





## Industry welcomes Government's initial response into the rapid review of APVMA governance and commitment to consult

**Canberra, 17 April 2024:** CropLife Australia welcomes the Government's initial response to a review into the future structure and governance for the Australian Pesticides and Veterinary Medicines Authority (APVMA).

"I commend Minister Watt for taking the appropriate time to ensure a measured and considered response to the Rapid Review Report (the Report) and making clear commitments to reject the recommendations that would significantly disrupt the APVMA," said Mr Matthew Cossey, Chief Executive Officer of CropLife Australia, the national peak industry organisation for the plant science sector.

"This cautious approach and commitment by the Minister to further consult is particularly important considering the vast array of recommendations, the fact the Report has gone well beyond its original scope, and that the Report did not involve consultation with industry or relevant experts.

"The Minister's sophisticated approach to responding to the Report is particularly impressive and commended considering that while there are several insightful and beneficial recommendations in the Report, it also contains some that have been previously universally rejected. If implemented these would reduce the Regulator to an antiquated and overly bureaucratic entity unable to meet its important and targeted compliance work. These are nothing more than a poor attempt to rehash bad policy ideas from the Agvet Policy Branch of the Department.

"A review of governance measures for the APVMA provides the opportunity to further improve the standing and operations of this important regulator. It's critical that any changes genuinely ensure Australia keeps a world-class, scientifically and technically competent and independent regulator, while delivering genuine efficiency improvements.

"While CropLife was one of the most vigorous and loud critics of the relocation of the APVMA to Armidale under the previous government, we support the Minister's decision not to make the same mistake twice. Considering the recent history of the agency, preventing further disruptions and providing stability for staff and its operations is a crucial factor to improving its performance.

## **About CropLife Australia**







"However, given the current structure for a small agency like the APVMA, it's important to recognise that multiple locations come with unnecessary extra costs and can further cause a dislocation of staff. Given that in just over 6 months, Canberra-based senior executives have incurred almost \$57,000 in travel between offices, it's imperative that the future structure does not have inbuilt additional unnecessary costs to normal operations.

"In its recommendation, the Report suggests the relocation of staff to Canberra as a way to improve the culture of the organisation. This is concerning, considering the Department's own recent, unfavorable capability review. The consultation and communication failures highlighted there could hardly be a benchmark for APS performance, either in Canberra or remotely.

"In particular, industry welcomes recommendations for increased Commonwealth funding to support the public good operations of the Regulator, including compliance and enforcement activities. Also welcome are recommendations for a greater suite of performance measures and direction for internal cultural reforms, and transparency improvements. CropLife has, for over a decade, publicly and privately called for these types of measures.

"Importantly, on-time performance and adherence to legislated timeframes for the assessment and registration of the latest innovative products, which are so crucial for farming productivity, is not mutually exclusive to accomplishing the entire suite of regulatory functions.

"We support the Minister's decision to retain the APVMA Board, which were originally appointed in 2022 to deliver a step change in efficiency of the Regulator. It now falls to the Board and CEO to ensure the development of a high-performing culture supporting the APVMA's dedicated scientific and technical workforce as it delivers the expert regulatory assessment the Australian farming sector and broader community deserves and requires.

"Had the Board been meeting its obligation to establish a culture and doctrine to protect the integrity of the APVMA's independence and ensure good operations, then most of the issues that have been raised over the last 18 months, both those of substance and simply of false perception, would not have occurred.

"It's also disappointing that the Report seeks to apologise for the APVMA Board's failure to meet modern governance standards, rather than outline how it also improves its operations and contributions to a better performing regulator.







"The APVMA has a modern legislative structure that provides the solid foundations for effective and efficient regulation. This foundation was further improved and supported through the APVMA Improvements Act 2021, which had bi-partisan agreement. The APVMA has the essential regulatory tools, powers and resources to fulfil the full breadth of its obligations while still meeting critical statutory timeframe requirements. This level of resourcing and breadth of regulatory powers allows the APVMA to engage all available capabilities and new regulatory technologies to facilitate improved decision-making and on-time performance. It is now just a matter of good management.

"Moving forward, genuine consultation with industry prior to the Government making further decisions related to the APVMA will be crucial to ensure the success of the Regulator.

"With the Report only just having been released, CropLife will work with our partner farming organisations over the following weeks to give detailed critical assessment of all the recommendations.

"CropLife, as the national peak industry organisation for the plant science sector, will continue to work with the Regulator and Federal Government on implementing targeted reforms to see further, genuine operational efficiency improvements at the APVMA so that the Australian farming sector can remain one of the world's most productive and sustainable," Mr. Cossey concluded.

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