CropLife Australia was created on January 1, 2006 as the peak industry body for the developers, registrants, manufacturers and formulators of plant science solutions. CropLife Australia’s member companies produce most of the crop protection and crop biotechnology products used by Australian farmers, improving farming by boosting yields, fostering innovation and enhancing the quality of produce.

Our members’ products are a vital input to Australia’s agricultural industry, which is worth $36 billion each year. They help to maintain the international competitiveness of Australian farmers, as well as the consistent production of affordable and high quality food and fibre. Crop protection products are also used to protect public health and the environment by controlling weeds, pests and diseases.

Representing the Plant Science Industry

Members as at June 30, 2006

Crop Protection

Accensi Pty Ltd
Bayer CropScience Pty Ltd
Becker Underwood Pty Ltd
Chemtura Australia Pty Ltd
Dow AgroSciences Australia Ltd
DuPont (Australia) Ltd
Farmoz Pty Ltd
FMC Australasia Pty Ltd
Monsanto Australia Limited
Nufarm Limited
Sipcam Pacific Australia Pty Ltd
Summit Agro Australia Pty Ltd
Sumitomo Chemical Australia Pty Ltd
Syngenta Crop Protection Pty Limited

Biotechnology*

Bayer CropScience Pty Ltd
Dow AgroSciences Australia Ltd
DuPont (Australia) Ltd
Monsanto Australia Limited
Syngenta Crop Protection Pty Limited

* Hold dual membership

Associate – Individual

Belinda Basquill
Judith DeGroot
Barbara Douglas
Rosemary Henderson
Christopher Hidayat
Dr John Issa
Krishnamoorthy Subramanian
Michael Tichon

Life Members

Mark Allison
Lou Campbell-Smith
Clive Carr
Cam Fongie
Claude Gauchat
Hermann Mani
Douglas McGuifog
Rudi Mueller
Robert Parker
Ross Philpsen
Jürgen Reckefuss
David Shipley
Jim Swain

Associate – Corporate

Agrisearch Services Pty Ltd

Active and assertive advocacy
March 30 2006 saw the Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry, the Hon Sussan Ley, officially launch CropLife Australia as the peak body representing Australia’s plant science industry.

The launch was the culmination of months of discussion and planning over the direction of Avcare in light of global changes such as the emergence of crop biotechnology and growing separation between animal health and crop protection as industry restructured.

As a result, Avcare was restructured and renamed CropLife Australia from January 1, and now focuses solely on representing the interests of the crop protection and crop biotechnology industries. Avcare’s animal health members formed a new independent organisation, Animal Health Alliance (Australia) Ltd.

The Board appointed Paula Matthewson as Chief Executive Officer from December 5 2005. Paula’s background in lobbying and strategic issues management in the federal political arena is the basis for strengthening CropLife Australia’s leadership in this critical area.

Our adoption of the name CropLife Australia further enhances our relationship with the global CropLife network. CropLife now has over 90 associations operating across six continents. As a member of this network, we participate in the CropLife Asia Coordinating Council, work with the broader international network in areas where we have synergies, and share learnings in key areas such as stewardship. This international activity reflects the global nature of many of the issues we face.

The launch of CropLife Australia has provided us with the opportunity to reinforce the commitment of the association and our member companies to safety, stewardship and quality. This included approving a Code of Conduct for members, establishing a set of high industry standards that will enhance the performance, and thereby the reputation, of the industry. The Code details policies and programs that member companies must adopt, implement or participate in as a requirement of membership.

The launch also allowed us to highlight to our key stakeholders the priority outcomes for the association for the coming year. The Board determined CropLife Australia’s priorities as:

• Building recognition of the positive role industry’s products play in achieving sustainable agriculture and giving Australian agriculture a competitive edge
• Ensuring a science based, efficient, effective, equitable and enforceable regulatory system – simply put, a system that works
• Promoting implementation of the total data protection legislative package to provide comprehensive and effective compensation for competitors’ use of registration data
• Ensuring effective and cost efficient stewardship of industry products
• Taking a leadership position on issues facing crop biotechnology products to develop a pathway to market.

CropLife Australia has been structured to deliver these priority outcomes, with a combination of reference groups and focused, time-bound project groups to deliver an objectives-based approach to managing industry issues and enhancing the value of CropLife Australia membership.

These include a Biotechnology Committee, Regulatory Reference Group and Stewardship Policy Reference Group, as well as project groups focusing on best practice regulation, data protection, compliance with regulatory requirements, and spray drift mitigation through active stewardship.

Our activities this year included opportunities for members to understand the political and policy outlook for 2007 with invited guests at member forums including political, government and industry representatives speaking on a range of topics.

The past year has been one of major change for our association. Our members have always been generous with their time and energy, but the extent of decision-making and change in the past year as we determined the direction for Avcare and future priorities for CropLife Australia called on their time still further.

We would like to acknowledge the efforts of the outgoing Board, headed by President Cam Forgie, for the time they took from their own businesses to shape CropLife Australia. I would particularly like to thank Claude Gauchat, who retired from Avcare in November 2005 after more than 13 years as its Executive Director, for his leadership and effort not only in establishing CropLife Australia, but through 13 years of significant industry change. To them, Paula Matthewson and the CropLife Australia team and our members who contribute so graciously, we owe not only our past, but our future success.
CropLife Australia and its members are committed to safety, stewardship and quality, and to operating in an open and transparent way through dialogue with our stakeholders.

For most Australians, food safety and security is a given, with delicious, nutritious, affordable fresh food available in abundance. We associate food with good things – taste, pleasure, relieving hunger and providing good health, and choose it for its quality, price, appearance and taste.

The plant science industry contributes to this, helping boost the quality and quantity of our food by protecting it from insect damage, treating disease and preventing competition for nutrients, water and sunshine by reducing weeds. It also contributes to making food more affordable, as farmers have been able to get greater yields from each hectare. Plant science has supported agricultural sustainability by making positive contributions to farming environments - decreasing soil erosion, conserving soil moisture, controlling invasive weeds, pests and diseases and, through this, protecting biodiversity.

But to many people, plant science presents a different face, one of unseen and unknown benefits. A survey in Europe showed that chemicals and pesticides were people’s second highest food safety concern, behind only food poisoning – and when prompted with a list of possible issues, pesticide residues were top of the list. While the survey concluded that most people are happy with their food, and food safety issues are not top of mind, raising an issue generates a worried reaction.

Pesticides are still a cause of concern for many people despite the evidence - the National Residue Survey consistently shows that 99.9% of Australian food surveyed has either no detectable residues or residues under approved limits, due to rigorous regulation, risk management by industry and correct application of products according to label directions.

Such concerns are a barrier to success, both for our members individually, and for Australian agriculture generally, as scientifically unjustified concerns flow through to government, regulators, consumers and community groups and affect decision making and the range of available choices.

CropLife Australia aims to change this picture, by addressing these concerns and demonstrating the benefits of our products. For our members, the value of their products to the Australian community and economy is clear – plant science is vital to Australia’s safe and abundant food supply. By enabling members to work together on common objectives, CropLife helps the industry tell its story and take genuine leadership in promoting the future of high yield sustainable agriculture in Australia.

We have focused our vision tightly, dedicating our efforts to achieving a practical and achievable number of priority outcomes that are of most importance to Australia’s agricultural competitiveness, and structuring our organisation to facilitate fulfilment of this vision.

Leadership brings profile and responsibility, as we raise awareness of the industry’s contribution to Australian agriculture and the broader community. Our industry’s responsibility, corporately and individually, is to be, and to be seen as, a good corporate citizen – after all, leadership today is about doing the right things economically, socially and environmentally.

Our industry can rightly be proud of its stewardship focus, which has tackled tough issues such as storage and handling, post consumer waste management, disposing of unwanted chemicals and working to reduce spray drift, delivering real environmental and safety improvements at the operational level.

Addressing these challenges requires shared action and working with decision makers and stakeholders right across agriculture on matters of shared interest. We will continue to build partnerships and other positive working relationships that help drive our priorities forward, displaying genuinely responsible leadership to earn our place as partners.

For CropLife Australia, our vision is clear. We look to a future where Australia’s farmers are free to choose their farming systems and embrace plant science innovations to enhance their competitiveness here and overseas. Plant science solutions will be used to sustainably produce abundant and high quality food and fibre that provide the community with confidence and consumers with choice. In short, we look to a future where the plant science industry is recognised and valued as a vital contributor to sustainable agriculture.
CropLife is dedicating our efforts to achieving a practical and achievable number of priority outcomes that are of most importance to Australia’s agricultural competitiveness.

Recognition of the value of industry’s products

CropLife Australia recognises that the benefits of industry’s products, while well understood by growers, are largely unknown by other stakeholders such as consumers, government and the media, making it more difficult for our position to be understood and supported.

The challenge for our industry in Australia and globally is communicating the findings of research on the benefits of industry products to an increasingly urbanised society that is losing touch with the importance of agriculture and how food and fibre is produced.

For this reason, CropLife Australia is focusing on improving the way it presents and articulates the value of industry’s products.

Globally, members of the CropLife network are working on quantifying the economic, environmental and social benefits of pesticides. Very useful studies have already been completed in the United States and Canada providing strong positive information.

- In 2005, herbicides increased the value of US agricultural production by US $26 billion, based on the value of fuel and manual labour that would be needed to replace herbicide use.
- Herbicides also benefited the environment by facilitating no till cropping and mitigating 356 billion pounds of soil erosion.
- Every dollar spent using fungicides leads to US $14.60 in extra production for US farmers. Without disease control, yields of most fruit and vegetable crops would decline by 50 to 95%. Overall, US farmers gain US $12.8 billion in production increases by controlling plant diseases with fungicides.
- In Canada, pesticide use increases yields, farming efficiency and availability of fruits and vegetables, giving consumers a reliable supply of low cost food and fibre with improved food quality and food safety, decreased loss of food during transport and storage and improved soil conservation.
- A September 2005 Phillips McDougall study commissioned by CropLife International found that the pesticide industry is one of the world’s most research intensive sectors, and is among the top four global industries in terms of percentage of sales reinvested in research and development. In 2004, the top ten companies spent US$2.25 billion or 7.5% of sales on research and development, with approximately 10% of company employees working in research and development. More than 300 new active ingredients have been brought to market since 1980, with a new product today taking 8-10 years and around US$180-$220 million to develop.

CropLife Australia has been working with the Tasmanian Agricultural Productivity Group to estimate the economic, environmental and social benefits of pesticide use in Tasmanian agriculture. This study is expected to be released in the second half of 2006, illustrating the significant role pesticides play in the State’s agricultural and economic success.

On a broader scale, CropLife Australia will be commissioning a research group to identify and analyse information on the value of industry products to the Australian agricultural industry, the economy and the broader community. This information will be vital to our ongoing advocacy activities. CropLife Australia has developed a regular communication tool for decision makers outside our membership who work in the areas of agriculture, environment, stewardship and corporate social responsibility. Perspectives aims to provide timely and useful information about the pesticide industry, its interests, concerns and leadership activities. Feedback from our allies, stakeholders, members and the international CropLife network has been positive.

This engagement will be enhanced through the inaugural CropLife Australia Perspectives Conference to be held in November 2006.
APPROPRIATE REGULATORY SYSTEMS

As the industry and its products are highly regulated across each jurisdiction in Australia, CropLife Australia members place a high priority on efficient and effective regulation. While we support governments’ need to actively protect the health, safety and well being of the community, we also expect their regulatory frameworks to promote a competitive business environment.

The current climate is one of regulatory reform with a number of reviews and changes to regulation at both macro and micro levels in areas where CropLife Australia has a strong interest in influencing current thinking on how pesticide regulation reform can be achieved.

The CropLife Australia Best Practice Regulatory Framework Project Group was established to identify and drive forward a best practice framework for regulation of pesticides in Australia. CropLife Australia has adopted the Council of Australian Governments (COAG) Principles and guidelines for national standard setting and regulatory action as best practice – and our goal is to see these adopted widely and consistently. The project group identified where current regulations do not meet expectations, and outlined and prioritised strategies to address these inadequacies. In particular, CropLife Australia will use these outcomes to contribute to the workings of the COAG Ministerial Taskforce on Chemicals Regulation.

Changes to APVMA governance

CropLife Australia supports the Federal Government’s decision to move the governance structure of the Australian Pesticides and Veterinary Medicines Authority (APVMA) from a governing board to an executive management model with a full time commissioner directly accountable to the Minister and supported by advisory commissioners with specific expertise. This transition, announced in June, is planned for July 1 2007.

It is CropLife Australia’s view that at least one of the advisory commissioners should have the appropriate skills and expertise to effectively understand the issues, requirements and interests of the pesticide industry. CropLife Australia has also proposed that all APVMA and related Department of Agriculture, Fisheries and Forestry (DAFF) Product Safety and Integrity Committee consultative mechanisms be reviewed with a view to establishing strengthened mechanisms that facilitate engagement, consultation and accountability. We will continue to actively pursue this position.

APVMA efficiency and transparency

Participation in the APVMA Industry Liaison Committee and Industry Technical Committee has been critically important in ensuring the regulatory process is efficient and that appropriate stakeholder engagement occurs. These committees have also been successfully changing procedures to meet the needs of industry and ensure regulator requests are reasonable.

CropLife Australia also participates in a new subgroup set up by the APVMA Industry Liaison Committee in September 2005. The Working Group on Proposed Compliance Legislative Reforms has defined its terms of reference and project approach and will contribute to an APVMA position paper to the Product Safety and Integrity Committee, particularly in the area of compliance.

Australian National Audit Office

In the Spring 2006 Parliamentary session the Australian National Audit Office is expected to table a report on their assessment of the extent to which the APVMA is performing its key regulatory functions efficiently and effectively.

Minor use

The registration of products for minor uses – that is, crops or situations where the cost of research and trial work to bring a product to registration is uneconomic – continues to be addressed by government with the support and involvement of CropLife Australia.

CropLife Australia welcomed the announcement that funds had been allocated for a joint DAFF/APVMA minor use initiative. CropLife Australia has joined with the federal government and Horticulture Australia in the steering committee to oversee this initiative, which will establish a solid foundation for a sustainable long-term way for growers to obtain access to minor use chemicals.

It will complement rather than cut across current research and development arrangements and build upon the benefits derived from the informal links already established between the leaders of minor use projects funded by Horticulture Australia and the Grains Research and Development Corporation.

Labelling changes

CropLife Australia has been active in two other APVMA sub-groups addressing labelling issues – the Labelling Code Working Group and Label Approval Process Working Group.

The Labelling Code Working Group is undertaking the first major review of this code since it was established in the 1980s, in light of labels becoming increasingly complex as more information has been added. The Working Group is considering key labelling principles, concept and model label formats and a revised labelling code.

While this is a difficult balancing act between the various stakeholders and their requirements for labelling, there is broad support for the general principles and thrust of proposed changes, and it is expected that the outcomes will be simplified labels, with consistent language and a clear understanding of what needs to go on labels.

The Label Approval Process Working Group has developed label registration requirements for electronic labels, printed labels, pack size and consequential claims.

Regulation of chemical residues in food

CropLife Australia responded to the Department of Health and Ageing on the Food regulation policy guidelines consultation paper for regulation of residues of agricultural and veterinary chemicals in food. CropLife supported the paper’s broad policy principles, including that any changes to the existing approach should recognise the need to respond to unexpected residues efficiently, allow governments to prohibit residues of a particular chemical where it poses an unacceptable health risk, and promote consistent residue limit requirements for both domestic and imported foods.

CropLife Australia also supported Australia recognising Codex Maximum Residue Limits for imports and where none is available, adopting a default limit of 0.01 mg/kg to be consistent with most countries.

Harmonisation of state “control of use” legislation

Australian states have different philosophies on how best to achieve compliance on control of use, but for CropLife Australia members this remains a vexed area because the lack of harmonisation creates an undue regulatory burden on pesticide manufacturers, distributors and users. This inconsistent approach to control of use is adversely impacting on many areas of operations, including labelling, transportation and storage, spray drift mitigation and farmer, staff and customer training.

CropLife Australia is collaborating with relevant stakeholders to raise awareness of this issue and is undertaking a range of actions to address inconsistency.

DATA PROTECTION

CropLife’s data protection activities under the auspices of its AII Industry Compliance with Data Protection Project Group aim to finalise the federal government’s data protection legislation and achieve compliance with data protection requirements across the industry.

Data protection ensures that companies that generate scientific data for review by regulators are fairly compensated by any competitor company that uses the data to support their own product registrations.

With legislation granting Data Protection Class A and B successfully passed as part of the United States Free Trade Agreement in 2004, CropLife has focused its attention on the third and final part, Data Protection Class C.

The Department of Agriculture, Fisheries and Forestry is drafting an amendment bill which is expected to go before Parliament in
Any approach must necessarily be integrated with key stakeholders regarding responsibilities and actions to mitigate against drift. Equipment manufacturers, training organisations and governments of engagement with stakeholders such as farmer groups, spray Stewardship Project Group has identified the key activities occurring. The CropLife Spray drift remains one of the industry’s greatest stewardship stakeholders.

We value our partnerships with organisations such as the National Farmers’ Federation, Animal Health Alliance (Australia), the Veterinary Manufacturers and Distributors Association and the Australian Local Government Association, which have been vital in developing effective programs that reflect the needs of all Australian Farmers’ Federation, Animal Health Alliance (Australia), the Veterinary Manufacturers and Distributors Association and the Australian Local Government Association, which have been vital in developing effective programs that reflect the needs of all stakeholders.

CropLife Australia and its members see stewardship from product discovery through to in field use and beyond as an important component of sustainability. Stewardship activities may be run by individual member companies, by CropLife, or delivered through CropLife’s subsidiary Agsafe.

CropLife helps Australian farmers to implement integrated crop management practices to slow the development of resistance to pesticides. CropLife has developed resistance management strategies that classify pesticides and show how growers can select pesticides from different classes to minimise resistance development. These strategies are reviewed annually and adapted for new products and new, changing or emergent resistance.

Our Resistance Management Review Groups are now updating our strategies to reflect the current environment. This process will be finalised in October.

Copies of the strategies can be downloaded from www.croplifeaustralia.org.au

CropLife’s latest stewardship initiative is the Container Design and Performance Guidelines for Liquid Animal Health and Crop Protection Products, which were released in April 2006.

The guidelines for five to 20 litre plastic and steel containers were developed to support design and performance while providing critical label information, and supporting cleaning and rinsing to drumMUSTER standards for recycling and reuse. They also incorporate characteristics that help easy handling, pouring and rinsing and reduce splashback. The guidelines can be downloaded from the CropLife website at www.croplifeaustralia.org.au

Agsafe
Agsafe is the industry’s primary vehicle for delivering stewardship programs. There are three main programs – Guardian, which accredits personnel and premises that handle pesticides and animal health products; drumMUSTER, which collects clean, empty pesticide and animal health containers for recycling; and ChemClear®; which collects unwanted registered pesticides and animal health products for safe disposal.

CropLife continues to work with Agsafe to ensure governments and stakeholders are regularly updated on the success of these programs.

Agsafe Guardian
Agsafe made significant changes to accreditation this year, introducing online training and workplace assessments for personnel accreditation and rebranding the program Guardian.

This saw an increase in the number of accredited premises, and stores benefiting from the extra time they now get with their Guardian Facilitator and the benefit of immediate assistance for those new to accreditation.

For more information: www.agsafe.com.au

drumMUSTER
drumMUSTER collected 1.64 million drums for recycling over the financial year, exceeding its target and up 8% on the previous year, and bringing total drums collected to over 8.38 million. Approximately 80 per cent of these drums are from CropLife member companies.

The program has diverted more than 11,000 tonnes of plastic and steel from landfill. The clean plastic and steel from the recycling program is also reducing the amount of virgin material manufactured for products such as irrigation piping, vineyard posts, road signs, road reflectors, outdoor furniture and bins.

drumMUSTER was also boosted by the involvement of local community groups including Apex, Lions, Rotary, Landcare and school parent associations to raise funds by collecting drums.

For more information: www.drummuster.com.au

ChemClear®
The ChemClear® program collected more than 33.5 tonnes of unwanted registered pesticides and animal health products, ensuring that they will be disposed of properly and not left to become a risk to people or the environment. Collections were held in South Australia, Victoria, Queensland and New South Wales. All registered CropLife member products are collected free of charge.

For more information: www.chemclear.com.au

Crop biotechnology
Crop biotechnology is transforming agriculture and food production worldwide, bringing significant agronomic, environmental, nutritional, human health and economic benefits. Yet Australian growers are largely missing out on these benefits – as are the consumers they serve.

State government moratoria on the commercial planting of genetically modified (GM) crops, introduced in 2003 and 2004, have denied growers access to new commercial varieties of crops, halting the path to market for GM crops despite scientific review and approval by regulators. This has created regulatory uncertainty, significantly decreased investment in GM agriculture, and perhaps most importantly, limited the ability of Australian farmers to compete on the international market.

ABARE has estimated that, should the moratoria continue and be extended to other broadacre crops, the lost gross national product over the next ten years will be between $1.5 billion and $5.8 billion – a figure that does not include lost environmental benefit.
As well as significant economic loss, the moratoria have put the brakes on investment in research, effectively stopping development at the laboratory door. There is no point in investing in technology that cannot be commercialised. In doing this, Australia risks losing not only investment in research, but world class scientists.

Australia’s cotton growers have benefited from GM varieties, which have been grown successfully here for over ten years. More than 95% of growers chose to plant GM cotton in 2004/05, covering 70-80% of plantings. The new varieties have revolutionised cotton production, reducing pesticide use by over 70% and significantly reducing the environmental footprint of cotton production.

The primary goal of our crop biotechnology activity is clear: to open up a pathway to market.

The formation of CropLife Australia strengthens our position by giving a dedicated resource to the challenge of bringing about change. Developing partnerships with key stakeholders throughout agriculture who are affected by the closed market is key to our success. CropLife is also focused on developing positive opinion among government, growers and the broader community on the sustainable commercial adoption of GM crops.

Building community acceptance of GM crops
CropLife Australia has successfully attracted funding from CropLife International for a number of activities focused on community education on crop biotechnology.

CropLife Australia has continued to support the work of Agrifood Awareness Australia with commodity and farm groups, building grass roots and sector support for the commercial introduction of approved GM crops.

For more information: www.afla.com.au

CropLife is also working to help inform growers by collating information on gene technology and providing information and support for other stakeholders. We provide assistance to members by contributing to policy formation and industry positions on genetic modification.

Gene Technology Review
The Statutory Review of the Gene Technology Act 2000 and the Gene Technology Agreement was released in April 2006. Avcare contributed a submission to this review in 2005, supporting the Act as providing a sound, science based regulatory system.

The review concluded that the Australian system is one of the most rigorous, transparent and accessible systems in the world and that industry has confidence in the Act as a tool to deliver best regulatory practice. The review also found that the Act is satisfactorily protecting the health and safety of people and the environment.

The review found no evidence of adverse impacts on markets and concluded that the state moratoria were having detrimental rather than beneficial impacts.

In light of this report CropLife is working together with government and other key stakeholders to support the development of a national coexistence framework, and will continue its advocacy to realise the rapid adoption of the recommendations from the review.

International harmonisation
CropLife Australia is contributing to the development of an international framework for addressing adventitious presence of GM, that is, where small amounts of unwanted GM content are found in seed or produce.

CropLife is part of an international project established to resolve this, with the aim of establishing a system that can be set up either as part of Codex, or similar to Codex, to enable internationally agreed levels of adventitious GM content to be accepted.

Segregation and liability
In response to concern among community groups about issues of segregation and liability for GM crops, Avcare commissioned a report to investigate the current framework and determine its adequacy.

The report, prepared by ACIL Tasman Australia, found current farming systems, commercial contracts and the common law can adequately accommodate the technology.

The report, Managing genetically modified crops in Australia - GM crops, segregation and liability in Australian agriculture, also found no need to establish new laws, determined that the introduction of strict liability is unwarranted and found that government intervention in liability matters is unnecessary, as long established informal and legal conventions can be used to manage any liability issues that may arise.

Common practice among Australian farmers, and common law, gives all farmers protection of their rights and the ability to seek compensation if there is economic loss, regardless of their choice of farming systems.

The report supports CropLife’s view that differing production systems can successfully coexist in Australia.

Reviews of the state gene technology legislation
As state moratoria become due for review, CropLife is actively seeking opportunities to promote the benefits of allowing commercial plantings of approved GM crops.

In Victoria, CropLife has submitted a response to the current review of the Victorian Gene Technology Act 2001 and presented to the Review Panel. CropLife is calling on the Panel to recommend to the government to reform their legislation and permit the commercialisation of approved GM canola and other crops in Victoria.

It is encouraging that governments wish to have an informed debate on the commercialisation of GM crops, and further input from CropLife will support a constructive review and legislative reform. This will continue to be a key focus as state moratoria come up for review.

Animal health
Since January 1, the interests of the animal health industry have been ably looked after by the new animal health industry association, Animal Health Alliance (Australia) Ltd.

From July to December 2005 the then Avcare animal health group dedicated the majority of its time to the APVMA sheep ectoparasiticide review and international harmonisation initiatives.

For more information: www.animalhealthalliance.org.au

Sheep ectoparasiticides
As a contribution to the APVMA review on sheep ectoparasiticides, Avcare commissioned Ectoparasiticide use in contemporary Australian livestock production, a publication capturing state of the art ectoparasiticide use. It included the history of chemical use, regulation, modern treatment practices, economics and welfare benefits.

The publication was launched by Senator the Hon Richard Colbeck, the then Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry. It has proven to be a valuable contribution to the debate on the value of ectoparasiticide products emerging from the APVMA draft review release.

International regulatory harmonisation
Animal health members invested a significant amount of resources contributing to VICH International cooperation for the harmonisation of technical requirements for registration of veterinary products through participation in the VICH Steering Committee held in Japan in October 2005. The meeting defined the scope and deliverables for Phase 2 of VICH.

Avcare’s Dr Peter Holdsworth also chaired the World Association for the Advancement of Veterinary Parasitology working group, developing guidelines for generating efficacy data for ruminant ectoparasiticides to support product registration. These guidelines reduce duplication in data generation, improve confidence in registration data and reduce the number of animals used in studies.

Guidelines for five ectoparasites were developed and published in the international scientific journal Veterinary Parasitology, and adopted or recognised by key regulatory authorities globally.
INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF CROPLIFE AUSTRALIA LIMITED

Scope

The financial report and directors’ responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, and the directors’ declaration for CropLife Australia Limited (the company), for the year ended 30 June 2006.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company’s financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and

- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management’s internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF CROPLIFE AUSTRALIA LIMITED (Continued)

Audit Opinion

In our opinion, the financial report of CropLife Australia Limited is in accordance with:

(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company’s financial position as at 30 June 2006 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

Shane Bellchambers
Executive Director, CA
Registered Company Auditor
WalterTurnbull
Canberra, ACT
12 September, 2006
CropLife Australia

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CropLife staff
Paula Matthewson – Chief Executive Officer
Judith Old – Executive Assistant
Bernard Meadley – Director Corporate Services
Susan Staude – Corporate Services Officer
Adrian Harris – Technical Manager
Heather Neil – Director Communications
Samantha Young – Communications Officer
Nicholas Woods – General Manager Biotechnology

Back row left to right: Nicholas Woods, Heather Neil, Susan Staude, Bernard Meadley, Adrian Harris
Front row left to right: Judith Old, Paula Matthewson, Samantha Young