



Australian Pesticides & Veterinary
Medicines Authority

5 July 2005

Agriculture and Food Policy Reference Group Secretariat GPO
Box 858
CANBERRA ACT 2600

Dear Sir/Madam

The Australian Pesticides and Veterinary Medicines Authority (APVMA) is pleased to make the following submission to the Agriculture and Food Policy Reference Group in response to the Chair's invitation of 30 May 2005.

An important contributor to the ongoing profitability, competitiveness and sustainability of the Australian agricultural and food sector is continued access to and responsible use of safe and effective agricultural and veterinary chemical products. This access is underpinned by a national regulatory framework controlling the availability and use of agvet chemicals.

It is therefore particularly important for the future success and sustainability of Australian agriculture that that regulatory framework remains effective and efficient in addressing the needs of Australian farmers, while protecting public health, the environment and trade.

The regulation of agvet chemicals in Australia occurs through the National Registration Scheme for Agricultural and Veterinary Chemicals (the NRS). The NRS is underpinned by a complementary legislative framework between the Australian and State/Territory Governments. It delivers an effective national registration system, administered by the APVMA, which is responsible for the registration of all agvet chemicals and their regulation up to and including the point of retail supply. The APVMA links closely with State agencies which have responsibility within the NRS for control of use.

Criteria for an Effective Agvet Chemicals Regulator

It is useful to consider how the APVMA meets the following key criteria for an agvet chemicals regulator. It should:

- (i) be effective in discharging its full range of responsibilities in relation to human health, the environment, trade and agriculture;
 - (ii) have effective linkages to the agriculture sector and State agencies which are responsible for control of use enforcement; (iii) have the confidence of the Australian public; (iv) be internationally respected; and
 - (v) be cost-effective and efficient, with a strong accountability framework.
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(i) *Be effective in discharging its full range of responsibilities in relation to human health, the environment, trade and agriculture*

The APVMA leads a system which is demonstrably effective in fulfilling its obligations of protecting human health, the environment and trade, while ensuring that Australian agriculture has timely access to safe and effective agvet chemical products. Comprehensive reviews in recent years, in particular the Radcliffe and Allen Reports, have concluded that Australia's regulatory system for agvet chemicals is working effectively, while outlining some of the challenges that it needs to respond to in the future.

As an independent statutory authority the APVMA is uniquely placed to administer a regulatory framework for agvet chemicals which is not driven by one particular sector but rigorously assesses and manages the full range of risks relating to health, the environment, trade and agriculture. In doing so, it has strong linkages to, and receives expert advice from, Australian government health and environment agencies, as well as State agriculture and environment agencies who have first-hand appreciation of risks associated with use of agvet chemicals. The APVMA's effectiveness in assessing and managing potential trade risks associated with use of agvet chemicals is particularly important.

Monitoring through a number of surveys demonstrates the clean nature of Australian agricultural produce in terms of agvet chemical residues. These results, together with the low number of chemical related trade incidents in the last decade further illustrate the effectiveness of the APVMA-led regulatory system.

(ii) *Have effective linkages to the agriculture sector and State agencies which are responsible for control of use enforcement*

The APVMA has effective and close linkages with State agencies - predominantly agriculture (primary industry) departments - which are responsible for control of use of agvet chemicals. It also has an effective and extensive consultative framework with rural sector organisations. These relationships are essential to enable a clear understanding of the issues impacting availability and use of agvet chemicals and for there to be confidence that chemicals are likely to be used according to the -approved labels. The compliance and enforcement functions of the APVMA and the State agencies are mutually supportive and enhance each others effectiveness.

Policy responsibility for the national agvet chemicals regulatory framework rests with the Australian/State Governments' Primary Industries Ministerial Council (PIMC), and the operational linkages between the APVMA and the various State agriculture agencies complement and support these policy linkages very effectively.

(iii) *Have the confidence of the Australian public*

While there are issues of public interest from time to time, consumer research indicates that agvet chemicals are not a major area of concern for the broad Australian public. There is general confidence in the safety and cleanliness of the Australian food supply in relation to agvet chemicals and a generally low level of public interest in the regulation of agvet chemicals. This reflects an effective regulatory system which is appropriately addressing its full range of responsibilities.

(iv) Be internationally respected

The APVMA is internationally regarded as being amongst the best of its type of regulator in the world. It is highly respected with the OECD and, along with DAFF, a key influencer in the development of international standards and approaches to pesticide regulation. Comparable regulators in the USA, Canada, Europe and Asia hold the APVMA in high regard and cooperate freely with it. In addition to its multilateral engagement within OECD, the APVMA has Memoranda of Understanding in place with counterpart regulators in other countries (eg Canada). These MOUs provide a good basis for timely information sharing and work sharing to ensure Australia has timely access to international information and efficiency benefits. Benchmarking also indicates that the costs and timeframes associated with APVMA regulation in Australia compare favourably with those for similar regulators in other countries.

This international respect is critically important to Australia's trade in agricultural produce. So, too, is the important role the APVMA plays in Australia's involvement to the various Codex Alimentarius Committees, which is led by DAFF. These Codex Committees set international residue standards which underpin trade in agricultural produce and, by having both a leading role with their work and close liaison with agriculture in Australia, the APVMA is ideally placed to mitigate potential risks to Australia's trade.

(v) Be cost-effective and efficient, with a strong accountability framework

The APVMA has a strong accountability framework, with its strategic direction, operations and financial management governed by a Board of Directors appointed by the Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry. The Board's operations reflect current best practice in corporate governance, and it has a strong focus on the effectiveness of regulation, efficiency and responsible financial management. Moreover, the composition of the Board (as defined in legislation) is such that it has a comprehensive appreciation of the perspectives and impacts of the broader community, the health sector, the States, farmers, the chemicals industry and government.

The APVMA's costs and timeliness compare favourably with similar overseas regulators. The organisation has a strong focus on efficiency and productivity improvement, and can demonstrate significant productivity improvement in its first decade of operation. It has also evolved to being an agency which is now discharging its full range of regulatory responsibilities through its registration, compliance, quality assurance, adverse experience reporting and reviews of existing chemicals programs.

Through the National Registration Scheme, administered by the APVMA in close liaison with the States, Australia therefore has a strong and effective regulatory framework for agvet chemicals. It is demonstrably consistent with international best practice and has a good understanding and linkages to the Australian rural sector. In the coming years, a number of challenges in relation to the availability and use of agvet chemicals will need to be addressed. These include:

- ensuring the availability of adequate, safe and effective chemicals for minor use needs in agriculture;
- the impact of the increasing globalisation of both the chemicals and agricultural industries;
- the emergence and adoption of new technologies (such as gene technology or chemical application technologies);
- ever increasing public awareness and expectations in relation to their use; and
- the increasing need for farmers to be well-informed and adequately trained in the safe use of agvet chemicals.

To have the capability and flexibility to address these and other challenges, it will be essential for the APVMA to evolve to maintain its effectiveness, to stay actively engaged at the forefront of international developments, and to maintain productive linkages with state departments who have a strong focus on discharging their control of use responsibilities. The Australian agriculture and food industries can then be confident that they will continue to benefit from the responsible and sustainable use of safe and effective agricultural and veterinary chemicals.

Yours sincerely
Dr RJ Smith
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'R J Smith', written in a cursive style.