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17 March 2023

Future Traceability Hub Department of Agriculture, Fisheries and Forestry

Submission by website only: <u>National Agricultural Traceability | Have Your Say - Agriculture, Fisheries and Forestry</u>

Re: consultation on Implementation Plan for the National Agricultural Traceability Strategy 2023-2028

Thank you for the opportunity to provide comment on the Implementation Plan for the National Agricultural Traceability Strategy 2023-2028.

Animal Medicines Australia (AMA) is the peak industry association representing the registrants and approval holders of veterinary medicines and animal health products in Australia. They are the local divisions of global innovators, manufacturers, formulators and registrants that supply essential veterinary medicines and animal health products that are critical to supporting Australia's \$34 billion livestock industry and the \$30 billion pet industry. Our members represent more than 90% of registered veterinary medicine sales in Australia.

As outlined in our submission to the consultation on the draft National Agricultural Traceability Strategy ('the Strategy'), AMA supports the development of a traceability strategy that will enhance animal health, human health, food safety and trade market access. A national traceability system will provide important assurance to Australia's valuable trade markets and confer a competitive advantage for Australian producers.

AMA supports the development of an implementation plan in parallel with the Strategy. Ensuring that the Strategy's objectives are measurable and that the metrics for success reflect the desired outcomes of the Strategy is key to the successful implementation of the Strategy and is a logical first step towards delivering a robust, efficient and appropriate traceability strategy.

AMA member companies produce animal health products that are critical inputs to Australia's livestock production systems. They include tools and technologies that protect and improve animal health and welfare, support effective biosecurity responses and ensure food safety. Biosecurity and food safety are essential foundations for our valuable agricultural and trade industries. Australia has

an international reputation as a trusted producer of high quality, and safe, food and fibre, and that reputation provides a competitive advantage in global trade markets.

The prosperity of Australia's agricultural sector and its ability to deliver on reliable, safe and sustainable production and trade of animals and animal-derived commodities is dependent on the successful adoption of new technologies. Systems, processes and techniques that support the collection and analysis of large data sets are key to critically important animal health strategies for disease surveillance, diagnostics, biosecurity, emergency disease management, regulatory compliance and quality assurance frameworks.

New technologies in animal health require scientific and risk-based approaches and policy settings that aim to eliminate barriers, provide seamless systems across the supply chain, incentivise development of local infrastructure and resources, facilitate collaboration, support regulatory innovation, promote unencumbered trade of animals and animal products, support animal welfare of both livestock and companion animals, and meet the challenges of social license.

The draft Implementation Plan would benefit from clarity regarding the protection of potentially sensitive data. The plan correctly identifies trust as a key component of the successful implementation of the Strategy but no detail regarding how sensitive data will be managed and protected is provided.

The Benefits Register correctly identifies the lack of baseline data for many of the KPIs as a risk that may result in unrealistic or unidentified targets. The risk mitigation proposed for this risk is that short-and long-term measures have been identified to improve measurability. No additional information, however, outlining *how* these measures may be used to generate baseline data has been provided. Measurability of the KPIs is paramount to facilitate a meaningful traceability strategy and demonstrate achievement of goals and progression towards targets – hence, where baseline data are not currently available, clear pathways to generating such data are required.

The draft Implementation Plan correctly identifies a number of risks associated with sourcing sufficient resources and funding to support and implement the Strategy. The proposed mitigation strategies are focused on identifying multiple stakeholders as potential sources of funding and other support. This approach carries its own risks – including existing funding commitments and limitations of the various livestock sectors. As highlighted by the Benefits Register, disparate funding sources may introduce uncertainty to implementation activities and timelines. Simply identifying benefits associated with delivery of the Strategy – the mitigation strategy associated with this risk – will not overcome funding limitations experienced by various livestock sectors. To facilitate an appropriate funding model, the Strategy's purpose must be clearly identified and aligned with the proposed point of cost recovery. An appropriate, sustainable funding model must be identified prior to the introduction of the Strategy, to ensure key priorities are met and provide confidence to affected stakeholders and international trading partners that the Strategy will be delivered.

It is important to ensure that any funding or administrative burden arising from a traceability system and placed on stakeholders in the agricultural supply chain is minimised, and duplicative regulatory requirements and reporting obligations are avoided.

The proposal to ensure that the traceability activities dovetail with existing programs is supported. The success of the Strategy will depend on stakeholder engagement and support. Achieving the Pressing Challenges identified in the draft Strategy and Implementation Plan will require collaborative, open and trustworthy engagement with, and by, all stakeholders. Many activities will require provision of information by industry to government. The process by which this information is provided requires

careful consideration and consultation with the affected industries and, where possible, should dovetail with existing data collection programs including industry auditing and reporting systems etc.

AMA supports the government's Principles of Best Practice Regulation to guide how regulation should be developed and implemented. The appropriate and efficient implementation of scientific, risk-based regulation that adheres to these principles is key to maximising productivity. The discipline and rigor provided by these principles encourages regulation that is appropriate, justified, properly targeted and proportionate. AMA expects adherence to the Principles of Best Practice Regulation wherever there is an expectation of compliance by the regulated community.

The implementation plan correctly states that "an effective BRM plan is contingent on implementing a governance process that is outcome-focused throughout the strategy's implementation lifecycle." AMA is concerned that, despite this statement, the governance plan has not been outlined in the draft Implementation Plan — instead, the governance structure is described simply as being "under development." The governance arrangements associated with the Strategy will be instrumental in determining how it is perceived by international trade partners, as well as providing assurance that the Strategy will deliver it's aims, which will be crucial for stakeholder buy-in. Further detail regarding the governance of the Strategy and its implementation is required for affected stakeholders to appropriately consider their roles and responsibilities under the program and will be instrumental in determining funding and resourcing arrangements.

In summary, AMA supports the principles of agricultural traceability to protect animal health, human health, food safety and trade market access, as well as the principles outlined in the draft Implementation Plan to achieve these objectives. An appropriately implemented national traceability system will provide assurance to Australia's trade markets and confer a competitive advantage for Australian producers.

AMA expects that further opportunities for consultation on this implementation plan will be provided as the elements discussed above are more clearly defined. We look forward to further stakeholder engagement as the Strategy is finalised.

If we can provide any further information at any time, please do not hesitate to contact me.

Yours sincerely,

Dr Katie Asplin

Director Animal Health Stewardship

¹https://obpr.pmc.gov.au/resources/guidance-impact-analysis/australian-government-guide-regulatory-impact-analysis