

Reviewing the APVMA's engagement model

Consultation Paper



1. Introduction

CropLife Australia (CropLife) is the national peak industry organisation representing the agricultural chemical and plant biotechnology (plant science) sector in Australia. CropLife represents the innovators, developers, manufacturers, formulators and suppliers of crop protection products (organic, synthetic and biologically based pesticides) and agricultural biotechnology innovations. CropLife's membership is made up of both large and small, patent holding and generic, Australian and International companies. Accordingly, CropLife advocates for policy positions that deliver whole-of-industry and national benefit. However, our focus is specifically on an Australian agricultural sector and ensuring it remains internationally competitive through globally leading productivity and sustainability. Both of which are achieved through access to world-class innovation and products of the plant science sector.

The plant science industry contributes to the nation's agricultural productivity and environmental sustainability, underpinning and ensuring food security through innovation in plant breeding and pesticides that protect crops against pests, weeds and disease. More than \$31 billion of the value of Australia's agricultural production is directly attributable to the responsible use of crop protection products (CPPs), of which CropLife Australia's members represent over 70 per cent of the products in the Australian market. The plant science industry itself directly employs thousands of people across the country. CropLife Australia is a member of CropLife Asia and part of the CropLife International Federation of 91 CropLife national associations globally.

CropLife welcomes the opportunity to provide comments to the Consultation Paper for Renewing the APVMA's engagement model and broadly supports the APVMA's commitment to be more accessible, proactive, and inclusive in stakeholder engagement.

Deloitte Access Economics, 'Economic Contribution of Crop Protection Products in Australia', August 2023, https://www.croplife.org.au/resources/reports/economic-contribution-of-crop-protection-products-in-australia/.

2. Background

CropLife recognises that the APVMA has been subject to a period of significant disruption, resulting in changes in leadership and has experienced, firsthand, the vastly different approaches to stakeholder engagement through this period. The APVMA has legislated requirements to publicly consult on various regulatory matters². It is important that these requirements remain focussed on specific technical issues and concerns that foster meaningful discussions with the developers, manufacturers, formulators and suppliers of agvet chemicals, as well as the "specific users" of them. These users are predominantly the farming sector. Any deliberation on renewing the APVMA's model of engagement should commence with the understanding that this engagement mechanism is entirely appropriate, a finding confirmed by recent review of the APVMA.

CropLife acknowledges that the Clayton Utz APVMA Strategic Review correctly outlined that transparency, communication and engagement with stakeholders had been a regulatory priority for the APVMA at a public, organisational and executive level. However, after reviewing source literature cited by the report, complemented by the understanding that investigations by the Australian Public Service Commission found no wrongdoing, we hold concerns over the superficial nature of its conduct.

The self-reporting by groups that they feel "under-represented at best, and excluded at worst" through recent regulatory reviews should be considered against both the purpose of consultation by the regulator and the ideological premises held by specific groups. Ensuring the right response to these claims must consider:

- Whether they are seeking to engage with a science based regulatory decision of the APVMA.
- The scientific veracity of any views put forward.
- Whether they are seeking to promote policy arrangements for the regulation of pesticides and veterinary medicines that are inconsistent with the statutory settings provided to the APVMA by the Parliament.

As noted in the consultation paper, appropriately, stakeholders participating in consultive forums or any revamped engagement models cannot be involved in regulatory decisions. There also exist mechanisms for affected stakeholders to provide comment and data to chemical registration, approval and review processes. In a similar fashion, it should be recognised that the APVMA's engagement mechanisms are not the appropriate fora for discussion around the public policy arrangements that underpin the Agvet Code and the other statutory settings of the APVMA.

Detailed response to the final report on future structure and governance arrangements for the Australian Pesticides and Veterinary Medicines Authority

CropLife looks forward to increased participation, collaboration, and co-operation with the regulator, supporting improved decision-making and outcomes delivered for the farmers, the agvet chemical industry and the Australian community.

3. Proposed Structure

Broadly, CropLife supports the breakout of the proposed engagement model into the tiered approached developed by the APVMA that is Strategic, Operational, and Informational. This engagement model will allow the regulator and regulated bodies to appropriately engage with the transparency and equity in the interactions demanded by stakeholders. CropLife particularly supports the inclusion of DAFF, DCCEEW, and the Department of Health and Aged care into this group as observers and expects that their attendance and participation will be constructive and collaborative. Further, this advisory group could benefit from the inclusion of Food Standards Australia and New Zealand (FSANZ) and the Office of the Gene Technology Regulator (OGTR).

However, we question the broad inclusion of non-government organisations with an interest in the statutory criteria outcomes in the Strategic advisory group. The importance of this group of stakeholders is not about the science based regulatory decision making, rather more about the policy framework within which the APVMA operates. The APVMA Advisory group must focus on scientific standards and operational process and procedure; importantly it should not be extended to include policy or strategic guidance beyond. Without extremely thorough vetting and curating of any nominated and admitted organisation, this group risks being hijacked and appropriated by activist groups who are anti-chemistry and anti-science. This risk should be managed through the establishment of clear eligibility and selection criteria to ensure members possess relevant skillsets and experience required to support the APVMA's administration of its regulatory responsibilities.

In the interest of transparency and communication it would be more appropriate for representatives of these organizations to be included in regularly scheduled regulatory information updates. This would allow the APVMA to communicate and consult on current work programs across its legislative remit of registration including monitoring and review, and compliance and enforcement. In this manner, the APVMA can better communicate with and inform stakeholders to better understand what is happening across the APVMA.

New membership selection criteria

CropLife supports the proposal that current members of the APVMA Consultative and Agvet Users Forum will be invited to participate in either the advisory or working groups. Critical to the value of these groups is ensuring that the size of each remains manageable and of a quantity that enables effective and constructive communication. The strategic advisory group should therefore be comprised of National Peak Bodies of manufacturers and users, relevant tangential regulators and the DAFF.

The proposed configuration of the Ag Chemical Registrants and Vet Chemical Registrants working groups are also supported. While the broader issues regarding the regulation of pesticides and animal medicines are shared across these sectors, the specifics of the regulation and use of these products will be far better served by relevant engagement and consultation specific to these disparate groups, who are nevertheless bound by the same legislation.

As stated above, CropLife represents the developers, manufacturers, formulators and suppliers of over 70 per cent of the crop protection products in the Australian market, comprising all of the developers of innovative and novel chemistries and technologies. As such, CropLife participation in these advisory and working groups is contingent upon all of the admitted and nominated participants recognizing the primacy of Section 1A of the Agvet code, most notably subsection 1:

[T]he present and future economic viability and competitiveness of primary industry which relies on access to chemical products and their constituents; and ... are essential for the well-being of the economy and require a system for regulating chemical products and their constituents that is cost effective, efficient, predictable, adaptive and responsive.

Further to enabling constructive and productive consultation with and between regulators, users, the regulated industries and community at large is a formal mechanism to remove members or entities who are obstructionary, divisive and counterproductive. Criteria for the cessation of an appointment could include, but not limited to:

- the member has failed to act according to the Committee's Terms of Reference;
- the member has failed to comply with their obligations under the Confidentiality Agreement;
- a change in the member's affiliations and interests results in a direct conflict of interest that prevents participation;
- the member has missed three consecutive meetings of the Committee without informing the Secretariat of the reason(s); or,
- the member has acted in a way that jeopardizes the integrity of the Committee.

Funding and resourcing

In accordance with guidance principles developed in the Department of Finance Resource Management Guide (RMG) 302 and CropLife's previous submissions to the Cost Recovery Implementation Statement (CRIS) and Department of Treasury, ³ some costs are not appropriate to be charged to the regulated industry. This includes costs which are demonstrably in the public good.

Examples of costs that should not be borne by the farming sector, through the fees and levy mechanism include:

- Costs related to activities, outputs or business processes not delivered to individuals or organisations to be charged.
- Policy development of new or amended regulatory activities.
- The development and promulgation of general advisory material for the industry.

Given that this proposed new Engagement Model will require significant time and resourcing of the APVMA CEO as well as senior executive and technical experts, these costs should not be borne by resource derived from fees and levy. Rather, these must be budget funded through appropriation.

Stage 2 – Develop charging model | Department of Finance

4. Conclusion

CropLife and our member companies welcome the opportunity to engage with the APVMA, and key farming organisations to work constructively with the Federal Government to develop and participated in an efficient, effective, and truly consultative engagement model. Because the APVMA's key obligation is to make scientific regulatory decisions, the potential enabling unscientific activist positions to undermine the benefits of scientific endeavours must not be recognised, and steps taken to prevent such. A strong, independent, science and risk based regulatory system that ensures Australia's farmers have timely access to the latest innovative crop protection products so they can continue to farm productively and sustainably must be transparent and much of the proposed Model will help deliver these outcomes.