Analysis of Submissions:

New Zealand's requirements for export of livestock for slaughter

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Every effort has been made to ensure the information in this report is accurate.

Requests for further copies should be directed to:

Janet Owen MAF Biosecurity New Zealand PO Box 2526 WELLINGTON

Email: janet.owen@maf.govt.nz

Telephone: 04 894 0574 Facsimile: 04 894 0730

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1. Introduction

The Government recently reviewed New Zealand's policy for exports of livestock for slaughter and decided that tighter controls on this trade are desirable. The trade in livestock exports for slaughter creates risks to New Zealand's reputation as a responsible exporter, and might result in significant economic consequences if something were to go wrong. The Government decided to prohibit the export of livestock for slaughter, except where the risks can be managed to an acceptable level. In these situations exporters could apply for an exemption.

Over the medium term the Government intends to implement this change in policy through amendments to primary legislation. In the interim, the Government proposed restricting the livestock exports for slaughter trade through a Customs Exports Prohibition Order created under the Customs and Excise Act 1996. While the Order would put in place a prohibition on all exports of livestock for slaughter, it would also provide for the possibility of individual consignments being approved on a case-by-case basis. Such approval would be at the discretion of the Director-General of the Ministry of Agriculture and Forestry (MAF) and would be granted in circumstances where the Director-General judges that the risks can be adequately managed.

As directed by Government, on 24 October 2007 MAF wrote to exporters of livestock and industry groups and representatives of the farming community seeking their views on how the new regime could best be implemented so that minimum disruption is caused to trade where there are no significant risks. MAF also released the proposed factors that the Director-General of MAF may take into account in considering any application for an exemption to a Customs Export Prohibition Order, and a background information document entitled *New Zealand's requirements for the export of livestock for slaughter*. The factors proposed were:

- that the importing country has requirements which are equivalent to the World Organisation for Animal Health *Guidelines for the Slaughter of Animals* and *Guidelines for the Transport of Animals by Land, Sea and Air* with an additional requirement that livestock be stunned prior to slaughter using any of the methods described in the relevant World Organisation for Animal Health guideline;
- that the importing country has requirements in place that meet the World Organisation for Animal Health *Guidelines for the Transport of Animals by Land, Sea and Air*, in relation to the unloading and post-journey handling and transport of livestock;
- a pre-shipment audit of slaughter facilities by inspectors nominated by MAF, and carried out at the exporters' expense, demonstrates compliance with the above requirements; and that exporters:
- provide an affidavit as to the purpose of export for all livestock exports.

It was also proposed that the Director-General of MAF may require a country-to-country bilateral arrangement to be in place to support the requirements of importing countries above, along with any other requirements he believes are necessary to maintain New Zealand's reputation as a responsible exporter of agricultural products and promoter of enhanced animal welfare.

MAF met with exporters of livestock, industry groups, and representatives of the farming community at meetings in Hamilton and Christchurch on 20 and 29 November 2007. Four weeks were allowed for feedback on proposals, though submissions were received after this time by arrangement.

This document provides a summary of the issues raised in stakeholder meetings and submissions, and presents MAF's response and modified proposals.

2. Consultation Outcome

MAF received 44 submissions from exporters of livestock, sheep breeders, industry bodies, the New Zealand Veterinary Association, animal welfare advocacy groups, the National Animal Welfare Advisory Committee and Sue Kedgley, Member of Parliament and animal welfare spokesperson for the Green Party.

The majority of submitters supported Government's decision to place tighter controls on the export of livestock for slaughter. As a result of stakeholder submissions, some adjustments have been made to the proposed exemption factors that the Director-General of MAF may take into account when considering any application for an exemption to a Customs Export Prohibition Order. Noting that applications will be considered on a case-by-case basis, the proposed exemption factors are:

- the export is for slaughter of livestock in commercial slaughter houses;
- the importing country has requirements in place that meet the World Organisation for Animal Health *Guidelines for the Slaughter of Animals*;
- cattle exported for slaughter must be stunned prior to slaughter in accordance with any of the methods described in the Guidelines;
- the importing country has requirements in place that meet the World Organisation for Animal Health *Guidelines for the Transport of Animals by Land, Sea and Air,* in relation to the unloading and post-journey handling and transport of livestock;
- a pre-shipment audit of slaughter facilities by inspectors nominated by MAF, and carried out at the exporters' expense, demonstrates compliance with the above requirements; and
- any other matter the Director General of MAF considers necessary to manage the risks to New Zealand's reputation as a responsible exporter of agricultural products.

Exporters would also be required to provide an affidavit as to the purpose of export for all livestock exports.

The Director-General of MAF may review the factors he or she considers relevant for consideration at any time, taking into account such matters as the experience from past trade, at which time further consultation may be undertaken with affected parties.

Following Cabinet's decision it is intended that MAF will provide trading partners and exporters with some guidance in a formal document as to the factors that the Director-General of MAF may take into account in deciding whether to grant an exemption. In addition, the Director-General should provide any applicant with reasons in the event of deciding not to grant an exemption.

The Director-General may require a bilateral arrangement be in place to support the requirements of importing countries set out above, along with any other requirements he or she believes are necessary to maintain New Zealand's reputation as a responsible exporter of agricultural products. In deciding whether to require a bilateral arrangement, the Director-General could take into account relevant experience with exporting livestock to that country.

Exporters will also, in accordance with the requirements of the Animal Welfare Act 1999, need to satisfy the Director-General of MAF as to the conditions for international transport of livestock up until the point of disembarkation. Where livestock are being transported by sea this may include a requirement that a MAF-accredited veterinarian accompany the shipment, experienced stockmen are on board and provision is made for rapid disembarkation and, if required, quarantine.

3. Issues for review

The analysis section is organised according to the issues listed below.

- 1. Decision to place tighter controls on the export of livestock for slaughter
- 2. International transport
- 3. Factors for the Director-General of MAF may take into account when considering any exemption to a Customs Export Prohibition Order
- 3.1. World Organisation for Animal Health (OIE) Guidelines
- 3.2. additional requirement for pre-slaughter stunning of livestock
- 3.3. pre-shipment audit of slaughter facilities
- 3.4. declaration of purpose of export
- 3.5. submitters' proposed exclusions

4. Submitters

MAF received 44 submissions on the proposal.

| No. | Submitter |
|-----|--|
| 1 | Deer Industry New Zealand |
| 2 | RSPCA Australia |
| 3 | Meat Industry Association |
| 4 | Temco Ag |
| 5 | Wanganui Cold |
| 6 | Hmood Al Ali Al Khalaf Trading and Transportation NZ Limited |
| | & Awassi (NZ) Ltd |
| 7 | Duncan Land Company |
| 8 | Inglis Group |
| 9 | Matthew Lawlor |
| 10 | FA von Dadelszen |
| 11 | Farmers Transport Company |
| 12 | Winslow Feeds Ltd |
| 13 | Elders New Zealand Limited Masterton |
| 14 | Awassi NZ Ltd |
| 15 | Rissington Breedline Ltd |
| 16 | Ceri Lewis |
| 17 | T R Peacock |
| 18 | PGG Wrightson |
| 19 | J W Cuttance |
| 20 | Simon McKay |
| 21 | Chris Hardy |
| 22 | On Farm Research |
| 23 | Richard White |
| 24 | Terry Limmer |
| 25 | David Crutchley |
| 26 | WSPA, SPCA, SAFE |
| 27 | Brian E Church |
| 28 | Sue Kedgley MP |
| 29 | Grant Pastoral Ltd |
| 30 | Veterinary Services (Hawkes Bay) Ltd |
| 31 | Donald Wickham |
| 32 | Quinbrook |
| 33 | PGG Wrightson |
| 34 | Brownrigg Agriculture |
| 35 | New Zealand Veterinary Association |
| 36 | CIWF |
| 37 | Animals Australia |
| 38 | Assure Quality |
| 39 | National Animal Welfare Advisory Committee |
| 40 | Colbrae Partnership |
| 41 | James Bull Holdings Ltd |
| 42 | Rigel Holdings Ltd |
| 43 | Davidson Armstrong and Campbell |
| 44 | Meat & Wool New Zealand Ltd |

Meeting attendees

Attendees at the meetings are listed below.

Hamilton, 20 November 2007

Ken Cottier, Livestock Improvement Corporation
Des Van der Val, Challenge Livestock
Craig [surname not recorded], Challenge Livestock
Steve Carson, PGG Wrightson
Steve Moorhouse, PGG Wrightson
Kevin Morris, AEL
Richard Maloney, Pacific Rim International
John Gillooly, Pacific Rim International
Gerry Williams, Pacific Basin Exports
Jane Lancaster, consultant to MAFBNZ, Catalyst R&D Ltd
Karen Sparrow, MAFBNZ
Jos Vermunt, MAFBNZ
Grant Clarke, MAFBNZ
Janet Owen, MAFBNZ

Christchurch, 29 November 2007

Dean Harper, XCell
Arthur Blakeley
William McQui, NZPR
Tracey Strangman, NZFSA
Haydn Mitchell, NZFSA
Mark Neill, Assure Quality
Jane Lancaster, consultant to MAFBNZ, Catalyst R&D Ltd
Karen Sparrow, MAFBNZ
Jos Vermunt, MAFBNZ
Janet Owen, MAFBNZ

5. Analysis

5.1 GOVERNMENT'S DECISION TO PLACE TIGHTER CONTROLS ON THE EXPORT OF LIVESTOCK FOR SLAUGHTER

Submitter comments

Of the 30 submitters who made a clear statement on this issue, 27 supported the placing of tighter controls on the export of livestock for slaughter. Support for adherence to World Animal Health Organisation (OIE) Guidelines was interpreted as support for tighter controls on the trade. While there is an expectation that OIE member states will implement Guidelines in their domestic legislation, the Guidelines are not binding or mandatory requirements.

Exporters of livestock and sheep breeders emphasised that restrictions should not ban the export of livestock for slaughter altogether. These submitters considered that the export of livestock provides competition to domestic processing, as premium prices are often paid for sheep and cattle for export for slaughter. It was felt that domestic processing and export of chilled and frozen meat earns money for meat processors but does not improve prices to farmers. Overall, exporters of livestock and sheep breeders felt that export for slaughter provides an economically attractive alternative when domestic sheep prices are low, and that the opportunity to trade should remain open. Many noted the heavy investment in the Awassi breeding programme over many years and specifically supported the continuance of the trade in Awassi sheep to Saudi Arabia.

Some exporters questioned whether tighter controls on export of livestock for slaughter would also be extended to cover export of livestock for breeding.

Meat & Wool New Zealand Ltd, the Meat Industry Association and Deer Industry New Zealand supported the Government's decision to place tighter controls on the trade. Meat & Wool New Zealand Ltd and the Meat Industry Association expressed support for controls that serve to diminish reputational and trade risks to "NZ Inc".

The New Zealand Veterinary Association, National Animal Welfare Advisory Committee, and Sue Kedgley MP supported the Government's decision to prohibit the trade with exemptions where risks can be adequately managed. Both submitters noted, however, that animal welfare is best served when animals are slaughtered as close to the point of origin as possible.

Animal welfare advocacy groups variously preferred either that the trade in livestock for slaughter be prohibited without exemptions, or that livestock exports for any purpose be prohibited. This was based on concerns particularly around the nature and conditions of long-distance transport of live animals.

MAF response

Cabinet has already considered the need to place tighter controls on the export of livestock for slaughter and agreed to prohibit exports of sheep, cattle, deer and goats for slaughter, with exemptions where the risks can be managed to an acceptable level. Support for this decision is evidenced in the majority of submissions.

5.2 INTERNATIONAL TRANSPORT OF LIVESTOCK

Submitter comments

Many submitters commented on conditions for international transport of livestock. There were a variety of views ranging from suggestions that requirements should be tightened to provide better animal welfare protection, to views that existing requirements are adequate. Animal welfare advocacy groups from both New Zealand and Australia and Sue Kedgley MP in particular expressed concern that existing animal welfare measures during international transport are inadequate. Some exporters of livestock considered that international transport practices had improved substantially. AsureQuality submitted that guidelines and management techniques for long distance travel are well documented and, when correctly applied through-out a journey, have demonstrated to effectively protect the welfare of animals.

MAF response

Cabinet has excluded consideration of transport to the point of disembarkation as any risks associated with this are being managed under existing mechanisms in the Animal Welfare Act 1999. The Minister of Agriculture has requested that the National Animal Welfare Advisory Committee develop a code of welfare for international transport of livestock to mitigate any residual risk associated with this aspect of the trade.

5.3 FACTORS THE DIRECTOR-GENERAL MAY TAKE INTO ACCOUNT IN CONSIDERING ANY APPLICATION FOR AN EXEMPTION TO THE PROHIBTION

5.3.1 World Organisation for Animal Health (OIE) Guidelines

Submitter comments

The New Zealand Veterinary Association, Sue Kedgley MP and submissions from the majority of exporters of livestock and sheep breeders supported aligning exemption decisions with compliance with World Organisation for Animal Health (OIE) Guidelines.

At the consultation meeting in Christchurch, some exporters of livestock said that it is inappropriate for New Zealand to impose standards on other countries in regard to handling and slaughter of livestock. It was felt that as New Zealand is a small country and is heavily dependent on international markets for its agricultural products, it should not be placing demands on importing countries based on ethical grounds. Some exporters of livestock also said that requiring importing countries to comply with the *Guidelines for the Transport of Animals by Land, Sea and Air* would represent a double standard, in that some people in New Zealand transport animals in unsatisfactory ways such on the back of trucks, in cars and on open-sided trailers. This includes transport of livestock to and from sale yards as well as between different farming locations.

MAF response

It is noted that there is general support for aligning exemption decisions with compliance with OIE Guidelines, and it is intended that this be confirmed as a factor the Director-General of MAF may take into account when considering exemption applications. Additional requirements, in general, may relate to alignment with additional domestic commercial slaughter requirements.

5.3.2 Additional requirement for pre-slaughter stunning of livestock

Submitter comments

The New Zealand Veterinary Association, the National Animal Welfare Advisory Committee and Sue Kedgley MP supported the additional requirement that livestock exported for slaughter must be stunned prior to slaughter in accordance with any of the methods described in the OIE *Guidelines for the Slaughter of Animals*.

Overall, exporters of livestock and sheep breeders did not support making pre-slaughter stunning a necessary requirement for animals to be slaughtered in other countries. One exporter of livestock raised particular concerns with this requirement in relation to sheep. The issues raised by exporters of livestock were:

- a perception that this would represent a double standard in that New Zealand permits shechita (Jewish) slaughter and non-commercial home-kill, neither of which involve a pre-slaughter stun requirement;
- slaughter without stunning is permitted under the World Organisation for Animal Health (OIE) Guidelines;
- unilateral decision making by New Zealand is not appropriate, particularly as New Zealand is a member of the World Organisation for Animal Health (OIE).

MAF response

The prevailing international view, subscribed to by the New Zealand National Animal Welfare Advisory Committee, is that conscious animals are likely to experience an unreasonable level of pain during the cut to the neck. Cattle are more affected than other livestock because of the additional time it takes to loss of consciousness.

At the present time, domestic commercial slaughter requirements allow for shechita (Jewish) slaughter of livestock. There is no requirement for pre or post-slaughter stunning. The Minister of Agriculture is considering issuing a draft commercial slaughter code of welfare that would require all large mammals and poultry being commercially slaughtered in New Zealand to be stunned prior to slaughter. An exemption is proposed for shechita (Jewish) slaughter whereby no pre-slaughter stun would be required for sheep and goats, though cattle would need to be stunned within 5 seconds following the throat cut. Non-commercial slaughter (i.e. "home-kill") is not covered by the draft code, and therefore home-kill can also occur without a pre-slaughter stun.

The World Organisation for Animal Health *Guidelines for the Slaughter of Animals* does not require pre-slaughter stunning. It does, however, include guidance on suitable methods should pre-slaughter stunning be used. As they are guidelines, not mandatory requirements, there is nothing to preclude New Zealand adopting more restrictive measures.

The proposal to add an additional requirement for pre-slaughter stunning of exported animals would appear to be at odds with the permissive approach taken to shechita and home-kill slaughter in New Zealand. In addition, making pre-slaughter stunning a necessary requirement could be perceived by Islamic countries as being anti-Islamic, particularly given New Zealand's permissive approach to Jewish religious slaughter.

Taking into account the differing animal welfare concerns between cattle and other livestock, MAF has determined that the pre-slaughter stun requirement will be limited to cattle only. The Director-General of MAF may however review the factors he or she considers relevant for consideration at any time, taking into account such matters as the experience from past trade, at which time further consultation may be undertaken with affected parties.

5.3.3 Pre-shipment audit of slaughter facilities

Submitter comments

No submitters objected to the proposed requirement for pre-shipment audit of slaughter facilities by inspectors nominated by MAF and carried out at the exporters' expense. One key exporter of livestock considered, however, that pre-shipment audit of slaughter facilities should be limited to cases where animals are slaughtered within six months of departure from New Zealand. Some other exporters suggested that the pre-audit requirement should not apply to export of livestock for fattening and subsequent slaughter.

The New Zealand Veterinary Association supported the audit of slaughter facilities in importing countries. It commented that the audit could involve either a desk-top assessment based on information received from the importing country or a physical inspection by an inspector nominated by the Director-General of MAF. Further, it recommended that in cases where the actual slaughterhouse is not known for animals imported for fattening and subsequent slaughter, a country assessment may be more appropriate.

MAF response

The general support for pre-shipment auditing of slaughter facilities in the importing country has been noted and it is intended that this be confirmed as a factor the Director-General may take into account when considering exemption applications. The process and timing of pre-shipment audits will be decided on a case-by-case basis.

5.3.4 Declaration of purpose of export

Submitter comments

No submitters objected to the proposal that exporters be required to provide an affidavit as to the purpose of export for all livestock exports. At consultation meetings in Hamilton and Christchurch some exporters said that while this would add to bureaucratic requirements, it was not a significant problem.

MAF response

MAF intends to confirm the affidavit as to the purpose of export as a factor the Director-General may take into account when considering exemption applications.

5.3.5 Submitters' proposed exclusions

Submitter comments

Certain exporters considered they should be exempted from the Customs Export Prohibition Order.

At the consultation meeting in Christchurch, some farmers and exporters of livestock considered that cattle exported to feedlots for fattening and subsequent slaughter should be exempt from the prohibition. They considered it untenable to differentiate between cattle exported for fattening and subsequent slaughter and those exported for breeding and subsequent slaughter. They also felt it would be impossible to trace exported animals to the point of slaughter.

MAF response

MAF considers that all exporters should be treated equally, and that there should be no general exclusions from the Customs Export Prohibition Order.