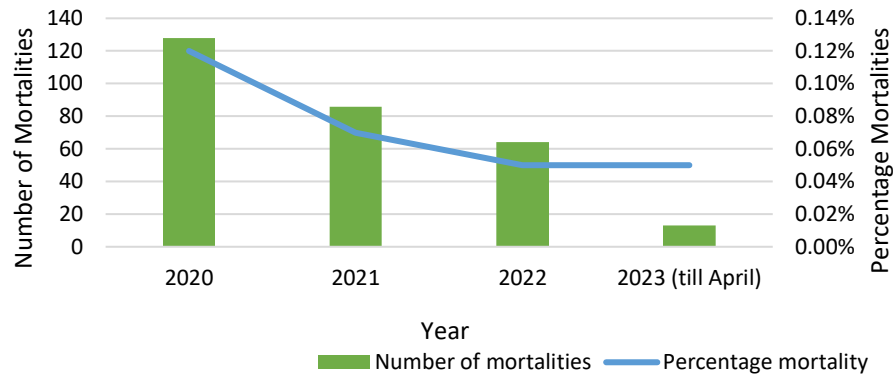


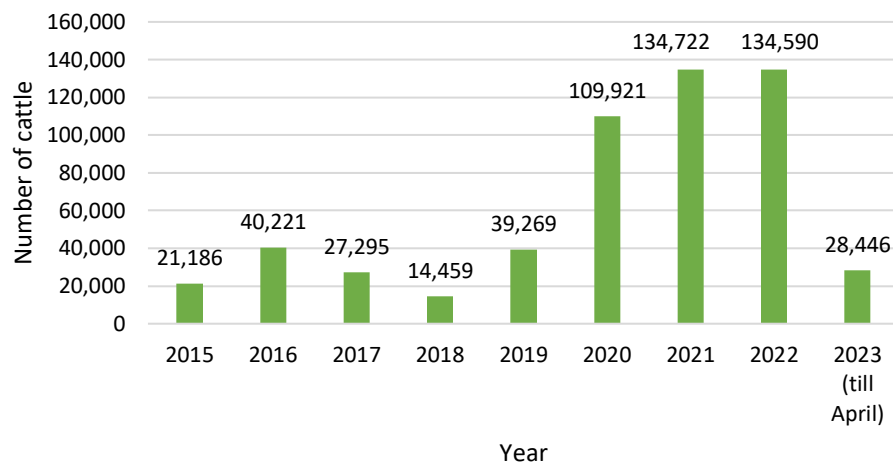


Livestock Exports by Sea Continuous Improvements

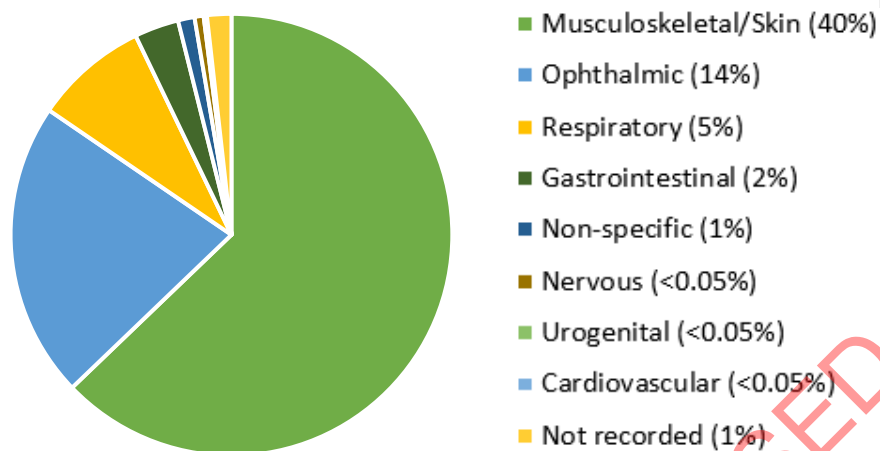
The Number and Percentage Mortalities for Cattle Exported from New Zealand per Year



Number of cattle exported from New Zealand by sea per year



Number of Treatments by Clinical Sign



Percentage of treatments given for conditions stratified by the type of condition being treated. Data is collected from 14 livestock transport vessels that departed New Zealand on 44 separate voyages to China between 8 November 2020 and 13 November 2022.

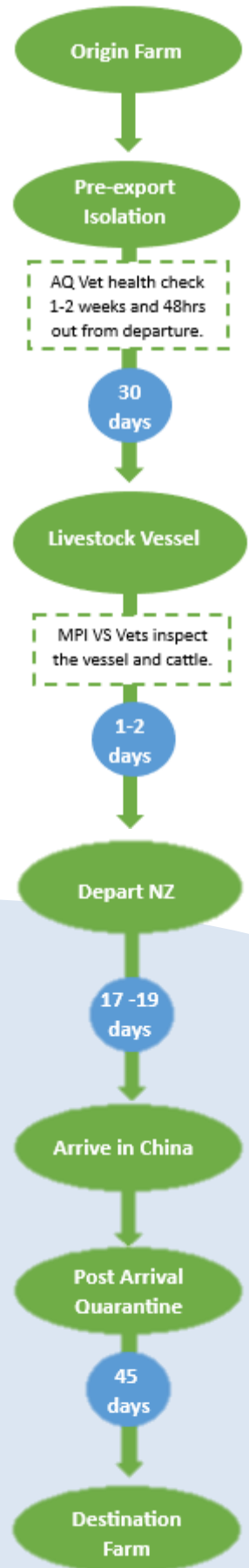


Export routes taken from MPI Voyage View for all vessels travelling between Oct 2021 – April 2023

Reporting Timeline

- 2019**
MPI introduced mortality and post arrival reporting.
- 2020**
MPI introduced daily reporting requirements in October.
- 2021**
MPI launched VoyageLink, world first real-time app reporting of animal health and welfare at sea.

Cattle by Sea Export Process



Cattle by Sea Exporters from 2019

s9(2)(b)(ii)



RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

New Zealand Livestock Exports by Sea - Identified welfare concerns



Data collection

In the years prior to the ban of the export of cattle by sea from New Zealand, additional data was collected to help quantify mortality risks and health and welfare impacts on cattle being transported between New Zealand and China. The on-board veterinarian collected data daily during each voyage using either a questionnaire or a mobile phone application. The collection of data was performed on all voyages departing New Zealand from November 2020 onwards.

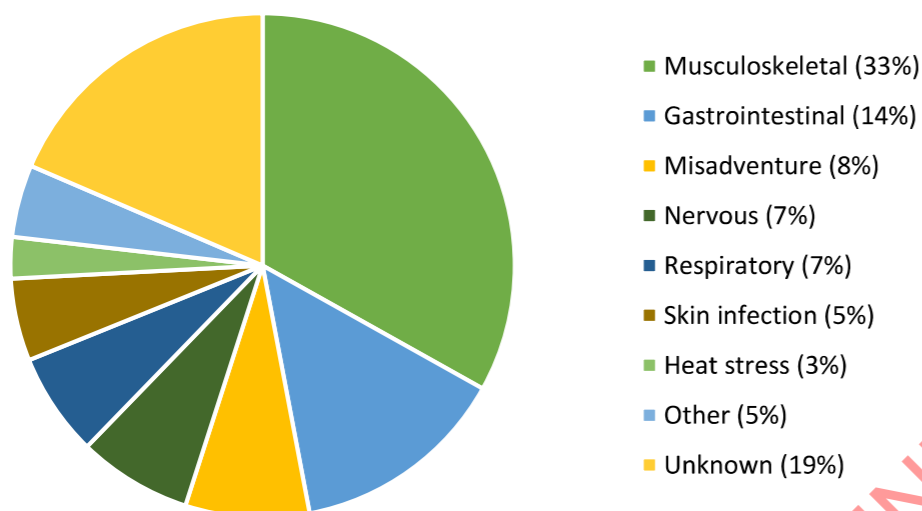
Average mortality rate for exported cattle for the years 2019 to 2023

New Zealand Cattle by Sea*	s6(a)
0.07%	

* This data excludes those mortalities from the sinking of Gulf Livestock 1 in 2020.
** A notifiable incident is a mortality rate of equal to or greater than 0.5%.

For comparison, when cattle are kept on-farm, the average mortality rate for dairy heifers from 3 to 27 months of age (inclusive of first calving) has been reported as 2.7%⁽²⁾. On-farm mortalities during this period are unlikely to be uniformly distributed, and the risks on-board a vessel are more comparable to intensive farming than with the typical New Zealand pasture-based farming system. However, when considering this mortality rate over a similar timeframe as a voyage of 20 days, mortality rates between the two systems are approximately comparable.

Percentage of animal deaths stratified by cause of death

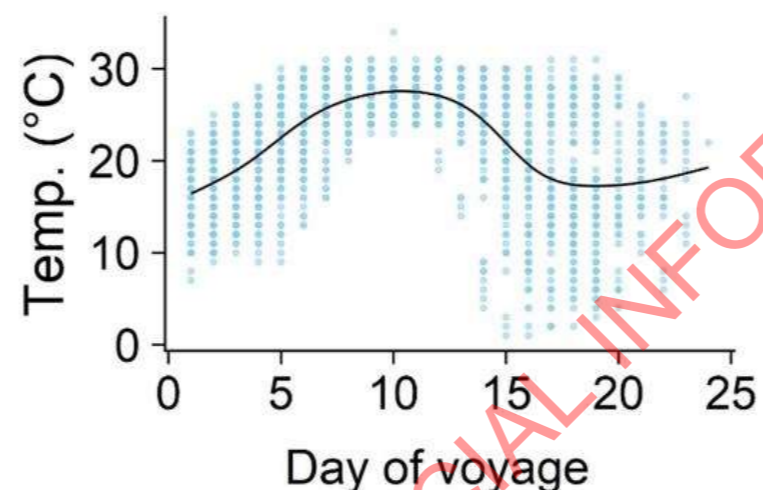


For cattle transported from New Zealand to China from November 2020 to November 2022, mortality rates were low at 0.06% overall, with all voyages included in the data having mortality rates well below the 0.5% threshold required to make voyage mortality notifiable to MPI. One in three mortalities involved the musculoskeletal system, and half of these were leg fractures.

Post arrival mortality rates

Since MPI introduced the requirement for post arrival reporting in 2019, the average mortality rate for cattle during the first 30 days after arrival in the destination country (China) was 0.07%. They are in post arrival quarantine during this period.

Heat Stress Median wet bulb temperature by day of voyage



For cattle exported from November 2020 to November 2022 the median wet bulb temperature (WBT) across all voyages, days and decks was 19.5°C, with a range of 1°C to 39°C.

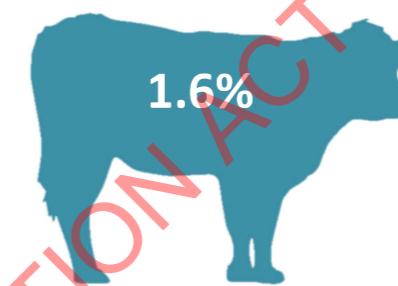
The recognised heat stress threshold for *Bos taurus* cattle is 28°C.

During this period, cases of heat stress were rare, and elevated body temperature was reported to be the cause of only 10 treatments. Heat stress was reported as the cause of death for four of 151 deaths over the period.

Despite clinical cases and deaths from heat stress being rare, MPI introduced the following requirements:

- from May 2022, the export of pregnant cattle between 1 May to 31 October (inclusive) was prohibited to prevent abortions and additional heat load experienced by pregnant animals when crossing the equator.
- from September 2022, compulsory heat stress management plans for all consignments were required as part of the AWEC application and extra reporting was required to be performed by veterinarians if the WBT reached 28°C.

Veterinary treatments



Approximately 1.6% of the 272,136 cattle exported between November 2020 to November 2022 received veterinary treatment during the voyage.

2/3 of all treatments (includes new and repeats) were for musculoskeletal or skin conditions

1/5 of all treatments were for eye conditions caused by infectious disease (pink eye)

Other causes

Welfare concerns

- According to the data collected between Nov 2020 and Nov 2022 the primary health concerns onboard the vessel were lameness, traumatic injury, problems related to eyes or the respiratory system, and gastrointestinal disease.
- The effects of heat load, ventilation, noise, and underfoot conditions on-board vessels requires further investigation to develop robust preventative strategies to reduce impacts on animal welfare.
- The New Zealand stocking density and bedding requirements on-board vessels is equivalent to that required by Australia, however work is under way to evaluate if further changes would reduce the risk of lameness and improve cow comfort.

Lameness and injury to the limbs

- s6(a)

- It is well recognised that the causation and onset of lameness is a multifactorial problem (see diagram).

Factors contributing to lameness

Floor surface & bedding

Hygiene

Humidity

Nutrition

Cow comfort

Temperature

Stocking density

Genetics

- It is likely that a combination of these factors are contributing to the lameness seen in cattle on-board livestock vessels.
- Further research into stocking density, bedding, manure management, heat stress management, feed allocation and vessel design could inform further risk mitigation.



To: Hon Andrew Hoggard, Associate Minister of Agriculture (Animal Welfare)
From: Julie Collins, Deputy Director General Policy and Trade
Karen Adair, Deputy Director-General Agriculture and Investment Services

Process for reinstating the livestock export by sea trade

Decision required	Date decision required by
YES <input checked="" type="checkbox"/> / NO <input type="checkbox"/>	23 February 2024

Date	19 February 2024	Reference	B24-0118
------	------------------	-----------	----------

Purpose

- This briefing provides you with advice on a proposed process to reinstate livestock exports by sea along with an indicative timeframe.
- This briefing seeks your agreement to begin a targeted engagement with key stakeholders to identify options for achieving the highest standards of animal welfare while maintaining New Zealand’s reputation as a trusted exporter of high-value products.
- The Ministry for Primary Industries (MPI) will provide you with further advice as work progresses. In the near term, this is likely to include:
 - regular updates on discussions with stakeholders;
 - how a new system can ensure the highest standards of animal welfare, including analysis of Livestock Export New Zealand’s ‘gold standard’;
 - how an exporter licencing system might operate;
 - information on fit-for-purpose ships;
 - information on how trade in other countries is regulated;
 - Information and analysis on trade and international implications and opportunities to strengthen the wider animal export system.

Background


1. The Government Coalition Agreements state the intention to “Reverse the recent ban on live animal exports while ensuring the highest standards of animal welfare”.

2. The primary legislation governing livestock export is the Animal Welfare Act 1999 (the Act). Exporting animals, including livestock, is regulated under Part 3 of the Act. The purpose of Part 3 is to protect the welfare of exported animals, and New Zealand's reputation as a responsible exporter of animals and animal products. Unless exempted, an animal welfare export certificate (AWEC) is required before export can proceed.
3. In 2022, the Act was amended to give effect to a prohibition on the export of livestock by sea. The ban was put in place by adding sections and modifying the wording of Part 3 of the Act, relating to the export of livestock by ship, and the application and issuance of AWECs.
4. Reversing the ban will require amending the Act. Any requirements to ensure the highest standards of animal welfare will need a robust development and consultation process, along with supporting changes to the Act. Depending on the options progressed, additional work to introduce or modify regulations or the standards for AWECs may be required.


Considerations when reinstating the trade with improved animal welfare standards

5. A straight removal of the clauses that were introduced to the Act in 2022 would be the most administratively simple process and result in faster timeframes for reversing the ban. However, there are wider considerations prior to progressing reinstatement of the trade.
6. MPI received over 3000 submissions during the 2019 Livestock Export Review while the Select Committee process received over 600. This gives an indication of the depth of public opinion on this subject. If livestock exports by sea were to continue as it was before, without addressing limitations and enabling an ability to monitor and enforce requirements, public confidence in the system may be undermined.
7. During the phase out of livestock exports by sea, MPI engaged with industry and identified several areas in relation to live animal exports which could be improved in future. These include but are not limited to;
 - a) requiring exporters of live animals to be specifically registered (excluding non-commercial exporters of pets) and giving MPI the ability to audit the exporter's procedures;
 - b) increasing the time AWEC applications are made before export, to allow for appropriate risk mitigation measures to be put in place;
 - c) requiring animals exported by sea to be exported only on fit-for-purpose vessels; and
 - d) increasing transparency of the export process, including at destination markets, such as the industry verifying the animal welfare standards on the receiving farms.
8. MPI acknowledges that further analysis and consultation is needed to ensure the feasibility of any proposals both domestically and in accordance with our international obligations. s6(a), s9(2)(j)

Timeframes, processes and next steps

9. Following approval to start targeted consultation, MPI will consult with key stakeholders to develop an options paper for your consideration. This preliminary consultation is likely to include engagement with livestock exporters, domestic livestock transporters, animal welfare advocates, other government agencies, as well as discussions with trading partners.
10. MPI will then develop a discussion paper for you to take to Cabinet seeking approval for a public consultation process to begin.
11. MPI recommends the legislative amendments and any regulatory changes needed to support improved welfare standards are developed at the same time. This will provide the ability to expand regulation powers in the Act if needed, or allow for the development of new operating systems (for example, new standards or an exporter licensing system).
12. This approach will enable consultation on the legislative changes alongside the standards that seek to maintain high levels of animal welfare.
13. Amendment to primary legislation will be required, meaning timeframes around standard legislative procedure will apply. In general, the process from Cabinet to Royal Assent takes around 12 -18 months depending on where the repeal is placed on the Government's legislative agenda.
14. s9(2)(g)(i)

15. Preparation for operational implementation can begin running concurrently with the legislative process.
16. MPI are currently working to the timeframes outlined in the table below. These timeframes are subject to change depending on the scope of work and Government priorities.

s9(2)(f)(iv), s9(2)(g)(i)



Recommendations

17. It is recommended that you:

- a) **Note** that this briefing provides you with advice on the considerations and processes involved to reinstate livestock exports by sea and an indicative timeframe for those processes.

NOTED

- c) **Agree** to allow MPI to begin a targeted engagement with key stakeholders to identify options for achieving the highest standards of animal welfare while maintaining New Zealand's reputation as a trusted exporter of high-value products.

YES / NO

- d) **Note** that MPI will provide you with further advice as work progresses.

NOTED



Karen Adair
Deputy Director-General
Agriculture and Investment Services

Hon Andrew Hoggard
Associate Minister of Agriculture (Animal
Welfare, Skills)

/ /2024



Julie Collins
Deputy Director-General
Policy and Trade

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982



Live Exports Ban Review Project – High Level Targeted Engagement Plan

Objectives of the Initial Targeted Consultation

MPI is seeking stakeholder input into what the stakeholders see as the key issues when reinstating livestock exports by sea and how this can be done in a way that is feasible and achieves the highest animal welfare standards.

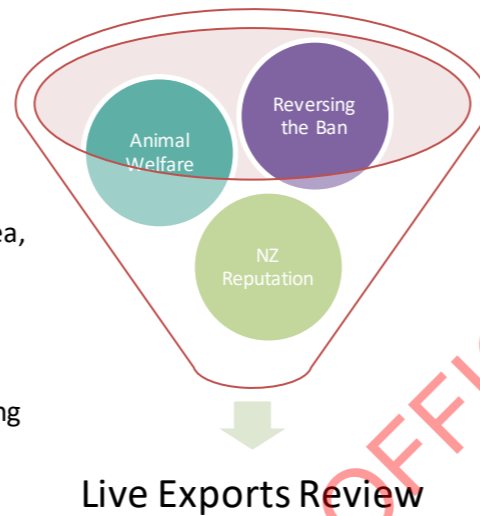
We want to identify the current issues with regulatory settings protecting welfare of animals being exported from New Zealand; evaluate the impacts, anticipated benefits and costs of different solutions; and test whether there are alternatives that we have not yet identified that can be used to improve animal welfare during the export process.

Scope of the Initial Targeted Consultation

This targeted consultation and stakeholder plan applies from March 2024, until a summary of feedback is developed after the targeted engagement period concludes.

The scope will include options for reversing the prohibition of livestock exports by sea, and include any changes to the current live animal export system that would be beneficial for animal welfare and New Zealand's international reputation. These changes may impact commercial exporters of species other than livestock.

Non-commercial movements of individuals transporting their pets overseas, including assistance animals, are excluded from this scope.



Stakeholders

Stakeholders will be mapped based on their level of interest and level of influence to help MPI determine which stakeholders will be a part of the initial targeted consultation.

This will ensure targeted consultation remains efficient and includes applicable stakeholders from the following groups:



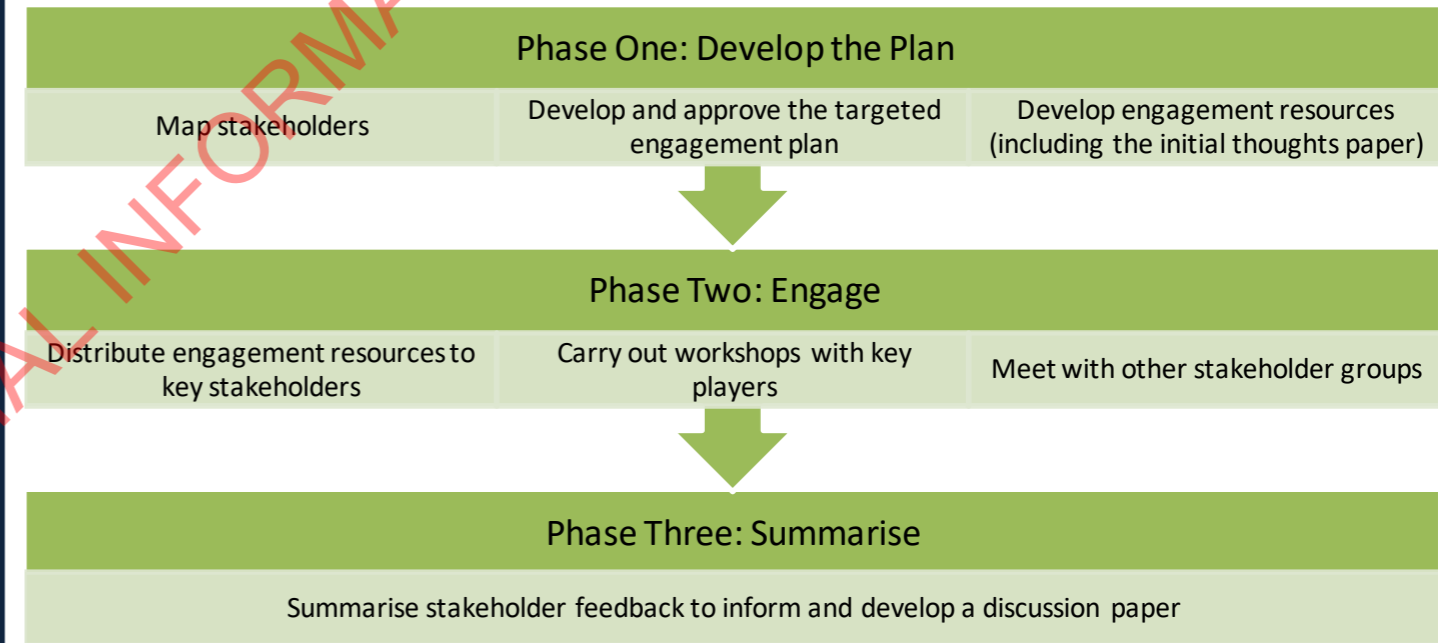
Grouping for workshops include (please note this is not an exhaustive list):

- Veterinarians and stockpersons that were on-board export livestock vessels
- Exporters and PEI operators for livestock, horses, and poultry
- Advocacy groups
- Internal MPI teams (Verification Services, Animal Welfare Policy, Animal Exports, Legal, International Trade, Market Access)
- Other government agencies (Maritime NZ, MFAT)

Proposed Initial Targeted Engagement Process

It is recommended that a minimum of 6 weeks will be allowed to conduct targeted consultation to provide MPI and key stakeholders with enough time to ensure that the options included in the discussion paper are well-thought out, adequately described, and represent the full range of viable alternatives.

Our high-level targeted engagement approach is as follows:



Phase Two Expanded

This will primarily include meeting and discussing the questions in the initial thoughts paper with our key players and collating feedback on possible options that may be included in the final discussion paper.

Workshops will involve collaboration with key players and meetings will involve informing stakeholders of the project and MPI's engagement approach.

Initial Contact

Provide targeted stakeholders with 'initial thoughts' paper outlining the background, purpose, scope and questions surrounding the review and invite them to provide feedback via meetings or workshops.

Workshops

Key players will be encouraged to attend workshops to provide feedback on the questions outlined in the initial thoughts document and collaborate on possible solutions for addressing concerns and problems.

Meetings

Other targeted stakeholders will be encouraged to attend meetings where MPI will explain the project and the engagement approach and how they can provide feedback.



To: Hon Andrew Hoggard, Associate Minister of Agriculture (Animal Welfare, Skills)
From: Julie Collins, Deputy Director-General Policy & Trade

Livestock Exports Work Programme Update

Date	16 May 2024	Reference	B24-0327
-------------	-------------	------------------	----------

Decision required	Date decision required by
YES <input checked="" type="checkbox"/> / NO <input type="checkbox"/>	27 May 2024

Purpose

- This briefing provides you with an update on the livestock exports work programme.
- It also seeks your agreement to meet with officials to discuss the approach, scope and desired objectives outlined in the attached draft Cabinet paper.

Background

1. The Government coalition agreements state the intention to “reverse the recent ban on live animal exports while ensuring the highest standards of animal welfare”.
2. The primary legislation governing live animal export is the Animal Welfare Act 1999 (the Act). Exporting animals is regulated under Part 3 of the Act. The purpose of Part 3 is to protect the welfare of exported animals and New Zealand’s reputation as a responsible exporter of animals and animal products. Unless exempted, an animal welfare export certificate (AWEC) is required prior to export.
3. In 2022, the Act was amended to give effect to a prohibition on the export of livestock (cattle, deer, goats, and sheep) by ship. The ban was put in place by adding sections and modifying the wording of Part 3 of the Act, relating to the export of livestock by ship, and the application and issuance of AWECs.
4. Progressing the Government’s coalition agreement to reverse the recent ban on live animal exports will require amending the Act. Depending on the options identified and progressed, additional work to introduce or modify regulations or the standards for AWECs may be required. Any requirements to ensure the highest standards of animal welfare will need a robust development and consultation process.

5. The Ministry for Primary Industries (MPI) previously provided you with background, high level considerations and timeframes for commencing the work relating to livestock exports by sea (B24-0118 *Process for reinstating the livestock export by sea trade refers*).

Live Animal Exports Review

6. MPI has begun work to give effect to the Government's coalition agreements to reverse the recent ban on live animal exports while ensuring the highest standards of animal welfare.
7. Initial discussions have been completed with the full range of external stakeholders, including exporters of live animals, industry and professional bodies, advocacy groups and veterinarians who had previously accompanied livestock voyages. The outcomes and key messages from this initial engagement are now being compiled and analysed.
8. The initial targeted discussions were constructive with a high level of engagement from all stakeholders. The exporters and industry participants were aware that transparency of welfare conditions throughout the export chain will be a key issue to address. The advocacy groups were unanimously in favour of the ban continuing. The discussions highlighted the need to provide information to increase understanding by stakeholders of the export process and associated welfare conditions.

Scope

9. The primary focus of this review is the export of livestock by sea. Following conversations with your office, MPI understands that the conditional prohibition on export of livestock for slaughter is out of scope.
10. Animal welfare concerns around the export of other live animals are likely to be raised by stakeholders as the review progresses.
11. Widening the scope presents an opportunity to address animal welfare concerns for other commercial animal exports that currently require welfare certificates, but is likely to be more time and resource intensive. There may be additional challenges that have not been fully explored. s9(2)(f)(iv)

[REDACTED]

[REDACTED] This approach will provide a greater understanding of any issues, how best to address these, and the implications this may have on the current estimated timeframes around enactment.

Purpose and objectives

12. The core purpose of the livestock export review is to reinstate the ability to export livestock by sea to provide a sustainable additional income generation opportunity for farmers.
13. The review will consider:
 - a) how to ensure high animal welfare standards throughout the export process;

- b) New Zealand's reputation as a responsible exporter of animals and animal products; and
 - c) New Zealand's international trade obligations.
14. The review will be informed by public consultation on a discussion paper, which will include potential options for reinstating livestock exports by sea. s9(2)(f)(iv)
- [REDACTED]
- [REDACTED]

There are a number of factors to consider in relation to livestock exports

15. There is an opportunity to expand our live export potential and support the growth of our primary industries. The animal welfare standards we impose are central to how this will be achieved. It will incorporate balancing public assurance, animal welfare performance, trade and reputational impacts, economic opportunities and risks, and rural community wellbeing and success.
16. A high-level analysis of these considerations is provided below. A public consultation process will support more detailed analysis and inform Cabinet policy decisions on the coalition agreement.

Economic opportunities and risks

17. New Zealand livestock is internationally sought after for breeding purposes (including genetic improvements to stock) and to assist countries in developing livestock self-sufficiency.
18. Livestock export provides additional export opportunities, an additional income source for rural communities and are part of the broader global network of trade that benefits New Zealand. Sale of livestock for export is generally a small, but useful income generator across the rural sector as live animals sold for export tend to fetch a premium compared to domestic sales¹. In 2022, the direct economic benefit of the livestock export trade was valued at \$374 million.
19. There are also indirect economic benefits, including demand for pre-export isolation facilities, laboratory testing, pedigree reporting, verification services, animal transport and veterinary services. These services are often provided by rural communities and are important for the rural economy. For some individual businesses, the contribution of livestock export to their business is significant as they provide a number of services required for the pre-export process.
20. The value the trade brings to New Zealand is largely dependent on demand in destination countries, and New Zealand's ability to negotiate commercially meaningful market access.

¹ In 2020, industry indicated that the value of a well-bred dairy crossbred heifer is around \$1,500, compared with \$650 for a heifer that did not meet export specifications. Their estimate of indirect economic benefits (that is, economic benefits beyond what farmers receive) is around \$1.5 million per shipment of 3,000 animals.

21. The value and volume of livestock exported by sea fluctuated in the decade before the ban was introduced, although there was a notable increase after the previous Government indicated it was considering the ban (see Figure 1 below).

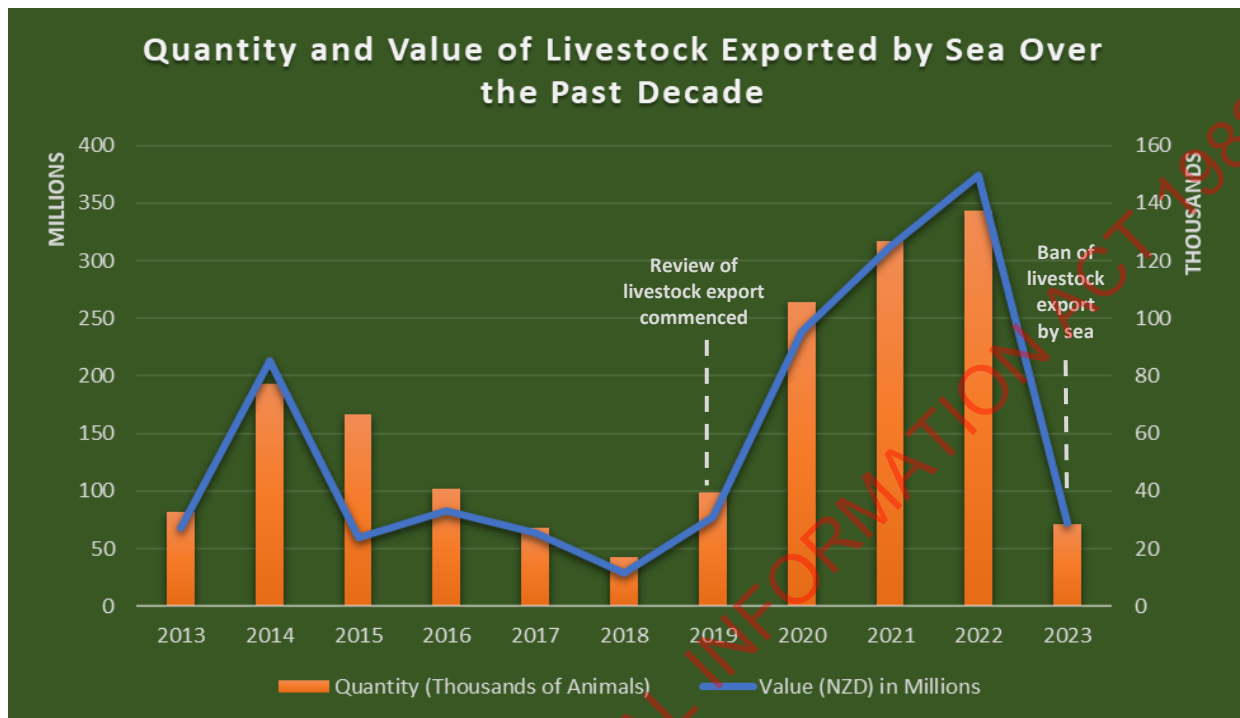


Figure 1 represents the number and value (NZD) of live cattle, goat and sheep exports by sea year ending December, from 2013-2023. Note: deer are not included as they are unable to be separated from the other not elsewhere classified category. Source: Overseas Merchandise Trade Data, Statistics New Zealand.

22. While the increase in value and volume from 2020 may reflect increased demand, it is unclear to what extent market demand for the period 2020 to 2023 can be used to assume ongoing export trends. The fluctuating value of exports makes the economic benefits of the trade difficult to quantify. There are also other economic factors to consider in the discussion of reinstating the trade. At a high level, these include:
- estimated demand for New Zealand livestock from overseas partners;
 - whether supply from New Zealand has been replaced by supply from other countries;
 - additional costs exporters will need to pay to meet any new requirements; and
 - improved trade relationships or free trade agreements (FTAs) between other exporting/importing countries.
23. As part of reviewing the livestock export system, MPI will undertake economic analysis to understand the potential costs and benefits of restarting the trade and introducing any new requirements.

Trade and market considerations

24. New Zealand benefits significantly from the rules-based multilateral trading system and our network of FTAs. Balancing the expectations of the public, domestic producers, and our trading partners can be complex and will require nuanced and clear messaging throughout the process of developing and passing legislation.

25. Our reputation as a trusted producer adds value to our exports and contributes to our standing as a responsible trading partner. Any new conditions for livestock exports should enhance and maintain the track record New Zealand has for maintaining high animal welfare standards.
26. s9(2)(g)(i) [REDACTED]
27. MPI will work alongside the Ministry of Foreign Affairs and Trade to ensure that international obligations are taken into account, and that our trading partners are informed appropriately. Final decisions will need to factor in and align with New Zealand's international obligations.
28. MPI will provide you with analysis on the various trade and market opportunities and risks in a subsequent briefing.

Public assurance and reputational impacts

29. Livestock exports by sea is a contentious issue that has been subject to public scrutiny for many years². A particular area of contention that has been raised in previous reviews of the system is the potential reputational impacts the trade presents to New Zealand as a responsible exporter with high animal welfare standards.
30. Stakeholders' views on the impact of livestock export on New Zealand's reputation are highly polarised. Some commentators believe it harms New Zealand's reputation, while others see benefits in continuing to be an active participant with high standards and influencing global practices of live animal export. MPI's view is that reputational impacts should be considered and managed through the process of developing and communicating the standards required for exporting live animals.
31. Regardless of any decision on whether to continue to export livestock, ongoing advocacy against live animal export is likely to continue, within New Zealand and internationally.
32. These risks are important to consider but can be managed through enhancing the regulatory framework for livestock export. While we can manage these risks through our existing regulatory system, we cannot eliminate them completely and measures to control outcomes beyond our jurisdiction also come with added risk.
33. Developing a transparent system, along with a thorough consultation process, will be important to maintaining public confidence in the livestock export system.

² The high number of submissions received in previous review processes and the current Parliamentary petition of John Hellstrom (currently 35,000 signatures) indicates the depth of feeling in this subject matter.

Next steps and processes

Cabinet paper informing Cabinet of the work programme

34. You asked MPI to develop a paper to inform Cabinet of the work programme to implement the Government's coalition agreements to reverse the recent ban on live animal exports while ensuring the highest standards of animal welfare. A draft version of this Cabinet paper is attached (see **Appendix One**).
35. The draft Cabinet paper recently underwent departmental consultation. MPI is currently considering the comments. MPI will advise of any issues identified.

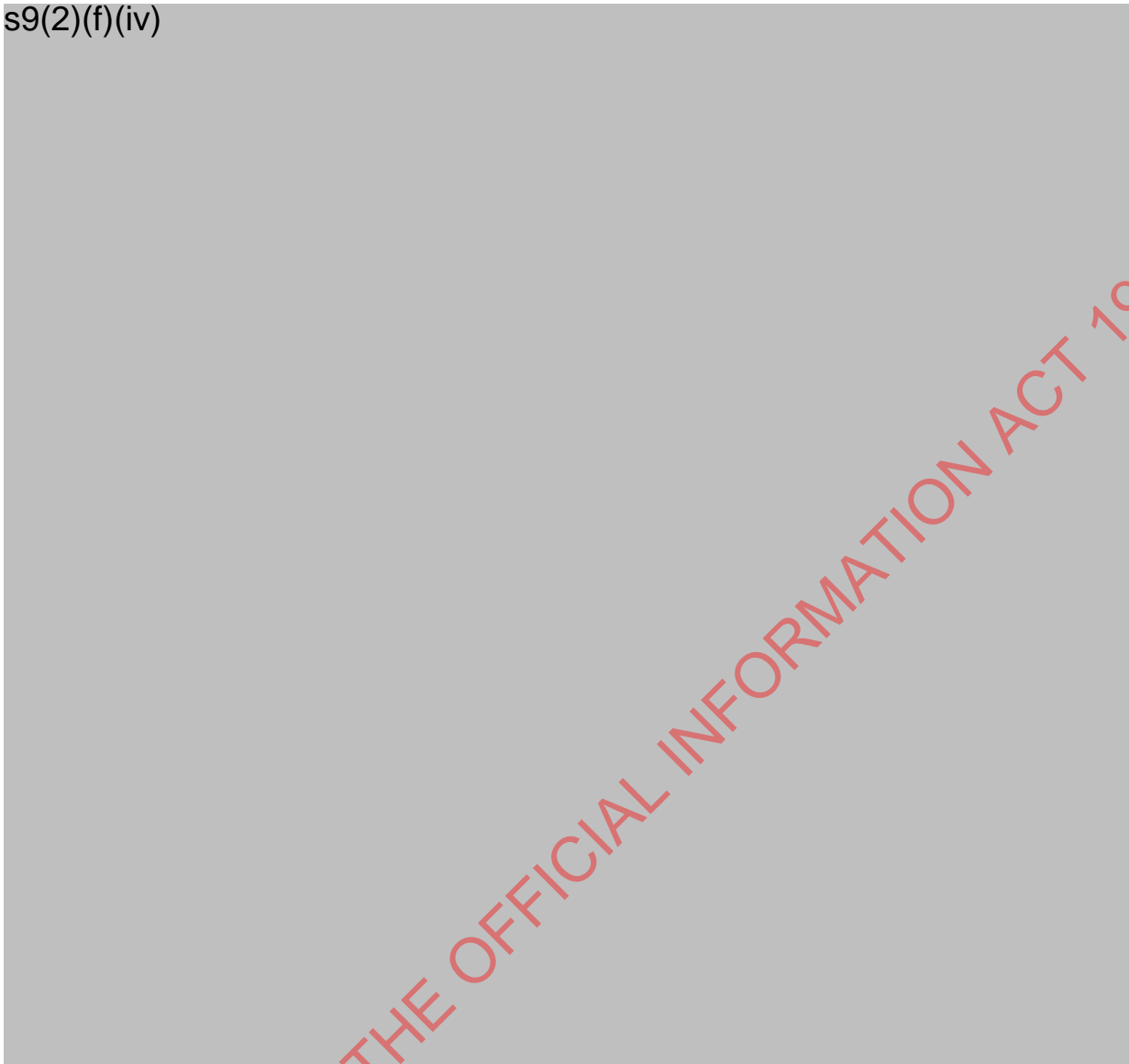
Development of a discussion document

36. MPI is preparing a discussion document with a range of options for managing welfare of live animals for export. s9(2)(f)(iv)
[REDACTED]
[REDACTED]
[REDACTED]

Following public consultation

37. Officials will analyse submissions from the public consultation and refine options to reflect the input provided during this process. Officials will also provide you with a summary of the submissions, and provide options for you to consider and discuss with your colleagues. At this point you will be able to indicate if any options are considered out of scope. Depending on the preferred options, MPI can then give a clearer indication of timeframes to implement any proposed changes.
38. Following direction on the selected options, policy approval from Cabinet will be required. The Parliamentary Counsel Office (PCO) will then be given drafting instructions to draft a bill with the appropriate legislative amendments, as well as any associated regulations required.
39. Once a bill has been drafted, Cabinet approval will once again be sought to introduce the proposed legislation to the House of Representatives.
40. Depending on the approach taken, further regulations can be developed, consulted on, and implemented following on from the initial legislative changes. This process can operate concurrently during the standard legislative process.
41. MPI is currently working to the timeframes outlined in the table below. These timeframes are subject to change depending on the scope of work, Government priorities and resourcing requirements.

s9(2)(f)(iv)



RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Recommendations

42. It is recommended that you:

- a) **Agree** the scope of the work programme relates to the export of livestock by sea and excludes the conditional prohibition on export of livestock for slaughter;

YES / NO

- b) **Agree** that alongside this work, the Ministry for Primary Industries will take the opportunity to explore the potential for improvements to animal welfare standards that relate to other live animal exports;

YES / NO

- c) **Note** that the core objective of this review is to provide a sustainable additional income generation opportunity for farmers, while considering how to ensure high animal welfare standards throughout the export process; New Zealand's reputation as a responsible exporter of animals and animal products; and New Zealand's international trade obligations.

NOTED

- d) **Note** that the Ministry for Primary Industries is preparing a paper to inform Cabinet of the work programme relating to livestock exports by sea and that the Cabinet paper has gone out for departmental consultation;

NOTED

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

- e) **Note** that livestock exports is a contentious subject and several considerations need to be taken into account. You will need to consider the balance between providing for public assurance; ensuring animal welfare standards are upheld; diversity in economic opportunity; trade and reputational impacts; and the needs of our rural communities;

NOTED

- f) **Agree** to meet with officials to discuss the approach, scope and objectives outlined in the attached Cabinet paper; and

YES / NO

- g) **Agree** to forward this briefing to the Minister for Agriculture and the Minister for Trade, for his information.

YES / NO



Julie Collins
Deputy Director-General
Policy & Trade

Hon Andrew Hoggard
Associate Minister of Agriculture
(Animal Welfare, Skills)

/ / 2024

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Appendix One: Draft Cabinet Paper – Live animal export review

Withheld pursuant to section 9(2)(f)(iv) of the OIA

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982



To: Hon Andrew Hoggard, Associate Minister of Agriculture (Animal Welfare, Skills)
From: Fiona Duncan, Director Regulatory Systems Policy, Policy and Trade

Animal Welfare: Livestock Export Review - Cabinet Paper for Ministerial Consultation

Date	31 May 2024	Reference	B24-0060
-------------	-------------	------------------	----------

Decision required	Date decision required by
YES <input checked="" type="checkbox"/> / NO <input type="checkbox"/>	3 June 2024

Purpose

- This briefing provides you with a copy of the Cabinet Paper - Animal Welfare: Livestock Export Review (the Review) and talking points.

Background

- You intend to take a paper to the Cabinet Economic Policy Committee (ECO) on 19 June 2024 to provide an update on the work programme to address the Government's coalition agreement commitments relating to livestock exports. A draft Cabinet paper was provided to you for consideration on 16 May 2024 (B24-0327 *Livestock exports work programme update* refers).
- Following discussion with officials, minor changes have been made to the Cabinet Paper to reflect your feedback and address matters raised during departmental consultation.
- Talking points are set out in **Appendix One** to support your consultation and taking of the paper through ECO. An updated copy of the Cabinet Paper is attached as **Appendix Two**.

Changes have been made to update timeframes and clarify scope

4. You met with officials on 22 May 2024 to discuss the draft Cabinet Paper and the scope and timeframes for the work to review the livestock export system. You confirmed:
 - a) the Review is to relate only to livestock export by sea. The current prohibition for export for slaughter is outside scope of this review and will remain in place;
 - b) having an effective mechanism to set welfare standards for other animal exports will be considered. However, only setting welfare standards for the export of livestock by sea will be part of this review;
 - c) public consultation will include reversing the current ban on livestock exports by sea, options around mechanisms to set animal export welfare standards, and what standards for livestock export by sea should look like; and
 - d) s9(2)(f)(iv) [REDACTED]
5. The Cabinet Paper has been updated to reflect the above.

Departmental consultation has been completed

6. Departmental consultation on the Cabinet Paper is complete. The following government agencies were consulted: Maritime New Zealand, Ministry of Transport, Treasury, Ministry of Foreign Affairs and Trade (MFAT), Ministry of Justice, New Zealand Trade and Enterprise, New Zealand Customs Service, Ministry of Business, Innovation and Employment, Ministry for the Environment, Department of Internal Affairs, Te Puni Kokiri, and Ministry for Regulation. The Department of Prime Minister and Cabinet (Policy Advisory Group) have been informed.
7. No substantive changes have been made following departmental consultation. Minor changes have been made to:
 - a) expand on the importance of animal welfare and strong standards as part of the factors to be considered as the Review progresses; and
 - b) include a graph showing the fluctuation of the quantity and value of livestock exported by sea over the past decade.

s9(2)(h) [REDACTED]

8. s9(2)(h) [REDACTED]

10. s9(2)(h) [Redacted]

- [Redacted]

- [Redacted]

11. s9(2)(h) [Redacted]

12. s9(2)(h) [Redacted]

13. s9(2)(h) [Redacted]

Next steps

14. You intend to consult with your ministerial colleagues during the week of 3 to 7 June 2024. Any changes will need to be made to the Cabinet Paper ahead of lodgement with the Cabinet Office on Thursday, 13 June 2024.

15. Officials will consult with your office to make any alterations required to the Cabinet Paper prior to its lodgement with the Cabinet Office.

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Recommendations

16. It is recommended that you:

a) **Agree** that:

i. the Livestock Export Review relates only to livestock export by sea. The current prohibition for export for slaughter is outside scope of the Review and will remain in place;

YES / NO

ii. having an effective mechanism to set welfare standards for other animal exports will be considered. However, only the setting of welfare standards for livestock export by sea will be part of the Review;

YES / NO

iii. public consultation will include reversing the current ban on livestock exports by sea, options around mechanisms to set animal export welfare standards, and what standards for livestock export by sea should look like; and

YES / NO

iv. s9(2)(f)(iv)

YES / NO

b) **Agree** to undertake Ministerial consultation of the attached Cabinet Paper: Reviewing the Livestock Export System;

YES / NO

c) **Note** the Cabinet Paper, Animal Welfare: Livestock Export Review needs to be lodged with the Cabinet Office by 13 June 2024, if it is to be considered by Cabinet Economic Policy Committee on 19 June 2024.

NOTED

[Handwritten signature]

Fiona Duncan
Director Regulatory Systems Policy
Policy and Trade

Hon Andrew Hoggard
Associate Minister of Agriculture (Animal
Welfare, Skills)

/ / 2024

Appendix One: Talking Points

Livestock exports can be a valuable income generator for the rural sector

- Live animal exports contributed \$374 million to New Zealand's economy in 2022 and are valued by our trading partners to improve their breeding genetics and support their food security goals.
- The ability to export livestock by ship is historically a small, fluctuating trade, but, as it has in the past, provides another option for farmers to diversify income.
- In 2020 industry indicated the value of a well-bred dairy crossbred heifer for export was \$1,500 compared to \$650 for those that did not meet export specifications.
- There have been no exports of livestock for slaughter since 2008. There is no intention to change this prohibition.
- The review will help to determine what standards are needed to ensure high animal welfare is maintained for livestock exports by sea. Regardless of any decisions we make, ongoing advocacy against live animal export is likely to continue, within New Zealand and internationally.
- In the three years leading up to the ban, on average 137,000 animals were exported from New Zealand by ship. Cattle were the most common, but one consignment of sheep was exported in 2015.¹

While livestock by ship is currently excluded, a system operates for animal exports

- The welfare of exported animals is regulated under the Animal Welfare Act 1999. This requires exports to have an Animal Welfare Export Certificate which can set conditions to address animal welfare risks throughout the export process.
- Although mortality rates of this trade were low, they were not the only measure of animal welfare performance. Other indicators of health and welfare which were also recorded during the voyage included the behaviour cattle displayed, the feed and water consumed, and veterinary treatments provided.
- The issues identified through this review will need to be carefully considered. Moving forward, we might also need to consider whether any greater flexibility is needed to enable welfare standards to be set in the future across the wider live animal export system.
- While setting animal welfare standards for export of any other animals but livestock by sea is not part of this Review, having the ability to do so (if needed in the future) supports animal welfare outcomes and enables greater assurances where needed, helping enhance public confidence in the system.

¹ That was a shipment of 45,112 sheep to Mexico. The voyage took 15 days, and 191 sheep died.

How we ensure high animal welfare standards are maintained will be a key consideration

- By enhancing animal welfare standards, I want to build political consensus on the future of the trade, avoiding large shifts in direction with changes in Government, as this could pose risks to our reputation as a reliable trading partner.
- The review will consider how to ensure high animal welfare standards, while protecting New Zealand's reputation as a responsible exporter. This can be a tricky balance - not setting standards high enough risks undermining public confidence, while setting them too high risks creates barriers to market.
- Overall, this work will require us to weight assurances on animal welfare; public confidence; diversity in economic opportunity; our international obligations; trade and reputational impacts; and the needs of our rural communities.
- As part of the review, the Ministry for Primary Industries (MPI) will undertake an economic analysis to understand the potential costs and benefits of restarting the trade and introducing any new requirements. This will include considering compliance costs which will need to be balanced against the level of animal welfare achieved.

Our international obligations will need to be carefully considered as the Review progresses

- MPI will work alongside Ministry of Foreign Affairs and Trade to ensure trade issues are considered, and that our trading partners are informed appropriately. Final decisions will need to factor in and align with New Zealand's international obligations.

This is a contentious area with very passionate stakeholders and diverse views

- We know New Zealanders value the humane treatment of animals. Having high animal welfare standards is important for animals, New Zealanders, and our economy.
- The impact of livestock export on New Zealand's reputation is complex, and views are highly polarised. Some believe it harms our reputation, while others see benefits in having high standards and actively participating in the trade to influence global practices of live animal export.
- MPI intends to work with a wide range of interested parties throughout the review. It is currently engaging with key stakeholders to identify concerns in the live animal export system.
- Public consultation will provide an opportunity to better understand the diverse views on livestock exports and the standards needed to ensure a high level of welfare when exporting our livestock.
- I intend for the discussion document to include a broad range of options and seek input into key areas around existing animal welfare issues. I am anticipating bringing this to Cabinet in early August to seek approval to undertake public consultation.

Appendix Two: Cabinet Paper, Animal Welfare: Livestock Export Review

Withheld pursuant to section 9(2)(f)(iv) of the OIA

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982



To: Hon Andrew Hoggard, Associate Minister of Agriculture (Animal Welfare, Skills)

From: Karen Adair, Deputy Director-General Agriculture and Investment Services

Meeting about Livestock by Sea Exports

Date	20 June 2024	Reference	AM24-0538
-------------	--------------	------------------	-----------

Purpose

- You are meeting to discuss livestock by sea exports with (biographies in **Appendix One**):
 - Dr Helen Beattie – Managing Director, Veterinarians for Animal Welfare Aotearoa (VAWA);
 - Dr Lynn Simpson – former Australian livestock export veterinarian;
 - Dr John Hellström – former NAWAC Chair, former Chief Veterinary Officer at the Ministry of Agriculture and Fisheries; and
 - Anonymous veterinarian – former livestock export veterinarian, submitted on the 2019 Animal Welfare Amendment Bill.
- The meeting will take place from 4:00 pm to 4:30 pm on 24 June 2024 at Parliamentary Library L1.
- You will be supported by the following Ministry for Primary Industries (MPI) officials:
 - Dr Carolyn Guy, Director Animal Health & Welfare; and
 - Fiona Duncan, Director Regulatory Systems Policy.
- This aide-memoire provides background information to support the meeting. Talking points are attached in **Appendix Two** and a timeline of improvements to livestock exports by sea is attached in **Appendix Three**.

Background

- Dr Helen Beattie requested a meeting with you to share the attendees' veterinary perspectives and knowledge on the export of livestock by sea. Along with the request for a meeting, Dr Beattie attached a submission on the 2019 Animal Welfare Amendment Bill from an anonymous veterinarian.

2. The submission outlines the veterinarian's experience working onboard a livestock vessel. The submission identifies heat stress and lameness as the two most significant welfare issues observed onboard. The report details their experience with onboard conditions, the loading and unloading process, animal handling facilities, drug stewardship, sea conditions, ship design, leptospirosis, and trip reporting. The submission concludes that due to the use of non-purpose-built vessels and low transparency, the veterinarian does not support livestock being exported by sea. The veterinarian will be in attendance at the meeting.
3. The attendees support the ban of livestock exports by sea and are opposed to re-establishing the trade. They believe the risks to animal welfare and New Zealand's international reputation do not outweigh the potential benefits.
4. MPI understands that Dr Hellström will be delivering the Protect The Ban Live Animal Export Petition to Parliament on Tuesday 25 June at 12:15 pm. This petition has been supported by a coalition of animal protection organisations including VAWA.

Process for the re-establishment of livestock exports by sea

5. On 22 May, you met with officials and agreed in principle to take a proposal to Cabinet for amending the Animal Welfare Act 1999 (the Act). The timeframe included:
 - a) s9(2)(f)(iv) [REDACTED]
6. MPI has provided you with advice (B24-0118 *Process for reinstating the livestock export by sea trade* refers) on a proposed process to reinstate livestock exports by sea, along with an indicative timeframe.
7. MPI has undertaken targeted engagement with key stakeholders, including animal advocates and veterinarians, to identify options for achieving the highest standards of animal welfare while maintaining New Zealand's reputation as a trusted exporter of high-value products. There were also separate discussions held with individual veterinarians (at their request), who had previously worked on livestock vessels.

Areas of improvement in the live animal export process

8. MPI's Continuous Improvement in Animal Exports team worked to improve a number of areas in the welfare of export of cattle by sea leading up to the prohibition. These areas included:
 - a) ongoing review of rules and guidance, including iterative updates to the Guidance Document: Livestock Export by Sea: Guidance for Cattle;
 - b) a review of the Animal Welfare Export Certificates (AWEC) application process, including increased documentation required in support of AWEC applications;
 - c) inclusion of the assessment of veterinarian and stockperson experience in the AWEC application; and
 - d) improved quality of voyage reports – including daily reporting requirements, via a software application 'VoyageLink'.

9. MPI has identified several other areas in the animal exports system which could be significantly improved in the future. Amending the Act to reverse the prohibition presents the opportunity to make improvements and establish regulations to achieve the highest welfare standards during export.
10. Areas of improvement identified in the export process include:
 - a) requiring commercial exporters of live animals to be specifically registered (excluding owners of pets) and giving MPI the ability to audit the exporter's procedures;
 - b) increasing the time available for MPI to review AWEC applications;
 - c) requiring livestock vessels to be fit-for-purpose, measured against set criteria; and
 - d) increasing transparency along the export process, including the animal welfare standards on the receiving farms.

Minister / Minister's Office

Seen / Referred

/ / 2024

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Appendix One: Biographical Information

	<p>Dr Helen Beattie</p> <p>Dr Helen Beattie is Managing Director of Veterinarians for Animal Welfare Aotearoa (VAWA). She was previously Chief Veterinary Officer at the NZ Veterinary Association.</p> <p>VAWA was established in 2022 with a stated remit to provide a science-based animal welfare advocacy voice. VAWA membership comprises animal welfare advocates including veterinarians, allied veterinary professionals, animal welfare scientists, and other non-veterinary and body corporate members. Dr Helen Beattie manages the day-to-day operations of VAWA in consultation with an Executive Committee.</p>
	<p>Dr Lynn Simpson</p> <p>Dr Lynn Simpson was a former Australian based on-board veterinarian who had been employed on a number of long-haul animal export voyages (over 57 voyages).</p> <p>She had further involvement of the live export chain including pre-export preparation, stevedoring, loading live export animals onto ships and post arrival work in destination countries including assessing abattoirs in the Middle East for Meat and Livestock Australia.</p> <p>In 2012, she was a technical advisor with the Department of Agriculture, the live-export industry regulator, while it carried out a review of the Australian Standards for Exporting Livestock.</p>
	<p>Dr John Hellström</p> <p>Dr John Hellström is a former National Animal Welfare Advisory Committee (NAWAC) Chair and former Chief Veterinary Officer at the Ministry of Agriculture and Fisheries from 1986 to 1991. In 2011, he was awarded the New Zealand Order of Merit for services to biosecurity and is largely credited with developing the concept of biosecurity and applying it to protect New Zealand's ecosystem.</p> <p>Dr Hellström is leading a parliamentary petition entitled 'Protect the Ban on Live Export' which, as of 14 June, has gained nearly 45,000 signatures. This indicates significant public interest on this subject.</p>

Appendix Two: Talking Points

Livestock Exports

- I appreciate your concerns surrounding the Government's position to reinstate the livestock export by sea trade. The Government believes that restarting the trade is possible, while ensuring that any shipments take place with the highest standards that protect the welfare of the animals and uphold our international reputation as a responsible exporter of animals.
- Reinstating livestock exports by sea will require amending the Animal Welfare Act 1999. The timing of that is yet to be determined.
- To ensure the high standards of animal welfare for animals being exported, I intend to work with the wide range of interested parties throughout this process.
- I have asked officials at the Ministry for Primary Industries (MPI) for advice on this matter. MPI will consult on options to reinstate the trade with improved animal welfare standards.
- Public consultation will provide an opportunity to better understand the diverse views on livestock exports and the standards needed to ensure a high level of welfare when exporting our livestock.
- I can assure you that our commitment to ensure the highest standards of animal welfare will be taken into account throughout the process.
- There are several considerations that the Government must take into account alongside animal welfare, such as the economic benefits to farmers and rural communities.
- We have a lot of work to do to ensure the highest standards of animal welfare for animals being exported and I hope that you can work with my officials during this process.

Why is the trade being restarted?

- The live export trade has made a valuable contribution to the New Zealand economy and reintroducing it supports the growth of our primary industries.
- Live animal exports contributed \$374 million to New Zealand's economy in 2022 and are valued by our trading partners to improve their breeding genetics and support their food security goals.
- The trade provides farmers an opportunity to offload surplus livestock and diversify their farm income when times are tough in the sheep and beef sector.
- As well as providing additional export opportunities, exported livestock gain premium prices compared to domestic livestock sales.

- Indirect economic benefits include demand for services in rural communities to support the trade. These include pre-export isolation facilities, laboratory testing, pedigree reporting, verification services, animal transport and veterinary services.

How are you going to manage the welfare risks?

- The review will include wide consultation and input from a range of interested stakeholders and the public to ensure that world-leading animal welfare standards are in place before the trade is restarted. This includes being able to prove that animals are well cared for both enroute and at their final destination.

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Appendix Three: Livestock exports by sea – Continuous Improvements Programme timeline

