



10th October 2019

Committee Secretary
Senate Rural and Regional Affairs and Transport Legislation Committee

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Parliament House, ACT 2600

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Response to:

Inquiry into Agricultural and Veterinary Chemicals Legislation Amendment (Australian Pesticides and Veterinary Medicines Authority Board and Other Improvements) Bill 2019

Thank you for the opportunity for the Grains Research & Development Corporation (GRDC) to provide a response to this bill.

Australia continues to miss out from productivity improvements through a lack of commercial investment in novel crop protection solutions including new or emerging chemical, biological and biochemical technologies. It is essential that Australian grain growers have access to the same pesticide technologies to remain internationally competitive with overseas producers, that unnecessary reviews and administrative processes do further erode Australian AgVet investment opportunities.

It is important that the regulation of AgVet chemicals in Australia remains world class to maximizing the benefits to Australian grain growers, whilst at the same time ensuring strong safeguards are retained.

Schedule 1 – Main Improvements.

The GRDC **supports** the following parts of the bill.

- Part 1: Information to be taken into account in determining applications
- Part 2: Approval and registration for prescribed active constituents, chemical products or labels
- Part 5: Computerised decision-making
- Part 6: Preliminary assessments
- Part 7: Variation of relevant particulars and conditions
- Part 8: Variation of approval or registration during suspension
- Part 11: Voluntary recalls
- Part 12: Notification of new information
- Part 15: Supply of registered chemical products with unapproved label
- Part 16: Safety, efficacy, trade and labelling criteria
- Part 17: Maximum residue Standard
- Part 18: Expiry date
- Part 20: Repealing of the *Agricultural and Veterinary Chemicals Legislation Amendment (Removing Re-approval and Re-registration) Act 2014*



The GRDC **supports** the following parts of the bill and provides addition comment for consideration.

- Part 3: Limits on use of information

The proposed legislation changes to extend the period of time up to a maximum of five additional years is welcomed by the GRDC.

However, the GRDC requests more clarity on how the 'priority uses list' will be determined as there is currently no information provided. The source and location of the priority list should be specified in the APVMA regulations. The GRDC proposes that the priority list should be developed by the Australian plant industries through AgVet Collaborative Forum, currently supported by all plant industry RDCs. A project and report funded by the Department of Water Resources through AgriFutures Australia, Delivery of Access to AgVet Chemicals Collaborative System – AgVet Collaborative Forum established this process and manages a current list of industry priorities and needs.

The GRDC wish for greater incentives for the registration of novel solutions for the Australian grains industry especially in the area of 'minor uses.' The proposed system, in providing additional protection times, is supported. The existing data restriction period is insufficient and does not promote innovation to bring new products to the marketplace. This is especially true for 'minor uses' that are not expected to produce sufficient economic return to the innovator.

The provision of up to five additional years data protection is considered to be a potential positive incentive for the registration of new products with desirable features (such as new modes of action for resistance management).

Whilst there is an expectation that the additional data protection will result in more label registrations for priority uses, the role of the minor and emergency use program will remain of critical importance to the Australian grains industry. There remains a need for improved 'data protection' for minor and emergency use permits to ensure that registrants will commit to supporting industry through provision of valuable data for such permit applications that do not meet the requirements of the priority use list.

- Part 14: Definition of a registered chemical product

The GRDC is supportive of the variations prescribed by section 83 of the AgVet Code which provide for reasonable variations in a product's composition, such as those that reflect the manufacturing process (i.e. constituent concentration, composition and purity).

So long as the extent of the variation(s) do not result in an increased risk to crop safety, human health or environmental safety. That an increase in the likely level of constituent detected in the grain will not result in the breaching of an existing MRL(s) which would have an adversely affect on trade.



The GRDC **does not provide comment** at this time on the following parts of the bill as they are outside of our business charter and scope.

- Part 4: Annual returns and record keeping
- Part 9: False and misleading information
- Part 10: Suspension or cancellation of approval or registration for provision of false or misleading information
- Part 13: Annual Operational plans
- Part 19: other amendments

Schedule 2 – Australian Pesticide and Veterinary Medicines Authority Board.

The GRDC **does not provide comment** at this time on schedule 2 of the bill as it is outside of our business charter and scope.

If you would like to discuss any of these comments further in detail, please contact Dr Ken Young or Mr Gordon Cumming.

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Gordon Cumming
Manager Regulation

Regards

Ken Young
A/ General Manager Applied Research and Development
on behalf of
Dr. Steve Jefferies AM
Manager Director



About the Grains Research and Development Corporation (GRDC)

GRDC was established in 1990, under the then Primary Industries and Energy Research and Development Act 1989 (PIERD Act), as a transparent accountable entity to fund and administer the levy into RD&E to increase the profitability of the grains industry in Australia. As a result of amendments made in December 2013, that Act is now known as the Primary Industries Research and Development Act 1989 (PIRD Act).

The PIRD Act provides for the funding and administration of primary industries R&D to:

- increase the economic, environmental and social benefits to members of primary industries and to the community in general by improving the production, processing, storage, transport or marketing of the products of primary industries
- achieve sustainable use and management of natural resources
- make more effective use of the resources and skills of the community in general and the scientific community in particular
- support the development of scientific and technical capacity
- develop the adaptive capacity of primary producers
- improve accountability for expenditure on R&D activities in relation to primary industries.

The GRDC is principally supported by a grower levy and Australian Government contributions. The levy is based on the net farm gate value of the annual production of 25 crops: wheat; coarse grains—barley, oats, sorghum, maize, triticale, millets/panicums, cereal rye and canary seed; pulses—lupins, field peas, chickpeas, faba beans, vetch, peanuts, mung beans, navy beans, pigeon peas, cowpeas and lentils; and oilseeds—canola, sunflower, soybean, safflower and linseed.

GRDC's investment activities is administered under a Statutory Funding Agreement (SFA) between GRDC and the Commonwealth of Australia. A copy of the agreement is available on the GRDC website (www.grdc.com.au).

GRDC strategic purpose is:

To invest in Research, Development and Extension to create enduring profitability for Australian Grain Growers.

Australian grain growers aim to achieve sustainable profit by adopting the outputs of GRDC's investments in RD&E. The focus on enduring profitability is important to achieving the statutory objectives of GRDC's enabling legislation. It is only at the point at which a grain grower adopts the new technologies, tools and practices made available through GRDC's investment in RD&E that spill over benefits associated with this investment are realised. Some of the spill over benefits include:

- Improved economic and social outcomes in rural and regional communities.
- Improved environmental management underpinned by sound RD&E.
- Enhanced contribution to the broader Australian economy.

Operationally GRDC invests in RD&E portfolio that addresses profitability constraints and opportunities spanning temperate and tropical cereals, coarse grains, pulses and oilseeds. This involves coordinating and investing in RD&E initiatives; monitoring, evaluating and reporting on their impact; and facilitating the dissemination, adoption and commercialisation of their results.

GRDC invests approximately \$1,000,000 annually in generating data for submission for registration, variation or permitted use of agricultural chemicals. This investment is done usually with a similar or greater investment with a registrant.