



Livestock Exports - The Australian Experience

Phil Grieve



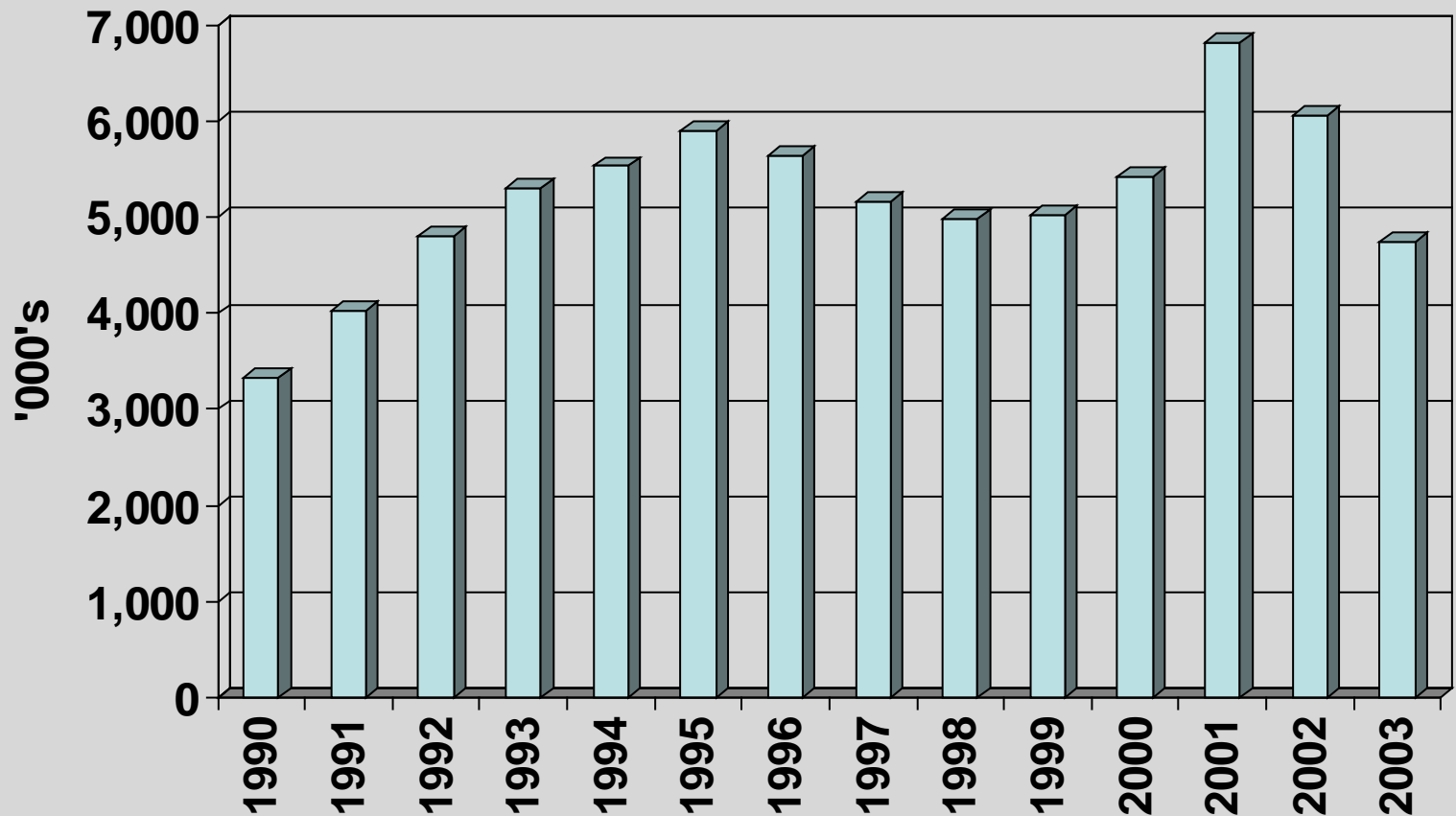
Livestock Exports

- 57,000 sheep rejected
- “Cruising sheep” made headlines for wrong reasons



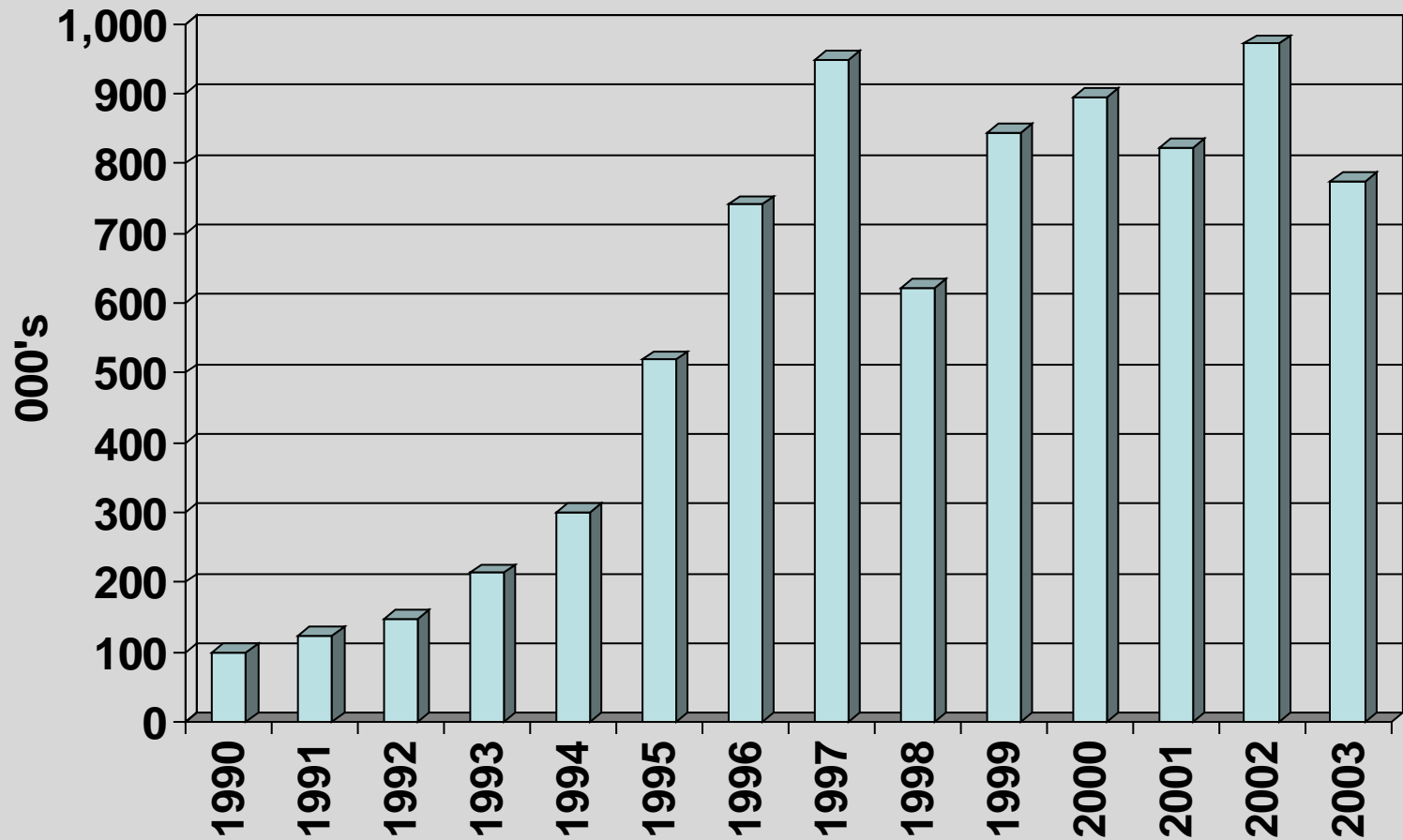
Sheep Exports

Australian Sheep Exports 1990 - 2003



Cattle Exports

Australian Cattle Exports 1990 - 2003



Where do all the animals go?



Vessels used

- Majority of animal exports go by sea
- Purpose built/converted vessels

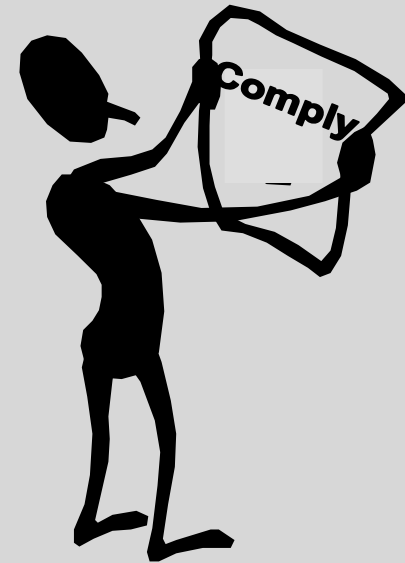


“Becrux” - 2002 launch at Uljanik shipyard



Vessels used

- Older livestock vessels converted from other types
- Significant range in age of vessels
- New regulations and compliance uneconomic for older vessels





Problems and threats to the trade





Livestock Mortality Statistics

Sheep Exports Calendar Year	Total number of Livestock Export Voyages	Total number of Sheep Exported	Overall Sheep Mortality Rate
1999	441	5,526,000	1.34
2000	461	5,422,000	1.31
2001	466	6,812,000	1.26
2002	492	6,063,000	1.24
2003	356	4,252,000	0.99



Livestock Mortality Statistics

Cattle Exports Calendar Year	Total number of Livestock Export Voyages	Total number of Cattle Exported	Overall Cattle Mortality Rate
1999	441	844,000	0.34
2000	461	895,000	0.19
2001	466	822,000	0.19
2002	492	972,000	0.23
2003	356	700,000	0.10



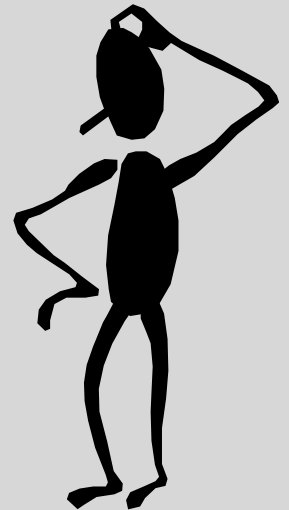


Problems and threats to trade

Measures taken to improve mortality rates:

- Stockman training and accreditation program
- Certification of livestock vessels by AMSA
- Voyage investigations
- Formal risk management process

Problem?



Problems and threats to trade

- Major incidents continue to occur
- Animal welfare lobbyists want to ban live exports
- Highly publicised incidents kept in public eye.



Problems and threats to trade



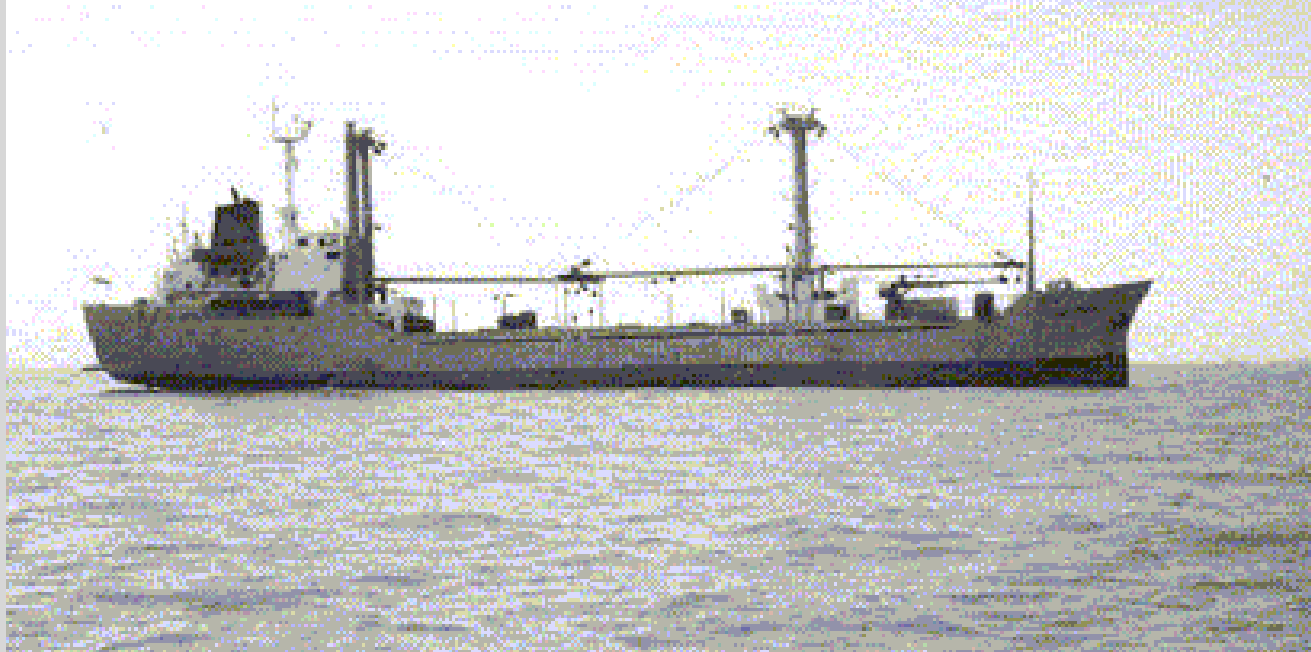
1996 - “Uniceb” caught fire and sank in Indian Ocean. 67,000 sheep died.

Problems and threats to trade



1996 - "Guernsey Express" sank en route to Japan.
1,592 cattle died.

Problems and threats to trade



1999 - “Temburong” loss of power causing ventilation failure en route to Indonesia. 829 cattle died.

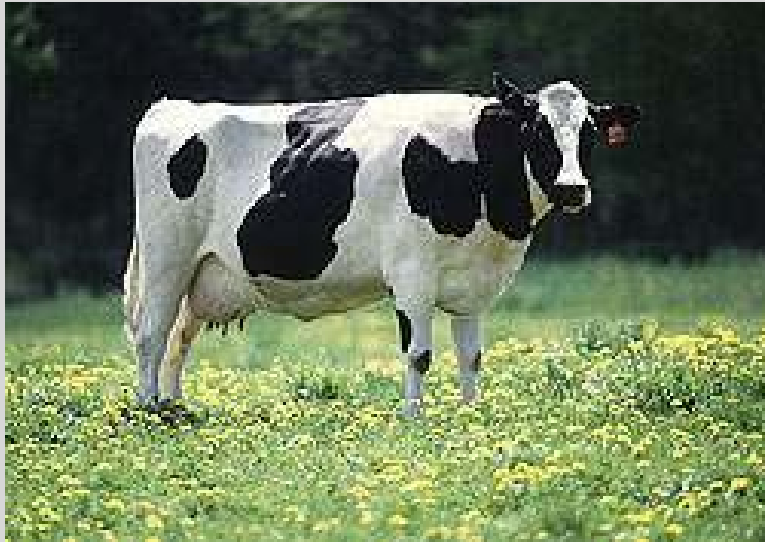


Problems and threats to trade



2002 - “Becrux” 880 cattle died en route to Middle East.

Problems and threats to trade



Bos Taurus



Bos Indicus



Problems and threats to trade

- July 2002 - Australian Government banned exports of *bos taurus* cattle sourced from southern Australia until after 31st October





“Cormo Express” sheep on board rejected by destination country.



Problems and threats to trade

- Once animals leave Australia - no return
- Bringing sheep back was absolute last resort.
- Alternative country sought





Problems and threats to trade

- **Recommendations following “Cormo Express” incident**
 - 1 National standard
 - 2 Government solely responsible for legislation for granting export licences
 - 3 Export licences and permits linked with legislation
 - 4 Third party vets responsible to AQIS in performance of duties
 - 5 Qualified vet on board all livestock ships where journey exceeds 10 days

continued...





Problems and threats to trade

...continued

- 6 Continuation of industry investment in research and development programs
- 7 Quarantine facility in Middle East country
- 8 National response system to manage any future export emergency.

Government has accepted these recommendations.



Livestock exports and marine insurance

- Relatively minor incident can have dramatic and expensive consequences.
- Casualties which result in prolongation of the voyage may result in higher than normal death rate.
- Fire devastating for any cargo vessel, more so for livestock. No lifeboats for livestock!





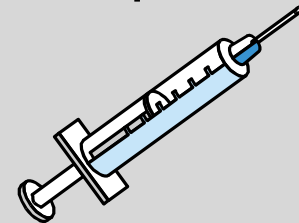
Livestock exports and marine insurance

Principal cover provided

- **death of livestock**

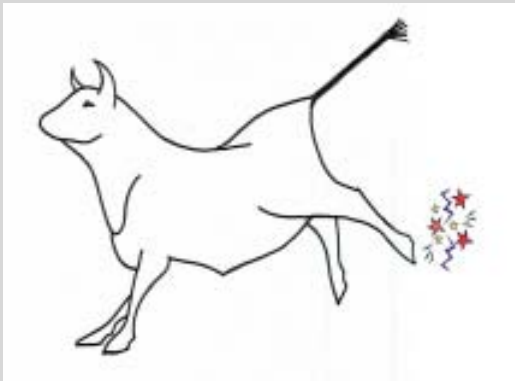
Examples of warranties and exclusions

- Australian accredited stockman accompanies each shipment
- Exclude loss from inoculation
- Exclude loss due to parturient condition



Livestock exports and marine insurance

Extensions to cover



- Foetus clause
- Pre-shipment retest extension
- Berserk extension

Cover may include

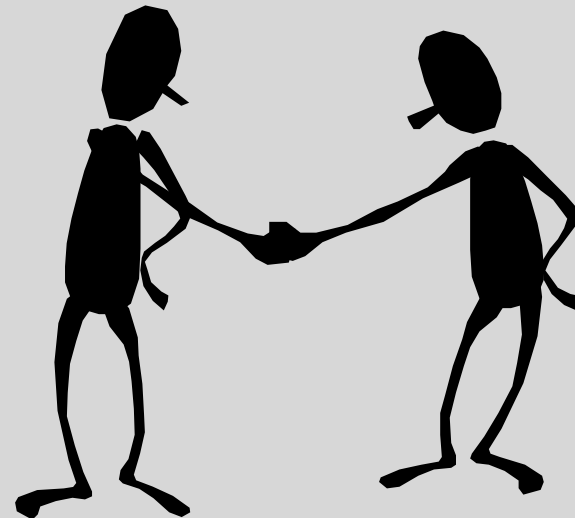
- Long transits to port of loading
- transit to final destination/quarantine

Important to be aware of precise transit requirements and risks



Conclusion

- Future of trade is in the hands of the exporters and shipping lines
- Incidents will draw the attention of animal rights campaigners and the Government
- Insurers need volume of trade with a profitable and viable income stream.



Cruising sheep





Livestock Exports - The Australian Experience

Phil Grieve

