

Audit report of the 2022–23
annual performance statements

Department of Agriculture, Fisheries
and Forestry



INDEPENDENT AUDITOR'S REPORT on the 2022-23 Annual Performance statements of the Department of Agriculture, Fisheries and Forestry

To the Minister for Finance

Qualified Conclusion

In my opinion, except for the possible effects of the matters described in the Bases for Qualified Conclusion section of this report, the 2022-23 Annual Performance Statements of the Department of Agriculture, Fisheries and Forestry (DAFF):

- present fairly DAFF's performance in achieving its purpose for the year ended 30 June 2023; and
- are prepared, in all material respects, in accordance with the requirements of Division 3 of Part 2-3 of the *Public, Governance, Performance and Accountability Act 2013* (the PGPA Act).

Audit criteria

In order to assess whether DAFF's annual performance statements complied with Division 3 of Part 2-3 of the PGPA Act, I applied the following criteria:

- whether the entity's key activities, performance measures and specified targets are appropriate to measure and assess the entity's performance in achieving its purposes;
- whether the performance statements are prepared based upon appropriate records that properly record and explain the entity's performance; and
- whether the annual performance statements present fairly the entity's performance in achieving the entity's purposes in the reporting period.

Bases for Qualified Conclusion

The performance statements are not complete – important performance information is not reported

There are material omissions of performance information from DAFF's performance statements relating to the following elements of its purpose:

- Objective 1 – Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030 amid changing global market conditions (Industry Growth)
- Objective 3 – Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment. (Resilience and Sustainability)

The Industry Growth objective of DAFF's purpose is comprised of three key activities and five performance measures (Attachment A). In relation to Key Activity 2 "Maintain and expand exports and access to international markets" the department has included one performance measure:

IG-04 – Decrease in the number of point-of-entry failures of agricultural exports where the department's actions have caused the failure. Measured via meat and meat products commodity as a proxy for all agricultural trade.

Performance measure IG-04 only considers point of entry failures which is only one aspect of maintaining and expanding exports and access to international markets. DAFF has identified that maintaining and expanding exports and access to international markets is a key activity it undertakes (Key Activity 2).

In addition to providing export controls and assistance for agricultural, fisheries and forestry exporters to meet importing country requirements for their commodities, as measured through IG-04, DAFF's work includes providing opportunities for primary producers to export their commodities and resolving trade disputes. There is no performance information relating to these material aspects of DAFF's purpose reported in the performance statements. As a result, the performance information relating to Objective 1 regarding Industry Growth is not complete.

The Resilience and Sustainability objective of DAFF's purpose is comprised of two key activities and one performance measure (Attachment A). This performance measure addresses sustainability in relation to agriculture but does not address the resilience aspect of this objective which includes resilience of agricultural, fisheries and forestry activities to drought and natural disasters. As a result, the performance information relating to Objective 3 regarding Resilience and Sustainability is not complete.

Performance measure IG-04 is not appropriate for measuring and assessing DAFF's performance

Key Activity 2 includes DAFF's regulatory actions in administering the *Export Control Act 2020* (ECA). The ECA sets out the overarching legal framework for the regulation of exported goods, including food and agricultural products, from Australia. Meat export are one of the goods covered by this legislation.

As the definition of exported goods for the purposes of the ECA is broader than meat exports, I was unable to corroborate DAFF's view that measuring point-of-entry failures for the meat exports is a suitable proxy for all exports.

In addition, under IG-04, only failures that are directly due to failures of the department are reported as point-of-entry failures. Only measuring failures directly due to failures of the department, in an environment where the responsibilities are licenced to other parties, adds to the biased construct of the measure.

On this basis I have assessed that the performance measure does not provide an unbiased basis for measuring and assessing DAFF's performance in regulating exports and, therefore, does not comply with s16EA(c) of the PGPA Rule.

Emphasis of Matter – Fisheries and Forestry Performance Reporting

I draw attention to the disclosures within the annual performance statements in the *Partnering to support fisheries* and *Sustainable forestry growth* sections. DAFF's performance statements do not include measures of performance relating to fisheries and forestry industries. These disclosures provide information in relation to DAFF's responsibilities for fisheries and forestry and its assessment of the completeness of the reporting of these functions within the annual performance statements. My conclusion is not modified in respect of this matter.

Accountable Authority's responsibilities

As the Accountable Authority of DAFF, the Secretary is responsible under the PGPA Act for:

- the preparation and fair presentation of annual performance statements that accurately reflect DAFF's performance and comply with the Act and Rule;
- keeping records about DAFF's performance in accordance with requirements prescribed by the Act; and
- establishing such internal controls that the Accountable Authority determines is necessary to enable the preparation and presentation of the annual performance statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the performance statements

My responsibility is to conduct a reasonable assurance engagement to express an independent opinion on DAFF's annual performance statements.

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which include the relevant Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Auditing and Assurance Standards Board.

In accordance with this standard, I plan and perform my procedures to obtain reasonable assurance about whether the performance measures and accompanying results presented in the annual performance statements of the Entity fairly presents the Entity's performance in achieving its purpose and comply, in all material respects, with the Act and Rule.

The nature, timing and extent of audit procedures depend on my judgment, including the assessment of the risks of material misstatement, whether due to fraud or error, in the annual performance statements. In making these risk assessments, I obtain an understanding of internal control relevant to the preparation of the annual performance statements in order to design procedures that are appropriate in the circumstances.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified conclusion.

Independence and quality control

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagement* in undertaking this assurance engagement.

Inherent limitations

Because of inherent limitations of an assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance of the annual performance statements with the Act and Rule as it is not performed continuously throughout the period and the assurance procedures performed are undertaken on a test basis. The reasonable assurance conclusion expressed in this report has been formed on the above basis.

Australian National Audit Office

A handwritten signature in black ink that reads "Rona Mellor". The signature is written in a cursive, flowing style.

Rona Mellor PSM

Deputy Auditor-General

Delegate of the Auditor-General

Canberra

11 September 2023

Appendix A — Referencing for Measures in the Bases for Qualified Conclusion paragraph

In preparing the Bases for Qualified Conclusion, I have used the following referencing system.

Objective	Key Activity	Performance Measure	Target
<p>Objective 1</p> <p>Support industry to grow towards a \$100 billion agricultural, fisheries and forestry industry by 2030 amid changing global market conditions. (Industry Growth)</p>	<p>Key activity 1</p> <p>Support sector productivity, resilience and growth through science, policy and partnership.</p>	<p>IG-01</p> <p>Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years, compared to average annual market sector productivity growth over the same period.</p>	<p>Greater than or equal to 0% difference over past 10 years.</p>
		<p>IG-02</p> <p>Equal or reduced cost of levies administration compared with levies disbursed</p>	<p>Cost is less than or equal to 1.2% of levies disbursed.</p>
		<p>IG-03</p> <p>Proportion of farm businesses making capital investments.</p>	<p>Increase in percentage of farm businesses making new capital investments compared with 2021–22 (based on a 5-year moving average).</p>
	<p>Key activity 2</p> <p>Maintain and expand exports and access to international markets.</p>	<p>IG-04</p> <p>Decrease in the number of point-of-entry failures of agricultural exports where the department’s actions have caused the failure. Measured via meat and meat products commodity as a proxy for all agricultural trade.</p>	<p>Decrease from the previous year in the number of point-of-entry failures from agricultural exports. Measured via meat and meat products commodity as a proxy for all agricultural trade.</p>
	<p>Key activity 3</p> <p>Streamline export regulations and compliance arrangements.</p>	<p>IG-05</p> <p>Increase in the number of electronic certificates for export issued (moving to paperless trade).</p>	<p>Establish a baseline.</p>

Objective	Key Activity	Performance Measure	Target
<p>Objective 3</p> <p>Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment (Resilience and sustainability)</p>	<p>Key Activity 1</p> <p>Promote the sustainable management of Australian and regional fisheries and a sustainable fishing industry.</p>	<p>RS-01</p> <p>The number of Australian Government managed fish stocks assessed as 'subject to overfishing' or 'uncertain' in the ABARES Fishery status report.</p> <p><i>Note: This measure has been removed because it duplicated the work of the Australian Fisheries Management Authority (AFMA). The measure did not reflect that DAFF is responsible for developing longer-term strategic policy but that operational elements are the responsibility of AFMA.</i></p>	
	<p>Key Activity1</p> <p>Increase the contribution that agriculture makes to a healthy, sustainable environment.</p>	<p>RS-02</p> <p>Share of farms using sustainable management practices is maintained or increases by 2025.</p>	<p>Share of farms using sustainable management practices is maintained or increases by 2025</p>



Australian Government
**Department of Agriculture,
Fisheries and Forestry**

Annual report

2022–23

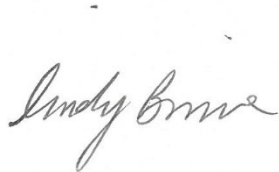


Part 1: Annual performance statements

Accountable authority statement

As the accountable authority for the Department of Agriculture, Fisheries and Forestry from 7 August 2023, I present the 2022–23 annual performance statements for the Department of Agriculture, Fisheries and Forestry on behalf of the former secretary and accountable authority for the department in 2022–23, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, these performance statements accurately present the department’s performance for the year ending 30 June 2023 and comply with subsection 39(2) of the PGPA Act (section 16F of the PGPA Rule).

A handwritten signature in black ink, appearing to read 'Cindy Briscoe', written in a cursive style.

Cindy Briscoe
Acting Secretary
Department of Agriculture, Fisheries and Forestry

08 September 2023

Our purpose, objectives, and programs

Our purpose is working together to safeguard and grow sustainable agriculture, fisheries and forestry for all Australians.

Our 3 objectives are:

- 1) Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030 amid changing global market conditions.
- 2) Strengthen our national biosecurity system to provide an appropriate level of protection to Australia’s people, our environment and economy from the biosecurity threats of today and tomorrow.
- 3) Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment.

Together, our purpose and objectives are consistent with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), *Public Governance, Performance and Accountability Rule 2014* and the Department of Finance resource management guides. Along with our vision, values and principles, our purpose and objectives set the context and foundation for our key activities and how we deliver them.

Our 3 objectives aligned with the department outcomes in our *Portfolio Budget Statements 2022–23* (PBS 2022–23) (Table 1). Programs that contributed to our PBS 2022–23 outcomes are shown in Table 2. There were no PBS 2022–23 measures to report against in the *Corporate Plan 2022–23*.

Table 1 Department outcomes and objectives, 2022–23

PBS 2022–23 outcome	Corporate Plan 2022–23 objective
Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.	Industry growth: Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030 amid changing global market conditions. Resilience and sustainability: Increase the contribution agriculture, fisheries and forestry makes to a healthy, sustainable and low-emissions environment.
Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.	Biosecurity: Strengthen our national biosecurity system to provide an appropriate level of protection to Australia’s people, our environment and economy from the biosecurity threats of today and tomorrow.

Table 2 Programs by Portfolio Budget Statement 2022–23 outcome

PBS 2022–23 outcome	Program
Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.	1.1 Agricultural Adaptation 1.2 Sustainable Management – Natural Resources 1.3 Forestry Industry 1.4 Fishing Industry 1.5 Horticultural Industry 1.6 Wool Industry 1.7 Grains Industry

PBS 2022–23 outcome	Program
	1.8 Dairy Industry
	1.9 Meat and Livestock Industry
	1.10 Agricultural Resources
	1.11 Drought Programs
	1.12 Rural Programs
	1.13 International Market Access
Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.	2.1 Biosecurity and Export Services
	2.2 Plant and Animal Health

Providing a complete picture of performance

As noted in the foreword of our *Corporate Plan 2022–23*, we developed a new purpose and objectives to enable us to adapt to our changing operating environment and deliver on government priorities.

Our objectives (under which key activities and individual performance measures are aligned), reflect the government’s key areas of focus for our department as set out in the Administrative Arrangements Orders and the regulatory systems and legislation that govern our work.

Each of our objectives was achieved through key activities and associated performance measures that best represent our significant regulatory, program and policy responsibilities. These focused on major programs that made a significant contribution to achieving our purpose and objectives. We have explained why other activities and programs of work were not included as performance measures in our *Corporate Plan 2022–23*.

Industry growth objective

This objective has a target of \$100 billion for the agriculture, fisheries and forestry industry by 2030. ABARES estimates the gross value of agricultural production in 2022–23 was \$91.5 billion or \$97.6 billion inclusive of fisheries and forestry.

We focused on 3 key activities to deliver on this objective:

- 1) Support sector productivity, resilience and growth through science, policy and partnership.
- 2) Maintain and expand exports and access to international markets.
- 3) Streamline export regulations and compliance arrangements.

These key activities recognised the importance of partnership and effective policy to support industry productivity, our technical and operational work, and international, regional and bilateral negotiations in creating and maintaining export market opportunities.

The associated performance measures focused on boosting agricultural productivity, efficient industry levies administration, encouraging farmers to make capital investments and effectively regulating agricultural trade.

Opening, maintaining and improving access to international markets for agricultural trade was an important function of our department, to help maintain and expand overseas trade opportunities for Australian agricultural producers.

In the *Corporate Plan 2023–24* we have reinstated 2 performance measures (IG-05 and IG-06) that relate to the number of international markets opened or improved by our department and the potential value of trade facilitated through the prevention and/or resolution of trade disruptions. We removed these measures from the *Corporate Plan 2022–23* due to concerns about the reliability of the associated data.

Because we regularly publish information and reports about our live animal export work on our website, we did not duplicate this work by creating a separate performance measure.

We chose not to develop a separate performance measure relating to food security because it is subject to socio-economic, global and environmental factors that are beyond the control of any single entity. Our role in food security focuses primarily on agricultural production and availability, and on ensuring the efficient and safe facilitation of imports through our biosecurity operations. Several of our performance measures support food security, including performance measures IG-01, BI-01 and BI-02.

Partnering to support fisheries

The Australian Government works with state and territory governments to manage fisheries in consultation with the fishing industry, First Nations communities, recreational fishers, scientists, economists and the broader community. We are responsible for developing legislative procedures and policy to ensure sustainable fisheries. For international fisheries, our department leads Australia's contributions to regional fisheries management organisations, the bodies that set management measures and monitor compliance for international fish stocks. We are also responsible for administering the farmed prawns levy and charge. The funds raised enable the Australian Government and farmed prawn industry to co-invest to improve the profitability, productivity, competitiveness and long-term sustainability of Australia's farmed prawn industry, as well as meet the industry's contribution towards the 2016 white spot disease response. Performance measure IG-02 considers the efficiency of how we administer levies to support the agricultural, fisheries and forestry industries.

The Australian Fisheries Management Authority (AFMA) is responsible for the efficient management and sustainable use of Commonwealth fish resources on behalf of the Australian community (see [AFMA Corporate Plan 2023–26](#)). Given our focus on longer-term strategic policy and the operational role of AFMA in managing fisheries, we do not have meaningful data to support annual performance measures directly relating to fisheries. This is why we removed performance measure RS-01 from the annual performance statements.

Sustainable forestry growth

We support the sustainability and growth of Australia's forest industries by providing policy advice, delivering programs and supporting research and innovation. This includes administering Regional Forestry Agreements (RFAs) with the states and overseeing independent 5-yearly reviews. RFAs are long-term agreements that provide for the sustainable management and conservation of Australia's native forests. State and territory governments have responsibility for land management, including

the regulation and management of forests within the RFA areas. In an international context, we are responsible for combating illegal logging and representing Australia in international forestry forums.

We are responsible for implementing over \$300 million of program funding to support innovation and increase the capacity of the forestry industry to produce products for domestic consumption while remaining internationally competitive. These programs include:

- Support Plantation Establishment program – providing \$73.8 million in grant funding over 4 years from 2023–24 to support the establishment of new plantations. This will secure future domestic wood supply and contribute to Australia’s carbon emissions reduction commitments.
- Accelerate Adoption of Wood Processing Innovation program – providing \$108.8 million in grants over the next 4 years for wood-processing businesses to adopt new or upgraded facilities to increase their output or product lines. The program supports the medium- to long-term sustainability of wood processors by stimulating investment in upgrades to existing manufacturing lines, as well as supporting innovation to diversify domestic products.
- National Institute for Forest Products Innovation – providing \$100 million from 2022–23 to 2026–27 to establish Australian Forest and Wood Innovations (AFWI), which will be based at the University of Tasmania in Launceston and supported by 3 research centres that will undertake forestry research and development. AFWI will create opportunities for applied research, innovation and the commercialisation of new knowledge in the forest and wood products industries.
- Forestry Workforce Training program – \$10 million over 4 years to support delivery of skills and training to meet the requirements of Australia’s forest and wood products sectors.

We are also responsible for administering the levies and charges on forestry industry products (measured by performance measure IG-02). The funds raised enable the Australian Government and forestry industry to co-invest to improve the profitability, productivity, competitiveness and long-term sustainability of the industry.

Government programs and policy focus on longer-term outcomes to ensure the supply or manufacture of forestry products. We are developing performance measures focusing on how we administer funding to support sustainable growth of the forestry industry. Our *Corporate Plan 2023–24* includes a performance measure relating to the Accelerate Adoption of Wood Processing Innovation program.

Biosecurity objective

We focused on 3 key activities to deliver on this objective:

- 1) Effectively prepare for the management of biosecurity risk through pragmatic policy, fit-for-purpose regulation and mature preparedness.
- 2) Effectively detect biosecurity risk through intelligence-led targeting, technology-supported inspections and efficient detection methods.
- 3) Minimise the impact of biosecurity incursions through appropriate post-biosecurity and post-border measures.

We safeguarded Australia’s animal and plant health status by investing in a national biosecurity system to detect and minimise the impact of biosecurity incursions. We did this through risk assessment, regulation, inspection and certification, proactive surveillance, and the implementation of emergency response arrangements for Australia’s agricultural, fisheries and forestry industries.

The performance measures associated with these key activities focused on reducing levels of non-compliance with regulations, improving our detection of high-risk plant and pest biosecurity risks, strengthening our service standards and undertaking emergency preparedness exercises to improve our ability to respond to biosecurity risks in the most efficient manner possible.

Resilience and sustainability objective

We focused on 2 key activities to deliver on this objective:

- 1) Promote the sustainable management of Australian and regional fisheries and a sustainable fishing industry.
- 2) Increase the contribution that agriculture makes to a healthy, sustainable environment.

This objective first appeared in the *Corporate Plan 2022–23*. Since then, we have reviewed the key activities and performance measures underpinning this objective to more clearly demonstrate how we help industry reduce emissions, adopt sustainable agricultural practices and adapt to the impacts of climate change. The *Corporate Plan 2023–24* includes new key activities and performance measures associated with this objective.

Our performance measures

Changes to performance measures

Our *Corporate Plan 2022–23* provided performance measures for the reporting period. As part of the continuous improvement of our performance framework, during the year we reviewed and updated some of these performance measures. Table 3 summarises these changes to performance statements.

Table 3 Variation to performance information from *Corporate Plan 2022–23*

Performance measure in <i>Corporate Plan 2022–23</i>	Corporate plan page	Changes made	Reason for changes
IG-01 Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years, compared to average annual market sector productivity growth over the same period.	14	Amended.	More detail provided to clarify our department’s contribution. Tolerance for ‘achieved’ was adjusted in line with the measure title.
IG-02 Equal or reduced cost of levies administration compared with levies disbursed.	15	Amended.	More detail provided to clarify our department’s contribution.
IG-03 Proportion of farm businesses making capital investments.	16	Amended.	Tolerance for ‘partially achieved’ was removed. The target is only considered ‘achieved’ if the proportion of farm businesses making capital investments increases. The target is ‘not achieved’ if the proportion decreases or remains the same.

Performance measure in <i>Corporate Plan 2022–23</i>	Corporate plan page	Changes made	Reason for changes
			Target updated to show that the result is calculated on a 5-year reporting period rather than on the previous year.
IG-04 Decrease in the number of point-of-entry failures of agricultural exports where the department's actions have caused the failure.	17	Amended.	Given the significant value and volume of meat exported from Australia, this measure was amended to focus on the instances of point-of-entry failure for exported meat and meat products.
IG-05 Increase in the number of electronic certificates for export issued (moving to paperless trade).	18	Amended.	The proposed increase target for 2023–24 was reduced. This is consistent with the <i>Corporate Plan 2023–24</i> .
BI-01-01 Reduced levels of non-compliance with regulations administered by the department (high-value cargo).	20	Amended.	Tolerances were added to the measure. Two data sets listed in the corporate plan were not used in the calculation of the measure because they were not relevant, but an additional data source was used.
BI-01-02 Reduced levels of non-compliance with regulations administered by the department (approved arrangements).	21	Amended.	Tolerances were added to the measure.
BI-01-03 Reduced levels of non-compliance with regulations administered by the department (international travellers).	22	Amended.	Tolerances were added to the measure.
BI-02 Biosecurity service standards are met.	23	Amended.	More detail provided to clarify the tolerance for 'partially achieved' and exclusion of 2 service standards. Data sources were expanded to better represent the breadth of service standards.
BI-03 Reduction in risk of African swine fever because of biosecurity measures implemented by the department.	24	None.	Not applicable.
BI-04 Number of consignments of imported goods arriving with khapra beetle reduced as a result of biosecurity measures implemented by the department.	25	None.	Not applicable.
BI-05 Number and extent of biosecurity preparedness exercises completed.	26	Amended.	More detail provided, including in the data sources, to more accurately reflect our approach to managing exercises.
Objective 3 Resilience and sustainability, Key activity 1: Promote the sustainable management of Australian and regional fisheries and a sustainable fishing industry.	27	Removed.	This key activity was removed because it was too narrowly focused to meaningfully contribute to the achievement of our purpose.
RS-01 The number of Australian Government managed fish stocks assessed as 'subject to overfishing' or 'uncertain' in the ABARES Fishery status report.	27	Removed.	This measure was removed because it duplicated the operational work of the Australian Fisheries Management Authority. The measure did not reflect that we are responsible for developing longer-term strategic policy.
RS-02 The percentage of farms using sustainable management practices.	28	Amended.	More detail provided on the programs that contributed to achieving the measure.

Performance measure in <i>Corporate Plan 2022–23</i>	Corporate plan page	Changes made	Reason for changes
			Tolerances and new data sources were also added to the measure.

Performance results

Objective 1 Industry growth

Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030 amid changing global market conditions.

Key activity 1

Support sector productivity, resilience and growth through science, policy and partnership.

Measure IG-01

IG-01	Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years, compared to average annual market sector productivity growth over the same period.
Measure type	Effectiveness.
Target	Greater than or equal to 0% difference over past 10 years.
Result	Not achieved – market sector growth rate was 0.27% higher than the agricultural productivity growth rate.
Tolerances	Achieved: Average annual growth in the agricultural productivity (climate-adjusted) series exceeds average annual market sector productivity growth over the same period. Partially achieved: Not applicable. Not achieved: Average annual growth in the agricultural productivity (climate-adjusted) series is lower than average annual market sector productivity growth over the same period.

Context

Agricultural productivity measures technological advancement and its impact on industry progress. This is key to maintaining and increasing industry competitiveness and profitability.

We work to provide a policy and regulatory environment that enables primary producers to maintain and increase their productivity and build profitable and resilient agribusinesses. The agricultural levies system, and the legislation that underpins it, allows primary producers to collectively invest in priorities such as research and development, marketing and biosecurity. We are modernising the legislation to ensure it is fit for purpose and supports an effective levies system. We also monitor and respond to emerging issues that affect industry and regional communities.

Securing an appropriate workforce is one of the biggest challenges facing the agricultural industry. This involves a whole-of-government approach to invest in the skills of Australians, create employment opportunities in the regions, support secure pathways for overseas workers, and ensure workers are protected. In 2022–23 we shaped policy, partnered with other government agencies and engaged with industries and unions to help address these challenges. For example, we contributed to the prioritisation of agriculture in the government’s Fee-Free TAFE commitment, which has seen over 5,700 students enrolled nationally in agricultural courses since January 2023.

This performance measure tracks progress over a 10-year period to provide an assessment of long-term productivity trends.

Analysis

In the 10 years to 2022–23, agricultural productivity growth (adjusted for climate and weather effects) averaged 0.13% per year. This was lower than market sector productivity growth, which averaged 0.40% per year.

During the 10-year measurement period, Australia’s agricultural industry experienced the effects of a variable climate. This included periods of drought across much of eastern Australia, as well as more recent years of better climate and weather conditions.

Climate adjusted productivity estimates measure Australia’s broadacre industries, including farm businesses mainly involved in the production of crops for fodder or grain, beef, sheep, or a mix of cropping and livestock.

The market sector productivity measure included 16 market sector industries of the Australian economy, as defined by the Standard Economic Sector Classifications of Australia (SESCA) and the Australian and New Zealand Standard Industrial Classification (ANZSIC).

Methodology

ABARES published climate-adjusted productivity statistics, generated through a machine-learning microsimulation model that produces estimates of farm-level productivity under a range of climate scenarios. The process adjusts the productivity measure to account for climate and weather effects. The methodology used to produce these statistics was peer reviewed and the case study was published in the academic journal *Food Policy* (vol. 102, July 2021). We based market-sector productivity estimates on Australian Bureau of Statistics (ABS) estimates of industry multifactor productivity.

Due to the lag between measurement, publication of the productivity data and the performance reporting deadline, we used a forecast for the most recent year of data. The 2022–23 forecast for agricultural productivity and overall market sector productivity assumes that productivity growth will be equal to the long-term average. As a result, the forecast may not reflect the actual rates of productivity growth in 2022–23.

Productivity is best measured over long periods because short-term fluctuations in measured productivity may be due to short-term influences on the production process – for example, fluctuations in prices paid or prices received.

Data sources

Departmental and external sources:

- Climate-adjusted productivity estimates for the broadacre industry (ABARES)
- *Estimates of Industry Multifactor Productivity, 2021–22* (Australian Bureau of Statistics, cat. 5260.0.55.002)

Caveats and disclosures

In cases where we used a forecast because an actual observation did not exist, the forecast assumed that the actual result was consistent with the long-term average. This method may reduce the potential accuracy of estimates, but it ensures measurement consistency, increases transparency, and reduces subjective bias.

Productivity measures the efficiency with which inputs are used to create outputs. Some elements of the production process that affect the productivity measure are not within businesses' control.

Climate-adjusted productivity estimates largely remove the effects of climate and weather variability, revealing the underlying productivity trend. However, some residual climate and weather impacts, such as price changes, may be present in the estimates. Temporary effects such as higher prices caused by drought conditions tend to impact short-term measures of productivity. In the long-term, these effects are likely to be small and difficult to measure.

The agricultural productivity result is for the Australian broadacre industries. Farm businesses engaged in other agricultural production, such as sugarcane farming, dairy farming and horticultural (fruit and vegetable) production, were not included in the performance measure because climate-adjusted productivity measures were not available for these industries.

Broadacre industries account for around two-thirds of Australia's agricultural production by total value and the majority of agricultural land use. The performance of the broadacre sector is the main driver of total agricultural industry productivity.

Variation from corporate plan

Tolerance for 'achieved' was adjusted in line with the measure title, removing the words 'is equal to or'. Agricultural and market-sector productivity growth is unlikely to be equal over the same period.

Measure IG-02

IG-02	Equal or reduced cost of levies administration compared with levies disbursed.
Measure type	Efficiency and regulatory.
Target	Cost is less than or equal to 1.2% of levies disbursed.
Result	Achieved – cost was \$3.774 million or 0.60% of levies disbursed. This result is a 6.31% reduction in the 2021–22 cost of \$4.028 million.
Tolerances	Achieved: Levies administration cost is less than 1.2% of levies disbursed. Partially achieved: Not applicable. Not achieved: Levies administration cost is more than 1.2% of levies disbursed.

Context

The Australian Government is committed to supporting Australia's agricultural, fisheries and forestry industries to grow to a value of \$100 billion by 2030. The agricultural levies system is the partnership between government and industry that enables the agricultural, fisheries and forestry industries to collectively invest towards the 2030 target. Learn more about [levies and the levy system](#).

The return on investment is vital for these industries to respond to emerging trends, biosecurity threats and the challenges of operating in highly competitive world markets. By keeping our cost-recovery efforts efficient, more money will go to activities that help improve agricultural productivity and sustainability, which supports our industry growth objective.

Our department is responsible for the agricultural levies system, and our role is underpinned by the levies legislative framework. In 2022–23 we collected levies and charges on more than 70 agricultural products for research and development, marketing, residue testing, biosecurity activities and emergency responses. We collected levies and levy information from levy collection agents. To

support industry to achieve its 2030 target, we also disbursed levies and shared information with levy recipient bodies.

We conducted compliance activities, such as inspections of levy collection agent records, to maintain the integrity of the levies collected and the information received. We recovered the cost of managing the levies system from industry and ensured that our resources were prioritised to deliver services efficiently.

We offered targeted educational support and national helpdesk services to levy collection agents and helped them to comply with their regulatory obligations.

Our annual risk-based national levies compliance program increased the knowledge of levy collection agents about their obligations and encouraged their voluntary compliance with legislation. The program enables us to provide assurance to government and industry that levy collections are materially complete.

This performance measure aligns with regulator best practice Principle 1 Continuous improvement and building trust, Principle 2 Risk-based and data-driven, and Principle 3 Collaboration and engagement. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

In 2022–23 we disbursed \$634.38 million at a cost of \$3.774 million. The cost was 0.60% of levies disbursed. This was a 6.31% decrease in cost from 2021–22, when we disbursed \$602.596 million levies at a cost of \$4.028 million, or 0.67% of levies disbursed.

The 2022–23 national compliance program delivered positive outcomes against our operational compliance program and targeted compliance assessment program. Outcomes included identifying unpaid levies from new participants of the levies system. We recovered \$0.470 million in revenue from new agents and made \$2.475 million in levy adjustments. This figure comprises \$0.644 million of levy overpayments and \$1.831 million of levy underpayments.

Employee expenses are the biggest cost driver for levies administration costs. The average levies administration cost between 2019–20 and 2021–22 was \$4.467 million, or 0.86% of levies collected. We expect these costs to return to pre-COVID-19 levels in 2024–25.

Methodology

Our information systems provided data on disbursements, levy rates, levies compliance, administration activities and costs. We combined this data to attribute collection costs to respective agricultural commodities.

If the 1.2% target benchmark is exceeded, this indicates that levies administration is no longer efficient. This target is appropriate for 2022–23 but will be subject to review in 2025–26 after the implementation of modernisation reforms to agricultural levies legislation.

Data sources

Departmental systems:

- Activity Based Costing (ABC) system

- Phoenix – levies management information system
- TechnologyOne – financial management information system.

Caveats and disclosures

Results can be compared from year to year because the target was measured in percentage terms rather than nominal dollar terms, which can fluctuate. The efficiency of the system to collect those monies, and all other necessary levy information, from the affected levy collection agents can also fluctuate.

During the year, our costs were primarily affected by reduced staffing and travel restrictions. Variable climatic seasons and production levels also influenced the amount of levy collected. These factors also affected our efficiency in collecting those levies and the corresponding levy information from the affected levy collection agents.

Measure IG-03

IG-03	Proportion of farm businesses making capital investments.
Measure type	Effectiveness.
Target	Increase in percentage of farm businesses making new capital investments compared with the prior reporting period (based on a 5-year moving average).
Result	Not achieved – in the 5 years to 2021–22, new capital investments were made by 55% of farm businesses, which was the same level as in the 5 years to 2020–21.
Tolerances	Achieved: Proportion of farms making new capital investments increases (based on annual reporting of a 5-year moving average). Partially achieved: Not applicable. Not achieved: Proportion of farms making new capital investments remains the same or decreases (based on annual reporting of a 5-year moving average).

Context

We coordinated advice and communication about drought policy and the importance of preparedness to build long-term resilience for farmers and wider communities affected by drought – including through the Future Drought Fund (FDF), a key initiative managed by the department. We were responsible for policy and programs designed to support farmers to prepare for or respond to fluctuating income. Programs included the Farm Management Deposit Scheme (FMD Scheme), the Regional Investment Corporation (RIC) and Farm Household Allowance (FHA).

We aim to foster growth and productivity over time, and through downturns and negative climatic events. During the reporting period, sustained growth in the agricultural industry was underpinned by farm businesses investing in their resilience and planning and taking advantage of new opportunities. Farmers are more likely to invest when confident about the future. This includes having the skills, tools and financial resources to manage drought and other climate-related risks.

Analysis

In the 5 years to 2021–22, new capital investments were made by 55% of farm businesses, which was the same level as in 2020–21.

In the year to 2021–22, investment levels rose, reflecting higher farm incomes that were driven by high commodity prices and good seasonal conditions. However, the 5-year average masked shorter-term fluctuations. Interventions to build business capacity and resilience have a long lead time. If

income levels remain strong, we expect these interventions to contribute to a trend of rising investment in future years, even in the event of stresses such as drought. A year-on-year increase in new capital investments aligns with our policies and key activities.

In 2022–23 the \$5 billion FDF initiative continued to support long-term drought resilience and contribute to confidence through:

- better climate information – enabling farmers, businesses and communities to better understand the climate risks they face and their resilience to those risks
- better planning – helping farmers and regions to proactively plan for drought
- better practices – developing and adopting farming and land management practices and technologies that improve resilience to droughts
- better prepared communities – building and supporting the community leaders, networks and organisations that underpin community resilience.

FDF investments strengthened stakeholder planning, risk management and decision-making capacity. Investments also helped support development of practices and technologies to better respond to and recover from drought. FDF actions were delivered in partnership with state and territory governments and with groups working to the needs of specific regions and communities. Learn more about [FDF programs that supported resilience building in 2022–23](#).

The FMD Scheme supported business preparedness and financial risk management by helping primary producers manage their capital and fluctuating cash flow. The additional support created a financial buffer for the agricultural sector, resulting in increased resilience to economic downturns, prolonged negative climatic events and natural disasters. The scheme supported farmers' capacity to plan for and undertake capital investment by encouraging them to set aside cash reserves to draw on in low-income years. At 30 June 2023, the 10-year rolling average of farm management deposit account holdings had increased in real terms by 3.5% to \$6.84 billion. We shared responsibility for administering the FMD Scheme with the Australian Taxation Office (ATO). We had responsibility for the government's agricultural policy and the ATO held responsibility for tax compliance.

Commonwealth-funded concessional loans supported the long-term strength, resilience and profitability of eligible Australian farm businesses and related small businesses, by increasing their financial capacity. We supported the Minister for Agriculture, Fisheries and Forestry in his role as the responsible minister for the RIC. This included managing the reappointment of the RIC Chair and the appointment of 2 board members in 2022–23 to ensure the RIC could continue to deliver these loan programs on behalf of the Australian Government.

Methodology

We sourced data from ABARES *Australian Agricultural and Grazing Industries Survey* and *Australian Dairy Industry Survey*. The use of a 5-year moving average accounts for annual fluctuations resulting from seasonal conditions. An annual result is reported. We assess new capital investments over time to measure continuing confidence.

Data sources

Departmental sources:

- *Australian Agricultural and Grazing Industries Survey (ABARES)*
- *Australian Dairy Industry Survey (ABARES)*.

Caveats and disclosures

The results covered about 62% of Australian farm businesses to 2021–22, which was the latest year for which ABARES farm survey data was available. The survey did not include the horticultural industry. Relevant data on the remaining farm businesses were not available. Data collection occurred from July to December 2022, with results known by March 2023.

Change in on-farm capital investment levels nationally can be viewed as one indicator of long-term effectiveness of our farm resilience policy and programs. However, factors outside our control, such as interest rates and input prices, also influenced farm businesses.

FMD Scheme uptake can contribute to investment confidence and capacity, but investment levels measured by the farm survey may not directly reflect total activity. The 10-year rolling average of farm management deposit account holdings is based on data reported to us by financial institutions that offer farm management deposits.

Variation from corporate plan

Tolerances were updated so that the target is only considered ‘achieved’ if the proportion of farm businesses making capital investments increases. The target is ‘not achieved’ if the proportion decreases or remains the same. The target was also updated to show that the result is calculated on a 5-year reporting period rather than on the previous year.

Key activity 2

Maintain and expand exports and access to international markets.

Measure IG-04

IG-04	Decrease in the number of point-of-entry failures of agricultural exports where the department’s actions have caused the failure. Measured via meat and meat products commodity as a proxy for all agricultural trade.
Measure type	Effectiveness and regulatory.
Target	Decrease from the previous year in the number of point-of-entry failures from agricultural exports. Measured via meat and meat products commodity as a proxy for all agricultural trade.
Result	Achieved – 0 instances of point-of-entry failures as a result of departmental action.
Tolerances	Achieved: Reduction in number of point-of-entry failures where the department is responsible compared with 2021–22. Partially achieved: No change in number of point-of-entry failures where the department is responsible compared with 2021–22. Not achieved: Increase in number of point-of-entry failures where the department is responsible compared with 2021–22.

Context

We regulate the export of agricultural goods and issue Australian Government export certificates under the *Export Control Act 2020* (Export Control Act) and subordinate legislation.

During the year, we provided residue monitoring services to Australian agricultural industries and administered 40 tariff rate quotas for products to the European Union, the United States of America, the United Kingdom, Indonesia and Japan. We also acted as the Codex Contact Point, which

coordinated technical input from both industry and government to develop Australia’s position on international food standards.

We worked with other Australian government agencies, trading partner governments, and Australian and international industry representatives, to gain access to new international markets and to improve and maintain existing market access. This included developing strategies for a wide range of food products, inedible products of animal origin, live animals and reproductive materials.

Our Export Meat Program provides inspection, verification and certification services for the export meat industry in Australia, which accounts for over \$16 billion of annual agricultural exports. We partnered with internal and external stakeholders to develop and maintain our national regulatory framework and export inspection and certification services for meat. This included the development of legislation, operational policy and guidelines, instructional material, technical training, and engagement with industry and government stakeholders.

The Export Control Act regulates the export of prescribed goods to ensure they meet relevant importing country requirements. Importing countries retain the sovereign right to accept or reject consignments based on their rules and regulations. Point-of-entry (POE) failures occur when a trading partner has identified evidence, at the point of import inspection, that a consignment of prescribed goods has not been produced, documented and certified, or exported in accordance with the importing country’s requirements.

Of the prescribed goods, exports of meat and meat products were the largest component of Australia’s export agricultural sector.

To measure our compliance with the Export Control Act, we recorded for notice or investigation all instances of POE failure for exported meat and meat products that were brought to our attention by our trading partners.

This performance measure aligns with regulator best practice Principle 1 Continuous improvement and building trust, Principle 2 Risk-based and data-driven, and Principle 3 Collaboration and engagement.

Analysis

In 2022–23 trading partners notified us of 189 instances of POE failure for exported meat and meat products. We investigated the cause of approximately 60 of these failures. Investigations were initiated either at the direct request of a trading partner or at the direction of a relevant regulatory delegate under the Export Control Act.

No instances of POE failure were determined to have resulted from the actions of our department as the primary cause of failure.

The leading causes of POE failure included:

- export supply chain failures – for example, shipping companies or freight handlers breaking departmental seals or failing to plug in refrigeration units
- certification failures – for example, an exporter completing a health certificate incorrectly

- detection of forbidden substances – for example, hormonal growth promotants (HGPs) or excessive microbiological levels of substances such as E. coli
- allegations of foreign material or adulterants being detected in exported goods.

Methodology

This measure attempted to provide an insight into actions that may have contributed to instances of trade failure and undermined the intent of the Export Control Act.

POE failure investigations are undertaken as an assurance activity to provide confidence to a trading partner about the overall integrity of our national system. These investigations are also designed to prevent any recurrence of a reported failure through the implementation of corrective action, at our direction.

We undertake POE failure investigations for critical incidents. Less serious incidents are conducted by the registered establishment in the first instance. We then verify the findings and provide a response to the trading partner.

We reviewed all investigations in 2022–23 for the identified or likely cause of POE failure. In most cases, the cause was a combination of factors, including the failure of registered establishments to correctly conduct processes or adhere to approved quality inspection processes. However, many POE failures were caused by agents external to the department and registered establishment – for example, shipping companies.

The result of 0 instances of point-of-entry failures directly attributed to our actions is based on a review of all investigations conducted in the reporting period.

Data sources

Instances of reported POE failures for meat and meat products were brought to our attention by foreign authorities via our Export Standards Branch.

Caveats and disclosures

Many actors, including importing countries, Australian Government embassy staff, in-market agents and exporters advise us of trade issues, which may include distressed or detained consignments, or formal notification of a POE failure. This creates potential for under-reporting and inconsistencies in terms and issues.

For this measure, a POE failure was defined as an instance of trade that was formally rejected by a trading partner and accompanied by a formal notice of rejection, which was provided to us. POE failures did not include distressed or detained consignments. Where possible, we document each notification of trade distress. These rarely result in POE failures and we treat them as separate trade issues.

The recording and investigation of POE failures for exported meat and meat products commenced in late 2021. This means the 2021–22 dataset is incomplete and cannot be meaningfully compared with the 2022–23 dataset. The methodology used for recording POE failures is the same for both time periods.

Variation from corporate plan

We updated the measure to concentrate on instances of POE failures for exported meat and meat products as a proxy measure for all export agricultural trade. We used this approach due to the significant value and volume of meat exported from Australia and because we were unable to consistently define a POE failure across all commodities. As a result, we have developed new measures for 2023–24 to demonstrate our ability to maintain and expand exports and access to international markets for all commodities.

Key activity 3

Streamline export regulations and compliance arrangements.

Measure IG-05

IG-05	Increase in the number of electronic certificates for export issued (moving to paperless trade).
Measure type	Effectiveness and regulatory.
Target	Establish a baseline.
Result	Baseline established (61,237 electronic certificates issued).
Tolerances	Achieved: 100%. Partially achieved: 50% to 99%. Not achieved: 0% to 49%.

Context

Where required, we oversee export regulations and provide export inspection and certification services to gain, improve or maintain market access for a range of goods.

Since the COVID-19 pandemic, we have been a leader in the development of electronic certification (eCert). The effects of the COVID-19 pandemic on the workforce provided an opportunity to drive the uptake of eCert with our trading partners. We implemented the use of electronic certificates to help reduce trade disruptions and encourage confidence among international trading partners about food security.

Moving to eCert enables Australian goods to be cleared faster, making them available for sale sooner and avoiding costly border clearance delays and processes. Electronic certification takes place at a government-to-government level, which makes it more secure than a printed paper certificate that accompanies the goods for export. This efficiency improvement helps make Australian goods more appealing to importers, supporting an increase in exports to key destinations and contributing to our industry growth objective. It also helps support efforts against food fraud by removing the opportunity for fraudulent behaviour that currently exists in a paper-based trade.

We increased the uptake of paperless certification as international trading partners modernised their own border clearance processes. Moving to paperless certification means Australian goods may be cleared faster and made available for sale sooner, creating the potential for increased exports of Australian goods.

This performance measure aligns with regulator best practice Principle 1 Continuous improvement and building trust, and Principle 3 Collaboration and engagement. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

In 2022–23 we issued 61,237 electronic certificates for paperless trading across multiple commodities and importing countries, including Canada, the European Union, Japan, New Zealand, the Philippines and the United States. This baseline will allow us to track growth over the coming years.

For 2023–24 we have set a target of a 2.5% increase from the baseline. This is a reduction from the 5% increase target we proposed in the *Corporate Plan 2022–23*. We reduced the target to reflect the level of resources that we can commit to promoting eCert and in recognition of factors outside our control that limit the growth of certification numbers. In 2022–23 such factors included the:

- lack of acceptance of eCert by some trading partners
- time required to transition manual certification to Next Export Documentation System (NEXDOC) and Export Documentation System (EXDOC)
- inability to create electronic certificates for products that had elements originating from outside Australia
- lack of reciprocal arrangements
- additional ICT development required as a result of increased market demand, which put pressure on available resources.

To reduce the limitations and continue to grow eCert, we are developing new policy proposals (NPPs) where those opportunities arise. The aim of the NPPs is to gain further funding to reduce or remove some of the current limitations. Aside from NPPs, we continue to look at how we can create a more sustainable funding platform for eCert in a tight fiscal environment for our department.

Methodology

Electronic certificates were taken from a report extracted from our export documentation management systems, NEXDOC and EXDOC.

Our ability to measure the successful impact of eCert on border clearance at the destination country was limited due to several factors:

- Public trade border clearance data looked at clearance as a whole but did not specifically assess the eCert component.
- Overseas countries were not willing to share border clearance times with us, which made it difficult to identify improvements in processing times that could be attributed to the implementation of eCert.

Data sources

Departmental sources:

- Export Documentation System (EXDOC)
- New Export Documentation System (NEXDOC).

Variation from corporate plan

The proposed target for 2023–24 was reduced to reflect the level of resources that we can commit to promoting eCert and in recognition of factors outside our control. This is consistent with the *Corporate Plan 2023–24*.

Objective 2 Biosecurity

Strengthen our national biosecurity system to provide an appropriate level of protection to Australia’s people, our environment and economy from the biosecurity threats of today and tomorrow.

Key activity 1

Effectively prepare for the management of biosecurity risk through pragmatic policy, fit-for-purpose regulation and mature preparedness.

Performance measure BI-01

The 3 elements of this measure, which relate to reducing levels of non-compliance with regulations, apply to:

- high-value cargo (BI-01-01)
- approved arrangements (BI-01-02)
- international travellers (BI-01-03).

Measure BI-01-01

BI-01-01	Reduced levels of non-compliance with regulations administered by the department (high-value cargo).
Measure type	Effectiveness and regulatory.
Target	Reduction in high-value cargo non-compliance rate.
Result	Achieved – reduction in non-compliance rate of 0.04% (1.29% in 2022–23 compared with 1.33% in 2021–22).
Tolerances	Achieved: Reduction in high-value cargo non-compliance rate compared with 2021–22. Partially achieved: No change in high-value cargo non-compliance rate compared with 2021–22. Not achieved: Increase in high-value cargo non-compliance rate compared with 2021–22.

Context

We delivered regulatory outcomes that protect Australia from risks to our biosecurity and trade systems. Risk levels can be based on country of origin, type of commodity, and prevalence and behaviour of the threat in an imported commodity or pathway.

We delivered appropriate and fit-for-purpose biosecurity safeguards through policies, procedures, arrangements and regulatory processes. This included:

- administering biosecurity approved arrangements
- assessing and improving compliance at approved arrangements
- assessing people and organisations against the requirements of the fit-and-proper person test
- deploying profiling to give operational effects to our department’s risk and policy settings

- providing targeting capability to respond to new and emerging risks and to identify systemic vulnerabilities
- assessing allegations of serious non-compliance and applying regulatory sanctions
- engaging with industry and international governments to manage biosecurity risks offshore.

We closely monitored supply chains to ensure they met the requirements of the safeguards and we responded to all instances of identified non-compliance proportionately.

We implemented controls to mitigate against biosecurity risks associated with imports. We conducted a range of activities overseas, at our border and within Australia to ensure the associated biosecurity risk remained at a level consistent with Australia’s appropriate level of protection (ALOP). This included collaborative activities such as Operation Avoca, which resulted in one of Australia’s largest detections of biosecurity risk material and led to the creation of profiles targeting known non-compliant entities and supply chains. These activities detected non-compliance indicative of systemic vulnerabilities. We tested these vulnerabilities through concurrent profiling to ascertain compliance in wider industry cohorts.

We provided input to the Australian Border Force Integrated Cargo System (ICS) that instructed biosecurity officers about the type and extent of intervention or controls required for imported cargo treated in alignment with ALOP.

We worked with stakeholders responding to known and emerging risks to safeguard Australia’s agriculture, economy, trade and way of life. This included deploying profiling and targeting capability to identify and respond to vulnerabilities in supply chains. We also increased biosecurity awareness through education, engagement and deterrence to remind industry and the community about their biosecurity obligations.

This performance measure aligns with regulator best practice Principle 1 Continuous improvement and building trust, and Principle 2 Risk-based and data-driven. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

High-value cargo is cargo imported on a full import declaration (FID). Table 1 shows the year-on-year reduction in non-compliance in high-value cargo over the last 3 years, indicating that controls within the biosecurity system operated effectively. The high-value cargo non-compliance rate fell by 0.04% compared with 2021–22.

We attributed the reduced non-compliance rate in 2022–23 to the effectiveness of offshore risk mitigation activities, management of non-compliance proportionate to the risk, and creating awareness and deterrence of available penalties under the *Biosecurity Act 2015* (Biosecurity Act) and other compliance and enforcement activities. This included targeted activities such as Operation Oxley, which identified opportunities for improvements in border-detection capabilities.

Table 4 Non-compliance rate of high-value cargo imported into Australia, 2021–22 to 2022–23

Item	Unit	2021–22	2022–23
Non-compliance rate of all high-value cargo imported into Australia	%	1.33	1.29

Item	Unit	2021–22	2022–23
Number of non-compliant full import declarations	no.	56,482	54,037
Total number of full import declarations	no.	4,237,475	4,188,380

Methodology

The target measured our effectiveness as a regulator. We determined the non-compliance rate using:

- data from the ICS on the volume of high-value cargo FID declarations
- data from our Agriculture Import Management System (AIMS) on biosecurity direction results that were categorised as either compliant or non-compliant with import requirements
- data on detection of pests or diseases.

Data sources

Departmental and external sources:

- Agriculture Import Management System (AIMS)
- Biosecurity Analytics Centre
- Department of Home Affairs Integrated Cargo System (ICS)
- Incidents Client system – pest and disease notification.

Caveats and disclosures

Instances of non-compliance were affected by several factors, including trends in import types and volumes, changes in supply chains, and environmental factors such as seasonal pests. The quality of available data affects the extent to which we can comprehensively assess the effectiveness of our regulatory arrangements. This includes data from external sources such as the ICS, where full visibility of all cargo data is not currently available to the department.

Previous year figures calculated for the non-compliance rate of high-value cargo imported into Australia have been adjusted:

- The number of non-compliant full import declarations (FIDs) actioned by the department has decreased by 2,671 due to the removal of duplicate FIDs included in the prior year figure
- The total number of reported FIDs has increased by 35,401 due to a change in methodology, to report on daily figures rather than monthly reported figures, which is more accurate.

This has resulted in a 0.08% decrease (1.41% to 1.33%) in the 2021-22 reported figure.

Variation from corporate plan

Tolerances have been added to the measure to identify the result as a comparison with the 2021–22 non-compliance rate.

Our Biosecurity Analytics Centre was not listed in the *Corporate Plan 2022–23* but was used as a data source in this report. Two datasets were not used in the calculation of this measure because they were not relevant. These were:

- 1) commercial data from Airport Coordination Australia

2) data from external agencies (e.g. Department of Home Affairs movement records).

Measure BI-01-02

BI-01-02	Reduced levels of non-compliance with regulations administered by the department (approved arrangements).
Measure type	Effectiveness and regulatory.
Target	Reduction in non-compliance rate for approved arrangements.
Result	Not achieved – increase in non-compliance rate of 12.09% (45.67% in 2022–23 compared with 33.58% in 2021–22).
Tolerances	Achieved: Reduction in approved arrangement non-compliance rate compared with 2021–22. Partially achieved: No change in approved arrangement non-compliance rate compared with 2021–22. Not achieved: Increase in approved arrangement non-compliance rate compared with 2021–22.

Context

We establish and maintain approved arrangements under the Biosecurity Act. These arrangements help us manage biosecurity risks posed by goods imported into Australia. This enhances Australia's status as a trade partner of choice. These arrangements permit biosecurity industry participants to undertake certain biosecurity activities in accordance with departmental requirements. These requirements are science-based and established in conjunction with risk-owner stakeholder areas.

We audited approved arrangements for compliance and to ensure the associated biosecurity risk remained at a level consistent with Australia's ALOP.

Non-compliance can be affected by several factors, including entity behaviour, trends in import types and volumes, changes in supply chains, and environmental factors such as seasonal pests.

This performance measure aligns with regulator best practice Principle 1 Continuous improvement and building trust, Principle 2 Risk-based and data-driven, and Principle 3 Collaboration and engagement. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

Table 5 shows increases in the percentage of failed audits and audits passed with non-conformities detected.

Table 5 Approved arrangements audit results, 2021–22 to 2022–23

Audit result	2021–22 (%)	2022–23 (%)	Difference (%)
Pass	66.42	53.88	-12.54
Pass with non-conformities	29.80	39.79	+9.99
Total pass	96.22	93.67	-2.55
Total fail	3.78	5.88	+2.10
Pending	0	0.45	+0.45

The increased percentage of failed audits and audits passed with non-compliance was primarily due to an increase in the proportion of unannounced audits conducted. The percentage of unannounced audits in 2022–23 was approximately 40%, compared with 13% in 2021–22.

Unannounced audits have a higher rate of non-compliance detection than announced audits. We increased the number of unannounced audits as an effective monitoring approach and an additional measure of entity compliance.

We implemented specific additional biosecurity risk measures and controls as a direct result of non-compliance uncovered through unannounced audits. This mitigated additional threats posed to our biosecurity.

These measures and controls included:

- changes to arrangements
- variations to conditions
- varied audit frequencies
- enhanced reporting requirements
- enforceable undertakings, such as letters of warning.

Of the approved arrangements that were registered during 2022–23, 42.8% were audited for compliance at least once. The audit completion rates for 2022–23 did not meet the policy requirements due to several factors. Our department’s financial status meant that:

- travel was approved only for high-priority audits – these included approved arrangements with new applications and those with a record of non-compliance such as failed audits or critical non-compliance
- we could not proceed with recruitment from June 2022 – this, together with staff attrition, resulted in our auditor workforce falling below levels required to deliver the whole audit program.

In July 2023 the Audit and Assurance Branch commenced recruitment, drawing from existing merit lists and progressing external recruitment processes to increase our auditor workforce.

We are also developing and implementing a risk-based approach to the delivery of the audit program, ensuring audit effort is appropriately directed to areas of highest risk. This work includes the approved arrangement program’s engagement with Centre of Excellence for Biosecurity Risk Analysis (CEBRA) to deliver a quantitative model for assurance-based auditing of approved arrangements. This project will develop a statistical framework to guide the frequency of approved arrangements audits, ultimately increasing the efficiency and value of the audit program.

The Audit and Assurance Branch has also established the nationally targeted audit campaigns program. This program focuses on approved arrangements that present a higher risk – an assessment based on previous non-compliance and non-compliance reporting from other operational areas within our department.

Projects such as these will strengthen our risk-based regulatory approach.

Methodology

We recorded individual audit results in our Quarantine Premises Register (QPR). This system automated the pass or fail decision based on the number and severity of non-conformities. This is in accordance with the audit policy for approved arrangements.

We calculated the total results from a QPR report. We applied audit and arrangement type filters, categorised the data and repeated the reports to ensure accurate results.

Data sources

Departmental system:

- Quarantine Premises Register (QPR).

Caveats and disclosures

Not all audit results were determined and registered in the QPR on the same day the audit was conducted – some audit results remained ‘pending’ while we made further enquiries.

We believe the small number of audits pending results, relative to the total number of audits, did not have a significant effect on the calculated percentages.

Variation from corporate plan

Tolerances have been added to the measure to identify the result as a comparison with the 2021–22 non-compliance rate.

Measure BI-01-03

BI-01-03	Reduced levels of non-compliance with regulations administered by the department (international travellers).
Measure type	Effectiveness and regulatory.
Target	Reduction in post-intervention non-compliance rate for international travellers.
Result	Not achieved – increase in non-compliance rate of 1.56% (post-intervention compliance rate was 96.33% for 2022–23 compared with 97.89% in 2021–22).
Tolerances	Achieved: Reduction in post-intervention non-compliance rate for international travellers compared with 2021–22. Partially achieved: No change in post-intervention non-compliance rate for international travellers compared with 2021–22. Not achieved: Increase in post-intervention non-compliance rate for international travellers compared with 2021–22.

Context

We delivered frontline regulatory controls, assessment, inspection, stakeholder engagement and client-contact activities to detect and manage biosecurity risk (including human health risks). We also implemented a range of education, awareness and communication campaigns.

Biosecurity officers are trained and accredited where appropriate. Their work is governed by legislation and policy and supported by instructional material.

When declared goods are presented to a biosecurity officer, the officer assesses, inspects and manages the risk goods. In contrast, we employ detailed data analytics, real-time assessments and screening tools to detect undeclared and concealed goods.

We used an endpoint survey to measure post-intervention compliance and understand the effectiveness of biosecurity screening and interventions applied to travellers at the border. We selected a proportion of travellers who had already passed through border control screening and/or partial or full inspection. Our officers re-screened the travellers to check for any biosecurity goods not detected through our regular clearance processes. This provided data to determine the approach rate of biosecurity risk material, which enabled us to measure the overall effectiveness of intervention measures.

This performance measure aligns with regulator best practice Principle 1 Continuous improvement and building trust, and Principle 2 Risk-based and data-driven. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

The post-intervention compliance rate for 2022–23 was 96.33%. This result was similar to previous years. It represents a small decrease from the 2021–22 figure of 97.89% and shows the effectiveness of our controls to mitigate biosecurity risks.

Despite the decrease in the compliance rate from the previous year, the results show generally high levels of compliance exhibited by travellers entering Australia through this pathway.

The number of flights arriving in Australia continued to increase following the COVID-19 border closures. The result for 2022–23 was achieved in the context of an almost 350% increase in international traveller movements from the previous year.

We used a multi-layered approach to promote compliance and to detect non-compliance at the border, including education and engagement with travellers and conveyances, detailed data analytics, real-time assessments and various screening techniques.

We continued to modernise biosecurity controls for international travellers by trialling new technologies, such as 3D X-ray. We also captured and analysed more data to inform intervention decisions and increase compliance.

In December 2022, a provision was introduced into section 186A of the Biosecurity Act to increase deterrence. If a traveller is found to have concealed their imported conditionally non-prohibited goods when they entered Australia, they breach subsection 186A(1) and will be presented with a 20-penalty unit infringement notice. Prior to introduction of the provision, the maximum infringement was 12 penalty units. On 1 July 2023 the amount payable for a 20-penalty unit biosecurity infringement increased to \$6,260. Infringements may also result in visa cancellations. Communication of these increased infringements is expected to reduce non-compliance.

We worked collaboratively with the Department of Home Affairs and the Australian Border Force to explore potential future options to better manage traveller risk, such as obtaining advanced information for risk analyses through an electronic traveller declaration.

Methodology

The methodology for determining post-intervention compliance was developed by CEBRA, based at Melbourne University.

The post-intervention non-compliance rate was the inverse of the post-intervention compliance rate.

The performance measure was sensitive to sampling bias in the endpoint survey, which posed a risk to the accuracy of the estimated approach rates for biosecurity risks and estimated post-intervention compliance rate. To avoid sampling bias, biosecurity officers were trained and assessed in performing the surveys in line with an approved methodology.

The measure was calculated using the end-point survey to determine the proportion of travellers cleared at the border who had no biosecurity risk goods, or whose goods met import conditions (post-intervention compliance).

Data source

Departmental and external sources:

- Department of Home Affairs systems – traveller volume statistics
- Mail and Passenger System (MAPS) – outcomes from end-point survey.

Caveats and disclosures

Border controls focused on targeting and detecting the small but unidentified cohort of arrivals who deliberately concealed biosecurity risk material. Deliberate non-compliance by travellers requires additional controls and resources because increased levels of intervention are required to detect and manage this type of non-compliance. Traveller behaviour impacts the effectiveness and efficiency measure. Travellers who deliberately evade biosecurity requirements are usually aware of many of the tools or controls used to detect non-compliance at the border. As a cohort, they regularly test ways to avoid detection – increasing the need for more controls and resources.

Variation from corporate plan

Tolerances have been added to the measure to identify the result as a comparison with the 2021–22 non-compliance rate.

Measure BI-02

BI-02	Biosecurity service standards are met.
Measure type	Effectiveness and regulatory.
Target	Service standards are met or exceeded.
Result	Partially achieved – 5 of 12 service standards met, compared with 7 of 14 in 2021–22.
Tolerances	Achieved: When all service standards are met. Partially achieved: When one or more, but not all, service standards are met. Not achieved: When no service standards are met.

Context

This measure assesses our performance against 12 service standards associated with delivering our biosecurity regulatory responsibilities. Our client service standards are targets and are not legislated. They provide guidance to individuals and businesses on the time frame in which our department expects to complete biosecurity functions.

Individual targets are set for each service standard. These targets vary because the standards measure different deliverables. If we meet or exceed the target of an individual service standard, that service standard is met.

This performance measure aligns with the regulator best practice Principle 2 Risk-based and data-driven, and Principle 3 Collaboration and engagement. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

In 2022–23 we had 34 client service standards. Of the 14 standards that were related to biosecurity, 2 were subsequently removed from this performance measure. We met or exceeded our target across 5 of the remaining 12 biosecurity service standards.

Table 6, Table 7 and Table 8 provide the key service standard results for the client contact, imports and exports work streams.

Document assessment was within service standards over the peak period of November 2022 to January 2023. This was achieved by re-prioritising non-essential training, and scheduling staff for 400 to 600 hours of overtime each week during October and November 2022. These activities ensured peak period volumes were managed, but they were not sustainable. Outside peak periods, volumes of lodgements regularly exceeded assessment capacity resourcing. Industry had the option to request document assessment outside business hours (with additional charges applied).

The service standard for urgent assessment of import documentation was not met on average for the financial year, but assessment exceeded the service standard consistently from October 2022. This included the peak period of November 2022 to January 2023, where both urgent and non-urgent standards were met. This coincided with the delivery of system enhancements to categorise urgent consignments more appropriately while also reducing manual intervention. Industry can assist clearance times by lodging complete, compliant and accurate documentation as early as possible.

From April to June 2023, the service standard for import permits through the Biosecurity Import Conditions (BICON) system was affected by the implementation of a major policy change on 1 March 2023 for cat and dog import permits. This was in response to the increased rabies risk posed by the global commercialisation of the trade in companion animals and identification of associated fraud. In 2022–23 the import of dogs and cats represented 51% of all permits issued in 2022–23. As a result, we realigned resources and reviewed policy, systems and processes that will allow us to deliver an improved service.

Cargo volumes continued to put pressure on existing resources and led to an extension in inspection time frames. We were also challenged by increased biosecurity risk detections, particularly for new vehicles, delivery of offshore pre-clearance activities (for military exercises) and targeted operations. Our ability to meet service standards was affected by industry preference for fixed appointments. Self-inspection arrangements allow accredited industry participants to perform low-risk biosecurity inspections on shipping containers. However, uptake of these arrangements has been low. This has affected the redeployment of our biosecurity resources to higher-risk activities.

The implementation of new IT systems required redistribution of resourcing to deliver training and systems maintenance. This reduced staff availability for core business activities, including telephone and online correspondence, and responses to increased industry complaints. Service standards for correspondence via online forms were not met due to a surge in client feedback about assessment and inspection delays. We received 41% more online forms compared with the previous year.

We aim to support industry to meet their regulatory obligations through responsive communications. However, our ability to achieve the target was affected by fluctuations in our workforce during 2022–23. This was due in part to natural attrition and our inability to increase staffing numbers as required because of the department’s financial position. Budget pressures resulted in significant recruitment restrictions in quarters 3 and 4, and many contract workers were discontinued and not replaced.

Methodology

Our client service standards were developed to ensure we meet client expectations and deliver our services within agreed time frames. These time frames can vary for many reasons and the effective management of biosecurity risk must take priority.

We extracted data from multiple departmental information systems, and reports were peer reviewed.

This performance measure demonstrated the degree to which we minimised the biosecurity regulatory burden by providing services in a timely manner and indicated potential costs to industry because of delays.

Data sources

Departmental systems:

- Agriculture Import Management System (AIMS)
- Biosecurity Import Conditions (BICON) system
- Cargo Online Lodgement System (COLS)
- Cargo Workflow Management System (CWMS)
- Cisco Unified Intelligence Centre (CUIC) – Contact Service Queue (CSQ) all fields report
- Client Contact Management System (CCMS) Compliments & Complaints Report
- Maritime and Aircraft Reporting System (MARS)
- National Appointments System (NAS)
- Scheduling and Workforce Management System (SWMS)
- Vessel Management System (VMS).

Caveats and disclosures

Calls to our national number

The service level measures the response time frame for answering calls to the 1800 number, not the overall response time frame where calls are transferred to second-level support.

Online general enquiries form

The service level measures the response time frame for answering queries lodged through the online form. When queries are referred to second-level support for resolution, the original query is treated as not meeting the 10-day service level target within the calculation of the service level agreement.

Treatments service standard – in scope

Entries that had one inspection or compliance verification direction and one direction from the listed treatment categories were considered in scope:

- Devitalisation
- Fumigation
- Heat treatment
- Irradiation
- Other treatments
- Destruction
- Disposal permission
- Export
- Re-export.

Treatments service standard – out of scope

Entries with multiple inspection or treatment directions were considered out of scope due to the complex business practices conducted by industry, including:

- piecemeal inspection of consignments – containers inspected one at a time and treatment options not considered until inspection of the final container
- consolidated or piecemeal treatment of consignments – if multiple containers require treatment, the client can choose a provider who can treat either a portion of the consignment as early as possible or the entire consignment at once.

Entries where the treatment direction was applied before or within 5 minutes of the inspection direction are deemed to be a mandatory treatment or a treatment not resulting from the inspection and are therefore out of scope.

Import documents lodged via COLS

We use a service charter clock to monitor our processing time for each service standard. Prior to September 2022, the service charter clock would continue counting from the point a paused assessment task within the CWMS was resumed instead of restarting at zero. This meant the clock did not provide a true indication of whether assessments were completed within service level agreements. We implemented a system change in September 2022 to ensure the clock would restart each time a task was resumed. The task status would then change from ‘awaiting information’ to ‘assessment in progress’.

Performance results

Performance results can be affected by stakeholders’ ability to meet their obligations, and the resources and technology available to our department. For these reasons, we set a realistic tolerance of ‘partially achieved’ across all service standards, despite striving to meet the full requirements of each standard.

Variation from corporate plan

Data sources were expanded to better represent the breadth of service standards. These were:

- Cargo Workflow Management System (CWMS)
- Cisco Unified Intelligence Centre (CUIC) – Contact Service Queue (CSQ) all fields report
- Client Contact Management System (CCMS) Compliments & Complaints Report
- Maritime and Aircraft Reporting System (MARS)
- Scheduling and Workforce Management System (SWMS)
- Vessel Management System (VMS).

We removed 2 client service standards that were part of this measure in the *Corporate Plan 2022–23* because they had the potential to affect the result:

- Bookings by phone or email – as part of updated system functionality, all bookings received will generate an automated response. As a result, this service standard will always be met and has therefore been removed.
- Visiting our offices to provide import documentation for assessment – during the COVID-19 pandemic, we ceased the small number of in-office import document assessments and moved to electronic lodgement.

We have reset our target for this measure in our *Corporate Plan 2023–24*.

Table 6 Service standard results for client contact, 1 July 2022 to 30 June 2023

Category	Service standard description	Target (%)	Jul 22 (%)	Aug 22 (%)	Sep 22 (%)	Oct 22 (%)	Nov 22 (%)	Dec 22 (%)	Jan 23 (%)	Feb 23 (%)	Mar 23 (%)	Apr 23 (%)	May 23 (%)	Jun 23 (%)	2022–23 ^a (%)
Calls to our national contact number	We will answer calls received through the national contact number 1800 900 090 within 5 minutes.	80	59	47	66	71	77	71	77	66	74	60	66	71	67
Online general enquiries form	For enquiries made through our online contact form, we will immediately confirm we have received your enquiry and respond to your request within 10 business days.	80	61	64	60	62	65	53	63	67	69	71	65	44	62

^a 2022–23 result is the average for the period not the average of each month's result.

Table 7 Service standard results for imports, 1 July 2022 to 30 June 2023

Category	Service standard description	Target (%)	Jul 22 (%)	Aug 22 (%)	Sep 22 (%)	Oct 22 (%)	Nov 22 (%)	Dec 22 (%)	Jan 23 (%)	Feb 23 (%)	Mar 23 (%)	Apr 23 (%)	May 23 (%)	Jun 23 (%)	2022–23 ^a (%)
Goods inspection at an approved premises	We will provide this service within 3 business days of confirmation of your scheduled appointment.	95	72	67	65	73	79	80	74	75	85	90	85	90	78
Non-commercial vessel inspection	If you are arriving at a port where we have a permanent staff presence, we will aim to provide an initial inspection within 1 business day from you advising us of your arrival.	95	100	98	100	100	95	100	100	100	100	100	84	92	97
Treatments	We will provide you or your representative with treatment direction within 2 business days following an inspection.	95	91	91	90	88	86	90	92	90	85	83	85	87	88
Import documents lodged via COLS	If we receive an urgent lodgement from you, we will process it within 1 business day.	80	66	53	64	95	98	98	97	98	97	95	96	99	79

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Category	Service standard description	Target (%)	Jul 22 (%)	Aug 22 (%)	Sep 22 (%)	Oct 22 (%)	Nov 22 (%)	Dec 22 (%)	Jan 23 (%)	Feb 23 (%)	Mar 23 (%)	Apr 23 (%)	May 23 (%)	Jun 23 (%)	2022–23 ^a (%)
	We will process non-urgent lodgements within 2 business days.	80	46	56	36	49	87	99	99	99	42	23	75	100	70
Import documents lodged by email	We will process your lodgement within 3 business days of receiving it.	80	95	100	100	86	91	100	100	100	100	100	100	100	98
Import permits through BICON (all commodities)	We will issue import permits within 20 days of receiving payment and a completed application.	90	85	84	73	68	91	61	50	83	66	45	45	34	67

^a 2022–23 result is the average for the period not the average of each month's result. **BICON** Australian Biosecurity Import Conditions. **COLS** Cargo Online Lodgement System.

Table 8 Service standard results for exports, 1 July 2022 to 30 June 2023

Category	Service standard description	Target (%)	Jul 22 (%)	Aug 22 (%)	Sep 22 (%)	Oct 22 (%)	Nov 22 (%)	Dec 22 (%)	Jan 23 (%)	Feb 23 (%)	Mar 23 (%)	Apr 23 (%)	May 23 (%)	Jun 23 (%)	2022–23 ^a (%)
Goods inspection at an export-registered establishment	An officer will inspect your goods within 3 business days of you requesting an appointment.	95	98	86	96	99	96	95	94	92	92	95	98	96	95
Goods inspection for airfreight exports	We will inspect your goods within 24 hours of you requesting an appointment.	95	80	79	84	76	87	78	83	73	67	76	79	86	79
Goods inspection for sea freight exports	We will inspect your goods within 3 business days of you requesting an appointment.	95	99	89	94	99	98	97	97	98	94	95	96	96	95
Bulk vessels for export inspection	We will inspect your vessel within 3 business days of a confirmed appointment.	95	99	89	94	99	98	100	97	98	94	94	96	96	96

^a 2022–23 result is the average for the period not the average of each month's result.

Key activity 2

Effectively detect biosecurity risk through intelligence-led targeting, technology-supported inspections and efficient detection methods.

Measure BI-03

BI-03	Reduction in risk of African swine fever (ASF) because of biosecurity measures implemented by the department.
Measure type	Effectiveness and regulatory.
Target	Assessment of reduced risk from risk-based interventions in mail and traveller pathways, including interception rates of pork products.
Result	Mail pathway: Achieved – 220% change improvement in interception rate. Traveller pathway: Achieved – 61% change improvement in interception rate.
Tolerances	<p>Achieved</p> <p>Mail: 50% or greater improvement in detection of non-letter class containing pork products compared to pre-ASF measures.</p> <p>Traveller: 50% or greater improvement in detection of travellers with pork products compared to pre-ASF measures.</p> <p>Partially achieved</p> <p>Mail: 1% to 49% improvement in detection of non-letter class containing pork products compared to pre-ASF measures.</p> <p>Traveller: 1% to 49% improvement in detection of travellers with pork products compared to pre-ASF measures.</p> <p>Not achieved</p> <p>Mail: No improvement in detection of non-letter class containing pork products compared to pre-ASF measures.</p> <p>Traveller: No improvement in the detection of travellers with pork products compared to pre-ASF measures.</p>

Context

We worked with state and territory departments, Animal Health Australia and industry to deliver optimal animal biosecurity outcomes for Australia. We imposed conditions on animals and animal-based products that entered the country via either the cargo pathway (for commercial imports) or via the mail and traveller pathways. These conditions reduced the likelihood of exotic diseases such as African swine fever (ASF) establishing in Australia and helped maintain Australia’s favourable animal health status.

For the commercial import of pork and pork products, we imposed specific conditions relating to country of origin, heat treatment, animal health certificate and post-entry processing at approved premises.

This performance measure aligns with regulator best practice Principle 2 Risk-based and data-driven, and Principle 3 Collaboration and engagement. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

This measure focused on the increased risk of an ASF incursion in Australia due to ongoing outbreaks of the disease in neighbouring countries.

In November 2018 we began implementing increased risk-mitigation activities to reduce the likelihood of ASF entering Australia via the international traveller and mail pathways. These included:

- progressive rollout of education and awareness campaigns – for example, signage at international ports.
- increased screening of incoming mail and travellers from ASF-affected countries by detector dogs and 3D X-ray.
- enforcement through visa cancellations and increased fines for infringement notices.

Table 9 shows that the increased ASF measures have had a positive effect on biosecurity awareness among travellers and reduced the risk of ASF entering Australia. For example, the:

- interception rate of non-letter class mail articles containing pork products improved from 0.005% to 0.016%, a 220% change improvement.
- interception rate of incoming travellers carrying pork products improved from 1.190% to 1.919%, a 61% change improvement.

We are confident that in coming years we will see fewer interceptions of pork products in the traveller and mail pathways as the education and awareness activities and increased penalties for biosecurity breaches take effect.

Increased ASF measures at the border also helped to control the risk of other diseases of significance entering Australia – for example, foot-and-mouth disease (FMD). We continue to monitor these measures to ensure the risk remains at a level consistent with Australia’s ALOP.

Table 9 Effectiveness of pre-ASF measures (2015–16 to 2017–18) and post-ASF measures (2021–22 to 2022–23), by pathway

Pathway	Category	Unit	Pre-ASF measures average	Post-ASF measures average
Non-letter-class mail articles	Screened mail articles containing pork products	%	0.005	0.016
	Pork items seized	no.	4,110	3,626
	Weight of pork items seized	kg	4,834	4,503
Incoming travellers	Screened travellers detected with pork products	%	1.190	1.919
	Pork items seized	no.	34,599	26,143
	Weight of pork items seized	kg	28,897	23,090

Methodology

Airport and mail biosecurity officers entered data daily into the Mail and Passenger System (MAPS). We then aggregated the data to calculate the effectiveness of the ASF measures.

We compared data that pre-dated implementation of ASF measures (before 5 November 2018) with post-implementation data (after 5 November 2018).

Three years of pre-ASF measures data was analysed to establish benchmarks (averages) that were used to compare against post-ASF measures data.

MAPS is a standalone database system used widely within the department for reporting purposes. We ran quality assurance checks on all MAPS data, and reports were peer reviewed.

Data sources

Departmental system:

- Mail and Passenger System (MAPS).

Measure BI-04

BI-04	Number of consignments of imported goods arriving with khapra beetle reduced as a result of biosecurity measures implemented by the department.
Measure type	Effectiveness and regulatory.
Target	Assessment of reduced risk through a reduction in the number of consignments of imported goods where khapra beetle is detected.
Result	Partially achieved. – a reduction in interceptions across 3 out of 6 pathways from the 2020–21 baseline data.
Tolerances	Achieved: Reduction in number of khapra beetle interceptions across all import pathways. Partially achieved: Reduction in number of khapra beetle interceptions for at least one but not all import pathways. Not achieved: No reduction in number of khapra beetle interceptions in any import pathways.

Context

We safeguard Australia’s plant health status to achieve, maintain and expand access to overseas markets while at the same time protecting Australian agriculture, the economy and environment. During the year, we:

- provided scientific analysis and technical advice
- facilitated the safe importation of plants and plant products
- improved systems and market access, capacity building and stakeholder engagement
- identified plant diseases, advised on associated biosecurity risk and measures, and provided biosecurity training
- conducted surveillance and response activities
- delivered plant, animal and aquatic health surveillance in northern Australia, working closely with communities and Indigenous rangers to regulate biosecurity risk in the Torres Strait.

Khapra beetle is a serious and highly invasive pest that is not present in Australia. It is our second-highest National Priority Plant Pest and the highest-ranked pest for the grain industry. The introduction and spread of khapra beetle in Australia would have severe economic consequences, particularly for Australia’s agricultural industry.

During 2020 and 2021 we observed an increase in khapra beetle interceptions, including in consignments that previously had no association with the pest and from countries not known to have khapra beetle. To minimise the risk of khapra beetle entering Australia, we introduced phased urgent actions from September 2020. These included:

- a ban on imports of high-risk plant products within
 - unaccompanied personal effects and low-value freight
 - baggage carried by international travellers
 - mail articles

- offshore treatment of
 - sea containers packed with high-risk plant products in khapra beetle target risk countries
 - sea containers packed in a khapra beetle target risk country that will be unpacked in a rural Australian khapra risk postcode
 - high-risk plant products exported from a khapra beetle target risk country
- revised phytosanitary certification requirements for listed other goods, such as seeds, nuts, green coffee beans and seeds for sowing.

This performance measure aligns with regulator best practice Principle 2 Risk-based and data-driven, and Principle 3 Collaboration and engagement. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

The number of consignments of imported goods where khapra beetle was detected reduced from 19 in 2020–21 to 4 in 2021–22 and 9 in 2022–23 (Table 10). The 2022–23 figure was an increase from the previous year but represented a sustained reduction in the number of khapra beetle detections since the implementation of the urgent actions. The reduction may also be attributed to our engagement with stakeholders on the risks of this pest.

Table 10 Number of consignments of imported goods with khapra beetle detections, by import pathway, 2020–21 to 2022–23

Category	Country of export	2020–21 baseline	2021–22	2022–23
High-risk plant products	Target-risk countries	6	0	4
	Other-risk countries	2	1	0
Other-risk plant products	Target-risk countries	0	0	1
	Other-risk countries	0	0	2
Other goods (including empty sea containers)	Target-risk countries	0	0	1
	Other-risk countries	11	3	1
All goods	All countries	19	4	9

Of the 9 detections this year:

- 3 were associated with goods carried by travellers arriving from khapra beetle target risk countries. This is likely due to an increase in international travel following the lifting of COVID-19 travel restrictions.
- 3 were associated with high-risk plant products arriving as commercial cargo from khapra beetle target risk countries. These consignments were certified as fumigated prior to export in accordance with the urgent actions. We took appropriate action to prevent future non-compliance, including:
 - notifying the treatment provider and the overseas certifying body (National Plant Protection Organisation)
 - requesting the overseas certifying body to investigate the source of non-compliance and propose corrective actions

- undertaking remote audits of the treatment provider (for example, documentary assessments, interviews and video recordings)
 - suspending the treatment provider (learn more about [investigation and suspension processes](#)).
- 3 were associated with other-risk plant products or other goods arriving as commercial cargo from countries not known to have khapra beetle. These detections were likely due to contamination of the sea container from previous cargoes. Our engagement with the international community has led to lobbying to change the design of sea containers and implement improved hygiene standards to address this risk.

Methodology

To establish benchmarks, we used the number of consignments of imported goods where khapra beetle was intercepted (including empty sea containers and post-biosecurity detections) prior to the introduction of the urgent actions in 2020–21. We then compared the number of khapra beetle interceptions per year in consignments of goods imported after we implemented the urgent actions.

We organised data sets to minimise the risk of data duplications and to exclude out-of-scope detections from the performance measure, such as detections of dead khapra beetle in treated goods.

Caveats and disclosures

The likelihood of a pest or disease entering Australia varies depending on the pathway – for example, it is higher for high-risk goods from high-risk countries. The import conditions we implement vary according to the country of export, type of goods and mode of arrival into Australia. The application of these import conditions reduces the overall risk across all pathways to the same level, which is very low, to achieve Australia’s ALOP. On this basis, weighting of detections by pathway was not considered necessary.

Data sources

Departmental sources:

- Incidents Client system – pest and disease notification
- Agriculture Import Management System (AIMS)
- high-risk plant product lists
- other risk plant products list
- khapra beetle target risk countries list
- postcode classification search tool
- treatment certificates.

Key activity 3

Minimise the impact of biosecurity incursions through appropriate post-biosecurity and post-border measures.

Measure BI-05

BI-05	Number and extent of biosecurity preparedness exercises completed.
Measure type	Effectiveness and regulatory.
Target	One preparedness exercise.
Result	Achieved – 6 exercises completed from the 2021–22 baseline set at 1 exercise.
Tolerances	Achieved: Quantity and complexity of preparedness exercise activities has increased. Partially achieved: Quantity or complexity of preparedness exercise activities has increased. Not achieved: Quantity and complexity of preparedness exercise activities has not increased.

Context

We managed policy and emergency management arrangements to improve the capability of our department and the Australian Government to prepare for, respond to and recover from biosecurity emergencies. We did this by facilitating:

- training programs
- exercises and application of lessons learned from previous preparedness exercises
- continual improvement processes.

Our work benefits agricultural industry stakeholders and the wider community by ensuring we maintain effective emergency management capabilities to protect Australian agriculture, the environment and economy from biosecurity threats.

We delivered a range of biosecurity measures to achieve an ALOP for Australia from biosecurity threats. Exercises that use controlled, objective-driven activities to practice, test and evaluate our capabilities are an essential component of emergency preparedness. We undertook exercises in 2022–23 to ensure we can respond to biosecurity emergencies effectively.

We are undertaking a multi-year national exercise series – Exercise Paratus. The aim is to explore the role of the Australian Government during a significant biosecurity crisis and the coordination of escalating biosecurity emergencies across multiple jurisdictions.

The extent (or level of complexity) will vary depending on the capability being tested in the exercise. For example, exercises that test a less developed capability are less complex than exercises that test a more developed capability. Exercises can be as simple as a planning group discussion of a new emergency plan to validate its concepts, or as complex as a multi-agency simulation that tests response arrangements for a major emergency. Regardless of the extent, each exercise will produce outputs that will inform the continual improvement of our emergency management capabilities.

This performance measure aligns with regulator best practice Principle 1 Collaboration and engagement. Delivery against regulatory requirements will be reported in our 2023–24 annual report.

Analysis

This measure considers the number of biosecurity preparedness exercises completed, and the extent or complexity of those exercises. The target is at least one exercise each year.

Due to the emerging risk posed by FMD in mid-2022, significant effort was allocated to mitigation measures. Several Exercise Paratus activities were rescoped to focus on FMD and ensure an enhanced level of readiness in the event of an incursion.

The Exercise Paratus series comprises 12 individual exercises conducted over several years. Nine of these exercises had been completed at 30 June 2023, 6 of which were completed in 2022–23. These were:

- 1) Exercise Paratus (Delta) – a series of 3 educational seminars focusing on decision-making and leadership in a crisis
- 2) Exercise Paratus (Echo) – a discussion exercise to determine key actions to take in the first 24 hours of an FMD outbreak
- 3) Exercise Paratus (Foxtrot) – a workshop to strengthen internal response arrangements
- 4) Exercise Paratus (Golf) – a discussion exercise to develop a crisis strategic plan focused on FMD
- 5) Exercise Paratus (India) – a discussion exercise to improve the structure and functions of the department’s Incident Management Team in the context of an FMD outbreak
- 6) Exercise Paratus (Juliett) – a discussion exercise to improve our crisis communication.

As a result of these 6 exercises, 25 recommendations were made to improve our biosecurity emergency management capability. The recommendations relate to:

- policy, processes and capability needs
- national coordination, leadership, and decision-making
- resourcing and support systems
- communications and situational awareness.

We use these recommendations to develop our capabilities and continually improve our response to biosecurity incidents. This results in better training for our response personnel, faster decision-making and greater interconnectivity with other response agencies. These actions help reduce the consequences of biosecurity incidents on Australian agriculture, the environment and economy.

These recommendations were also incorporated into our response arrangements. For example, the observations led to the development of an enhanced readiness protocol and communications plan that were subsequently validated in a follow-up activity – Exercise Paratus (Juliett). This exercise used a simulated scenario to test the operative functions of new arrangements. It shows how we use controlled, objective-driven exercise activities to practice, test, evaluate and improve our biosecurity emergency management capabilities, which contributes to our objective of strengthening our national biosecurity system.

Methodology

We recorded all exercise activities, counted the number of exercises undertaken each year, and described the extent of each activity using the ‘exercise style’ methodology in the Australian Disaster Resilience *Managing Exercises Handbook*.

Data sources

Departmental sources:

- records of preparedness exercises, including scoping and concept documents, plans, instructions, evaluations and reports.

Caveats and disclosures

The evaluation of Exercise Juliett, conducted on 28 June 2023, has not been finalised. Further recommendations may be made based on the evaluation of this exercise. Evaluations of exercises Delta and Foxtrot had not concluded at 30 June 2023.

Variation from corporate plan

The methodology description and data sources have been updated to more accurately reflect our approach to managing exercises.

Objective 3 Resilience and sustainability

Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment.

Key activity 1

Promote the sustainable management of Australian and regional fisheries and a sustainable fishing industry.

This activity has been removed because it was too narrowly focused to meaningfully contribute to the achievement of our purpose.

Measure RS-01

The number of Australian Government managed fish stocks assessed as ‘subject to overfishing’ or ‘uncertain’ in the ABARES Fishery status report.

This measure has also been removed because it duplicated the operational work of the Australian Fisheries Management Authority (AFMA). The performance measure did not reflect that we are responsible for developing longer-term strategic policy but that operational elements are the responsibility of AFMA.

Key activity 2

Increase the contribution that agriculture makes to a healthy, sustainable environment.

Measure RS-02

RS-02	The percentage of farms using sustainable management practices.
Measure type	Effectiveness.
Target	Share of farms using sustainable management practices is maintained or increases by 2025.
Result	On track – quantifiable data is not available to show an increase from the 2021 baseline. However, program investment is occurring that will help meet the 2025 target.
Tolerances	On track: Share of farms using sustainable management practices is on track to be maintained or increase by 2025. Not on track: Share of farms using sustainable management practices is not on track to be maintained or increase by 2025.

Context

We implemented several programs to enhance the sustainable use of natural resources on farms, including under the *National Soil Strategy* and the Natural Heritage Trust (NHT). Other related programs are implemented under the Future Drought Fund and through the agricultural innovation systems supported by the Rural Research and Development Corporations.

Analysis

Our intention was to track the impact of this work from the annual Grains Research and Development Corporation (GRDC) Farm Practices Survey report and selected ABARES natural resource management and drought resilience surveys.

According to the GRDC *Farm Practices Survey Report 2021*, 78% of cropping farms used stubble management practices in 2021. Stubble management in fallow is an aspect of sustainable agriculture for improving soil water capture and storage, and reducing the risk of erosion and nutrient loss.

The 2021 ABARES *Natural Resource Management and Drought Resilience survey of farm practices* found that 84% of farms across all industries retained stubble and 68% of farms destocked early in low rainfall periods to preserve groundcover.

These data established the 2021 baseline for the target to maintain or increase the share of farms using sustainable management practices by 2025.

The GRDC Farm Practices Survey report was not published in 2022–23. The ABARES Natural Resource Management and Drought Resilience survey is undertaken periodically. No data were collected in 2022–23. This means that we can report on activity undertaken during the year, but we were unable to accurately determine the outcomes and progress towards the 2025 target due to the lack of survey data. At 30 June 2023, there was no evidence to suggest the 2025 target will not be met. Program investment activity in 2022–23 is contributing towards sustainable farm practices.

The National Landcare Program Phase 2 (NLP2), which was completed in 2022–23 under the NHT, was one of several programs that we have implemented to enhance the sustainable use of natural resources on farms. The program contributed to the adoption of sustainable agricultural practices for participating farms through 2 complementary streams of investment:

- 1) \$136 million from the Smart Farms program
- 2) \$131 million from the broader Regional Land Partnerships (RLP) program.

These investments contributed to the government’s objective to encourage changes in farming practice and drive greater sustainability.

The Smart Farms program funded 127 projects across Australia. These projects trialled and implemented new and innovative tools that led to changes in agricultural practices and more sustainable, productive and profitable agricultural industries and systems.

Through the RLP program:

- 93 individual sites were identified as suitable for delivering improved practices
- more than 116 groups were engaged in the delivery of sustainable land management practices
- practice change projects were implemented across 273,088 ha of agricultural land.

These NHT programs contributed to building capacity, knowledge and accelerating the uptake of sustainable agricultural practices. The extent of the impact could not be accurately determined in 2022–23.

Methodology

Data were taken from GRDC and ABARES farm practices surveys in 2021 to establish a baseline. To meet the target, the share of farms using sustainable management practices must be maintained or increase by 2025.

Data sources

Departmental and external sources:

- ABARES 2021 *Natural Resource Management and Drought Resilience survey of farm practices*
- GRDC *Farm Practices Survey Report 2021*
- program reporting data, including information from the Community Grants Hub
- TechnologyOne – financial management information system.

Caveats and disclosures

The Australian Government does not directly regulate or have responsibility for on-farm practices.

Surveys are not conducted in all years and survey questions and methodologies may change over time. Updates to survey results will be subject to consideration of future funding to support the data collection.

A new performance measure (RS-03) has been developed in the *Corporate Plan 2023–24* to complement broader drought policy and program indicators, as part of the Future Drought Fund.

Variation from corporate plan

Tolerances have been added to the measure. Additional data sources that were used in this report but were not listed in the *Corporate Plan 2022–23* are:

- program reporting data, including information from the Community Grants Hub
- TechnologyOne – financial management information system.