United States – Certain Country of Origin Labelling (COOL) Requirements
(WT/DS384, 386)

Australia’s Response to Questions by the Panel

7 March 2014
QUESTIONS TO THE THIRD PARTIES

68. Please describe your trace-back system; in what aspects of livestock and meat production it covers, how, and at what costs. To what extent does your trace-back system correspond to the complainants' suggested third alternative measure? In what way, if any, could your trace-back system be relevant for the reasonable availability of the complainants' third alternative measure?

Australia provides this response in relation to the third alternative measure advanced by the complainants, namely the trace-back system. Whilst noting that the information from third parties may inform the Panel as to other trace-back practices, Australia wishes to emphasise that the subject of these proceedings is the compliance of measures applied by the US and not measures and systems in place in other WTO member countries.

The National Livestock Identification System (NLIS)

The NLIS\(^1\) is Australia's national system for the identification and traceability of cattle, sheep and goats. The NLIS is a centralised system which records movement of livestock through the supply chain from farm to slaughter.

In Australia, livestock producing properties, saleyards and abattoirs are allocated a unique Property Identification Code (PIC). Livestock are identified using NLIS devices, individual electronic identification devices (ear tags and/or rumen boluses) for cattle and visual ear tags or electronic identification devices for sheep and goats.

For cattle, a record of each PIC that an animal resides on is stored on the database to allow cattle to be traced quickly. Statuses may be assigned to individual animals or to properties to record pertinent information against a device or property on the NLIS database. For example, a device status that is assigned may indicate that a device is damaged, that the animal it is attached to has been stolen, or has been vaccinated against a particular disease, that it has been exposed to disease or chemicals, or various other pieces of information that relate to a single animal or a device. A PIC status may indicate that all of the animals on a particular property were exposed to disease or chemicals, that a property is accredited under a quality program, or various other pieces of information that may relate to a property.

Any device or PIC statuses that indicate that any animals may pose a biosecurity or health risk are reported to abattoirs and processing facilities to ensure that the affected animals are tested at slaughter. This maintains the safety, quality and integrity standards of Australian beef and reduces the impact of a potential livestock disease epidemic or residue incident.

For flock or herd-based movements of sheep and goats, as the animals move along the supply chain, their movement details are recorded on the database. The species and number of animals in each mob is recorded, together with the PICs that the animals moved onto and their dates of movement. A record of each PIC that a flock or herd resides on is stored on the NLIS database to establish a residency history. Using this information, the NLIS database is then able to determine which other flocks or herds that sheep or goats (respectively) have come into contact with. This enables the flock or herd to be traced quickly for the purposes of biosecurity, food safety, product integrity and market access.

For those sheep and goats identified with radio frequency identification device tags, statuses can be assigned to individual devices to record pertinent information against a device on the NLIS database. For example, a device status that is assigned may indicate that a device is damaged, lost, or various other pieces of information that relate to a single animal or a device. This helps to maintain the safety, quality and integrity standards of Australian livestock and can reduce the impact of a potential livestock disease epidemic or residue incident.

Livestock movements are accompanied by a National Vendor Declaration (NVD)\(^2\), which is linked to the PIC where the animals were loaded. Producers use NVDs to declare essential information about the food safety status of the livestock.

When livestock arrive at the abattoir, the PIC of the property of origin is captured, thus allowing the animal to be traced. Following slaughter, carcases are identified and can be related to the NLIS device and PIC, enabling the continuation of traceability throughout the slaughter and processing chain.

The effective operation of the systems in place for ensuring product safety, integrity, traceability, segregation and identification are verified through the oversight, supervision and audit activities of the Department of Agriculture. Australia’s meat export systems, including meat traceability systems, are also regularly audited by overseas trading partners, which provide an added check to ensure compliance with regulatory measures.