

Animals Australia submission

Review of the Exporter Supply Chain Assurance System

9 JULY 2014

Introduction

We provide this submission in response to Minister Joyce's invitation of 17 June 2014 to provide input to the Department's report on the effectiveness of the Exporter Supply Chain Assurance System (ESCAS). Consistent with the Minister's request and the recommendations of the Independent Review of Australian's Livestock Export Trade, the 'Farmer Review'ⁱ of August 2011, we will provide facts, data and direct examples of how ESCAS has been implemented in the different importing markets, provide views on the effectiveness of ESCAS in 'delivering animal welfare', and on 'lessons learnt', and we will make recommendations for improvements to the current system.

While retaining its policy that live animal exports should be replaced by a carcass-only trade, Animals Australia welcomed the introduction of ESCAS in 2011 recognising that if effective in regulating base level animal welfare standards, it would prevent and prohibit some of the worst handling and slaughter practices that had been documented being inflicted on exported animals.

Similarly, the Australian government regulating a requirement for OIE (World Organisation for Animal Health) standards was a positive step in raising the standing and relevance of OIE standards to governments and importers in importing countries. In addition, the greater emphasis that the Australian government and Department of Agriculture (DA) has placed on animal welfare have also seen some Australian exporters become more proactive in securing improved treatment of exported animals in their markets — Indonesia and the broad implementation of stunning representing an important example.

We welcome these significant developments and acknowledge the considerable efforts of many in the Department to ensure ESCAS has been implemented in a way that gained the acceptance and cooperation of the industry.

Since ESCAS was implemented, Animals Australia has been actively involved in observing and reporting non-adherence with ESCAS and the factors which have contributed to it in a number of importing countries. We therefore welcome the opportunity to provide informed input into this review.

Our input will be provided in two sections:

- **Part 1** will address issues that are contributing to compliance issues with ESCAS.
- **Part 2** will identify deficiencies in the current ESCAS standards that affect welfare outcomes, including the failure to include breeder under ESCAS.

Part 1 — ESCAS compliance

The key tenet of any effective regulatory regime is the ability to police and enforce regulations. The inability of DA to oversee ESCAS compliance in importing countries remains the system's greatest weakness and underpins ongoing non-compliance in some importing markets.

Since implementation, 36 breaches of ESCAS regulations have been reported to DA. Of these, 22 were as the result of Animals Australia investigations or informed by evidence provided to Animals Australia. There are also exporter 'self reports' in this figure of 36 that directly resulted from the exporter's belief that Animals Australia was about to lodge complaints,

Serious ESCAS breaches have been documented on each occasion and in all markets that Animals Australia has conducted investigations. This indicates that a significant problem exists with oversight, auditing and reporting, and in association, that it is impossible to be confident of ESCAS compliance in markets where Animals Australia investigations have not been conducted.

The facts at hand reveal that without Animals Australia performing the role of unofficial 'watchdog' of ESCAS, major and ongoing breaches of ESCAS in export markets would have remained undetected. However, this role is not sustainable for a charity.

Animals Australia respectfully submits that there are measures currently available, and that can be implemented, which would ensure greater oversight and lead to increased compliance.

These relate to:

- (a) strengthening current audit and reporting requirements;
- (b) implementing electronic identification of sheep (EIDs);
- (c) increasing resources of the Investigations and Enforcement unit; and
- (d) improving the effectiveness of regulatory measures.

Each of these will be addressed in turn.

Part 1 (a) Auditing and Reporting requirements

Independence of Auditors:

In the absence of Departmental oversight, the ESCAS enforcement regime has at its core an 'independent' audit system. However, there exist sound reasons to question both the independence and the competence of the auditors that are being employed.

The auditors are selected, paid for, and retained by exporters, and their audit reports are provided to the exporters prior to being submitted to DA. This puts them in the category of second-party audits (at best), and certainly cannot provide the independence of a third-party audit.

While it is acknowledged that auditors have to be assessed by DA as having *'independence, no conflict of interest, and possess an appropriate level of competence and expertise (through qualifications and experience)'* we have reason to believe that this is not always the case. For example, some auditors submit their audit reports to exporters for amendment (prior to being lodged); some exporters pay extensive travel costs to fly favoured auditors thousands of miles from one country to another, rather than engaging available local audit companies; and we are aware of a report that one audit company refused to audit a facility as the facility's principal had previously raised concern about ESCAS non-compliance at other facilities.

Moreover, Animals Australia has provided evidence of exported animals being held and slaughtered outside of approved supply chains in Kuwait, Jordan, Gaza/Israel and Mauritius which reveals the failure of audits to identify these supply chain breaches and missing animals — the result of either auditor incompetence or potential corruption.

Competence of auditors:

Even with the best of intentions, auditing abattoirs, associated animal handling infrastructure and animal welfare and husbandry standards is a specialised skill requiring a high level of expertise. Examples exist where facilities have incorrectly passed ESCAS audits leading to ongoing dire animal welfare problems, including:

- In November 2013 footage was published on Youtube showing Australian cattle violently head slapping during full inversion non-stun slaughter at the Gaza abattoir. The box had no effective (physical or other) head restraint, and yet it later emerged the abattoir had passed an initial and at least one further audit.
- In formal complaints accompanied by video a number of facilities (i.e. in Israel, Malaysia, and Indonesia at least) were shown to not routinely check for an eye reflex to ensure unconsciousness/death before hoisting or further processing occurred, and had no written instructions — Standard Operating Procedures — requiring that key process occur.
- Australia's Chief Veterinary Officer (CVO) Dr Schipp in his 2013 report on the deficiencies of Mark IV cattle restraint boxes concluded: *'A number of the findings of this review could have been discovered through thorough independent audits using the ESCAS checklist. This review recommends that an investigation be conducted to determine why independent auditors are not recording the above defects when using the ESCAS checklist.'*

The failings of the current auditing system are likely to be due to failures of independence, of auditor competence or notice of audits being given that compliance occurs at the time of the audit but standards are then not maintained — or a combination of all three. Regardless of the reason/s, it is clear that change is needed to ensure independent and accurate audits of ESCAS requirements

The currently-funded program (announced in July 2013) — *‘an ESCAS Auditor Training — project for MLA to deliver three training courses in Indonesia, South East Asia and the Middle East and North Africa, for ESCAS auditors focusing on the OIE checklist and compliance requirements’* is welcome, but is unlikely to alter the existing issue of a lack of independence in the system.

Recommendation to ensure independence of auditors

1. Third-party auditors/audit companies should be selected and appointed by DA, with exporters paying full cost recovery fees for audits (initial and performance). Audit companies must have no prior business relationship with the export company.
2. Auditors of supply chains are routinely changed to ensure that no single auditor (or company) audits any single facility over an extended period of time.
3. Audit reports must be sent directly to DA, not via the exporter (this is already the practice for on-board veterinary daily reports from vessels).

Recommendation to ensure expertise of auditors

1. Independent animal welfare experts (IAWE) be appointed by DA in consultation with ALEC/Animals Australia/RSPCA).
2. IAWEs accompany auditors on future Initial Audits of ESCAS facilities and attend at least a single Performance Audit for each auditor annually.
3. Agreement for IAWE to be able to conduct further unannounced visits to ESCAS approved facilities be included in exporter license conditions.
4. Report provided by IAWE to DA after each visit.

The appointment and involvement of an IAWE will serve to ensure there is onsite expert guidance, as well as reinforcing and further encouraging the implementation of appropriate animal welfare standards. The feedback of the IAWE to DA will ensure any changes to auditor appointments or training can be addressed.

Mandatory reporting of (potential) ESCAS breaches:

Exporters are currently obligated to report ESCAS breaches that they become aware of to DA within five days, but there is no such obligation on the only other industry operatives in industry markets, i.e. employees or consultants employed by Meat & Livestock Australia (MLA). The reason currently given by MLA for not reporting breaches of ESCAS is to ensure their relationships with importers, and access to facilities to train and rectify issues is not affected.

For the Department to be denied information by MLA relating to compliance issues in importing countries is highly inappropriate. DA is in a position to assess whether compliance issues raised by MLA can be rectified by MLA, and if so, is unlikely to take any action that would impact on MLA's relationships. Regardless, compliance issues and any associated action should be known and determined by the regulator, DA, not by MLA.

ESCAS breaches that relate to animals outside of supply chains (leakage/traceability) or potential animal welfare breaches observed by MLA personnel should be immediately advised to DA. MLA is not in a position to rectify such breaches, and failure to report them, has ensured ongoing breaches in some markets — such as Jordan and Kuwait.

Animals Australia is aware that MLA consultants reported serious supply chain breaches of ESCAS in Jordan, Kuwait and Qatar during last year's Festival of Sacrifice, yet MLA senior management failed to report these breaches to DA. In addition to ensuring that regulatory action was not taken, such a stance removes the ability of DA to take measures to ensure compliance in the future and places significant numbers of exported animals at ongoing risk.

Recommendation

MLA personnel should be required to advise DA of ESCAS breaches that relate to animals outside of supply chains (leakage/traceability) or potential animal welfare breaches as soon as possible, but no later than 5 days after they become aware of it.

Part 1 (b) Sheep individual identification

One of the primary reasons for the implementation of ESCAS was to address the onselling of Australian sheep from livestock markets to individual buyers. This was based on evidence provided over a number of years of dire animal welfare outcomes that sheep faced in such circumstances.

The deliberate removal of sheep ear tags to prevent identification of sheep to a particular exporter, **reveals the single greatest evidentiary challenge that must be overcome for the ESCAS system to effectively operate.**

Numerous ESCAS complaints submitted by Animals Australia relating to Kuwait and Jordan reveal that rather than adhering to ESCAS, ear tags are being systematically and regularly removed from sheep prior to or in livestock markets to prevent regulatory action being taken against exporters.

Regulatory action taken by DA in an attempt to address the selling of sheep in local livestock markets has failed for the following reasons; the deliberate intent to disregard ESCAS that underpins the continued selling of sheep at livestock markets; the awareness of a lack of regulatory oversight and the subsequent deliberate removal of ear tags, knowing that if onselling is documented by independent investigators, determining the exporter of the sheep will be impossible to prove due to the inability to individually identify the sheep.

Evidence of ongoing breaches in Kuwait and Jordan over the last twelve months reveals that until sheep identification issues are addressed — sheep will continue to be sold from livestock markets to private purchasers. Aside from the slaughter methods that these ‘missing’ sheep are subjected to, the sheep are also at risk of trussing and transportation in car boots at high temperatures and being penned without shade or adequate food and water.

The Farmer Review (August 2011) recognised this as a key issue:

Finding - In a number of export markets, there has been a traditional issue with livestock being removed from supply chains via sales to individuals or businesses and slaughtered in unknown circumstances or via sales to farms for breeding purposes. Steps to stop this leakage, which is inconsistent with assurance of animal welfare, must be part of proposed new arrangements. In the immediate future, industry should continue its efforts to prevent leakage.

The Farmer Review went on to recommend:

... that the Australian Government should work with states and territories and industry to implement individual identification of all sheep and goats as soon as practicable.

Subsequently, during the more recent (December 2013) ABARES review of the National Livestock Identification System (NLIS) the Regulatory Impact Statement (RIS) stated:

*The NLIS for sheep and goats was created in 2006 to enhance Australia’s capacity to identify and trace livestock from property of birth to slaughter or export. Such capacity is important for managing biosecurity, food safety, market access and **animal welfare risks**. [Our emphasis]*

The ABARES NLIS RIS document noted the deficiencies of the current mob-based sheep identification system under ESCAS (and domestically) and put forward several options for improving the current NLIS, including Option 3 which was that all sheep and goats have an Electronic Identification Tag (EID, as for cattle), including those exported under ESCAS.

We also strongly support the use of EIDs on sheep in the ESCAS system. However while the EID would readily identify the exporter and the supply chain, successful identification would still rely as it does with cattle, on physical access to the animal and a reader being available. It is imperative, therefore, that in addition to EID, a visual tag or marker that identifies the exporter is used on all livestock in overseas markets.

It would, of course, be preferable if the 'exporter visual ID' could be a non-invasive, permanent spray mark that is unique to each exporter, perhaps along the lines of the green 'reject' stamp used already at embarkation ports in Australia.

Recommendations

Sheep EID be required for any importing market where the removal of ear tags has been documented. The ESCAS system already requires cattle to be individually traceable via Electronic Identification Tags (EIDs) so this is a tried and obvious step to take for sheep.

The additional cost of the EID system and increased likelihood of detection of breaches will act as an incentive for compliance, and will also reduce current DA investigation costs. Costs should be born by exporters and not producers.

Furthermore, all sheep exported to all markets should have a visual marker that is specific to individual exporters; this may be either an exporter-colour coded extra ear tag, or an exporter-colour coded permanent paint/dye on the wool of sheep (placed on each sheep prior to export, under the supervision of DA officers). The exporter-specific tags will assist with visual identification in evidence provided to DA where tags remain, but where specific details cannot be read on tags. The permanent spray marker would (alternatively) provide evidence linking sheep to an exporter where all tags had been removed or were unreadable.

Part 1 (c) DA Investigations and Enforcement Unit (I & E)

ESCAS complaints need to be able to be investigated and completed in a timely manner. The current resourcing of the DA I & E Unit is inadequate to do so, as evidenced by the fact that investigations have not yet been commenced into major ESCAS breaches, such as the breaches reported in Gaza, due to inadequate resources, as investigators are completing other investigations. Such delays can lead to ongoing situations of non-compliance with severe welfare repercussions due to DA's inability to impose regulatory action that may result from the completion of formal investigations.

The I & E Unit also needs to be sufficiently financially resourced to be able to undertake investigations in importing countries where importing government approval has been granted.

Ongoing ESCAS non-compliance in some countries is encouraged by the knowledge that I & E investigators rarely travel to importing countries to gain a first-hand insight into supply chain issues and local factors. Compliance would be encouraged by I & E having the ability to do so. Any current or future investigations into breaches would then be assisted by investigators having first hand 'in country' knowledge. A precedent exists of an I & E investigator travelling to Kuwait in 2012 as part of an investigation into an ESCAS breach.

Under either Section 17 or 18 of the Australian Meat & Livestock Industry Act (AMLI), the Secretary could make related orders that exporters, as part of their contractual agreement with importers, include a condition that I & E investigators be provided with access to their facilities if requested.

Recommendation

DA I & E Unit resources be increased to ensure adequate personnel to be able to conduct investigations in a timely manner and to enable investigators to be able to travel to importing markets to conduct investigations as necessary. Through S 17 or 18 AMLI Secretary orders, in conjunction with cooperative relationships with importing countries, such opportunities should be able to be facilitated.

Part 1 (d) Effectiveness of Regulatory Action

Animals Australia acknowledges the uniqueness of the ESCAS system and the challenge that DA faces in determining appropriate regulatory action against exporters. In the early stages of the implementation of ESCAS it was reasonable for the position of DA to be to give exporters the 'benefit of the doubt', when determining their degree of culpability in regards breaches of ESCAS.

In most cases, the implemented regulatory action has been to provide an additional layer of assurance, such as having supply chain officers in place, on the basis of ensuring exporters had greater levels of oversight and control over supply chains.

There is now evidence in markets such as Kuwait and Jordan, that such measures have failed to prevent breaches from occurring. Evidence provided — such as the removal of ear tags, substitution of ear tags, and the continued presence despite multiple complaints of Australian sheep at previously identified, well-known livestock markets — provides evidence of the deliberate nature of ESCAS breaches. It also reveals the failure of importers/exporters to act on breaches despite regulatory action imposed and, in some cases, evidence of direct involvement in breaches.

Recommendation

Animals Australia respectfully submits that where initial regulatory action has failed to ensure compliance and where there is ongoing situations of non-compliance resulting in the welfare of exported animals remaining at risk, that no further export permits be granted to exporters until situations, such as animals outside of supply chains, have been rectified.

In considering that ESCAS is a system established to protect the welfare of animals, such regulatory measures would be entirely justified, where previous regulatory measures have failed to ensure compliance. There has now been considerable evidence provided to DA that some exporters, and their associated importers, will not take their obligations under ESCAS seriously until faced with commercial or market access repercussions.

Part 2 — ESCAS Standards

Animals Australia respectfully submits that there are ESCAS standards in place that do not provide animal welfare outcomes that are acceptable to the Australian community.

The treatment of exported animals in import countries under ESCAS is based on the Industry-Government Working Groups' (for Sheep and Goats, and for Cattle and Buffalo) agreed 'performance checklists' developed in 2011, and founded on OIE minimum standards.

Key ESCAS standards that are failing to meet standards acceptable to the Australian public are

- (a) the failure to require pre-slaughter stunning;
- (b) the unnecessary suffering caused by Mark IV cattle restraint devices;
- (c) the unnecessary suffering caused by full inversion cattle restraint boxes; and
- (d) the failure to include breeder animals under ESCAS.

Part 2 (a) Pre-slaughter stunning

It is well established that slaughter of animals without pre-stunning causes suffering. Internationally-accepted scientific evidence, and Australian government-commissioned reviews in recent years have confirmed this, and extracts are provided in **Appendix 1**.

Animals Australia believes that the commercial desirability of the import of Australian animals has completely underestimated when assessing the willingness of importing companies to adopt pre-slaughter stunning if it is an established requirement for import.

The majority of companies that import Australian live animals, also imports Australian chilled and frozen meat products, from animals who have been stunned as part of the slaughter process, and deem these products to meet religious dietary requirements.

For example, during the suspension of the live trade to Bahrain (2012/13) Bahrain Livestock Corporation, in conjunction with the Bahraini government replaced Australian live sheep with similar volumes of Australian chilled and frozen meat that had been stunned and stamped halal in Australia. Furthermore, Hijazi and Ghosheh in Jordan stun all live sheep imported and also have a large sheep meat export business to the region revealing once again that there is no religious or cultural prohibition on the consumption of meat products that have been stunned before slaughter.

The primary welfare risks faced by Australian cattle and sheep in slaughterhouses relate to handling and the use of various forms of infrastructure required to facilitate non-stunned slaughter. Similarly the primary occupational health and safety issues in overseas slaughterhouses relate to the handling and killing of animals without pre-slaughter stunning.

The adoption of a requirement to stun imported Australian animals would therefore protect the welfare of both local workers and animals and needs to be considered as achievable considering the facts and issues raised above.

Recommendation

On animal welfare grounds (Appendix 2) Animals Australia continues to strongly recommend all exported animals be stunned prior to slaughter and contends that such a goal is achievable after consideration of the facts and issues raised in support.

A secondary recommendation, which could be implemented immediately, is that:

ESCAS standards be amended **to require pre-slaughter stunning of all exported animals in those countries/markets where there is no religious impediment to its adoption**. With growing numbers of cattle going into Vietnam and plans for significant numbers of cattle to be exported to China, such a standard is required and achievable and will significantly reduce the suffering of exported animals.

Part 2 (b) Mark IV cattle restraint slaughter boxes

These electrically powered hydraulic restraint boxes were designed in Australia and are used in several countries, most notably Indonesia, and have been accepted under ESCAS. They clamp cattle, then tilt them off their feet to be rotated 115-140 degrees. The Mark IV boxes are not designed nor suitable for pre-stunning slaughter. The 115-140 degree angle is similar to the slope of the (now banned) Mark 1 box cement slaughter slab, and with both the Mark I and Mark IV boxes the cattle regularly used their head and neck (if not restrained) in a desperate attempt to right themselves (referred to as head slapping) — it seems obvious that they are distressed by the position. The cattle then, while laterally restrained in the device, have their throats cut while fully conscious.

Animals Australia provided evidence of these devices in use causing severe distress and suffering prior to unconsciousness in Indonesia (February 2012, [report on DAFF website](#)). Australia's CVO (Dr Schipp) subsequently conducted a review of the design, maintenance and operation of a larger selection of the Mark IV boxesⁱⁱ. Dr Schipp's report and findings can be summarised in the following extract:

Copy boxes and modified boxes seen in the footage appeared to be underpowered (slow and jerky movement), lacking pressure relief valves, built with protrusions that have potential to injure and cause pain to restrained cattle and do not have effective head/neck restraint as seen in the original Mark IV restraint box.

Animal welfare risks from the use of the above restraint boxes include, but are unlikely to be limited to excess pressure applied by the restraint (resulting in broken ribs or shoulders), injury caused by exposed bolt heads, absent or hard rubber buffers, and head slapping due to absence of head/neck restraint.

The CVO recommended an audit and upgrading of all Mark IV-type boxes, and further training of operators/slaughtermen, to prevent these injuries and extreme distress.

An additional Checklist for Mark IV type boxes (for exporters and auditors) was introduced in August 2013 (EAN — 2013/03), and reveals the significant risks posed by their use — including the requirement of a high level of operator training and skill, the timing and effectiveness of neck restraint, protruding bolts and sharp edges in boxes, variable and excessive pressure exerted on the animal by the box; the reliability of electrical supply to some abattoirs; and the regularity and competence of maintenance.

These new arrangements may achieve some changes in practice if this was an issue arising in a first-world country. However, in countries such as Indonesia (and most other importing countries) it has now been repeatedly demonstrated that different attitudes to animal welfare, lack of skills, often even lack of electricity supply (as acknowledged in the DAFF EAN), and a lack of any adequate government oversight, contribute to a failure to ensure the welfare of Australian animals. This is particularly the case with our large and relatively 'wild' cattle.

Recommendation

We recommend that Mark IV boxes be prohibited entirely under an amended ESCAS checklist. If this recommendation is not adopted, then as a minimum (in a similar manner to the Mark I box) all Mark IV boxes and copy boxes should be immediately converted to install an operator's stunning platform that will enable all cattle to be stunned whilst standing upright in the restraint device. Under the SOPs the collapsed cattle would then be checked to ensure they are unconscious before being then rapidly moved to 'lateral recumbency' and having their throat cut before they can regain consciousness.

Part 2 (c) Full inversion cattle slaughter restraint boxes

Footage of unstunned slaughter of cattle using restraint slaughter boxes that fully invert (180 degrees) cattle prior to the throat cut has been provided to DA from Australian-accredited facilities: in Egypt (*Ain Sokhna*) in 2013, the ESCAS-approved facilities in Israel (*Bakar Tnuva*) in 2012 and the Gaza Slaughterhouse in 2013 and 2014. As the footage reveals, Australian cattle suffered appallingly. Unstunned slaughter of cattle causes prolonged pain and suffering, and full inversion slaughter boxes cause even greater pain and distress to the animals prior to the throat cut.

The current ESCAS ‘endorsement’ of these cruel devices is inconsistent with existing Australian government animal slaughter policy, and ignores both: international scientific opinion which deems full inversion to be unacceptable; and the contrary animal welfare indications in the OIE Guidelines themselves. **Appendix 2** provides further detail.

The current ESCAS Cattle (and Buffalo) Guidance document is silent on the specific means of restraint of exported cattle prior to unstunned slaughter — instead stating that the ‘outcome’ should be that: *‘Animals are restrained humanely and slaughtered competently to minimise any suffering involved. Slaughtering of animals at processing establishments does not cause undue stress to the animals’.*

Last year MLA and Livecorp developed and published *Standard Operating Procedures for the Welfare of Cattle in Overseas Markets* (January 2012ⁱⁱⁱ). This document makes it clear that full inversion slaughter was not envisioned by the Australian export industry. Instruction to workers includes: *‘KEY POINTS: Slaughter without stunning may be carried out in either an upright restraining pen or in a restraining pen which holds the animal recumbent on its side.’*

As outlined above, footage of Australian cattle in full inversion restraint devices in Israel, Gaza and in Egypt showed, in each and every case that unstunned cattle exhibit distress — vocalising and struggling in the device — during inversion, and before, during, and after the throat cut. The inversion itself is stressful for cattle and this cannot be eliminated merely by the manner in which the animals are handled or the way the device is operated. The full inversion slaughter method is inherently cruel.

Recommendation

Full inversion cattle slaughter boxes are not consistent with the ‘outcome’ measures of the OIE Guidelines nor with the ESCAS requirement that animals must not be caused ‘*avoidable suffering*’ during restraint for slaughter. These boxes must be deemed to be unacceptable under ESCAS.

Part 2 (d) Breeders (dairy cattle, beef and other breeder animals).

The current exclusion of exported breeder animals from the ESCAS system leaves them exposed to the welfare risks posed by inadequate facilities and cruel handling in importing countries. These animals will by definition spend a longer period in the importing country — perhaps several years for milk production or as breeder stock — and so there is an ethical obligation to require the receiving facilities to meet minimum animal welfare standards (i.e. OIE standards). The argument that the higher value of these animals will be protective is insufficient when they are in countries where welfare standards are often neither understood nor enforced.

An example of the serious welfare risks that Australian exported breeder animals may face was revealed via an Australian worker in a large farm in Qatar in early 2012^{iv}. One part of the complaint related to possible breaches of ASEL (export of heavily pregnant animals), but photographic evidence and the worker's sworn statements detailed a raft of husbandry inadequacies that led to the mistreatment and deaths of thousands of cattle and sheep on the farm in Qatar.

In a further example, in October 2012, Animals Australia and RSPCA Australia were concerned to learn that a large consignment of young dairy cattle had been approved for export to Pakistan (so soon after the cruel slaughter of 21,000 from the Ocean Drover). Information had been provided that the consignment would experience extensive transportation in unacceptable trucks, to small ill-equipped farms in Pakistan. Both organisations wrote to DA expressing concern.

Mr Phillip Glyde responded (to Heather Neil, CEO RSPCA Aus. 30/10/2012) and explained the DA decision to approve the consignment of breeders to Pakistan, and the considerations and additional assurances required by DA from the exporter:

This decision was only made after extensive evaluation of the application submitted by the exporter. ... the exporter has provided a number of additional assurances which have been provided for this consignment, including:

- *The livestock will be delivered only to properties with well established breeding programs and facilities;*
- *The consignments involve the use of Australian veterinary dairy expertise to advise and train staff across the supply chain;*
- *Provision of unprecedented levels of detail from importers...to ensure the safe passage and delivery of the breeder livestock to their destinations;*
- *...*
- *Experienced staff will be present at each importing country port for discharge;*
- *On-call veterinarians are in place for any veterinary emergencies; and*
- *Provisions of protocols to all importing country staff covering...trucking, unloading and post-arrival arrangements, including appropriate animal handling methods, travel plans, feeding, watering and rest stops on arrival.*

... In addition to the above arrangements, the exporter will also be adopting the following safeguards for the consignment:

- *...*
- *The animals will be inspected by importer and exporter representatives on farms, 30 days after delivery, to ensure animal welfare standards continue to be met.*

While the final outcome of this consignment is not known, Animals Australia believes the arrangements put in place for this consignment of 2,100 dairy cattle shows a welcome interest and concern for the ongoing welfare of exported breeder animals. Like ESCAS, it confers an obligation on the exporter to select destination facilities that comply with basic OIE) animal welfare standards, and to provide evidence of this to DA prior to an export permit being granted.

In a similar approach, we note that the Industry Government Implementation group in its report to the Minister on 'Breeder Livestock Exports (April 2013) recommended that exporters complete 'due diligence' and are 'satisfied that acceptable animal welfare outcomes will be achieved at the first breeder facility in the importing country'. An extension to the scope of ESCAS is clearly warranted.

Recommendation

Animals Australia recommends that DA require exporters of breeder animals provide copies of commercial agreements with the receiving company/ies attesting that the receiving companies have measures in place to ensure adequate facilities and handling practices consistent with OIE standards. The exporter would be required to provide declarations to DA that the animals will go to these facilities only, and that they believe the facilities and handling are accurately portrayed in the commercial agreements provided

Conclusion

The Farmer Review, significantly, concluded that '*... the trade is sustainable only if it can demonstrate animal welfare outcomes acceptable to the Australian community*'.

The implementation of ESCAS was a positive and needed development, but Australia being the only exporting nation which requires standards of treatment for exported animals becomes irrelevant if those standards are then not adhered to.

It is clear that to ensure that even the current ESCAS standards are complied with, changes are urgently needed to increase the effectiveness and independence of oversight and reporting mechanisms. Any suggestion that there is currently broad ESCAS compliance would be ill-informed, naive and at odds with the industry's own conclusions. Supply chain breaches represent only one area of concern. Maintaining standards of treatment in abattoirs where no in-country required audit system or local regulations exist, is a challenge that can only be met by a more robust and independent ESCAS auditing system.

Even with a more robust auditing system, the day-to-day effectiveness of ESCAS in improving animal welfare outcomes, will still rely on the willingness of exporters and importers to adhere to ESCAS. There is clear evidence that certain companies are reticent to do so and, as a direct result, shocking evidence of ill-treatment has continued to be documented.

The live export industry and animal welfare groups are as one in calling for strong regulatory action to be taken against companies unwilling to 'play by the rules'. Compliance will only become relevant when failure to comply with regulatory measures present commercial implications. DA also has the ability through Section 17 AMLI orders, to prevent an importer who has exhibited an unwilling to comply with ESCAS, from being able to import animals.

Animals Australia is confident that industry support will also be provided for addressing evidentiary issues, such a sheep EID identification and visual markers, so that individual wrongdoers can be identified, rather than placing blanket regulatory measures on all exporters. Implementing sheep EID is completely justifiable when it is an ESCAS requirement for traceability of cattle.

As regards the ESCAS standards themselves, history has shown that outcomes that had been considered 'aspirational goals' such as stunning of cattle in Indonesia can become realities, and be actively embraced when understood to be a necessary requirement to access Australian livestock or to prevent disruptions to trade. Similarly, the current willingness in Egypt to entertain pre-slaughter stunning has been driven through an understanding of the unacceptable nature of past slaughter practices, that led to temporary suspension of trade, and seeking to avoid further suspensions of trade.

The welfare issues associated with fully conscious slaughter of cattle should be considered so severe to mandate stunning for cattle as part of ESCAS requirements. If the government is unwilling to do so, then mandating stunning for both cattle and sheep in supply chains in countries where there is no religious impediment to pre-stunning will at least reduce the suffering of a greater proportion of exported animals.

Changes are needed for the Australian community to have confidence that ESCAS is delivering necessary animal welfare outcomes. The recommendations within this submission are based on knowledge, insights and evidence gained by Animals Australia over 12 years of investigations in importing countries and our direct involvement as investigators and complainants, both before and since ESCAS was implemented.

Animals Australia, through its ongoing working alliance with the Princess Alia Foundation and other animal protection groups in the Middle East and North Africa, has a direct interest in seeing ESCAS become an effective mechanism to afford exported animals protection and to increase awareness of the importance of animal welfare more generally in importing countries.

As a priority, we recommend that the aforementioned recommendations regarding ESCAS compliance issues be implemented, and seek your consideration of all other recommendations.

Submission ends.

APPENDIX 1 — ESCAS Standards

The case for pre-slaughter stunning of all exported Australian animals.

International:

The most recent and comprehensive literature review is the Scientific Report of the Animal Health and Welfare Panel of the European Food Safety Authority (EFSA), 'Welfare Aspects of Animal Stunning and Killing Methods'.

An extract from Section 1.1 of the EFSA report:

*The animals which are slaughtered have systems for detecting and feeling pain and, as a result of the cut and the blood loss, if not stunned, their welfare will be poor because **of pain, fear and other adverse effects**. The cuts which are used in order that rapid bleeding occurs involve substantial tissue damage in areas **well supplied with pain receptors**. The rapid decrease in blood pressure which follows the blood loss is readily detected by the conscious animal and **elicits fear and panic**. Poor welfare also results when conscious animals inhale blood because of bleeding into the trachea. Without stunning, **the time between cutting through the major blood vessels and insensibility**, as deduced from behavioural and brain response, **is up to 20 seconds in sheep, up to 25 seconds in pigs, up to 2 minutes in cattle, up to 2.5 or more minutes in poultry, and sometimes 15 minutes or more in fish.**' [Published in 'The EFSA Journal (2004), 45, 1-29] [Our emphasis]*

This EFSA report concluded that '*due to the serious animal welfare issues associated with slaughter without stunning, all animals which are slaughtered should be adequately stunned in a humane way*'.

Australian — Government commissioned review of pre-slaughter stunning:

Doctors Adams and Sheridan^v reviewed the literature in the context of an Australian review of non-stun slaughter in 2008. Their extensive report references the EFSA report and many others, and unequivocally states that slaughter without stunning causes pain, distress, and even leads to panic and terror until unconsciousness or death occurs.

Of importance particularly to religious slaughter requirements which broadly require the animals to be alive (thus healthy) prior to the throat cut, the Adams&Sheridan report provides the following scientific information related to sheep/goats (page xv):

Correctly applied electrical stunning has the potential to produce an immediate but reversible loss of consciousness in 100% of sheep and goats.

...

There is a concern that stunning interferes with heart action and is thereby incompatible with some forms of ritual slaughter. The understanding of physiology is that rhythmic beating of the heart occurs independently of the brain but that the brain has a role in regulating the rate and strength of the heart beat. Removal of the brain's influence, as occurs in head only stunning, does not stop the function of the heart. The additional fact that satisfactory bleed-out can occur after cardiac arrest has allowed for the use of electrical stunning that produces death through cardiac arrest while the animal is unconscious (31, 32).

The Adams&Sheridan report itself reiterates the unequivocal peer-reviewed scientific findings that indicate that current stunning methods can deliver insensibility to an animal whilst still providing the essential requirements of the Kosher and Halal slaughter needs a living uninjured animal at the time of the throat cut and (for Kosher purposes) effective, unimpeded 'bleed out' of the slaughtered animal.

The Adams&Sheridan report also discusses the physiological attributes of cattle which lead to delayed unconsciousness compared to other species (also quoting the EFSA 2004 report), indicating that '*the delay between cutting through the major blood vessels of the neck and insensibility... was up to 2 minutes in cattle*'. They conclude that '*...Large animals should be excluded from slaughter without stunning*'. The report advises that all non-stunned animals will experience pain (from the throat cut) and distress (related to fear, anxiety, rage and anger), and states that distress is an '*aggravating influence on pain*'.

A second relevant report prepared for the Australian Agricultural Ministers (PIMC) was a review by Hemsworth, Fisher, Mellor and Johnson^{vi} and focussed only on sheep. However importantly it was written after internationally significant New Zealand calf studies (Massey University). The authors state that they provide further and new scientific evidence of the significant pain of the ventral neck incision during the slaughter of conscious animals, including sheep.

As with the previous scientific reviews (EFSA and Adams&Sheridan), Hemsworth et al conclude that the scientific information indicates:

Taken together the conclusions above indicate that because the slaughter of sheep by ventral-neck cutting without prior stunning is likely to cause pain, slaughter of sheep without stunning poses a risk to animal welfare in the period between the time of the neck cut and the time of loss of awareness. The duration of this period of risk is not currently known with certainty. It is at least 2 - 8 seconds in duration, but may be 8 - 20 seconds in duration.

This report adds to previously existing scientific opinion about the length and degree of suffering involved in the slaughter of fully conscious animals. It is unacceptable to allow any animal to suffer unnecessarily for any period of period of time after their throat has been cut, but the ordeal of cattle is of particular concern as it takes up to 2 minutes for them to be rendered unconscious when the throat is cut well, and even longer when it is not.

It is acknowledged by all (including the Cattle Council of Australia) that pre-stunning of cattle also negates the significant welfare concerns that currently plague the live export industry relating to cattle slaughter box design and operation (inversion and Mark IV boxes discussed elsewhere in this submission. Australia's Chief Veterinary Officer has stated in his report on Mark IV-type boxes):

Humane slaughter of cattle is best achieved through effective prior stunning. However, in some markets stunning is not yet accepted and unstunned slaughter of cattle is used. ... This review recommends that pre-slaughter stunning be used wherever possible and additional efforts be put into encouraging global uptake of pre-slaughter stunning.

The banning of rope/trip slaughter from Mark I boxes in Indonesia, and their subsequent modification or replacement by boxes incorporating pre-slaughter stunning, and the similar replacement of cattle slaughter equipment and additional training in stunning in Jordan has been transformative to animal welfare standards.

That this adoption of pre-slaughter stunning can occur in Islamic countries through collaborative efforts indicates that further efforts could significantly extend the practice for Australian animals (and often also assist local animals) as the technology and practices are accepted. In both example countries Indonesia and Jordan, local industry spokespeople have also advised of the advantages to the smooth functioning, faster processing and reduction in OH&S issues of stunned slaughter over fully conscious restraint and slaughter.

Relevantly, the Farmer Review report states:

In importing countries with Islamic controls of one sort or another on handling and slaughter of animals, there is a range of views on stunning; it is standard in some supply chains, it is not permitted in some countries and it is permitted and optional in some countries.

It should also be noted that the Department and the live export industry have acknowledged in particular the higher welfare risk of non-stun slaughter of animals through the differential performance audit regime (amended in September 2013), with on-site audit of abattoirs that use pre-slaughter stunning required a minimum of one every eight months, whilst on-site audit of abattoirs that do not use pre-slaughter stunning are required twice as often, i.e. a minimum of one every four months. The widespread adoption of stunned slaughter will, in fact, reduce the regulatory burden for the industry and reduce the workload of the Department in monitoring those audit results.

APPENDIX 2 — ESCAS Standards *continued*

Full Inversion cattle restraint/slaughter boxes

Arguments and references which indicate that the ESCAS acceptance of full inversion cattle restraint boxes is flawed include:

- The Australian Government's existing policy position that such restraint for slaughter is '*not acceptable*' in Australia — primarily informed through a scientific review commissioned by the (former) PIMC. This 2008 paper by Adams and Sheridan determined that restraining animals on their backs for slaughter was inappropriate and a source of distress. The subsequent advice provided to PIMC from the Animal Welfare and Product Integrity Team (AWPIT) in November 2009 stated: '*Restraint for all species should maintain the conscious animal in an upright position,*' and '*[t]he use of inverting restraint boxes for cattle is in itself an animal welfare risk and not acceptable.*'
- International scientific opinion that supports this view, including the UK's respected Farm Animal Welfare Committee (FAWC) which states: '*FAWC considers that there is consistent scientific evidence of the significant welfare disadvantages of inverting cattle for slaughter. Cattle inversion is a direct cause of avoidable pain, distress and suffering during the animal's killing and related operation*^{vii}. On this basis, both the United Kingdom and the USA prohibit full inversion restraint for slaughter.
- The current OIE Guidelines' relevant slaughter chapter (7.5) states^{viii}:
 - *Provisions relevant to restraining animals for slaughter without stunning, to help maintain animal welfare, include: ... avoidance of excessive pressure applied by restraining equipment that causes struggling or vocalisation in animals;*
 - *Methods of restraint causing avoidable suffering should not be used in conscious animals because they cause severe pain and stress.*

The OIE Guidelines also list the animal welfare concerns and implications of rotating, fully inverting restraint devices for cattle, including '*Inversion stress; stress of resisting restraint, prolonged restraint, inhalation of blood and ingesta*'.

That the OIE Guidelines do not then specifically prohibit full inversion restraint for cattle is a serious and unacceptable internal inconsistency, and certainly should not be relied upon as reason to accept full inversion slaughter in Australia's ESCAS standards.

ENDNOTES

- i Independent Review of Australian's Livestock Export Trade: Bill Farmer AO for DAFF; August 2011
http://www.daff.gov.au/_data/assets/pdf_file/0016/2030380/independent-review-of-australias-livestock-export-trade.pdf
- ii Schipp, M, Review of modified and copy Mark IV type restraint boxes; Australian Chief Veterinary Officer, DAFF; July 2013
http://www.daff.gov.au/_data/assets/pdf_file/0007/2328208/mark-iv-review.pdf
- iii LiveCorp Resources & Publications
<http://www.livecorp.com.au/publications>
- iv Allegations of breaches of Australian Standards for the Export of Livestock involving breeding animals exported to a farm in Qatar: DAFF; March 2013
<http://www.daff.gov.au/biosecurity/export/live-animals/livestock/regulatory-framework/compliance-investigations/investigations-regulatory-compliance/qatar-breach-allegations>
- v Specifying the Risks to Animal Welfare Associated with Livestock Slaughter without Induced Insensibility: David B. Adams and Allan D. Sheridan; November 2008
<http://www.australiananimalwelfare.com.au/app/webroot/files/upload/files/animal-welfare-livestock-slaughter.pdf>
- vi A Scientific Comment on the Welfare of Sheep Slaughtered without Stunning: AWSC and the AWSBC; July 2009
- vii Letter from FAWC Chairman Christopher Wathes BSc, PhD to DEFRA 12/4/2012:
<http://www.defra.gov.uk/fawc/files/Cattle-inversion-for-religious-slaughter.pdf>
- viii OIE Slaughter of Animals, Chapter 7.5:
http://www.oie.int/fileadmin/Home/eng/Health_standards/tahc/2010/chapitre_1.7.5.pdf