



**Australian Government**

**Department of Agriculture, Fisheries and Forestry**

Ms Jeanette Radcliffe  
Committee Secretary  
Senate Standing Committee on Rural Affairs and Transport  
[rat.sen@aph.gov.au](mailto:rat.sen@aph.gov.au)

Dear Ms Radcliffe,

Thank you for email of 6 December 2011 in which you enclosed submissions to the Senate Inquiry into Biosecurity and Quarantine Arrangements from Mr Greg Darwell, Mullwarra Export Pty Ltd, and from Mr David Minnis, Australian Horticulture Exporters' Association.

The Department of Agriculture, Fisheries and Forestry has provided responses to the issues raised by Mr Darwell and Mr Minnis, which are attached.

Thank you for the opportunity to comment.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ann McDonald'.

Ann McDonald  
A/g First assistant Secretary  
Biosecurity Food

7 December 2011

Enc.

1. Response to Mr Darwell's submission
2. Response to Mr Minnis' submission

## **Attachment 1: Response to Mr Darwell's submission to the Senate Inquiry into Biosecurity and Quarantine Arrangements – 29 November 2011**

**Recommendation 1:** The cost per export certificate represents the effort required to produce a certificate, consistent with *Commonwealth Government Guidelines on Cost Recovery*. The effort required to generate a certificate is not related to the size of a consignment.

**Recommendation 2:** While it is possible to charge for a 'Request for Permit' (RFP), rather than the number of health certificates printed, the unit price per RFP would be set at the price required for the department to recover the costs related to export documentation. The department estimates the change is therefore unlikely to result in savings for the printing of export certificates.

### **General Response:**

The department is committed to working with exporters to identify and implement further efficiencies in the export process, including in the area of export certification costs.

Electronic certification provides an opportunity to address some of the efficiency issues associated with export certification, such as the speed with which export certificate information is made available by the department to importing country authorities. In circumstances where importers also request paper copies of certificates, this is a commercial matter between the importer and the exporter. Notwithstanding this, in the case of China, the authorities are operating an electronic certification system in parallel with a paper certification system. We are working with them towards a fully electronic system (paperless). However, it is the decision of the Chinese Government as to when this change may occur. It should also be noted that exporters are charged a certificate charge regardless of whether the certificate information is provided electronically to the importing country authority or printed using the EXDOC IT system.

Further to the evidence provided to the Senate Inquiry into Biosecurity and Quarantine Arrangements on 29 November 2011, the department continues to work with trading partners to increase the uptake of electronic certificate information exchange.

The department is also continuing to implement efficiencies in the export certification process. For example, it will soon be possible for halal certificates to be provided through the EXDOC IT system, with a corresponding decrease in the cost of halal certificates from \$100 to \$49.

## **Attachment 2 : Response to Mr Minnis' submission to the Senate Inquiry into Biosecurity and Quarantine Arrangements – 29 November 2011**

The department rejects the assertion by Mr David Minnis, Australian Horticulture Exporters' Association, that it has 'deliberately complicated export documentation and procedures to ensure maximum fees are raised' (supplementary document, paragraph 4). Rather, the department's charging arrangements are clearly documented, and publicly available, in the *Charging Guidelines*.

The *Charging Guidelines* outline the application of charges by the department to recover the cost of export certification services. The guidelines cover charges for time spent on the preparation, travel and completion of export inspections, audits, treatment monitoring and registrations, and the issuance of export documentation.

Where a group of exporters request the department to charge them as a collective, all associated costs including travel, can be consolidated. The department has previously facilitated such requests and will do so, when requested, into the future.

Regarding weekend inspections at airports, where freight forwarders coordinate bookings for a number of exporters, the costs are invoiced to the freight forwarder rather than the individual exporters. This is common practice. Nonetheless, the department will include this issue as part of the discussions concerning possible new fees and charges to support the horticulture industry.

Importing countries specify the conditions that the department must certify, which may include the inspection methods required by importing countries. Sampling procedures and methods for specific markets are listed in workplans for specific commodities and markets. For example the lifting of buttons (calyx) on fruit is required to determine the presence of many pests of concern not exclusively for fullers rose weevil. As the button on fruit is commonly a place where insect pests can conceal themselves it is standard practice to lift 10% in order across various commodity exports to determine whether any pests of concern are present as part of the inspection process.