

1 INTRODUCTION

CropLife Australia (CropLife) is the national peak industry organisation representing the agricultural chemical and plant biotechnology (plant science) sector in Australia. CropLife represents the innovators, developers, manufacturers, formulators and suppliers of crop protection products (organic, synthetic and biological based pesticides) and agricultural biotechnology innovations. CropLife's membership is made up of both large and small, patent holding and generic, Australian and international companies. Accordingly, CropLife advocates for policy positions that deliver whole-of-industry and national benefit. However, our focus is specifically on sustainable environmental land management and an Australian farming sector that is internationally competitive through globally leading productivity and sustainability practices. Both outcomes are achieved through access to world-class technological innovation and products of the plant science sector.

The plant science industry contributes to the nation's agricultural productivity, environmental sustainability and food security through innovation in plant breeding and pesticides that protect crops against pests, weeds and disease. More than \$31 billion of the value of Australia's agricultural production is directly attributable to the responsible use of crop protection products, while the plant science industry itself directly employs thousands of people across the country.¹ CropLife Australia is a member of CropLife Asia and part of the CropLife International Federation of 91 CropLife national associations globally.

Australian agriculture continues to be an important source of export revenue in the economy, contributing more than ten per cent of exports of goods and services in the financial year 2023-24.² However, productivity growth across the sector faces headwinds created by climate change and restrictions on new technologies.³ Price rises in fruit and vegetables led food inflation across most of the financial year 2024-25.⁴ This inflation, which reflects the tightness of supply and demand for fresh produce in Australia, erodes the purchasing power of real wages across the economy. Productivity growth in Australia's horticultural commodities is important to curbing the impact of food inflation on household budgets, while also returning fair reward to our nation's farmers.

¹ Deloitte Access Economics, 'Economic Contribution of Crop Protection Products in Australia', August 2023, <https://www.croplife.org.au/resources/reports/economic-contribution-of-crop-protection-products-in-australia/>.

² ABARES, "Snapshot of Australian Agriculture 2025" (ABARES Insights, Issue 1 February 2025) DOI: <https://doi.org/10.25814/g4g-ys39>.

³ W Chancellor and C Boulton, "Australia's farm productivity slowdown – why it matters, and what it means for policy makers", (ABARES Insights, Issue 2, July 2024) DOI: <https://doi.org/10.25814/dcvj-7934>.

⁴ ABS, "Monthly Consumer Price Index Indicator" <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/monthly-consumer-price-index-indicator>.

The opportunities presented in this submission will support continued productivity growth in Australian agriculture, aligning with the Australian Government’s economic priorities to drive economic productivity and address inflationary risks. Specifically, these initiatives support an abundance agenda, creating a business environment that will grow private sector investment and underpin the commercialisation and stewardship of plant science innovations in Australia.

Proven in Practice: A Case Study

The impact of plant science innovation in Australian agriculture is best seen through the relative strength of productivity growth in the cropping sector compared to the rest of broadacre agriculture (see Figure 1). Growth in this sector has been driven by the adoption of science-based farming practices that are enabled by crop protection products and plant biotechnology. They have allowed the adoption of no-till farming, improved weed control to protect soil moisture and nutrient retention and prevented damaging yield losses otherwise created by crop disease, growing yields and strengthening farm resilience in drier periods.

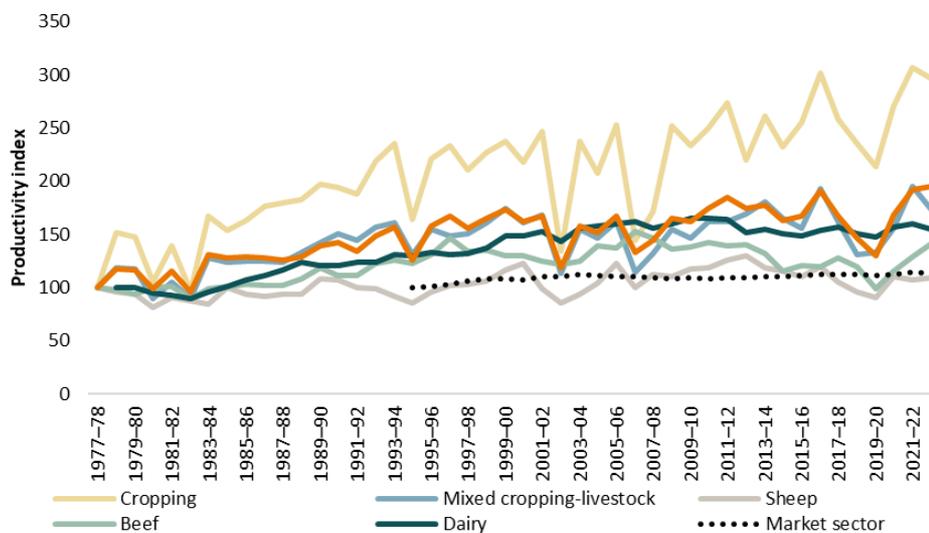


Figure 1: Productivity by farm type. Source ABARES

2 AMEND THE PATENTS ACT TO ENABLE EXTENSIONS TO PATENT TERMS FOR PLANT SCIENCE INNOVATIONS

- *Time lost under patent during Australia's pre-market regulatory assessment is disincentivising global companies from marketing their products in Australia. Delayed access to innovative crop protection products costs farmers through lost production, reduced climate change resilience and poor pest control. These delays also impact the competitiveness of Australian farmers compared to those in other markets receiving access to these innovations.*
- *A patent credit scheme would counter the perverse, unintended consequences of the assessment timelines, increasing domestic commercial investment from global innovators in the plant science industry.*

Proposal: Create a patent extension scheme for agricultural chemical and crop biotechnology products in the *Patents Act 1990* similar to that for pharmaceutical products. The scheme will create a competitive and balanced IP regulatory system that encourages the investment required to commercialise these products in Australia.

Rationale:

- Investment in bringing contemporary chemical and biotechnology products to Australia is being undermined due to the loss of time in market under patent.
- The average investment to bring a new crop protection product to commercialisation in the major markets of the USA and the EU exceeds US\$301 million over a period of more than 12 years; for genetically modified (GM) crops, more than US\$115 million over 16.5 years.⁵
- Decisions made by companies to make the additional investment required to release a product in a specific country, such as Australia, is based on the ability of that market to make a significant return on these research, development and regulatory costs.
- Australia is a relatively small market globally for these innovations, accounting for between 1 to 3 per cent of the global value of the sale of crop protection products and as little as 0.66 per cent of global plantings of GM crops, making the business case for investing in commercialisation in Australia more fragile.
- The size of returns available in the Australian market are further diminished as a result of a loss of time in the market under patent while products are undergoing regulatory approval. This constrains the economic incentive to make the investment required to bring the newest plant science innovations to Australia earlier in their commercial lifecycle and to seek the broadest regulatory release for these products.
- As a result, Australian farmers suffer from both delayed introduction of newer technologies and partial registrations, where the economic case does not exist to invest

⁵ AgBioInvestor, "Time and Cost of New Agrochemical Product Discovery, Development and Registration" February 2024; and AgBioInvestor, "Time and Cost to Develop a New GM Trait", April 2022.

in the registration of uses that would support smaller commodities or less common pests.

- The mandatory pre-market regulatory assessment and approval for plant science technologies is similar to the assessment of pharmaceutical technologies by the Therapeutic Goods Administration. However, the developers of pharmaceutical technologies have access to a patent extension under the *Patents Act 1990*.
- This is despite the fact that obtaining regulatory approval for both pharmaceutical and plant science technologies requires substantial trialling and data generation following the securing of a patent. Plant science technologies have the additional burden of investment in field trials to generate data relevant to the Australian production environment as part of meeting regulatory requirements.
- An extension scheme would ensure companies investing in bringing these new technologies to Australia do not suffer an effective loss of patent life because of the growing need to generate data to support registration and the time taken for regulatory assessment.
- The reform would also balance out the impact of the 'springboarding' reforms, which were introduced in reforms to the *Patent Act 1990* in 2012. Springboarding exempts patent infringement for activities conducted during regulatory approval of non-pharmaceutical products. The practice erodes the effectiveness of patent protection to incentivise investment in R&D and commercialisation. The creation of a targeted patent extension would continue to incentivise investment in research and development, while supporting the competitive benefits of springboarding at the completion of any extended patent period.
- The introduction of a patent credit scheme would be budget neutral, with substantial cost and efficiency benefits for farmers and the broader industry.

3 SUPPORT ACCESS TO CROP PROTECTION PRODUCTS TO DRIVE AGRICULTURAL PRODUCTIVITY

- *Australia is a relatively small market for crop protection products compared to overseas. This reduces the economic incentive for global innovators to make the investment necessary to provide innovative, productivity enhancing technologies to Australian farmers.⁶ This in turn materially impacts productivity and the international competitiveness of Australia's agriculture sector.*
- *A more predictable, efficient regulatory scheme for crop protection products will reinforce confidence in the Australian market, reward companies delivering products to Australian farmers, and incentivise companies and stakeholders to provide timely access to products that drive efficiency in Australian agriculture.*

3.1 Resource the public benefit functions of the APVMA

Proposal: Appropriate an ongoing \$9 million per annum to the APVMA to fund its delivery of public good activities.

Rationale:

- The APVMA is the only pesticide regulator in the OECD that is required to fully fund its operations through cost recovery arrangements.
- The fees and levies raised from applicants and holders of registrations for agricultural chemicals and veterinary medicines are not only required to fund commercial good activities, such as application assessment, but also the delivery of substantial public good activities. These public good activities include chemical review, compliance, and enforcement.
- Recent Government Ministerial requests to finalise a large number of chemical reviews has increased the demands placed on the APVMA to deliver public good activities. The APVMA CEO, Scott Hansen, has indicated that the requirement to resource these activities has taken away from the regulator's ability to meet legislative requirements for the on-time assessment of new crop protection products.⁷
- Providing appropriated funding to the APVMA to deliver public good outcomes would improve consistency across similar Australian regulators. For example, the Therapeutic Goods Administration receives \$15 million per annum to fund its public good activities,

⁶ Deloitte 2019 *Agvet Chemicals – Market Drivers and Barriers* (Report commissioned by the Department of Agriculture, July 2019); available at <<https://www.agriculture.gov.au/sites/default/files/documents/agvet-chemicals-market-drivers-barriers.pdf>>.

⁷ Evidence to the Senate Rural and Regional Affairs and Transport Committee, Parliament of Australia, Canberra, 5 November 2024, 94 (Scott Hansen, CEO Australian Pesticides and Veterinary Medicines Authority); and Evidence to the Senate Rural and Regional Affairs and Transport Committee, Parliament of Australia, Canberra, 8 October 2025, 115-116 (Scott Hansen, CEO Australian Pesticides and Veterinary Medicines Authority).

including its compliance and enforcement activities. Comments from the Deputy Secretary of the Department of Health, Disability and Ageing, Professor Anthony Lawler, outline that the appropriation allows cost recovered funding to be directed towards supporting more timely product evaluations and approvals.⁸

- Likewise, comparable international regulators receive a significant level of public funding, leaving the APVMA as the only pesticide regulator in the OECD which is fully funded through fee-and-levy based cost recovery. This reduces the attractiveness of Australia as an investment destination for the plant science industry.
- Comprehensive public funding would significantly reduce barriers to market entry for smaller registrants and facilitate the deployment of new products tailored for lesser grown crops and smaller industries. It would also support the registration of products developed by Australian businesses. This would enhance the ability of the regulatory framework to meet its public policy objectives of facilitating productive outcomes that support the international competitiveness of Australian primary producers and their contribution to the Australian economy.
- Such a position is supported by the Productivity Commission's (PC) observations in its Final Report of its inquiry "*Creating a more dynamic and resilient economy*", where it concluded regulators need funding to be able to provide public good activities. Its report recognised the perverse incentive of full cost recovery models for regulators, including the lowering of commercial investment and reducing growth, competition and innovation. The PC proposed developing alternative funding, such as appropriation, to fund public good activities and avoid the perverse outcomes otherwise borne by the economy.⁹
- The Australian Government is presently developing a new sustainable funding model for the APVMA. Statements by Assistant Minister Chisholm indicate that the development of the model is the opportunity to consider whether the current approach of cost recovery is delivering good policy outcomes as well as sufficiently resourcing the APVMA.¹⁰
- The Government's 2023 *Rapid Evaluation of the Future Structure and Governance of the APVMA* assessed the annual cost of delivering the public good outcomes arising from compliance and enforcement activities and the chemical review program at \$8.4 million.¹¹ The APVMA also creates public good outcomes through the governance delivered by the Board, corporate communications and consultation functions. These costs should also be funded through public appropriation.

⁸ Department of Health and Aged Care 2023, "Therapeutics Goods Administration: Business Plan 2023-24", 4, available at <<https://www.tga.gov.au/sites/default/files/2023-08/therapeutic-goods-administration-business-plan-2023-24.pdf>>.

⁹ Productivity Commission 2025, *Creating a more dynamic and resilient economy*, Inquiry report no. 109, Canberra,; available at <<https://www.pc.gov.au/inquiries-and-research/resilient-economy/>>.

¹⁰ Senator the Hon Anthony Chisholm, "Address to the CropLife National Members Forum" (Speech, 29 October 2025); available at <<https://minister.agriculture.gov.au/chisholm/speeches-and-transcripts/address-to-the-croplife-national-members-forum>>.

¹¹ Ken Matthews AO, *Final Report: Future structure and governance arrangements for the Australian Pesticides and Veterinary Medicines Authority *APVMA** (20 October 2023)

- The budget should support this outcome by appropriating ongoing funding of \$9 million per annum (indexed) to resource the APVMA's delivery of public good activities.
- Repeated reviews of the APVMA, including the *Rapid Evaluation*, have confirmed no inappropriate or undue industry influence over the APVMA's regulatory decisions. However, the regulator continues to face ongoing, unfounded criticisms from activist organisations who claim it is not independent of industry because of the current cost recovery settings. As such, comprehensive public funding for the APVMA would neutralise these claims supporting the APVMA's statutory objective of delivering community confidence in the regulatory system.

3.2 Improve efficiency and effectiveness of the APVMA

3.2.1 Centre productivity and efficiency in APVMA's Cost Recovery Arrangements

Proposal: CropLife recommends the APVMA's Cost Recovery Arrangements be reformed to deliver the following:

- a. Remove the current cross subsidisation of registered products not marketed in Australia by:
 - i. Developing an optional payment system for new technology applications, which incorporates credits and rebates on registration renewals or levies; and/or
 - ii. Increasing the renewal fees of "shelf" registrations that do not generate levy payments.
- b. Create an emphasis on the delivery of efficiency gains to be made by using new regulatory tools, including international assessments, and external scientific reviewers.
- c. Ensure any changes to cost recovery are made with enough lead time to allow the regulated industry to embed these higher costs into the budgets of global businesses.
- d. Establish a system where the APVMA only undertakes consultation on a Cost Recovery Implementation Statement (CRIS) every three years, rather than annually.

Rationale:

- Improving the APVMA's cost recovery arrangements is urgently required to reduce financial and timeliness inhibitors to enter the Australian market.
- The current APVMA cost recovery arrangement is based on a fee and levy model initially designed in 1984. CropLife recommends the APVMA's funding regime be modernised to be fit for purpose in today's environment.
- The APVMA's current cost recovery arrangements mean that the total cost of product registration (fee plus levy) on a dollar-for-dollar basis in Australia is similar to that of much larger international jurisdictions, such as the United States of America or the European Union. However, the relatively small market for agricultural chemicals in Australia creates significant commercial constraints on industry. This means the return

on investment for registering each product 'use pattern' is considerably lower compared to these jurisdictions.

- In addition to the delivery of ongoing appropriated funding, changes to the policy settings of the APVMA's cost recovery arrangements are required to deliver a sustainable funding model for the agency.
- CropLife made a submission to the APVMA's public consultation on the draft Cost Recovery Implementation Statement (CRIS) issued in 2024. Key elements included:
 - Ensuring the APVMA's development of cost recovery fees and levies appropriately factor in efficiencies to be gained by utilising regulatory tools provided to it by the Parliament, including the use of international assessments, computer-aided decision making and external scientific reviewers.
 - Remove cross subsidisation of registered products not marketed in Australia. The submission proposed two options to do this:
 - Develop an optional payment system for new technology applications that incorporates credits and rebates on registration renewals or levies.
 - Increasing the renewal fees of "shelf" registrations that are not generating a levy.
- Establish a system where the APVMA only undertakes consultation on a Cost Recovery Implementation Statement (CRIS) every three years. This will avoid the high transaction cost of consultation upon the regulated industry and ensure that seasonal fluctuations related to agricultural production do not skew the APVMA's financial forecasting or lead to knee-jerk responses in an annual CRIS process.
- Changes should be made to further encourage global investors to deliver valuable new products and use patterns to Australian farmers and should reflect the following principles:
 - Productivity and efficiency gains should be used to place downward pressure on operational costs to either provide fee relief to regulated industry or constrain the need for future increases to cost-recovery.
 - Embed the need for business certainty in cost recovery. This includes developing stability in fee and levy settings and providing the regulated industry with enough time to embed higher cost recovery into the budgets of global businesses. This means that the timing of any fee or levy increase needs to be cognisant that many global businesses operate on a calendar year financial cycle.

3.2.2 Improve application assessment timeliness and predictability

Proposal: The Federal Government support the APVMA to increase its use of External Scientific Reviewers and Computer Aided Decision-Making tools.

Rationale:

- Leveraging external experts and Decision-Making tools will accelerate the APVMA's decision-making, improving on-time performance and reducing current assessment delays, especially for products requiring environmental and health assessments.

- Tools already exist that would enable the APVMA to automate routine tasks and assessment steps, reduce manual bottlenecks, and improve predictability through data-driven models.
- By supplementing current resources with External Scientific Reviewers and Computer Aided Decision-Making Tools, the APVMA can improve its predictability across the application process, building the confidence of national and international developers to invest in registering products in Australia.
- External Scientific Reviewers and Computer Aided Decision-Making tools enable more productive resource allocation, as well as supporting workload forecasting and prioritisation. This approach aligns with modern regulatory practices and ensures the APVMA maintains credibility and responsiveness in a dynamic international agricultural environment.

4 Invest in collaboration to accelerate decision-making and reduce duplication

Commodity-based siloes across the agricultural chemical industry are restricting the productivity frontier of agriculture. Timely, targeted investment in collaboration will reduce the duplicative efforts that deplete resources whilst at the same time increasing Australia's domestic capabilities to innovate and respond to emerging and growing threats (climate change, invasive species, weed resistance).

4.1 Create an Australian research centre to accelerate domestic capabilities

Proposal: Fund the establishment of an Agvet Chemical & Technology Innovation Centre of Excellence, with a \$25 million commitment over 5 years.

Rationale:

- The proposed Centre will strengthen regulatory science and policy by ensuring efficient pathways for farmers to access advanced agricultural chemistry and risk-based evaluations. It will unite farmers, scientists, and industry leaders nationally and internationally, anchored by the appointment of a Chair of Regulatory Sciences and a dedicated secretariat at the University of New England (UNE).
- The Centre will be critical to validating risk assessment methodologies and adapting processes to the Australian environment. The Centre will also provide an efficient vehicle for guidance development to support the registration of products that will underpin new farming systems needed for speciality, green and premium crop enterprises.

- CropLife Australia recommends that the Federal Government support the establishment of this Agricultural and Veterinary (Agvet) Chemical & Technology Innovation Centre of Excellence (ACTI CoE) through a \$25 million commitment over five years.
- Co-located with the APVMA's Armidale office, the Centre will enhance collaboration with CSIRO and other research institutions, developing future farming practices, and advancing best practice. Partnerships envisaged include James Cook University to support the acceleration of Australian science to underpin best practice regulation to steward the conservation of the Great Barrier Reef.
- This centre will build national capacity in regulatory sciences, reinforce public and trade confidence in Australia's agvet regulatory system, and attract private and international investment.

4.2 Improve access to crop protection for minor and specialty use, through redirecting funding.

Proposal: CropLife recommends that the existing allocated funds be redirected to the Agricultural Collaborative Forum initiative for Minor Uses and Specialty Crops.

Rationale:

- Manufacturers of agricultural chemicals rarely make applications for the registration of minor and specialty uses (including emergency use) due to the disproportionate cost compared to the small increases in revenue. Applications for minor and specialty use permits are predominantly made by farming sector groups, or individual farmers, seeking permission to use an existing crop protection product for an off-label use.
- The current Minor Use Grants process is proving to be an inefficient allocation of funds, which is not efficiently prioritising industry needs for minor and specialty use.
- By redirecting existing funding, the Agricultural Collaborative Forum initiative for Minor Uses and Specialty Crops can be created in a budget neutral way. The forum would assist rural Research and Development Corporations in generating data required to support applications to the APVMA to gain, maintain or broaden access to priority minor uses of agricultural chemicals.
- Previous iterations of this forum were highly impactful. In 2020 ABARES estimated an average return of \$117 for every government dollar invested. The reallocation is necessary to alleviate market failure created by the small size of the market for these specific chemical product uses. In doing so, it will provide more pest management options for small to medium scale farming sectors. This will be essential if Australia is to increase its production of higher value horticultural crops.
- The forum stimulates a more productive farming sector, with more farmers being able to benefit from the productivity gains offered by crop protection products.

4.3 Support effective market access and improve public service productivity through international collaboration.

Proposal: Increase Australian regulatory agencies' budgets to appropriately fund travel to international events.

Rationale:

- The work done by Food Standards Australian and New Zealand (FSANZ) and Health Canada on shared risk assessments highlights the value of fostering strong international relationships. These shared assessments were made possible thanks to meetings such as the International Society for Biosafety Research (ISBR) symposiums. However, with meetings held mostly in person, current budget restrictions on travel make it almost impossible for Australian regulators to attend such events.
- Participation in international fora allows Australian regulators, including the APVMA and the Office of the Gene Technology Regulator (OGTR) to learn from other leading jurisdictions on risk assessment methodologies, digital tools, and standards. This reduces duplication of effort and accelerates domestic decision-making and policy frameworks through reference to proven frameworks.
- CropLife recommends the federal government ensures adequate funding of Australian regulatory agencies to enable effective in-person representation at international fora. This budget should incorporate travel and accommodation costs.
- CropLife further recommends that the federal government support Australian engagement in Codex Alimentarius. This ensures that Australian expertise is invested in the development of international standards for the trade of food and agricultural products and protects Australia's \$70 billion plus export of food and fibre from non-scientific technical barriers to trade.

5 Invest in biosecurity to better manage invasive species.

Invasive species cost the Australian economy upward of \$25 billion per annum.¹² Chemical technologies are important to programs that seek to eradicate, control and manage invasive species to protect Australia's natural ecosystems and our agricultural production. Constraints in identifying available chemical technologies and seeking regulatory approval to use relevant products safely and effectively is reducing timely access that Government departments and private environmental land managers need for these programs.

¹² 'Pest plants and animals cost Australia around \$25 billion a year – and it will get worse', CSIRO (webpage) <<https://www.csiro.au/en/news/All/Articles/2021/August/pest-plants-and-animals-cost-australia-around-25-billion-a-year>>.

5.1 Invest in biosecurity coordination at application level

Proposal: Allocate \$1.5 million over three years to create a biosecurity permit coordinator position within the APVMA.

Rationale:

- The creation of a government funded biosecurity permit coordinator within the APVMA would perform the following functions:
 - Engage with state jurisdictions and biosecurity management groups to ensure timely processing of minor or emergency use permits for biosecurity management;
 - Promote engagement with end users to ensure that mandated risk controls included within permits enable practical use of chemicals in biosecurity operations; and
 - Support jurisdictions leading biosecurity incident responses to understand and communicate permits and variations where high public interest exists.
- Such a position would support access to chemical solutions for biosecurity activities.

5.2 Ensure Australia has access to chemicals that support biosecurity management.

Proposal: Allocate \$900,000 over three years to support biosecurity research.

Rationale:

- Investing in research that aligns biosecurity needs with available chemistry and emerging chemistry will create improved predictability over the data package requirements to support regulated control outcomes. This will improve the available chemistry options to biosecurity operations, particularly for products specialised to the Australian environment. The investment will remove current constraints preventing successful eradication, control and management programs.

6 SUPPORT ACCESS TO AGRICULTURAL BIOTECHNOLOGY TO UNDERPIN AGRICULTURAL PRODUCTIVITY

Across the biotechnology industry, there are several opportunities to maintain and jumpstart momentum towards productivity. As an emerging industrial technology, with wide reaching implications for agriculture, medicine and biomanufacturing, reform to the regulation of genetic technologies is an untapped lever for the government to deliver its productivity agenda. These reforms are budget neutral and reflect the industry's position to accelerate growth.

6.1 Deliver on eight-year-old commitments to modernise Australia's gene regulation.

Proposal: Finalise the implementation of the recommendations of the Third Review of the National Gene Technology Scheme. This includes the urgent allocation of resources to the Office of Parliamentary Counsel and the Department of Health, Disability and Ageing to progress draft legislation through Parliament and develop and gazette the regulations and rules required to commence a risk proportional regulation system.

Rationale:

- The Third Review of the National Gene Technology Scheme commenced in 2017 with recommendations to develop a risk tiered regulatory model proposed in October 2018. A preferred regulatory option was endorsed by the Gene Technology Minister's Meeting in July 2021. These adopted recommendations remain largely unimplemented.
- The delay has left the Scheme lagging in numerous areas, undermining Australia's global reputation as a leader in agricultural innovation and biotechnology. This stagnation has inhibited investment into research and development and has delayed the introduction of advanced biotechnologies essential for the agriculture sector's sustainability and growth. The delay has been so great that the Gene Technology Ministers' Meeting had no other alternative but to delay the Fourth Review of the Scheme, which was scheduled to commence in 2023.
- We recommend the urgent allocation of resources to the Office of Parliamentary Counsel and the Department of Health, Disability and Ageing to progress draft legislation to the Parliament. Swift action is needed to deliver the recommended risk-based regulatory framework that meets the needs of today's rapidly evolving biotechnologies. Failure to progress the reforms in a timely manner risks prolonging the effects that these delays have already had on investment in Australian innovation and the growth of the national bioeconomy.

6.2 Support the growth of biotechnology research, development and commercialisation in Australia

Proposal: Postpone any proposal to impose cost recovery for the Office of the Gene Technology Regulator (OGTR) until the market reaches greater maturity.

Rationale:

- CropLife supports cost recovery in principle; however, imposing cost recovery on the OGTR would create significant barriers for the young industry and undermine Australia's competitiveness in the global biotechnology market. The bioeconomy is still in its formative stage in Australia, and industry requires a regulatory environment that encourages research and investment, rather than adding unnecessary costs.
- The proposal to commence cost recovery for the OGTR would substantially increase expenses for companies conducting research, trialling new technologies in Australian conditions, and progressing to commercialisation.
- This approach is counterproductive, particularly when many of Australia's international competitors are actively incentivising R&D partnerships with industry through grants and tax concessions to position their gene technology sectors for growth.
- As such, the implementation of cost recovery at this point in time would risk deterring investment and slowing the adoption of advanced technologies.
- To maintain momentum and attract global innovators, CropLife recommends the government provide adequate funding to the OGTR to ensure timely application processing and regulatory certainty. This will enable industry to deliver cutting-edge biotechnology solutions that strengthen Australia's agricultural productivity, sustainability, and international competitiveness.

7 SUPPORT INDUSTRY-LED STEWARDSHIP FOR REGIONAL CIRCULAR ECONOMIES

- *CropLife Australia commends the national goal of an Australian circular economy. The current target of 80 per cent circularity by 2030 supports the focus on building the domestic recycling capacity required to achieve this goal.*
- *Industry-led stewardship programs provide a proven model that, with government support, can quickly accelerate national recycling capabilities towards this national goal.*
- *CropLife and its members are committed to the stewardship of their products throughout their life cycle, ensuring human health and safety, and the responsible and sustainable management of the environment associated with agricultural chemical use in Australia. The plant science industry already funds a range of stewardship programs, including drumMUSTER®, bagMUSTER®, and ChemClear®.*
- *The federal government can support this through both direct investment into enabling infrastructure and regulatory reform of Extended Producer Responsibility for packaging.*

7.1 Enable rural and regional participation and leadership in the national circular economy goals.

Proposal: Support the national scaling of bagMUSTER® with \$2.5 million over two years.

Rationale:

- The expansion of domestic recycling capacity is needed to underpin a transition to a circular economy.
- However, due to the logistical realities of material capture, processing, and transport in regional areas, without strategic government investment rural communities will be left unable to equitably participate in Australia's ambition to be a circular economy.
- CropLife and the Australian Seed Federation (ASF) have formed a strategic partnership to deliver bagMUSTER®, a collection and recycling program for light-weight agricultural plastic bags. This logistical model is suitable for connecting the hard-to-reach recycling feedstocks generated in agriculture to Australia's recycling facilities. Industry has invested over \$500,000 into the successful pilot trials of bagMUSTER® and in early 2025, the program launched in a corridor in Western Victoria.
- Federal investment is necessary to allow bagMUSTER® to scale further, faster. National funding will see the proven model scaled across regional communities, establishing collection points across the nation. This will reduce burdens on regional waste management and improve environmental outcomes on farms promptly.
- Following this one-off appropriation for a national scale-up, bagMUSTER® will be fully funded by industry.

Funding the initial systems to support regional circular economies: A Case Study

The recent investment made through the Recycling Modernisation Fund (RMF) by the Australian Government and Sustainability Victoria with Agsafe and Pact Group demonstrates how the use of government funding programs can provide the needed initial funding to support rural and regional circular economies.

By supporting private investment in a new polypropylene recycling line at Pact's Cheltenham facility, the RMF is creating dedicated capacity for the recycling of light-weight plastic agricultural bags. In doing so, the government has created access to the processing capacity that enables private investment in programs to collect these bags in regional communities.

7.2 Create the necessary systems for efficient clean up following natural disasters.

7.2.1 Facilitate the rapid deployment of community assistance

Proposal: Formally acknowledge ChemClear® as an eligible disaster-relief and recovery program under an appropriate national mechanism:

- a. National Emergency Management Agency's (NEMA) operational guidance; and
- b. The establishment of a standing emergency-response funding pathway for accredited, industry-led chemical safety programs within the Disaster Recovery Funding Arrangements (DRFA).

Rationale:

- ChemClear® helps farmers remove chemicals off farms, allowing farmers to safely dispose of these unwanted products.
- While ChemClear® has a demonstrable function as a critical disaster-relief capability, it is not formally recognised within national disaster-recovery frameworks. Consequently, each time a disaster event occurs, CropLife must submit a specific request to State and Commonwealth agencies to authorise emergency collections or secure funding assistance.
- This ad-hoc process slows mobilisation and delays support to affected communities at precisely the time when rapid hazardous-chemical recovery is essential to protect human health and prevent environmental contamination.
- CropLife recommends that the Australian Government formally acknowledge ChemClear® as an eligible disaster-relief and recovery program under an appropriate national mechanism. This could include integration into NEMA's operational guidance or the establishment of a standing emergency-response funding pathway for accredited,

industry-led chemical safety programs within the Disaster Recovery Funding Arrangements (DRFA).¹³

- Such formal recognition would enable timely activation of ChemClear® services following natural disasters, reduce administrative burden on governments and industry, and strengthen Australia's capacity to delivery rapid chemical recovery to support community and agricultural recovery.

7.2.2 Support community clean up through the safe removal of chemicals after natural disasters.

Proposal: Allocate \$2.5 million to subsidise farmers' costs of chemical clean up, following natural disasters.

Rationale:

- During and following natural disasters, there is an increased risk of contamination from agricultural chemicals for both humans and ecosystems.
- ChemClear has the expertise to remove these chemicals following natural disasters.
- Currently, ChemClear® collects and removes registered chemicals with no charge, as participating industry members subsidise the full cost. Chemicals that are no longer registered for use, unlabelled, expired, mixed or are from non-participating manufacturers incur a cost of collection on property owners. The age of these chemicals often means the content of the drums is unknown, posing risks to human health if they remain on the property and escalating safety concerns during natural disasters.
- The removal of these chemicals pays dividends in safety for community members, both before and after natural disasters such as floods and cyclones. The program also benefits waterways and local ecosystems by reducing the risk of contamination during such an event.
- CropLife recommends that the federal government allocate \$2.5 million to subsidise chemical cleanups following natural disasters.

Chemical Clean Up in Action: A Queensland Case Study

Following devastating flooding in 2022, the Queensland Government provided support to primary producers by subsidising up to 50 per cent of farmers' costs for chemical recovery under ChemClear®. This demonstrates the effectiveness of a government-industry partnership approach. The management and removal of these chemicals as part of the ChemClear® program protects Australian waterways, ecosystems, and human safety.

¹³ Australian Government | National Emergency Management Agency. *Disaster recovery funding arrangements*. <https://www.nema.gov.au/our-work/disaster-recovery/disaster-recovery-funding-arrangements>

7.3 Support best practice education to stop off-target chemical movement.

Proposal: Invest \$520,000 into mobile phone-friendly multi-media resources on spray management and drift mitigation.

Rationale:

- Spray drift is the most common cause of off-target chemical movement. Spray drift causes economic and productivity losses as well as potential damage to the surrounding natural environment.
- In line with CropLife's approach to whole-of-lifecycle product stewardship, CropLife has developed resources to support farmers, spray contractors and environmental land managers implement best-practice methods when using crop protection products. Industry has extensively invested in resources, such as MyAgCHEMUSE, SprayBEST and BeeConnected.
- CropLife recommends the Australian Government support the development of stewardship resources and best practice guides to mitigate the risk of off-target chemical movement. This includes supporting the development of multimedia and mobile-phone friendly resources, to improve record keeping, label reading, and spray preparation. Ensuring that farmers have ready access to expert guidance and information whilst 'in the field' is the important next step to developing whole-of-industry competence and ensuring Australia maintains its world class leadership in crop protection stewardship.
- Strengthening existing industry investment in stewardship resources will safeguard our agricultural sector's future by promoting best practice across all product users.

7.4 Leverage existing stewardship programs to deliver national circular economy goals

Proposal: Reform of the co-regulatory arrangements in National Environmental Protection (Used Packaging Materials) Measure 2011 allows respondent businesses to comply with stewardship obligations through participation in sector-led programs.

Rationale:

- The decision to develop co-regulatory arrangements under the National Environmental Protection (Used Packaging Materials) Measure (NEPM) was commendable. However, the reliance on a single scheme has limited the nation's ability to address critical environmental priorities, including the protection of waterways from plastic pollution and to truly deliver circular economy systems.
- CropLife's stewardship programs have demonstrated that industry-led initiatives can effectively reduce plastic waste, pollution, and contamination. drumMUSTER® accounts for nearly 40 per cent of Australia's agricultural recycling efforts, yet there is currently no

mechanism to formally recognise these achievements, and the efforts of participating companies, within Australia's plastics management framework.

- A stable, predictable and enabling policy environment is essential for continued stewardship infrastructure investment. Industry-led stewardship programs have underpinned industry confidence to bring new technologies, products, and innovations to the Australian market by demonstrating that end-of-life management, environmental responsibility, and community expectation are being met. When stewardship investment is supported, regulated consistently, and complemented by government partnership, it creates the conditions necessary for companies to invest in technology pathways that enhance productivity, sustainability, and environmental outcomes.
- CropLife recommends the federal government reform the model to allow respondent businesses to comply with stewardship obligations through participation in a competent and effective whole-of-lifecycle sector led stewardship program.
- The reform should enable the development of reporting frameworks, where participating programs can report on behalf of their members. Implementing a streamlined reporting mechanism through a peak industry body would also reduce duplication and ensure transparency, while reinforcing Australia's commitment to circular economies and preserving ecosystems.

CropLife Australia submits the following recommendations to the 2026-2027 Budget:

1. Create a patent extension scheme for agricultural chemical and crop biotechnology products, modelled on the existing scheme for pharmaceutical products, for a competitive and balanced IP regulatory system that encourages investment.
2. Appropriate an ongoing \$9 million per annum to the APVMA to fund the public good activities.
3. CropLife recommends the APVMA's Cost Recovery Arrangements include these specific arrangements:
 - a. Remove cross subsidisation of registered products not marketed in Australia, either by
 - i. Developing an optional payment system for new technology applications that incorporates credits and rebates on registration renewals or levies; and/or
 - ii. Increasing the renewal fees of "shelf" registrations that are not generating a levy.
 - b. Consider efficiency gains made by using new regulatory tools, including international assessments, and external scientific reviewers.
 - c. Providing the regulated industry with enough time to embed higher cost recovery into the budgets of global businesses.
 - d. Establish a system where the APVMA only undertakes consultation on a Cost Recovery Implementation Statement (CRIS) every three years, rather than annually.
4. The Australian Government supports the APVMA to increase its use of External Scientific Reviewers and Computer Aided Decision Making tools.
5. Impose an efficiency dividend on the APVMA.
6. Fund the establishment of an Agvet Chemical & Technology Innovation Centre of Excellence, with a \$25million commitment over 5 years.
7. CropLife recommends that the existing allocated funds be redirected to the Agricultural Collaborative Forum initiative for Minor Uses and Specialty Crops.
8. Increase Australian regulatory agencies' budgets to appropriately fund travel to international events.
9. Allocate \$1.5 million over three years to create a biosecurity permit coordinator position within the APVMA.
10. Allocate \$900,000 over three years to support biosecurity research.

11. Finalise the implementation of the recommendations of the Third Review of the National Gene Technology Scheme.
 - a. Urgently allocate resources to the Office of Parliamentary Counsel and the Department of Health and Aged Care to progress draft legislation through Parliament.
12. Avoid commencing cost recovery for the Office of the Gene Technology Regulator (OGTR).
13. Support the national scaling of bagMUSTER® with \$2.5 million over two years.
14. Formally acknowledge ChemClear® as an eligible disaster-relief and recovery program under an appropriate national mechanism, either through:
 - a. National Emergency Management Agency's (NEMA) operational guidance; or
 - b. the establishment of a standing emergency-response funding pathway for accredited, industry-led chemical safety programs within the Disaster Recovery Funding Arrangements (DRFA).
15. Allocate \$2.5 million to subsidise farmers' costs of chemical clean up, following natural disasters.
16. Invest \$520,000 into mobile phone-friendly multi-media resources on spray management and drift mitigation.
17. Reform the co-regulatory arrangements in National Environmental Protection (Used Packaging Materials) Measure 2011 allow respondent businesses to comply with stewardship obligations through participation in sector-led programs.