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1/08/2025

The Hon Dr Jim Chalmers MP
Treasurer

The Hon Senator Katy Gallagher
Minister for Finance

Parliament House
CANBERRA ACT 2600

Dear Dr Chalmers and Senator Gallagher

Response to request to identify regulatory reform opportunities

Thank you for your correspondence dated 4 July 2025 inviting the Australian Pesticides and Veterinary Medicines Authority (APVMA) to identify regulatory reform opportunities and bolster productivity growth. The APVMA welcomes the opportunity to support the Australian Government's ambition to lift national productivity, remove administrative red tape, and improve outcomes for all Australians.

As Australia's independent regulator of agricultural and veterinary (agvet) chemicals, the APVMA plays a critical role in protecting the health and safety of people, animals and the environment, and supporting agricultural productivity. Improving the performance of the agvet chemical regulatory system can unlock significant productivity gains. The absence of an efficient and effective agvet chemicals regulatory system will pose safety risks and threaten Australia's reputation as a high-quality exporter of agricultural products.

Current actions underway to boost agvet chemical productivity

The APVMA has commenced a significant transformation program following a series of independent reviews of the Australian agvet chemical regulatory system, including the *Final Report on Future Structure and Governance Arrangements for the Australian Pesticides and Veterinary Medicines Authority (APVMA)* (Rapid Evaluation). In line with the Australian Government's detailed response to the Rapid Evaluation published in November 2024, we are implementing a broad suite of reforms to strengthen regulatory performance, improve internal processes and structures, and rebuild stakeholder confidence. This transformation, comprising three key action areas, aligns closely with the Australian Government's regulatory reform agenda and provides a strong foundation for further initiatives to support national and agricultural productivity.

1. *Process Enhancement Initiative* – Commenced in November 2024 and ongoing, is a structured program of staff and stakeholder engagement designed to foster a culture of continuous innovation, streamline our registration, approval and variation processes, and improve our decision-making processes. To date, the initiative has captured more than 400 improvement and efficiency ideas from staff and stakeholders, identifying both operational and regulatory

opportunities for reform. This work reflects our strong commitment to continuous improvement and the delivery of a contemporary, effective agvet chemicals regulatory system.

2. *New organisational structure* – Commencing on 1 September 2025, APVMA is implementing a new organisational structure to further support improved regulatory performance and productivity. The restructure is designed to enable a more transparent and accountable approach to the management of assessments and applications, with clear cost streams for pre-market agricultural chemical and veterinary medicines assessments, and post-market assurance functions. The new structure will also support the implementation of tailored and simplified delivery models for agvet chemical approvals and registrations. These changes will provide greater clarity for stakeholders and government, and increase the responsiveness and efficiency of our operating model.
3. *A sustainable funding model* – Multiple independent reviews have highlighted the need to reform the APVMA's cost recovery arrangements to ensure we are adequately resourced to deliver our statutory functions, invest in digital infrastructure, and deliver new products to boost agricultural productivity. We have been working closely with the Minister of Agriculture, Fisheries and Forestry, the Hon Julie Collins MP, and her department, the Department of Agriculture, Fisheries and Forestry (DAFF), to progress these reforms and develop a fit-for-purpose funding model that supports long-term capacity and innovation.

Opportunities identified for agvet chemical regulatory reform

The following are some key concrete and tangible actions that have been identified through our Process Enhancement Initiative for implementation to enhance productivity.

- a) Accelerated regulatory pathways for new innovative products such as biologicals and RNA products

The APVMA is working with DAFF and the Office of the Gene Technology Regulator to explore a range of opportunities to modernise and streamline regulatory processes across Australian regulators involved in emerging technologies such as biological and RNA-based products to encourage registration of these new technologies in the Australian market to enhance on-farm productivity.

- b) Increased leveraging of the work of trusted overseas regulators

The APVMA is working on further leveraging international regulatory cooperation to improve internal efficiency. This includes strengthening regulatory harmonisation and mutual recognition with trusted overseas regulators, expanding Global Joint Reviews, and establishing a secure digital platform to support more effective information sharing. The APVMA is also considering recognising international approvals and adopting global standards more quickly, which could reduce regulatory timeframes and support Australian trade, while still meeting Australian legislative requirements.

- c) Streamlining regulatory processes and approvals for low regulatory concern products

The APVMA is exploring a range of opportunities to modernise and streamline its regulatory processes, with a particular focus on enabling more timely access to low concern agvet chemical products. This includes simplifying current regulatory requirements for products that are of low regulatory concern —through better use of low concern registration pathways provided under the *Agricultural and Veterinary Chemicals Code Act 1994* (Agvet Code). The APVMA could also make

greater use of powers under the Agvet Code to establish a list of low concern products and actives eligible for simplified registration pathways.

d) Improved pathways for minor use product approvals

The APVMA is considering options to make the registration of minor use products more efficient, particularly those that have been repeatedly issued minor use permits and are considered low regulatory concern. In collaboration with DAFF, the APVMA will explore potential policy settings to support the transition of such products from permit to full registration. These reforms aim to reduce regulatory red tape and ensure that regulatory effort is proportionate with risk.

e) Improved application processes

The APVMA will undertake a comprehensive review of its application processes, including its Pre-Application Assistance (PAA) service and preliminary assessment processes to improve efficiency through triaging and assessing applications appropriately from the outset. This work is closely aligned with the agency's organisational restructure, which will better position the APVMA to manage assessments and applications with greater transparency and accountability. Key initiatives include reviewing the Application Instrument and updating website content to improve guidance materials. These reforms aim to reduce administrative burden and improve clarity for applicants.

f) Increased use of external scientific expertise

To supplement internal expertise and improve the timeliness of assessments, the APVMA is expanding its use of external scientific reviewers to support regulatory decision-making. This approach allows the APVMA to access specialised technical capability on demand, manage peaks in workload, and ensure assessments are completed to a high standard. This model provides a flexible and scalable way to streamline regulatory processes and approvals while maintaining scientific integrity and stakeholder confidence.

Over the horizon – supporting long-term agvet chemical regulatory reform

While the APVMA is progressing tangible improvements to boost productivity and efficiencies, we are also identifying opportunities for longer-term reforms to ensure agvet regulatory system is fit-for-purpose. This includes exploring options for a comprehensive review of the agvet chemical legislative framework to better reflect contemporary regulatory practice and accommodate future innovations in agvet chemical technologies. Advancing these reforms would require close collaboration with DAFF, as the legislation owners, and key stakeholders to influence broader policy objectives and meet community expectations.

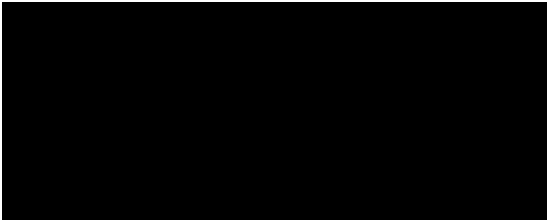
To lay the groundwork for future digital transformation, the APVMA would need to undertake a comprehensive digital needs analysis to assess current capability gaps, system limitations, and future operational requirements that is mapped against our legislation. This analysis would inform the development of a staged digital investment plan aligned with our strategic priorities. Future technology investments will need to be scalable, secure, and capable of supporting more efficient, transparent, and user-centred regulatory processes.

Boosting productivity requires there to be stakeholder confidence in the safety and efficacy of registered agvet chemical products. To maintain and strengthen this trust, the APVMA will need to review and modernise its chemical review and adverse experience reporting programs. These post-market regulatory functions are essential to identifying emerging risks, responding to new

scientific evidence, and ensuring products continue to meet statutory requirements throughout their lifecycle. Reviews of these programs would allow us to improve timeliness, transparency, and responsiveness for all Australians.

We look forward to engaging further with the Treasury, Department of Finance and DAFF to support Australia's productivity agenda and strengthen economic resilience. Please do not hesitate to contact me should you require further detail or wish to explore these proposals in greater depth.

Yours sincerely



Scott Hansen
Chief Executive Officer

CC: The Hon. Julie Collins MP, Minister for Agriculture, Fisheries and Forestry

Mr Adam Fennessy PSM, Secretary, Department of Agriculture, Fisheries and Forestry

Dr Catherine Ainsworth, Board Chair, Australian Pesticides and Veterinary Medicines Authority