

Standing Committee on Treaties
Answers to questions on notice
Climate Change, Energy, the Environment and Water Portfolio

Inquiry: Amendments to Appendices I, II and III of the Convention on International Trade in Endangered Species of Wild Fauna and Flora

Question No: IQ24-000110

Hearing Date: 18 June 2024

Division/Agency: International Environment Reef and Oceans Division

Topic: CITES listing

Hansard Page: 6

Question Date: 18 June 2024

Question Type: Spoken

Senator Canavan asked:

Senator CANAVAN: But does this CITES listing cover all hammerheads or just those that are endangered?

Ms Jago: This covers all remaining. So there are numbers already listed on CITES and this most recent change now lists all remaining hammerheads on the CITES list.

Senator CANAVAN: How many of the additional ones listed are endangered?

Dr Ollerenshaw: In the case of the CoP19 hammerhead listing proposal, one of the additional species was listed as endangered globally, and the remaining group were those look-alike group in the same format that I described for the requiem sharks.

Senator CANAVAN: Okay. And the guitar ones?

Ms Jago: Sorry, I am just looking at my notes.

Dr Ollerenshaw: I don't think we have those numbers in front of us, I'm sorry.

Senator CANAVAN: Could you take that on notice. And the sea cucumbers?

Dr Ollerenshaw: I think we may need to take that as well.

Answer:

The CoP19 decision to list all Rhinobatidae spp. in Appendix II relates to all species in the guitarfish family. The Family Rhinobatidae contains 37 species of guitarfishes; 23 of the 37 species are classified by the IUCN Red List of Threatened Species as Endangered; and 10 species are classified as Critically Endangered. Six of the ten Critically Endangered species were proposed to be listed on Appendix II with the remaining species in the guitarfish family listed on Appendix II due to the lookalike provision (Article II, paragraph 2(b) of the Convention). No Rhinobatidae species are listed as Endangered under the *Environment Protection and Biodiversity Conservation Act 1999*. Following assessment and expert advice, a positive non-detriment finding has been made allowing continued trade. This means export of these species from Australian waters is considered to be non-detrimental to the survival of the species.

The CoP19 decision to list sea cucumbers in Appendix II relates to three species of sea cucumber: *Thelenota ananas*, *Thelenota anax* and *Thelenota rubralineata*. *Thelenota ananas* is classified by the IUCN Red List of Threatened Species as Endangered. *Thelenota anax* and *Thelenota rubralineata* are considered by the IUCN Red List of Threatened Species to be Data Deficient (information and data are lacking to fully assess the status of these species). Although Data Deficient there is evidence these species are vulnerable to overexploitation and will become increasingly traded as other sea cucumber stocks are depleted. None of these sea cucumber species are listed as Endangered under the *Environment Protection and Biodiversity Conservation Act 1999*. Following assessment and expert advice, a positive non-

detriment finding has been made allowing continued trade. This means export of these species from Australian waters is considered to be non-detrimental to the survival of the species.

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Inquiry: Amendments to Appendices I, II and III of the Convention on International Trade in Endangered Species of Wild Fauna and Flora

Question No: IQ24-000111

Hearing Date: 18 June 2024

Division/Agency: International Environment Reef and Oceans Division

Topic: Breakdown of figures - \$48,000

Hansard Page: 7-8

Question Date: 18 June 2024

Question Type: Spoken

Senator Fawcett asked:

Senator FAWCETT: The concern I have here is partly linked to what Senator Canavan was covering off on. As I read the NIA, you have dealt with industry representatives and regulatory agencies, but we are not necessarily understanding the impact on individual businesses. The tool that is used may well aggregate all the costs, but it may well be that one business actually does the predominant part of the trade and therefore has a much greater burden. I am concerned by two things. One is that we are not necessarily drilling down to understand the impact on the individual business. And it may well be that nobody has a concern about a six-month or year's delay in trade on that particular issue, but we are sacrificing the process that is put in place by the parliament to make sure that we retain our sovereignty with these international agreements.

Ms Maguire: We are happy to take on notice a breakdown of the figures that went into the \$48,000. As my colleague said, it is a combination of permit costs and compliance costs, so the direct cost to industry is only a subset of the \$48,000. But we are happy to take on notice a breakdown of those figures.

Senator FAWCETT: That is only a subset of my concern, though. My overriding concern is to make sure that we don't cede our sovereignty, even if in this case the claim that you have just given to the committee is that the reason that we cede that is to allow a business to trade, or a sector to trade. We need to possibly understand what would be the impact of that period, but also potentially to go back to CITES and highlight that time frame of 90 days doesn't line up with our domestic processes, and look to see how we can actually assure ourselves that multilateral treaties and obligations that we sign up to—for good reason—do actually work with our system of parliament and ensure that the people's representatives remain sovereign in terms of either new regulation or legislation or, indeed, amendments to our regulation, which impacts on Australians and their business.

Ms Maguire: Senator, we can have a look at whether we are able to give an estimate of what the cost of stopping trade in those species would be, so that we can compare the costs of the \$48,000—the subset of direct cost to industry—and what the cost to industry might be if there was a ban in place until consideration by JSCOT could occur. In terms of the sovereignty question, the process within CITES is that countries can take out a reservation. You will see also that I went through in my opening statement delays in the introduction of the regulations for some of those decisions, and that is when there is a collective agreement amongst CITES parties that time is needed to do their domestic processes. It isn't always that everything comes into effect within 90 days, but I take your point about the delay between these things coming into effect and presenting here.

...

CHAIR:.. Could I just clarify something. With regard to Senator Canavan's questions, it would be really helpful if we could get on notice that breakdown of the \$48,000; that is, the bit that is the government costs and the bit that is the costs on some part of the exporter world. I think the other figure that would be useful would be the value of the fisheries. I think Senator Canavan was trying to have an idea of what the six, seven or eight businesses meet might end up bearing. It is hard to know, if the \$48,000 is half business and half government, and perhaps it is only \$24,000 across eight businesses, which might be \$3,000 or \$4,000 each. It would be worthwhile us knowing the value. If the value of those fisheries is in the hundreds of thousands or millions of dollars, that kind of change is not nearly as significant. The point needs to be made about these species and these arrangements that many of these species are range species; they are moving from different parts of the ocean and, while we might be confident that a particular fishery operation in Australia is sustainable, the reason we participate in these kinds of global agreements is essentially because it brings everybody up to the same standard. I know that separately there has been some work done by this government on the issue of illegal, unreported and unregulated, or IUU, fishing. We don't really have a regime like the United States or the EU that governs IUU fisheries. That means that, as it stands, Australia, which imports about 70 per cent of the seafood we consume, is quite possibly importing seafood from fisheries in our region that don't have transparency arrangements, traceability or other kinds of regulatory things that we might expect.

Answer:

Breakdown of the \$48 000 figures

The annual regulatory burden to Australian business from the CoP19 outcomes outlined in the National Interest Analysis represents the estimated cost for export permit applications and permit compliance costs to be \$48,938 per year. The Office of Impact Analysis cost template used to calculate these figures only includes costs external to government. A break down of the types of costs by type of specimen is included in the table below.

Type of specimen	Estimated regulatory cost \$[^]	Estimated permit compliance cost \$[^]	Estimated total cost \$[^]
Sharks – requiem and hammerhead (*guitarfish)	16 722	4 047	20 769
Sea cucumbers	8 759	1 051	9 810
<i>Rhodiola spp.</i>	1 433	315	1 748
South African plants	13 616	2 995	16 611
Total			48 938

[^]These costs are business costs for applying for and administering permits, and permit compliance (e.g. undertaking permit acquittals). On the advice of the Office of Impact Analysis, permit application fees are not included (permit application fees are outlined in paragraph 38 of the National Interest Analysis).

* Consultation did not identify significant catches or exports of guitarfish, and retention of rays is prohibited in most Australian fisheries. However, if they are exported, the annual regulatory costs for those exports are expected to be accounted for within these costs as they would be exported by the same businesses as the shark species.

As indicated in paragraph 36 of the National Interest Analysis:

- Up to four exporters are anticipated to export requiem sharks from up to five Australian fisheries each. Additionally, there is one live shark exporter expected to make up to eight shipments per year and one exporter of shark skulls expected to make up to ten shipments per year.
- The same four exporters are anticipated to export hammerhead sharks from up to five Australian fisheries each. Additionally, the same live shark exporter as requiem sharks is expected to make up to eight shipments of live hammerhead sharks per year.
- Consultation did not identify significant exports of guitarfish. However, if they are exported, the same four exporters are anticipated to export guitarfish from up to five Australian fisheries each.
- Five existing Australian fisheries harvest the relevant species of sea cucumbers. Based on best available information and consultation, we expect the number of exporters required to apply for CITES permits for sea cucumbers will be no more than two export businesses per fishery.

The Department of Climate Change, Energy, the Environment and Water is not aware whether these costs are shared or passed on (such as to processors or individual fishing businesses).

Estimate of the cost of suspending trade by taking out reservations on new CITES listings

Sharks

The department does not have access to likely direct costs for suspension of trade in requiem sharks or hammerhead sharks. However, for 2017–18, total annual value of requiem shark product trade (mainly exported shark fin) from five jurisdictions (Commonwealth, Western Australia, Northern Territory, Queensland and South Australia) valued by an industry consultant to be worth:

- approximately \$330,000 to fishers
- approximately \$440,000 to processors
- approximately \$720,000 to exporters.

Based on these figures, if exports of requiem sharks were to be suspended, there would be a minimum anticipated economic impact of approximately \$1.49 million per year. Fins of hammerhead sharks are also exported. Consequently, suspension of export would likely result in additional losses and an increase in overall economic impact.

Sea cucumbers

Thelenota ananas is caught regularly in the Commonwealth managed Coral Sea Fishery, Torres Strait Beche de mer Fishery and the Queensland managed Sea Cucumber Fishery (East Coast). Industry members have advised this product is not sold in Australia but is exclusively exported.

There has been negligible catch of *Thelenota anax* reported in these fisheries in recent years, and *Thelenota rubralineata* is not targeted in Australian fisheries.

The 2022 catches of *Thelenota ananas* (the most recent available data) were as follows:

	Coral Sea Fishery	Torres Strait Beche de mer Fishery	Queensland managed Sea Cucumber Fishery (East Coast)
Catch volume (tonnes)	2.15	13.5	40
Gross Value of Production (\$M) <i>Thelenota ananas</i>	Confidential	0.06	Unknown

The domestic market for sea cucumber product is small, with the majority of sea cucumber catch exported. The estimated economic impact of suspending trade of *Thelenota ananas* would be \$60 000 per year for the Torres Strait Beche de mer Fishery. The value of the Queensland fishery is likely to be significantly higher than that of the other fisheries. Economic data for the Queensland Sea Cucumber Fishery was reported as part of a wider range of 'other harvest fisheries' in a report on Queensland fisheries (Economic and Social Indicators for Queensland's Commercial Fisheries in 2020/21, Prepared by BDO EconSearch, 2023). The estimated value of this 'other harvest fisheries' group in the 2020–21 financial year was \$14.9 million, with the export value estimated as \$12.6 million.

Value of the fisheries trading in the newly listed species

Sharks

Consultation indicated a low likelihood of exports of the newly listed guitarfish species, which is only encountered in one fishery with relevant export approval: the Northern Territory Offshore Net and Line Fishery (Fishery #8 below). The expected value of trade in the newly listed guitarfish species would be low.

Twelve Australian fisheries are approved to export CITES-listed sharks. The total value of these fisheries by Gross Value of Production (GVP), where available, are listed below (data from ABARES *Fishery status reports 2023* and other sources):

1. Commonwealth Coral Sea Fishery - GVP for 2021–22 is confidential due to the small number of fishers in this Fishery.
2. Commonwealth Eastern Tuna and Billfish Fishery - GVP in 2021–22 was \$34.7 million.
3. Commonwealth Western Tuna and Billfish Fishery - GVP in 2021–22 is confidential due to the small number of fishers in this Fishery.
4. Commonwealth Southern Bluefin Fishery – GVP in 2021-2022 for fish sold direct and input to farms was estimated at \$35m in 2021-2022
5. Commonwealth Southern and Eastern Scalegfish and Shark Fishery is composed of multiple sub-fisheries depending on gear type:
 - Commonwealth Trawl and Scalegfish Hook Sectors - The 5 most valuable stocks (pink ling [2 stocks], orange roughy [east], blue grenadier and flathead) combined accounted for 82% of the sectors' combined GVP in 2021–22. GVP for 2021–22 was \$80 million.
 - East Coast Deepwater Trawl Sector - No reported fishing effort in 2022–23. GVP in 2021–22 was \$0.

- Great Australian Bight Trawl Sector –GVP in 2021–22 was \$9.45 million.
 - Shark Hook and Shark Gillnet Sectors - GVP in 2021–22 was \$21.1 million.
 - Commonwealth Southern Bluefin Tuna Fishery - GVP for the 2022 fishing season was \$35.4 million.
6. New South Wales Ocean Trawl Fishery – GVP for 2019–20 was \$26.2 million.
 7. New South Wales Ocean Trap and Line Fishery – GVP for 2019–20 was \$10.3 million.
 8. Northern Territory Offshore Net and Line Fishery – unknown (not readily accessible).
 9. Northern Territory Coastal Line Fishery – unknown (not readily accessible).
 10. Queensland Aquarium Fish Fishery – GVP in 2019–20 was \$21.8 million.
 11. South Australian Lakes and Coorong Fishery – GVP in 2020–21 was around \$14 million.
 12. Western Australian Temperate Demersal Gillnet and Demersal Longline Fisheries – GVP in 2021–22 was \$5.2 million.

Sea cucumbers

Three fisheries are approved to export the CITES-listed *Thelenota* sea cucumbers (*Thelenota ananas* and *Thelenota anax*). The 2023 Fishery Status Reports produced by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) provide information on the Commonwealth-managed Torres Strait Fishery, but the value of the Coral Sea Fishery is confidential due to the small number of licence holders in this fishery. The Torres Strait Beche de mer Fishery was valued at \$620 000 in 2022.

The value of the Queensland Sea Cucumber Fishery is also unavailable due to the small number of licence holders. The value of the Queensland fishery is likely to be significantly higher than that of the other fisheries. Economic data for the Queensland Sea Cucumber Fishery was reported as part of a wider range of 'other harvest fisheries' in a report on Queensland fisheries (Economic and Social Indicators for Queensland's Commercial Fisheries in 2020/21, Prepared by BDO EconSearch, 2023). The estimated value of this 'other harvest fisheries' group in the 2020–21 financial year was \$14.9 million, with the export value estimated as \$12.6 million.