
 permit assessments required annually by 350 with no change to the biosecurity risk.

6.2 The biosecurity continuum

As noted in the Beale review, operational activities have historically been concentrated at the border. The reforms aim to develop an integrated approach across the biosecurity continuum; involving offshore, border and onshore activities.

Offshore activities reduce the risks of exotic pests and diseases reaching Australia. It provides assurance to the community about the biosecurity status of commodities imported into Australia and improves access to international markets. Offshore activity to reduce risk will include better intelligence through the scientific community and analysis using geospatial data, strengthened international agreements and partnerships (including capacity building) and treatments in the country of origin. Offshore activity will also focus on ongoing monitoring and understanding of biosecurity within other countries, including through system and supply chain audits.

Onshore activities detect and respond to biosecurity incursions, provide assurance and facilitate market access opportunities. Onshore activity will include enhanced surveillance, sampling, diagnostics, emergency response arrangements, and strengthened partnerships with states and territories to monitor and respond effectively to incursions and other biosecurity issues.

Relevant Beale review recommendations:

28, 29, 30, 44, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 65

Achievements and work underway to deliver an integrated approach to managing biosecurity risk across the continuum includes:

- Improved guidelines and training systems for offshore audits have been implemented and a number of audits of pre-border activities and competent authority assessments have been conducted or are being planned to manage biosecurity risks more effectively. These include audits for ornamental fish, pig meat, stockfeed, genetic material, horse and foot and mouth disease country status.
- A new approach to the risk profiling of vessels from Asian countries for the forestry pest Asian Gypsy Moth has been developed using remote geo-spatial analysis. This approach allows improved targeting of at-risk ports and more effective interventions at the border in Australia. Further work on risk profiling of vessels is being undertaken using climate modelling, which will improve our ability to identify at-risk vessels.
- A number of existing and new high risk sources for plant propagative materials were examined to ensure that existing facilities continue to meet Australia's requirements and to recognise additional safeguards which are in place to keep the pest risk offshore. At the horticulture industry's request, a new source for potato propagative material was evaluated and, if approved, will provide a valuable source of high health potato germplasm for the Australian industry.
- The department and the Australian Customs and Border Protection Service have developed shared communication products targeting travellers returning to Australia from high risk destinations in South East Asia. This included Australian Customs and Border Protection Service staff distributing two sided postcards (one with a biosecurity message and one with a Customs message) to people leaving Australia, as well as developing some graphics for the Proceeds of Crime Act screens that travellers see when they await processing.

- A number of achievements have been made through offshore work with international stakeholders to reduce the likelihood of pests and diseases arriving in Australia. For example, the Australian Fumigation Accreditation Scheme continues to expand to ensure that offshore fumigations of goods destined for Australia are performed effectively, with audit results demonstrating that treatment standards have improved in countries where the scheme is well established.
- The department and Mauritius government have worked together to improve port and container hygiene measures and establish segregated zones at Mauritian ports, to store containers free of quarantine risk material that are destined for Australia. This means thousands of containers from Mauritius no longer require routine external inspection unless going to a rural area in Australia.
- A program developed in conjunction with Thailand's government and the Thailand automotive industry to address biosecurity risks from exotic seeds contaminating new cars has significantly reduced the amount of quarantine-risk material identified on vehicles arriving from Thailand. Forty Thai officials were also trained to complete inspections on vehicles prior to their export to Australia.
- The Australia Indonesia Partnership for Emerging Infectious Diseases Animal Health 2010-2014 – is an AusAID funded program implemented by the department. It aims to build the institutional strength of animal health agencies in Indonesia. Similar work on a smaller scale continues in Timor Leste and Papua New Guinea.

6.3 Partnerships with stakeholders

A central tenet of the Beale review was the need to strengthen the partnership approach to reflect the shared responsibility for biosecurity between the Australian Commonwealth, state and territory governments, industry (including importers, exporters, and onshore agriculture, fisheries and forestry sectors), trading partners and the broader community.

Ultimately, industry will be able to take a greater role in managing biosecurity risks where it is feasible to do so with support and oversight from the department and have access to departmental business systems; reducing the level of intervention from the Australian government and allowing greater flexibility in business operations. The underlying principle will be to support those who do the right thing and intervene more with those who don't.

The department is also working together with state and territory governments, international trading partners, and organisations to share information, have clear roles and responsibilities across the continuum and ensure every stakeholder is supported to effectively manage biosecurity risk.

Relevant Beale review recommendations:

7, 8, 9, 10, 11, 23, 24, 25, 26, 27, 28, 29, 30, 33, 35, 40, 41, 45, 46, 47, 48, 49, 50, 53, 54, 55, 56, 57, 58, 60, 65, 72, 74, 79

Achievements and work underway to strengthen partnerships with stakeholders includes:

- The Intergovernmental Agreement on Biosecurity has been negotiated to strengthen the collaborative approach between the Commonwealth and state and territory governments in addressing Australia's biosecurity issues.
- The National Environmental Biosecurity Response Agreement, as the first deliverable of the Intergovernmental Agreement on Biosecurity, aims to significantly strengthen Australia's biosecurity system by establishing national arrangements for responses to nationally significant biosecurity incidents where there are predominantly public benefits.
- During May and August 2011, biosecurity officers joined with Indigenous rangers to explain biosecurity to Indigenous communities during the Garma Festival. This builds on the department's work with Indigenous park rangers in the Northern Territory to strengthen partnerships in managing biosecurity across a 7300km swathe of northern Australian coastline.
- In March 2011 a remote diagnostic microscope was installed in Papua New Guinea to enable better collaboration and information sharing on emergency plant pests.
- Reform of export certification is being implemented in consultation with export dairy, fish, egg, grain, horticulture, live animal and meat industries, to deliver more efficient export certification and inspection services. These sectors have been returned to 100 per cent cost-recovery arrangements. Communication materials, such as DVDs, have been developed to explain the benefits of the new systems to trading partners.
- A new Memorandum of Understanding (MoU) has been negotiated between the department and the Australian Customs and Border Protection Service to formally define the relationship between the two agencies in relation to biosecurity services and establishes agreed working principles. The MoU was signed at an official ceremony in Canberra on 21 July 2011.
- The department and the Australian Customs and Border Protection Service have also successfully completed mail screening trials at two of the Australia Post international mail centres. As a result of the trials, a number of initiatives have been implemented to streamline international mail handling across the four international mail centres.
- Food Import Compliance Agreements were made available to importers in July 2010 to enable importers who have invested in sound sourcing practices. including through contractual requirements and internal testing arrangements to reduce duplicative regulatory intervention. Participating importers' food safety management systems must be approved, and are then audited at least annually.
- The Biosecurity Advisory Council was established on 1 January 2010 and meets regularly to develop independent, strategic advice on biosecurity issues for the Minister for Agriculture, Fisheries and Forestry.
- The department is working with importers and their representatives to develop Biosecurity Management Systems. These will allow reduced levels of screening for importers who can demonstrate that they have effective systems for managing biosecurity risks. By reducing inspections for low risk, highly compliant importers, the department will be able to have a greater focus on higher risk importers and imports.

- The Biosecurity Incident National Communication Network has been strengthened through a reporting line to the National Biosecurity Committee and endorsed terms of reference. The network includes communication managers from all jurisdictions, Animal Health Australia, Plant Health Australia, CSIRO and affected industries. It is used to drive and coordinate communication activities nationally in the event of a biosecurity emergency.
- A Memorandum of Understanding to collaborate on animal and plant biosecurity activities was signed with East Timor's Ministry of Agriculture and Fisheries in December 2010. Similar arrangements are under consideration with Papua New Guinea.

6.4 Intelligence-led and evidence-based decision making

Consistent with the approach recommended in the Beale review, management of biosecurity risks will be informed by intelligence and evidence. This approach builds on the department's current science-based assessments that underpin biosecurity risk management and decision making. Being evidence-based ensures that biosecurity decision-making is informed by current and robust scientific and economic evidence, and operational experience.

Using information and intelligence will allow the department to tailor resources and processes to continually respond to changes in risk drivers and to better target and forecast emerging risks. This holistic approach of intelligence, evidence and science based decision making will ensure the effective and efficient analysis of biosecurity risks to maintain Australia's favourable pest and disease status.

Relevant Beale review 14, 28, 33, 34, 35, 38, 42, 46, 47, 49, 50, 51, 52, 53, 54, 55, recommendations: 56, 57, 58, 59, 63, 65, 66, 68, 71, 72, 83

Achievements and work underway to facilitate intelligence-led and evidence-based decision making includes:

- The department is working in partnership with the Australian Customs and Border Protection Service to improve its intelligence and targeting capability. This will assist the department to target the highest risks, particularly areas involving illegal activities. A program of targeted campaigns, based on developed intelligence, is being undertaken to test and verify importer compliance for specific risk pathways.
- The Aquatic Animal Health Training Scheme for practising aquatic animal health professionals has been launched, with applications closing in April 2012. The Scheme will improve knowledge and skills in aquatic animal health management to support Australia's fishing and aquaculture industry. Work is underway to expand the concept to other areas of biosecurity.
- A project on biosecurity intelligence continues to develop a system for collating and analysing information critical in implementing a risk-based approach for biosecurity decision making. An exploratory exercise was completed and an integrated departmental-wide approach to intelligence developed in late 2011. Proposed pilots will be undertaken over the next twelve months to test the concepts proposed in the approach.

- In May 2011 a new online open-source website was launched which has
 dramatically improved intelligence-gathering and analysis capacity for aquatic
 animal health. This system is now being extended to terrestrial animal heath and
 plant health.
- A national aquatic animal disease diagnostic proficiency testing program was
 established in 2010 to provide a means for government, research and private
 laboratories to assess their diagnostic proficiency for six significant diseases.
 The program was established within the Australian National Quality Assurance
 Program which previously only included testing for terrestrial animal diseases.
 The program will continue until 2013 at which time it will be reviewed.
- A Postgraduate Curriculum in Plant Biosecurity has been developed to build expertise and capacity for plant biosecurity management. Enrolments in the course commenced in 2010 across five universities.
- A new Master of Veterinary Public Health (Emergency Animal Disease) course has been developed and will commence at the University of Melbourne in the second half of 2012.
- In July 2009, an economist was appointed to the Eminent Scientists Group; further
 enhancing Australia's import risk analysis process. The group's terms of reference
 have been updated to allow the group to co-opt one or more associate members
 and members are now appointed by the Minister after consultation with the states
 and territories.

6.5 Modern legislation, technology, funding and business systems

The Beale review made a number of recommendations to ensure the integrity of the biosecurity system; enabled by modern legislation, technology, funding and business systems.

Modern legislation will enable reforms and simplify and clarify biosecurity regulatory requirements; resulting in greater consistency in the application of regulations and reduce the regulatory burden on industry and users of the biosecurity system. New ICT systems will enable the risk-based approach; through implementation of contemporary ICT hardware, software, communication and information platforms and developing synergies with the Australian Customs and Border Protection Service.

Sustainable funding of the biosecurity system will see modern arrangements in place to ensure that costs are recovered where appropriate, funding is flexible to enable resourcing of emerging risks and priorities and that government funds public good elements of the biosecurity system. New business systems will provide assurance of the biosecurity system and ensure processes are documented and consistent, maintaining integrity and due diligence.

Relevant Beale review recommendations:

1, 2, 3, 4, 5, 6, 7, 11, 15, 18, 20, 21, 28, 31, 32, 35, 36, 37, 38, 39, 40, 43, 47, 48, 55, 57, 58, 61, 62, 64, 65, 66, 68, 69, 70, 71, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84

Achievements and work underway to enable the reform program include:

- New biosecurity legislation to replace the *Quarantine Act 1908* is close to finalisation. It will deliver broader, yet simpler provisions that provide flexible powers to efficiently and responsively manage biosecurity risk and promote effective cooperation between government, trading partners, industry and the community.
 - The new Biosecurity Bill exposure draft and a consultation regulation impact statement is expected to be released in the first half of 2012. It is anticipated that the Biosecurity Bill will be introduced into Parliament in the second half of 2012.
- An Interim Inspector General of Biosecurity was appointed in July 2009 to conduct independent audits of Australia's biosecurity systems, with a statutory position to be established under the new biosecurity legislation. Since that time the Interim Inspector General of Biosecurity has completed 11 independent reviews of Australia's biosecurity system which are publically available on the department's web site.
- The department has invested in the establishment of an information services division with a view to modernising and optimising use of technology across all biosecurity services.
- A second pass business case for an upgrade of information and communication technology systems is under consideration.
- Work continues on the redevelopment of the Biosecurity Import Conditions (BICON) database which is due to be progressively implemented from November 2012.
 - BICON will deliver increased consistency in the operational application of import conditions; increased industry knowledge and compliance with import requirements; and efficiency gains in the areas of permit issuing and clearance of goods.
- A paperless initiative for air-freight biosecurity screening developed in cooperation with industry came into effect in June 2011.
 - The initiative has seen a shift to electronic documentation for the processing of low value (less than \$1000) air freight items handled by courier companies which has enabled significant efficiencies to industry, the public and the department, estimated to be well in excess of a million dollars per annum.
- The efficient and secure movement of sea containers has been improved following trials of an automated messaging system known as S-Cargo. It replaces the manual paper based system and gives customs brokers, importers, shipping companies, container terminal operators and agents, advanced knowledge of containers requiring inspection, prior to the container's arrival in Australia.
- The department has set up a network of computer-connected microscopes so that entomologists in one location can look at a specimen elsewhere. The technology has sped up identification and equally important, the confirmation of identification of insects.
- Existing biosecurity funding arrangements are being reviewed to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles.

- The department has refined and published its audit and sanction policies for parties operating under a Quarantine Approved Premise (QAP) or Compliance Agreement arrangements to ensure there is clarity and consistency in the administration, auditing and response to non-compliance of co-regulators.
- In July 2011, a *Biosecurity Business Model* was completed to align business processes to legislation and instructional material as well as 'current' roles and responsibilities across the department. The model represents 80 per cent of all biosecurity high-level core operational business processes and displays the relationships from four perspectives: people, services, process, and systems. The model provides a baseline that is being used to track business process change associated with the biosecurity reform program and the export certification reform.
- Work on future post entry quarantine arrangements also continues, including refurbishments of current facilities and detailed design work, site acquisition and related procurement activities in partnership with the Department of Finance and Deregulation.

7 Next steps

Australia's economy and environment benefit significantly from a strong biosecurity system. However, to meet increasing demands on the current system and to deliver efficiencies for businesses and government, there is an imperative to continue the reform program and build on the progress made to date.

Notwithstanding the achievements made to date, the future presents many challenges and opportunities in a tight fiscal environment. The reform program is substantial and will occur over a number of years in measured steps. Ultimately it will deliver a range of benefits including a more efficient management of biosecurity risks, increased productivity in agriculture, facilitation of international trade and protection of Australia's unique environment.

Further reforms will focus on:

- continuing to strengthen partnerships between the Commonwealth, states and territories, industry, trading partners and the community
- enhancing import and export market access
- updating import conditions and facilitating more efficient importation of goods
- increasing the management of risks offshore
- enhancing co-regulatory arrangements
- building the capability and capacity to anticipate, detect and respond to emerging pests and disease threats
- enabling reforms by delivering modern legislation, technology and business systems.

Importers, exporters and the tourism and transport sectors are key stakeholders in biosecurity reform and the department is committed to an open and inclusive consultative process. The next significant meeting is the bi-annual Industry Roundtable on Biosecurity; chaired by the Secretary of the Department of Agriculture, Fisheries and Forestry, Dr. Conall O'Connell, in Canberra on 14 March 2012.

Trading partners will be kept informed of the progress of the reform program through regular briefings to trading partners and the World Trade Organization (WTO) Sanitary and Phytosanitary (SPS) Committee. The next bi-annual embassy briefing on biosecurity reform for international stakeholders will be held in Canberra in late May 2012.

Funding for the biosecurity reform program will be considered on an ongoing basis as part of the usual budget processes.

Attachment A Progress on implementing recommendations of the Beale review

BEALE RECOMMENDATION

1. The Commonwealth's biosecurity legislation should provide that authority given by the Commonwealth to import goods into Australia also authorises the goods to be imported into a state or territory on the same conditions (if any). It should provide that this authority operates to the exclusion of any state or territory law that imposes biosecurity regulation on the direct, or indirect via another state or territory, import of the goods into the state or territory.

COMMENT

This will be implemented in new biosecurity legislation. An exposure draft and consultation regulation impact statement for the new Biosecurity Bill is expected to be released in the first half of 2012 with a view to its introduction and passage in the second half of 2012. Refer section 6.5 of the report.

- 2. The biosecurity legislation should provide necessary legislative authority for a comprehensive system of tracing imported goods, including from their production or manufacture, through Australia's biosecurity border and into the community, to ensure that, among other things, the Commonwealth is able to enforce any biosecurity conditions imposed on the goods. The specifics, including priorities for application to products or classes of product, should be developed in consultation with relevant stakeholders. Authorised officers should be provided with comprehensive and consistent investigative, enforcement and prosecutorial powers.
- This will be implemented in new biosecurity legislation (see response to recommendation 1). Refer section 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
3. As part of this extended reach, the Commonwealth should increase its resources to support the monitoring, surveillance, investigation and, where appropriate, prosecutions associated with post-border biosecurity detections (see also Recommendation 74).	Improving biosecurity monitoring and surveillance associated with post-border biosecurity detections has been identified as a priority area for improvement under the recently signed Intergovernmental Agreement on Biosecurity (see response to recommendation 9). Funding is subject to budget consideration on a case-by-case basis. Refer section 6.5 of the report.
The Commonwealth should extend its legislative reach to cover the field with respect to international and domestic ballast water regulation.	This will be implemented in new biosecurity legislation (see response to recommendation 1). Refer section 6.5 of the report.
5. In relation to biofouling, the Commonwealth's legislative reach should be restricted to international vessels arriving in Australia, with the states and territories retaining responsibility for domestic biofouling requirements. The Commonwealth should promote the development of an international convention covering biofouling through the International Maritime Organization (IMO).	Regulations are scheduled for implementation in late 2012. Refer section 6.5 of the report. The Department of Agriculture, Fisheries and Forestry is also contributing to the development of international nonmandatory "guidelines for the control and management of ships' biofouling to minimize the transfer of invasive aquatic species" with the International Maritime Organization. Refer section 6.1 of the report.
6. The biosecurity legislation should continue to provide for national powers to deal with biosecurity emergencies. However, the powers should not be limited to quarantineable pests and diseases and associated measures and emergencies. They should clearly extend to biosecurity measures generally and biosecurity emergencies supported by the Commonwealth's constitutional reach. The opportunity should be taken to rationalise and simplify the existing powers, including by providing that they may be invoked or exercised by the Minister rather than the Governor-General.	This will be implemented in new biosecurity legislation (see response to recommendation 1). Refer section 6.5 of the report.
7. The biosecurity legislation should provide the Commonwealth with the capacity to override a specified law of a state or territory that imposes biosecurity controls on the use, movement, treatment or disposal of domestic goods imported into the state or territory from another state or territory. This capacity should only be available where the National Biosecurity Commission has determined that the biosecurity controls: a are not justified by an examination and evaluation of available scientific information; or b are more trade restrictive than required and so constitute	The Intergovernmental Agreement on Biosecurity has provisions for resolution of disputes related to interstate trade (see response to recommendation 9) 'Principles underpinning domestic quarantine and cross border movement controls for animals, plants and their products' and a 'process for domestic sanitary and phytosanitary measures dispute resolution' have been endorsed by the National Biosecurity Committee and the former Primary Industries Standing Committee, and Primary Industries Ministerial Council. This proposal is being considered in the development of the

a disguised restriction on interstate trade and commerce in new biosecurity legislation and regulatory framework (see

response to recommendation 1). Refer section 6.3 and 6.5 of the report.

domestic product(s).

8. The National Biosecurity Commission may only assess and make such a determination in relation to a biosecurity control under a state or territory law if an application for such an assessment and determination has been made by the relevant Commonwealth or state or territory Minister.

COMMENT

This proposal will be implemented via the processes outlined in the response to recommendation 7. Refer section 6.3 of the report.

- 9. A National Agreement on Biosecurity, to underpin a partnership approach between the Commonwealth and the states and territories on biosecurity, should provide for:
- a the Commonwealth to consult with the states and territories on the Appropriate Level of Protection and Biosecurity Import Risk Analysis Guidelines and priorities for considering market access requests;
- b the Commonwealth to consult with the states and territories on the appointment of members of the National Biosecurity Commission (other than the Director of Biosecurity);
- c emergency response policy and arrangements, including the circumstances in which the Commonwealth would utilise its national emergency management powers;
- d the steps preceding the Commonwealth's use of its legislative authority to override inappropriate state and territory controls on interstate trade in domestic products;
- e joint decisions on national priorities for investment by jurisdictions, including in monitoring and surveillance (including identifying national priority exotic pests and diseases for Commonwealth investment), research and development and biosecurity infrastructure; and
- f full and automatic information sharing between jurisdictions (in a manner consistent with obligations under the Privacy Act 1988), including information collected through pre-border intelligence activities, border controls (such as interception data) and information gathered through monitoring and surveillance programs (see Recommendation 54).

An Intergovernmental Agreement on Biosecurity was finalised by the former Primary Industries Ministerial Council. The Prime Minister signed the agreement in January 2012, along with all jurisdictions with the exception of Tasmania. The Intergovernmental Agreement on Biosecurity will strengthen the working partnership between the Commonwealth, state and territory governments and improve the national biosecurity system by identifying the roles and responsibilities of governments and outlining the priority areas for collaboration to improve the national biosecurity system. The agreement aims to improve surveillance and diagnostics, emergency planning, response and preparedness, research and development, and information sharing across jurisdictions. Refer section 6.3 of the report.

10. The National Agreement on Biosecurity should replace existing intergovernmental agreements such as the Memorandum of Understanding on Animal and Plant Quarantine Measures and the Intergovernmental Agreement on AusBIOSEC.

COMMENT

The recently signed Intergovernmental Agreement on Biosecurity captures parts of the former Intergovernmental Agreement on AusBIOSEC and principles from existing Memorandums of Understanding. The Intergovernmental Agreement on Biosecurity will be complemented by the National Environmental Biosecurity Response Agreement (NEBRA) which provides a framework for cost sharing arrangements for emergency response to non-production pests and diseases (as outlined under the former AusBIOSEC). The NEBRA has been signed by all jurisdictions as the first deliverable under the recently signed Intergovernmental Agreement on Biosecurity (see response to recommendation 9). Refer section 6.3 of the report.

- 11. The aim should be to develop the Biosecurity Act (see Recommendation 43) and negotiate the National Agreement on Biosecurity within two years. While agreement with the states and territories is highly desirable, the Commonwealth should reserve the right to proceed with the Panel's recommendations unilaterally, or with a limited number of participating states and territories, if agreement is not forthcoming within that timeframe.
- Legislation is under development (see response to recommendation 1).

Refer section 6.5 of the report.

The Intergovernmental Agreement on Biosecurity came into effect when it was signed by the Prime Minister in January 2012 after its agreement by all jurisdictions with the exception of Tasmania.

Refer section 6.3 of the report.

- 12. The biosecurity legislation should provide that Biosecurity Import Policy Determinations should be made by an expert and independent National Biosecurity Commission. The Commission's functions, basis of appointment and decision making rules should be specified under the biosecurity legislation. Its functions should include providing expert advice to the National Biosecurity Authority (see Recommendation 16) and the Government on biosecurity matters more generally.
- The Australian Government announced in May 2011 that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. The new Biosecurity Bill will provide for a statutory process that will seek to ensure transparency and science-based decision making. The roles of the Director of Biosecurity and the portfolio Minister will be outlined in the legislation to ensure appropriate separation of decision making consistent with whole of government policy. Refer section 6.5 of the report.

13. The Commission should include members with expertise in natural sciences related to risks of pests and diseases in plants, animals and humans, risk assessment and management, ecology, agricultural and food production and economic assessments. The Commission should comprise no fewer than seven and no more than nine members, including the head of the National Biosecurity Authority.

COMMENT

The Government announced in May 2011 that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. Consistent with this decision the department will continue to have expertise in natural sciences related to risks of pests and diseases in plants, animals and humans, risk assessment and management, ecology, agricultural and food production and economic assessments. Refer section 6.4 of the report.

- 14. More training should be provided to biosecurity officials on principles of proper decision making and the types of conduct that may amount to offences against them or breaches of the Australian Public Service Code of Conduct.
- The response to this recommendation is ongoing. Offices are provided with access to training on decisionmaking, legislation and the APS Code of Conduct. Refer section 6.4 of the report.
- 15. The biosecurity legislation should create a targeted offence of assaulting, resisting, molesting, obstructing, intimidating or interfering with officers in the performance of their duties, analogous to that in the Customs Act 1901 and the Civil Aviation Act 1988.
- This will be implemented in new biosecurity legislation (see response to recommendation 1). Refer section 6.5 of the report.
- 16. The primary biosecurity functions currently within AQIS, Biosecurity Australia and Product Integrity, Animal and Plant Health Division should be brought together in a statutory authority—the National Biosecurity Authority. The National Biosecurity Authority should be an independent authority under the Financial Management and Accountability Act 1997 with the head of the Authority having the personnel and management powers and obligations of a Secretary under that Act. Its functions should include protecting Australia's biosecurity status in accordance with Australia's treaty obligations and Appropriate Level of Protection, as well as providing secretariat, research and administrative support to the National Biosecurity Commission in the conduct of its functions. The head of the Authority should be referred to as the Director of Biosecurity.

In May 2011 the Australian Government announced that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. The key biosecurity functions have been combined as recommended but as a core function of the Department of Agriculture, Fisheries and Forestry. Under the new Biosecurity Bill, the Secretary of the Department of Agriculture, Fisheries and Forestry will assume the role of the Director of Biosecurity, while a

statutory office of the Inspector General of Biosecurity will

be established to oversight the effectiveness and integrity of

Refer section 6.5 of the report.

the biosecurity system.

BEALE RECOMMENDATION	COMMENT
17. An eminent Australian should be appointed as the part-time Chair of the National Biosecurity Commission, with the Director of Biosecurity being an ex-officio member of the Commission.	This proposal is no longer applicable. The Australian Government announced in May 2011 that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission.
18. The biosecurity legislation should expressly provide that the National Biosecurity Commission, and officers and other authorised personnel performing National Biosecurity Commission functions, are not subject to direction by the Government in performing their duties in relation to Biosecurity Import Policy Determinations. The legislation should also prevent the Government directing the Director of Biosecurity, or his/her delegate, in relation to an import permit decision.	These proposals will be addressed within current organisational arrangements and in the development of new biosecurity legislation. The new legislation will include a provision that the Director of Biosecurity cannot be subject to direction from the portfolio Minister in relation to the outcome of an import risk analysis or import permit decision. Refer section 6.5 of the report.
19. The export inspection and certification functions of AQIS should be transferred to the National Biosecurity Authority, but trade facilitation should remain a role of the Department, with technical expertise provided by the Authority as needed.	The Government has decided that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. Consistent with this decision the department will continue to undertake export inspection and certification and trade facilitation functions. Refer section 6.3 of the report.
20. The Commonwealth should establish within the Department of Agriculture, Fisheries and Forestry, a statutory office of the Inspector General of Biosecurity that will audit and report on the performance of the National Biosecurity Authority. The legislation should provide that the holder of this office have appropriate skills in relevant scientific and auditing or systems assessment disciplines. The appointment should be made by the Minister for a five year term and there should not be limitations on the appointment of persons on the grounds that they have been previously employed in the Australian Public Service or otherwise by the Australian Government.	A statutory office of the Inspector General of Biosecurity will be established in new biosecurity legislation in line with this recommendation to oversight the effectiveness and integrity of the biosecurity system (see response to recommendation 1). An Interim Inspector General of Biosecurity was appointed on 1 July 2009. Refer section 6.5 of the report.
21. The functions of the Inspector General of Biosecurity should subsume those recommended by Commissioner Callinan for the Inspector General of Horse Importation.	Functions of the Interim Inspector General of Horse Importation have been subsumed by the Interim Inspector General of Biosecurity. Refer section 6.5 of the report.
22. The biosecurity legislation should require that the Commonwealth obtain the support of any five of the states and territories before it can appoint the Chair and members of the National Biosecurity Commission, other than the Director of Biosecurity.	This proposal is no longer applicable. The Australian Government announced in May 2011 that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission.

- 23. A Biosecurity Advisory Council (replacing the Quarantine and Exports Advisory Council) should:
- a be established to provide strategic and policy advice on biosecurity issues to the Minister, to the National Biosecurity Commission and to the Director of Biosecurity; and
- **b** consist of non-representative members with a broad range of skills in biosecurity and related disciplines drawn from the Commonwealth and state and territory governments, business, academia and non-government organisations.

24. Commodity and/or sector based Industry Consultative Committees should continue to discuss operational biosecurity issues including the delivery of services and cost recovery for those services.

COMMENT

A Biosecurity Advisory Council was established on 1 January 2010 to provide independent advice to the Minister for Agriculture, Fisheries and Forestry, comprising nonrepresentative members with a broad range of skills in biosecurity and related disciplines.

The council's terms of reference and membership will be revised to reflect the Government decision that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. Refer section 6.3 of the report.

This has been implemented and is ongoing. Stakeholder interfaces include (but are not limited to) the:

- · Biologicals Consultative Group
- · Grain Industry Consultative Committee
- Horticulture Exports Consultative Committee
- · Cargo Consultative Committee
- Dairy Export Industry Consultative Committee
- Export Meat Industry Advisory Committee
- Horse Industry Consultative Committee
- Imported Food Consultative Committee
- Livestock Export Industry Consultative Committee
- · Post Entry Plant Industry Consultative Committee
- Seafood Export Consultative Committee Refer section 6.3 of the report.
- 25. All animal, plant and aquatic industries should commit to sharing the responsibility and costs of pest and disease response actions, with those who are not signatories to the relevant cost sharing agreement meeting their share of a response, possibly by way of levy to recover costs.

The Department of Agriculture, Fisheries and Forestry is reviewing existing post border arrangements and exploring opportunities to develop an integrated, national approach to enhancing Australia's animal and plant health status, preparedness and response activities. Refer section 6.3 of the report.

26. The membership of Animal Health Australia and Plant Health Australia should be broadened to encompass environmental pest and disease issues including those affecting the aquatic and terrestrial environments.

The Department of Agriculture, Fisheries and Forestry is reviewing existing post border arrangements and exploring opportunities to develop an integrated, national approach to enhancing Australia's animal and plant health status, preparedness and response activities. Refer section 6.3 of the report.

27. To enhance biosecurity planning:

- a where Industry Biosecurity Plans already exist, there should be strong encouragement for their implementation at an individual business level;
- **b** industries or sectors that are vulnerable but not covered by Biosecurity Plans (for example, the aquatic wildcatch and aquaculture industries), should be encouraged to develop a Biosecurity Plan; and
- c governments should work with managers of land for conservation purposes to ensure that they have appropriate biosecurity plans and practices.

COMMENT

The Department of Agriculture, Fisheries and Forestry is working with industry to progress work towards this aim. Progress has been made with the Australian Poultry industries; and the Zoo and Aquaria Sectors; the Stud and Poultry Breeders Association and the Royal Agricultural Show Society.

Refer section 6.3 of the report.

28. There should be:

- a greater consistency in the administration, auditing, and response to non-compliance of co-regulators;
- b reduced regulatory burdens for businesses that maintain an excellent track record of compliance with co-regulatory agreements; and
- c wider adoption of co-regulatory arrangements.

These objectives are ongoing.

The Department of Agriculture, Fisheries and Forestry's compliance program is working closely with biosecurity programs to report on any incidents of non-compliance identified through investigations (see also response to recommendation 47).

Refer section 6.1 of the report.

The department has established co-regulation improvement projects with industry members to develop improved coregulatory arrangements. The audit and sanctions policies for co-regulatory arrangements have been revised and made available to industry.

Refer section 6.5 of the report.

29. To enhance communications effectiveness:

- a messages promoting Australia's biosecurity should cover the biosecurity continuum;
- **b** new communication options, including those available on the Internet, should be employed by the National Biosecurity Authority; and
- c particular efforts should be made in collaboration with the states and territories, local governments, community and business groups to inform peri-urban farmers, including from non-English speaking backgrounds, of Australia's biosecurity policies and to engage them in monitoring, surveillance and response strategies.

Work to promote the biosecurity continuum is progressing and the response to this recommendation is ongoing. For example: (a) Market research into the levels of awareness, understanding of and attitudes towards 'biosecurity' amongst specific target audiences was completed in 2011. (b) The Department of Agriculture, Fisheries and Forestry is piloting and evaluating the benefits of newer communication technologies. Twitter was used to help manage the heightened media interest during the 2010 Australian Plague Locust season and the Department of Agriculture, Fisheries and Forestry has established a YouTube channel "agdaff". (c) Improving communication and engagement is a priority area in the recently signed Intergovernmental Agreement on Biosecurity (see response to recommendation 9). Refer section 6.2 and 6.3 of the report.

- 30. The National Biosecurity Authority should develop education and awareness programs for:
- a all importers regarding their obligations to meet Australia's import requirements; and
- b the competent inspection and certifying agencies in the exporting countries to ensure that they meet Australia's import requirements.

COMMENT

The response to this recommendation is ongoing.

The Department of Agriculture, Fisheries and Forestry is currently implementing programs in this area, for example a range of direct communication arrangements with relevant industry and client sectors.

A review of the Australian Biosecurity Awards has been conducted to ensure they are appropriately aligned to generate awareness of stakeholder responsibilities in relation to regulatory compliance.

The Department of Agriculture, Fisheries and Forestry is promoting the progress of the Australian Fumigation Accreditation Scheme (AFAS). AFAS has been implemented in Indonesia, Malaysia, Thailand, India, Papua New Guinea and the Philippines.

Refer section 6.2 and 6.3 of the report.

Refer section 6.5 of the report.

- 31. The biosecurity legislation should:
- a define the concept of 'biosecurity risk' in a manner analogous to, but broader than, section 5D of the Ouarantine Act 1908;
- b provide that the basis for a decision whether to authorise, under the legislation, an import of goods should be that the level of biosecurity risk associated with the import is acceptably low;
- c provide that the Minister may determine what level of biosecurity risk is acceptably low (that is, Australia's Appropriate Level of Protection), and may make Guidelines for Biosecurity Import Risk Analyses, Biosecurity Import Policy Determinations and import permit decisions.

 The determination and Guidelines should be legislative instruments for the purposes of the Legislative Instruments Act 2003, and should not be disallowable; and
- d require that decision makers under the legislation (the National Biosecurity Commission in relation to Biosecurity Import Policy Determinations and the Director of Biosecurity in making import permit decisions) should be required to apply the Determination, and act in accordance with the Guidelines.

These proposals will be dealt with in the new biosecurity legislation and regulatory framework (see response to recommendation 1).

BEALE RECOMMENDATION	COMMENT
32. The Guidelines should: a include a clear statement of the approach to be taken to the economic assessment of potential biosecurity threats including the appropriate use of formal economic analysis; and b require estimation of net rather than gross costs, allowing for best practice management methods, substitution to	These proposals will be dealt with in the new biosecurity legislation and regulatory framework (see response to recommendation 1). Refer section 6.5 of the report.
33. The National Biosecurity Commission should: a include high level economic skills (see Recommendation 13); and b develop a close working relationship with the Productivity Commission, the Australian Bureau of Agricultural and Resource Economics or other suitable agencies.	In May 2011 the Australian Government announced that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. Consistent with this decision, these proposals are being implemented within the current organisational arrangements. Refer section 6.4 of the report.
34. The Eminent Scientists Group should be expanded to include an economist.	The membership of the Eminent Scientists Group was expanded from 1 July 2009 to include an economist. Refer section 6.4 of the report.
35. The: a Guidelines should include a requirement for the assessment of any relevant regional differences in biosecurity status and risk; b states and territories should be consulted on the terms of this requirement before it is included in the Guidelines; and c Commonwealth and the states and territories should develop a protocol on the collection and timely provision of the scientific evidence necessary to demonstrate biosecurity threat status to support both the Biosecurity Import Risk Analysis process and improved access to export markets for Australian products.	(a) and (b) These proposals will be dealt with in the new biosecurity legislation and regulatory framework (see response to recommendation 1). Refer section 6.5 of the report. (b) and (c) The recently signed Intergovernmental Agreement on Biosecurity highlights the import risk analysis and trade negotiation processes as key areas for consultation with states and territories (see response to recommendation 9). Refer section 6.3 of the report.

36. The biosecurity legislation should provide:

- a that when an import permit application is made for which a relevant Biosecurity Import Policy Determination exists, the Director of Biosecurity should have primary regard to that Determination in deciding whether to grant the permit, unless the Director has reason to believe that granting the permit would lead to a biosecurity risk that is not acceptably low. If the Director of Biosecurity denies an import permit on these grounds he/she must immediately inform the National Biosecurity Commission of the reasons; and
- b that the Director of Biosecurity have two options for dealing with market access and import permit applications for which there is no specific Biosecurity Import Policy Determination already in place:
- if the Director is satisfied that the biosecurity risk involved is acceptably low, he/she should authorise importation, with or without conditions; and
- if the Director is not satisfied that the biosecurity risk would be, or could be through imposing conditions, acceptably low, he/she should not grant a permit and should not provide market access, until the National Biosecurity Commission has made a Biosecurity Import Policy Determination following a Biosecurity Import Risk Analysis.

COMMENT

Regulation of imports and market access will be dealt with in current organisational arrangements and in the development of the new biosecurity legislation and regulatory framework (see response to recommendation 1).

Refer section 6.5 of the report.

- 37. The biosecurity legislation should provide:
- a for three broad Biosecurity Import Risk Analysis processes—the existing standard and expanded Import Risk Analyses and a new process under which a greater obligation to prepare detailed information about relevant biosecurity risks would be placed on the proponent / applicant:
- b that, in conducting a Biosecurity Import Risk Analysis, the National Biosecurity Commission should have the power to compel the production of any relevant documents, the power to require relevant evidence to be given to it under oath and to hold public hearings;
- c that in deciding priorities for Biosecurity Import Risk
 Analyses, the National Biosecurity Commission should
 consult with relevant Australian Government agencies,
 including the departments having responsibility for
 agriculture, health, environment and foreign affairs and
 trade, with the states and territories and with other
 appropriate stakeholders relevant to import access
 proposals; and
- d the Minister with the power to direct the National
 Biosecurity Commission to commence a Biosecurity
 Import Risk Analysis, with such a direction to be tabled in
 Parliament.

COMMENT

These proposals will be dealt with in current organisational arrangements and in the development of the new biosecurity legislation and regulatory framework (see response to recommendation 1).

The new Biosecurity Bill will provide for a statutory process that will seek to ensure transparency and science-based decision making. The roles of the Director of Biosecurity and the portfolio Minister will be outlined in the legislation to ensure appropriate separation of decision making consistent with whole of government policy.

The new legislation will include a provision that the Director of Biosecurity cannot be subject to direction from the portfolio Minister in relation to the outcome of an import risk analysis.

Refer section 6.5 of the report.

38. The:

- a Import Risk Analysis Appeals Panel should cease to exist as the review mechanism for determining whether a Biosecurity Import Risk Analysis has followed due process;
- **b** Biosecurity Import Policy Determination should be a non-reviewable instrument;
- c Eminent Scientists Group should be empowered to co-opt one or more Associate Members; and
- d Eminent Scientists Group should be appointed by the Minister after consultation with the states and territories.

Regulation of imports and market access will be dealt with in the new biosecurity legislation and regulatory framework (see response to recommendation 1).

(a) and (b) Regulation of imports and market access will be dealt with in the new biosecurity legislation and regulatory framework.

Refer section 6.5 of the report.

(c) and (d) The Eminent Scientists Groups' terms of reference and appointment process have been reviewed and the recommendation addressed.

Refer section 6.4 of the report.

BEALE RECOMMENDATION	COMMENT
39. Merits review of import permit decisions should only be available where the Director of Biosecurity has made a decision to refuse to issue an import permit on the grounds that to do so would not be consistent with a Biosecurity Import Policy Determination. In addition, access to merits review should be subject to the following requirements: a standing should be limited to the applicant for the permit; b provisions should be established to guard against vexatious appeals; and c there should be strict timeframes around the lodgement of appeals.	Regulation of imports and market access will be dealt with in the new biosecurity legislation and regulatory framework (see response to recommendation 1). Refer section 6.5 of the report.
40. The National Biosecurity Commission should: a provide stakeholders with advance notice of the release of draft Biosecurity Import Risk Analyses and issues papers to allow sufficient time to prepare responses; and b include a draft Biosecurity Import Policy Determination with the draft Biosecurity Import Risk Analysis when it is released for public comment.	These recommendations are being progressed both informally and formally within the current organisational arrangements and in the development of the new biosecurity legislation and regulatory framework. Refer section 6.3 and 6.5 of the report.
41. A memorandum of understanding should be developed between the National Biosecurity Commission and the Department of Health and Ageing to cover human health aspects of Biosecurity Import Risk Analyses.	The Department of Agriculture, Fisheries and Forestry will progress this recommendation now that the Government has decided to retain the biosecurity function within the department. Refer section 6.3 of the report.
42. The National Biosecurity Commission should have the professional capacity to assess risks to the environment and human health in a Biosecurity Import Risk Analysis to the same quality as agricultural assessments.	The Department of Agriculture, Fisheries and Forestry will progress this recommendation now that the Government has decided to retain the biosecurity function within the department. Refer section 6.4 of the report.
43. A new Biosecurity Act should be drafted to replace the Quarantine Act 1908 giving effect to the Panel's legislative recommendations, drawing on a much broader set of the Commonwealth's Constitutional powers and providing for modern and effective management of biosecurity risks.	This will be implemented in new biosecurity legislation (see response to Recommendation 1). Refer section 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
44. The balance and level of biosecurity resources across the continuum should be determined by a consistent analysis of risks and returns across programs. The level and allocation of resources should be comprehensively reviewed against risk-return profiles at least every five years.	In the 2010-11 Budget, the government committed \$20 million over four years to commence development and implementation of a risk based approach to operations and development of the new biosecurity legislation. Since that time, the Department of Agriculture, Fisheries and Forestry has commenced adoption of risk-based decision making with a number of related projects underway. Refer section 6.1 and 6.2 of the report.
45. The National Biosecurity Authority, in consultation with relevant stakeholders and the Biosecurity Advisory Council, should develop a list of national priority exotic pests and diseases, with their respective pathways, on the basis of the likelihood of incursion and the consequences for businesses, human health and the environment. This list should be used to prioritise the review and development of comprehensive biosecurity risk management plans across the biosecurity continuum.	The implementation of this proposal is ongoing and builds on work already in existence including the Weeds of National Significance list, the Emergency Animal Disease Response Agreement and the Emergency Plant Pest Response Deed The Biosecurity Advisory Council has provided advice on a framework for the development of a national priority exotic pest and disease list. A number of other related projects are underway. Refer section 6.1, 6.2 and 6.3 of the report.
46. A new memorandum of understanding should be developed between the Department of Health and Ageing and the National Biosecurity Authority on delivery of human biosecurity services at the border, including clear operational guidelines for the Authority and procedures for validating health biosecurity measures, training and competency of inspection staff, resources, data collection, reporting and communication.	A revised memorandum of understanding will be considered after the new Biosecurity Bill is finalised. A working group with senior staff from the two agencies continues to refine operational procedures ie Travellers with Illness Checklist and this work is ongoing. Refer section 6.3 of the report.
47. The Authority should enter into compliance agreements to recognise formally the food safety management systems of importing businesses. These arrangements should provide for a power of audit, inspection, suspension or removal of authorities, and penalties where appropriate for breaches.	The finalisation of legislative changes for imported foods paved the way for the introduction of Food Import Compliance Agreements in 2010. To date six importers have entered into compliance agreements with the Department of Agriculture, Fisheries and Forestry. Refer section 6.3 and 6.5 of the report.
48. The National Biosecurity Authority should be empowered to require in specific circumstances, as a condition of entry to the Australian market, that importers provide certification by the exporting country's competent government authorities that Australian food safety standards are met.	This will be implemented in new biosecurity legislation (see response to recommendation 1). Refer section 6.5 of the report.

BEALE RECOMMENDATION COMMENT 49. The National Biosecurity Authority should work with The response to this recommendation is ongoing. other countries and the states and territories to share Improving biosecurity information sharing, infrastructure pest and disease intelligence and consider working and capabilities has been identified as a priority area for together with trading partner countries on issues such as improvement under the recently signed Intergovernmental regionalisation and compartmentalisation assessments Agreement on Biosecurity (see response to recommendation 9). and systems assurance. Refer section 6.3 of the report. A number of achievements have been made through offshore work with international stakeholders to reduce the likelihood of pests and diseases arriving in Australia. Refer section 6.2 of the report. 50. The National Biosecurity Authority should establish an The response to this recommendation is ongoing. intelligence gathering and assessments group to monitor The Department of Agriculture, Fisheries and Forestry's animal and plant pest and disease status internationally, project on biosecurity intelligence continues to build a with a particular focus on the region and our trading system for collating and analysing information critical in partners. implementing a risk-based approach for biosecurity decision making. An exploratory exercise was completed and an integrated departmental-wide approach to intelligence developed in late 2011. Proposed pilots will be undertaken over the next twelve months to test the concepts proposed in the approach. Expansion of intelligence-gathering activities in the Office of the Chief Veterinary Officer and the Office of the Chief Plant Protection Officer will continue as part of the response.

- 51. To improve the management of biosecurity risks, a sample sufficient to identify risks and risk pathways should be collected and analysed from cases where imported goods have been rejected because of suspicion of an exotic pest or disease. This should be done at the public expense.
- In the 2010-11 Budget, the government committed \$20 million over four years to commence development and implementation of a risk based approach to operations and development of the new biosecurity legislation. Refer section 6.1 of the report.

Refer section 6.4 of the report.

- 52. The National Biosecurity Authority should undertake a continuing program of analysis of risk pathways using data collected from pre-border intelligence and border inspections at control points along the continuum. The results of this analysis should be used to update risk management strategies and measures.
- In the 2010-11 Budget, the government committed \$20 million over four years to commence development and implementation of a risk based approach to operations and development of the new biosecurity legislation. Refer section 6.1 of the report.

BEALE RECOMMENDATION

- 53. The National Biosecurity Authority should develop and maintain, in consultation with the states and territories and business organisations, a comprehensive post-border monitoring and surveillance program for national priority exotic pests and diseases, which should include:
- a an enhanced Northern Australia Quarantine Strategy that extends beyond the current 20km zone to provide coverage for at-risk areas around international airports, seaports and vulnerable areas of Australia's coastline;
- **b** existing and additional port surveillance activities;
- the Commonwealth's responsibility for investigating suspected post-border detections of pests and diseases in imports;
- d strategic surveillance to support Australia's pest and disease free export claims and the conduct of Biosecurity Import Risk Analyses;
- e national priority marine pests and diseases to support the Commonwealth's expanded role in relation to managing risks associated with ballast water; and
- f the current National Sentinel Hive Program and its eventual replacement with a more comprehensive approach based on an assessment of risks.

COMMENT

The response to this recommendation is ongoing. Post border monitoring and surveillance has been identified as a priority under the recently signed Intergovernmental Agreement on Biosecurity (see response to recommendation 9). A number of relevant programs are currently implementing these proposals including the Northern Australia Quarantine Strategy, Port of Entry Trapping, Multiple Plant Pest Surveillance Program and a number of relevant co ordination committees including Animal Health Committee and Consultative Committee on Emergency Plant Pests. Refer section 6.2 of the report.

54. The information and analysis obtained from pre-border, border and post-border biosecurity activities should be made available for use by state and territory governments, industry and research organisations. This should be done in a manner consistent with obligations under the Privacy Act 1988 and should be supported by a biosecurity risk information sharing protocol and data sharing infrastructure.

Improving biosecurity information sharing, infrastructure and capabilities has been identified as a priority area for improvement under the recently signed Intergovernmental Agreement on Biosecurity (see response to recommendation 9).

The Australian Government shares information with state and federal governments through various mechanisms including: Northern Australia Quarantine Strategy pests and disease surveys; the National Biosecurity Incidence Surveillance and Response database; and the Animal Wildlife Health Network's electronic wildlife health information database.

Refer section 6.3 of the report.

BEALE RECOMMENDATION

- 55. Redevelopment of biosecurity information technology systems for the National Biosecurity Authority should occur promptly. As part of this task:
- a information technology systems should be developed to provide intuitive and user friendly interfaces and processes;
- b biosecurity risk research should be supported by providing reports and data in formats that are useful for government and other researchers, preferably via a free-to-access web interface;
- c paper work generated between the Authority and businesses should be eliminated wherever feasible through electronic interfaces, on-line authority systems and electronic certification; and
- d connectivity with other border agencies (particularly Customs) should be central and should also be enabled where possible with trading partner authorities, particularly with New Zealand.

COMMENT

Steps have been taken towards these proposals. A second pass business case to underpin more comprehensive information and communication (ICT) systems is under consideration.

The import conditions database (BICON) is due to be progressively implemented from November 2012 to March 2013to improve the quality and consistency of information and its usability.

As part of the Export Certification Program, the following ICT systems are being implemented:

Audit Management System (AMS)

Refer section 6.4 of the report.

- Tracking Animal Certification for Export (TRACE)
- Manual of Importing Country Requirements (MICoR) Refer section 6.5 of the report.
- 56. The National Biosecurity Authority should work with state and territory agencies, professional associations and higher education providers to develop a general biosecurity course to be incorporated in health, environmental, marine biology, veterinary and agriculture science curricula. All staff employed in the National Biosecurity Authority should be taught an appropriate adaptation of the general biosecurity course upon commencement of their employment in the agency.

The response to this recommendation is ongoing. Departmental staff are provided induction programs that include core training in biosecurity. Several training and post graduate courses have been developed to build capacity and expertise in the field of animal, plant and aquatic biosecurity

57. The National Biosecurity Authority should develop national research priorities, including for new technologies to better address biosecurity risk, and should work with research bodies to coordinate the research effort towards those priorities.

The response to this recommendation is ongoing. Developing national research priorities is a priority area under the recently signed Intergovernmental Agreement on Biosecurity (see response to recommendation 9). The Australia Government has maintained support for various initiatives in support of this recommendation including through the establishment of the Australian Centre of Excellence for Risk Analysis (ACERA). Refer section 6.3 and 6.4 of the report.

BEALE RECOMMENDATION	COMMENT
58. The National Biosecurity Authority should ensure Australia has the laboratory capability and capacity to manage exotic pest and disease incursions of national significance. The Panel recommends that the Authority, working with the states and territories, should improve the quality and use of state and territory laboratories to support national biosecurity priorities.	The response to this recommendation is ongoing. Improving laboratory capability and capacity has been identified as a priority area for improvement under recently signed the Intergovernmental Agreement on Biosecurity (see response to recommendation 9). Refer section 6.3 and 6.4 of the report.
59. The import of positive control samples (including the foot and mouth disease virus) for use in laboratory diagnostic research and capacity building for exotic disease pathogens is vital and should be permitted under strict import permit conditions to laboratories such as the Australian Animal Health Laboratory.	There are no plans to import the foot and mouth disease virus. In the case of exotic animal disease agents procedures are already in place to permit the import of infective agents when needed for use in diagnostic research and capacity building. They are imported under strict import permit conditions only into high security laboratories (e.g. CSIRO Australian Animal Health Laboratory for the highest risk agents). The foot and mouth disease (FMD) virus is an exception and arrangements are in place for CSIRO Australian Animal Health Laboratory scientists to undertake any diagnostic research and capacity building that requires infectious FMD virus in laboratories overseas (e.g. in countries where FMD occurs). Refer section 6.4 of the report.
50. The Commonwealth government should move toward a unified coordinated system for the authority of quarantine facilities (for animal and plant research laboratories). This would require agreement between the National Biosecurity Authority, Australian Pesticides and Veterinary Medicines Authority and the Office of the Gene Technology Regulator for one system of authority of laboratories.	The Department of Agriculture, Fisheries and Forestry is liaising with other agencies to progress this proposal. Refer section 6.1 of the report.
51. The Commonwealth should own and operate specialised quarantine facilities where monopoly rents might be charged if such facilities were operated privately.	The 2011-12 Budget commenced the process of establishing a site for a single government owned quarantine facility in Victoria. Refer section 6.5 of the report.
52. The Commonwealth should immediately clarify its intentions with respect to the future ownership, management and operation of the quarantine facilities currently located at Eastern Creek and Knoxfield.	The 2011-12 Budget commenced the process of establishing a site for a single government owned quarantine facility in Victoria. Refer section 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
63. All quarantine stations that manage equivalent risks should have their performance accredited and audited to equivalent standards, irrespective of whether the quarantine station is privately or publicly owned and operated.	The Department of Agriculture Fisheries and Forestry is progressing changes to the accreditation of post-entry quarantine arrangements, particularly in the horse program. Refer section 6.1 of the report.
64. The effectiveness of the anti-smuggling subsidy for plant material should be reviewed, with other avenues explored for improving compliance with biosecurity requirements, including a review of smuggling penalties.	This recommendation will be explored as part of the government's consideration of a sustainable funding model for biosecurity services that complements operational reforms. Refer section 6.5 of the report.
65. The National Biosecurity Authority should develop quality management systems that: a incorporate consistent quality management approaches across its programs; b include periodic audit of external assurances such as official certification provided by overseas authorities and accredited third-party systems; and c include, where relevant, ISO 9000 and other quality standards in introducing these quality management strategies and systems.	The response to this recommendation is ongoing. The Department of Agriculture Fisheries and Forestry is progressing these proposals within the current organisational arrangements. Refer section 6.1, 6.2, 6.3 and 6.5 of the report.
66. The National Biosecurity Authority should establish an internal audit group to inquire and report on the adherence by the Authority to its policies and their adequacy to deal with risks across the biosecurity continuum. a The responsibilities of this group should include both financial and performance audits of the Authority's programs. b The internal audit program should cover the National Biosecurity Authority's activities over an audit cycle. c The audit reports should be provided to the National Biosecurity Commission and the Director of Biosecurity.	The response to this recommendation is ongoing. The Department of Agriculture Fisheries and Forestry is progressing these proposals within the current organisational arrangements. Refer section 6.1 and 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
67. In relation to the National Biosecurity Authority's internal audit program, the National Biosecurity Commission should have: a a determinative role for audit activities that relate to Biosecurity Import Policy Determinations; and b an advisory role in relation to the overall internal audit program.	This proposal is no longer applicable. The Government has decided that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. Work is ongoing in relation to the Department of Agriculture Fisheries and Forestry's internal audit program (see response to recommendation 65 and 66).
68. The National Biosecurity Authority should maintain an enforcement branch with the resources and expertise to investigate breaches of the biosecurity legislation, with this function being afforded a high priority. Arrangements should be made with the Director of Public Prosecutions in relation to the conduct of prosecution of offences against the biosecurity legislation including to provide: a protocols to facilitate the commencement of proceedings by the Authority in cases involving the non-payment of infringement notices which cover high-volume matters of minimal complexity; and b for the recovery of pecuniary penalties by the Authority.	These proposals will be dealt with in current organisational arrangements and in the development of new biosecurity legislation (see response to recommendation 1). Refer section 6.1 and 6.5 of the report.
69. The Minister for Agriculture, Fisheries and Forestry should be enabled under the legislation to require the Inspector General of Biosecurity to inquire into any matter which is the responsibility of the National Biosecurity Authority.	The Government has established an Interim Inspector General of Biosecurity. The statutory office of the Inspector General of Biosecurity will be confirmed in the new biosecurity legislation. Refer section 6.5 of the report.
70. The Inspector General of Biosecurity should develop a program of audit on appropriate timescales (for example, five years, one year and to allow for ad hoc audits).	The proposal has been implemented by the Interim Inspector General of Biosecurity and is ongoing. Refer section 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
71. The Inspector General of Biosecurity should provide regular independent reports to the Minister with these reports copied to the Director of Biosecurity and the National Biosecurity Commission. These reports should be made public unless a strong contrary reason exists. The Director of Biosecurity and the National Biosecurity Commission, as relevant, should report to the Minister on actions taken on recommendations by the Inspector General. The reports and responses to them should be reflected in the National Biosecurity Authority's annual report to Parliament.	The proposal has been implemented by the Interim Inspector General of Biosecurity and is ongoing. Refer section 6.5 of the report.
72. The Biosecurity Advisory Council should provide advice on inspection and audit activities to the Director of Biosecurity.	The Biosecurity Advisory Council's terms of reference and membership will be revised to reflect the Government decision that biosecurity services will continue to be delivered through the Department of Agriculture, Fisheries and Forestry rather than establish a separate statutory authority and commission. Refer section 6.3 of the report.

BEALE RECOMMENDATION

73. The Commonwealth should increase its biosecurity investment by an amount in the order of \$260 million per annum, subject to a full costing by departments, to meet the recommendations of this report. A significant part of this increase in resources should be funded through cost recovery and an adjustment to the Passenger Movement Charge.

COMMENT

The Australian Government has made significant investment in reforms including:

In 2009-10:

- \$14.7 million for underpinning elements of the reforms scoping work on ICT and post entry quarantine options; interim institutional arrangements; initial development of new biosecurity legislation; and an extension of current approaches to risk analysis at the border and refining risk
- \$127.4 million on export certification reforms over two years.

In 2010-11:

- \$57.4 million over two years to support existing biosecurity programs (relating to avian influenza; international mail; and programs to enhance border protection) and to progress biosecurity reforms (ICT first pass business case; maintaining interim institutional arrangements);
- \$20 million over four years to commence development and implementation of a risk-based approach to operations and ongoing development of biosecurity legislation;
- \$3.9 million for the development of the second pass business case for future post entry quarantine facilities. In 2011-12:
- \$4.2 million for development of a second pass business case to improve information and communication technologies systems across the biosecurity system;
- \$19.1 million for staged investment for post entry quarantine arrangements, with funding for urgent capital works at existing facilities, project management and design work. Funding was also provided for land acquisition;
- \$15.4 million for continuing eradication programs for nationally significant agricultural and environmental animal and plant pests and diseases in 2010-11 and 2011-12; and
- \$425.4 million over four years for border operations at airports and mail centres, including \$205.6 million for the Australian Customs and Border Protection Service.

The government is implementing reforms in a staged manner, subject to usual budget processes. The government has rejected changes in the Passenger Movement Charge at this stage.

Refer section 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
74. The Commonwealth's additional post-border investment should be tied to an agreement with the states and territories on appropriate matching commitments (see also Recommendation 3).	This recommendation is addressed through the recently signed Intergovernmental Agreement on Biosecurity and is subject to budget consideration on a case-by-case basis (see response to recommendation 3 and 9). Refer section 6.3 and 6.5 of the report.
75. Recognising past underinvestment, an additional \$225 million should be appropriated through the Commonwealth Budget over a number of years for investment in information technology and business systems for biosecurity. Future cost recovery arrangements should be adjusted to cover depreciation and replacement of that infrastructure.	Steps have been taken towards these proposals. A second pass business case to underpin more comprehensive information and communication (ICT) systems is under consideration. Refer section 6.5 of the report.
76. Programs that currently use cost recovery should continue in this mode but charges for like activities should be aggregated, leading to a significant reduction in the number of individual charges.	The response to this recommendation is ongoing. The Department of Agriculture, Fisheries and Forestry is reviewing existing biosecurity funding arrangements to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles. Refer section 6.5 of the report.
77. In developing cost recovery arrangements, the National Biosecurity Authority should consult with business groups, but have the ultimate responsibility of recommending to the responsible Minister a cost recovery package that will support the provision of an effective and efficient regulatory function including: a adequate and long-term investment in infrastructure, including information technology and information services; b appropriate funding for staff and training; c the costs of auditing pre-border and border biosecurity certification; and d the cost of diagnosing a proportion of interceptions to inform a risk-return approach to activities.	The response to this recommendation is ongoing. The Department of Agriculture, Fisheries and Forestry is reviewing existing biosecurity funding arrangements to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles. Consultation with industry will occur as part of this process. Refer section 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
78. Cost recovery by the National Biosecurity Authority should be subject to periodic external review to ensure that: a cost recovery reflects efficient costs and provides appropriate efficiency signals to the Authority; b the cost recovery structure provides appropriate price signals for business performance; c there is no long-term over-recovery; and d costs are being aggregated wherever possible and that unnecessary constraints are not being placed on the use of revenue from a risk-return perspective.	The response to this recommendation is ongoing. The Department of Agriculture, Fisheries and Forestry is reviewing existing biosecurity funding arrangements to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles. Refer section 6.5 of the report.
79. Export certification functions should return to 100 per cent cost recovery as scheduled at the beginning of July 2009, noting that this would require an early decision and announcement by the Government to allow businesses to prepare for the additional costs as well as for the necessary consultation on revised fee structures.	Reform of export certification (including the new Australian Export Meat Inspection System, which was announced on 5 September 2011) is being implemented in consultation with industry to deliver more efficient export certification and inspection services. As part of this process, industry returned to full cost recovery on 1 July 2011. Refer section 6.3 of the report.
80. The Government should enhance Budget funding for activities which support biosecurity-related technical market access for Australian exporters.	The response to this recommendation is ongoing. The Department of Agriculture, Fisheries and Forestry is reviewing existing biosecurity funding arrangements to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles. Refer section 6.5 of the report.
81. Funding for the Airports Program should be adjusted in future on the basis of a Workload Growth Agreement established between the National Biosecurity Authority and the Department of Finance and Deregulation that links passenger numbers with Budget appropriations.	The response to this recommendation is ongoing. The Department of Agriculture, Fisheries and Forestry is reviewing existing biosecurity funding arrangements to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles. Refer section 6.5 of the report.

BEALE RECOMMENDATION	COMMENT
82. The Workload Growth Agreement should reflect a risk-return strategy for managing intervention rates and make appropriate allowances for productivity.	The response to this recommendation is ongoing. The Department of Agriculture, Fisheries and Forestry is reviewing existing biosecurity funding arrangements to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles. Refer section 6.5 of the report.
83. In developing the detailed budget for biosecurity functions, the Government should recognise the need for a significant enhancement in senior management capacity in the National Biosecurity Authority.	The Department of Agriculture, Fisheries and Forestry is reviewing existing biosecurity funding arrangements to ensure that funding appropriately supports the reformed system and is aligned with government policies including cost recovery principles. A capability assessment was conducted in 2011-12. Refer section 6.5 of the report.
84. The National Biosecurity Authority should review staff training and rotation practices to ensure that they provide an optimum balance between development of broadly skilled officers, the deepening of expertise through experience in a role and the avoidance of regulatory failure through officers developing inappropriately close relationships with the clients they are servicing.	The Department of Agriculture, Fisheries and Forestry has introduced new rotation principles for its biosecurity inspectors. Staff movements will now, where possible, occur in order to develop and maintain employee's specific skills sets and expertise in plant, animal or quarantine operations disciplines. Refer section 6.4 of the report.

