



Australian Government
Department of Agriculture,
Fisheries and Forestry

ADAM FENNESSY PSM
SECRETARY

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The Hon Jim Chalmers MP
Treasurer of Australia

Senator the Hon Katy Gallagher
Minister for Finance
Minister for the Public Service
Minister for Women

c/- Parliament House
Canberra ACT 2600

Dear Treasurer and Minister Gallagher

Thank you for your letter of 4 July 2025 inviting the Department of Agriculture, Fisheries and Forestry (the department) to contribute to the government's productivity agenda through regulatory reform. We welcome this opportunity and strongly support efforts to enhance regulatory efficiency to reduce business costs and drive innovation and investment across the agriculture, fisheries and forestry sector. Efficient international trade, underpinned by robust biosecurity, is essential to the agricultural sector's contribution to national productivity and economic performance.

The department has a broad regulatory remit across biosecurity, export assurance, food safety and other key areas of Australia's agricultural and trade systems. We work closely with portfolio regulators – the Australian Pesticides and Veterinary Medicines Authority (APVMA), the Australian Fisheries Management Authority (AFMA) and Wine Australia – to ensure effective, risk-based regulation across the sector.

Through our statutory responsibilities, the department plays a crucial role in ensuring that regulatory settings drive productivity and economic resilience by supporting industry and consumer confidence, competitiveness and agility, while protecting biosecurity and environmental outcomes that underpin sustainable agricultural production and market access. Our regulatory approach safeguards public trust and serves the national interest – advancing a more resilient, prosperous and secure Australia.

Recent regulatory improvements

The department recognises that regulatory frameworks impact business costs, competition, dynamism and investment. As part of our commitment to regulatory stewardship, we are undertaking steps to lift productivity through targeted reforms. The *Export Control Act 2020* consolidated and streamlined export legislation to improve compliance and market responsiveness. Regular reviews of the *Biosecurity Act 2015* are helping to streamline import regulations, reduce compliance costs and support productivity and growth. For example, the Simplified Targeting and Enhanced Processing Systems (STEPS) reforms will enhance biosecurity risk management through faster, simpler and more integrated digital cargo clearance systems, including a reduction in call times for businesses through online cargo status updates. The Digital Services to Take Farmers to Market reforms have streamlined agricultural export processes, cutting delivery times and saving

exporters time and money. These reforms are complemented by improved client support, streamlined internal processes and clearer regulatory guidance, underpinned by more responsive industry engagement and ongoing investment in regulatory capability.

The department has modernised the legislative framework underpinning the agricultural levy system – a government-industry partnership that provides investment of over \$1 billion a year for research and development (R&D), marketing, biosecurity and residue testing. Over the past 12 months we have replaced over 50 pieces of legislation with five streamlined Acts and associated subordinate instruments. This simplifies administration and facilitates industry interaction, supporting more efficient investment and driving more sustainable, competitive and productive growth in the sector.

Many businesses and consumers contribute to the financial sustainability of agricultural regulatory systems through cost recovery mechanisms. In support of continuous improvement to regulatory systems, the department is undertaking a portfolio charging review of all existing and potential charging activities.

The department has strengthened international regulatory engagement to tackle non-tariff barriers faced by our exporters. This has been achieved through our participation in international standard setting organisations, our department’s international agricultural counsellor networks, targeted market access negotiations and enhanced collaboration with the domestic agricultural industry to identify and resolve trade impediments.

These reforms reflect our commitment to regulation that fosters innovation, competitiveness and investment, while upholding Australia’s high standards for biosecurity, health, safety and sustainability. Our approach is grounded in strong engagement with industry and a recognition that regulation must adapt to economic, environmental and technological change.

Near-term regulatory reforms

The department will continue taking a leadership role across our portfolio regulators and ensure these reforms align with their efforts to adopt more efficient, digital and risk-informed regulatory models. We will continue working across government, especially with the Australian Border Force, to support regulatory uplift for cross-border trade while managing biosecurity risks.

In consultation with key stakeholders, the department has identified key reforms to sharpen regulatory effectiveness and to continue building a more adaptive, proportionate and evidence-informed regulatory culture. The identified reforms reflect immediate opportunities that are concrete and tangible with identifiable implementation pathways, that do not need legislative change and can be delivered within existing budgets. First, the department is progressing efforts to streamlining pre-arrival vessel reporting requirements for businesses to reduce compliance burdens and costs. Second, we will deliver improved regulatory guidance to further support implementation of the modernised agricultural levies legislation, and a more efficient and effective levy system. These early actions are scalable and lay the groundwork for impactful reforms.

These near-term reforms will build momentum for ongoing regulatory reform and are informed by lessons from previous efforts – including in digital readiness, industry codesign and cross-agency coordination. Continued progress depends on the department’s use of smarter tools, adaptive systems and better integration across regulatory functions.

The department remains committed to meaningful measurement of our performance. In our Annual Report we track several key metrics. For example, in relation to the reforms discussed here, we track the cost of levies administration relative to the total levies disbursed and the number of electronic

export certificates issued as we transition toward paperless trade. These indicators help us assess how effectively we are reducing regulatory burden, improving digital service delivery and maintaining responsive border operations.

More ambitious regulatory reform opportunities

While the initial focus of my department is on identifying reforms that are budget neutral or positive in the near term, we also see a strong link between targeted streamlining and broader regulatory reform. When aligned, these efforts can create the conditions for more transformative productivity gains – though some would require investment as well as system-wide changes. In some cases, whole-of-government collaboration is required. These more ambitious reforms reflect the scale of opportunity for the sector and the national economy. Importantly, they would provide tangible reductions to the regulatory burden faced by agricultural industry to facilitate competition and economic resilience and deliver benefits to the wider economy that should well exceed initial investments.

We see opportunities to further modernise biosecurity and cross-border trade regulation. These include enabling paperless trade, streamlining biosecurity requirements and simplifying assessment processes for imports to ensure they comply with Australia's regulatory requirements. The department and portfolio regulators also see potential in further digital reforms, including the appropriate and safe use of artificial intelligence (AI), to reduce regulatory burden.

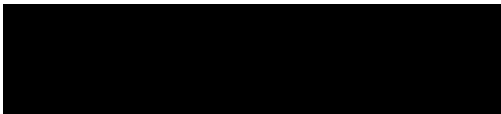
The department will continue to identify high-impact reforms and advance them for government consideration based on transparent cost-benefit analysis, including to inform the upcoming Economic Reform Roundtable. We also support initiatives outlined in our portfolio regulator response letters, such as agvet chemical reforms, and will pursue efficiencies through a coordinated portfolio-wide approach, particularly for reforms involving digital and AI enhancements.

Realising this broader suite of reforms would require investment, cross-agency collaboration, a shared approach to digital capability and sustained commitment to future-ready regulation. These opportunities extend beyond the agriculture, fisheries and forestry sectors and hold significant promise for unlocking long-term productivity, economic resilience and sustainability across the Australian economy.

We are also committed to contributing to the broader whole-of-government regulatory reform agenda through our participation in cross-agency initiatives such as the Regulator Leadership Cohort and exploring opportunities to collaborate across regulators to enhance efficiency and effectiveness.

Thank you for the opportunity for my department to identify regulatory reforms that will support the government's agenda to meaningfully lift Australia's economic productivity.

Yours sincerely



Adam Fennessy PSM
31 July 2025

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