



## MEDIA RELEASE

### **COST OF CROP PROTECTION INNOVATION INCREASES TO \$286 MILLION PER PRODUCT**

**27 April 2016 (Canberra)** – Every crop protection product that reaches the market costs US\$286 million and takes 11 years of research and development to ensure the highest safety and efficacy standards, according to a new report published today. The report found the industry spent a total of US\$2.6 billion on new innovations in 2014. Innovation is at the core of the plant science industry but regulatory systems and red tape costs are a major factor in determining whether Australia's and the world's farmers get access to that innovation.

CropLife International, CropLife Australia's international federation organisation, commissioned Phillips McDougall, an independent consultant specialising in market analysis for the agrochemical industry, to research the cost of bringing a new active ingredient to market.

The report found the cost of bringing a new product to market has increased by 55 percent compared to just 16 years ago. Much of the increase in cost can be attributed to a rise in the volume and complexity of environmental safety and toxicology data required by regulatory bodies to ensure products are safe.

Meanwhile the time commitment to bring a product to market has increased from 8 years in 1995 to more than 11 years now, reflecting the rigorous research and development phase and delays in regulatory decisions.

CropLife International CEO and President Howard Minigh said: "The crop protection industry continues to invest heavily in cutting edge innovations to help farmers around the world to protect their crops from pests. Given the growing cost, the report demonstrates why we need predictable and risk-based regulations alongside robust intellectual property rights to give companies the confidence to continue to invest."

CropLife Australia CEO Mr Matthew Cossey stated: "Crop protection products have never been more thoroughly tested and screened to ensure product safety, which is why regulators must ensure that the process for review is consistent, transparent, science based and as efficient as possible. This report just further highlights why Australia needs significantly improved efficiency from our regulator, the Australian Pesticides and Veterinary Medicines Authority.

"Our industry is founded in science, and as this report demonstrates, it takes years and significant resources and scientific expertise to get even close to bringing one of our innovations to market, so unnecessary red tape and an inefficient regulator just further stifle and delay access to the innovation that our farming sectors desperately needs to remain internationally competitive and become even more sustainable," concluded Mr Cossey.

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#### **About CropLife Australia**

CropLife Australia (CropLife) is the peak industry organisation representing the agricultural chemical and biotechnology (plant science) sector in Australia. CropLife represents the innovators, developers, manufacturers and formulators of crop protection and agricultural biotechnology products. The plant science industry provides products to protect crops against pests, weeds and diseases, as well as developing crop biotechnologies that are key to the nation's agricultural productivity, sustainability and food security. The plant science industry is worth more than \$17.6 billion a year to the Australian economy and directly employs thousands of people across the country. CropLife and its members are committed to the stewardship of their products throughout their lifecycle and to ensuring that human health, environment and trade issues associated with agricultural chemical use in Australia are responsibly and sustainably managed. Our member companies contribute more than \$13 million a year to stewardship activities to ensure the safe and effective use of their products. CropLife ensures the responsible use of these products through its mandatory industry code of conduct and has set a benchmark for industry stewardship through programs such as **drumMUSTER**, ChemClear® and Agsafe Accreditation and Training. Our stewardship activities demonstrate our commitment to managing the impacts associated with container waste and unwanted chemicals.

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