13 December 2023

Department of Agriculture, Fisheries and Forestry
Australian Government

Online submission only

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Dear Sir/Madam,

Re: Submission to *Agriculture and Land Sectoral Plan*

Thank you for the opportunity to provide our comments on the consultation for the *Agriculture and Land Sectoral Plan*.

Animal Medicines Australia (AMA) is the peak industry body representing the leading animal health companies in Australia. Our members are innovators, manufacturers, registrants and suppliers of a broad range of veterinary medicines. Our members work at the cutting edge of animal health science to prevent, control and treat disease across the livestock, equine and companion animal sectors. Products from our member companies account for more than 90% of all animal health products in Australia.

The interconnected relationship between human health and animal health within an environment that we share is complex. Understanding and embracing this relationship is critical to ensuring a sustainable and resilient future for Australia. AMA seeks to ensure that the importance of animal health is recognised in all national priorities and strategies, including Australia's net zero plan.

The animal health sector has a strong history of innovation and an ambitious goal of a world where the threat of disease is significantly reduced by improving animal immunity and disease prevention strategies, developing earlier, more specific diagnostic technologies and more accurate, effective treatments. Fewer animals lost or suffering from disease will not only improve food security and safety, but also reduce pressure on natural resources and lower emissions associated with animal production.

The animal health sector is keen to engage and work collaboratively to address the challenges associated with a changing climate. Animal Medicines Australia is pleased to provide the following comments on the *Agriculture and Land Sectoral Plan* (the Plan) for consideration by the Government.

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

Yours sincerely,

Dr Katie Asplin

Director Animal Health Stewardship

SUBMISSION ON

Agriculture and Land Sectoral Plan

13 December 2023

Animal Medicines Australia

Introduction

Animal Medicines Australia (AMA) is the peak body representing the leading animal health companies in Australia. AMA member companies are the innovators, manufacturers, formulators and registrants of a broad range of veterinary medicine products that prevent, control and cure disease across the companion animal, livestock and equine sectors.

As highlighted by the Plan, Australia's multi-billion dollar agriculture sector is already feeling the effects of climate change, with extreme weather events and changing seasonal conditions providing significant challenges to farmers producing food, feed and fibre.

Australia has a varied, unique and often challenging environment and Australian farmers have always been adaptable and keen to embrace innovation to help them meet these challenges. In recent years, the increased severity of environmental conditions and frequency of natural disasters like drought, flood and fires bring with them an even greater need for innovative solutions. These changing environmental conditions will alter the distribution and behaviour of many animal and insect species, in turn leading to changing distributions of vector-borne diseases.

AMA's report *Actions in Animal Health Sustainability 2022*[1] describes the role animal medicines play in ensuring Australians have access to safe, nutritious and affordable food, improving the health and wellbeing of the people and animals that make up our communities, and contributing to the health and biodiversity of our natural environment.

The global population is expected to increase from the current 7.7 billion to 9.7 billion by 2050, with the population in Australia and New Zealand projected to increase by 28 percent. At the same time, the global middle class is expected to expand to 5.3 billion people. Collectively, these changes in population metrics are expected to generate a 35 percent increase in the demand for food by 2030 and a substantial increase in demand for animal protein from meat, eggs or dairy. At the same time, global climate change will continue to place growing pressures on agricultural production, especially on the quantity, quality, reliability of supply and sustainability of various commodities.

To continue to meet the growing demands for animal protein, both domestically and for our important export markets, Australian livestock farmers will be required to not only improve productivity, but also their efficiency – that is, improving productivity while simultaneously reducing their environmental impact and ensuring agricultural operations remain economically viable.

Improving animal health offers a cost-effective and sustainable opportunity for livestock industries to reduce emissions and manage climate risks. In addition to the significant productivity and sustainability benefits, healthy animals produce less emissions of key climate gases, including carbon dioxide and methane. Every animal lost to illness and disease requires another to be raised elsewhere to meet market demand – representing emissions spent that are not subsequently converted into food.

Key points

- Improving animal health offers a cost-effective and sustainable opportunity for livestock industries to reduce emissions and manage climate risks.
- In addition to the significant productivity and sustainability benefits, healthy animals produce less emissions of key climate gases, including carbon dioxide and methane.
- Federal and State governments should recognise and incorporate animal health improvements made by livestock industries within climate change policy frameworks and emissions auditing systems. Incorporating animal health benefits will avoid market distortions in investments that may result in negative animal health and welfare outcomes.
- Regulatory frameworks for animal health products should be streamlined to accommodate legitimate, science- and evidence-based climate product claims.

[1] AMA: Actions in Animal Health Sustainability; available at https://animalmedicinesaustralia.org.au/industry-stewardship/actions-in-animal-health-sustainability/

The role of improved animal health in meeting climate challenges

A recent Oxford Analytica report commissioned by HealthforAnimals, *Animal health and Sustainability: A Global Data Analysis*, found that improving animal health and husbandry practices could reduce emissions by 16 to 30%.[2] This would enable livestock producers to increase production to meet the needs of an additional 1.9 billion people without increasing current emissions.

The report found that a 10% decline in global animal disease levels is associated with an 800 million tonne decrease in livestock greenhouse gas (GHG) emissions.

A new report published by the United Nations Food and Agriculture Organisation (UNFAO), *Pathways towards lower emissions: A global assessment of the greenhouse gas emissions and mitigation options from livestock agrifood systems* found that improved animal health could lower global livestock emissions by a more conservative 10%. The report highlighted that, in combination with a number of innovations and practices, improving animal health has the "potential to reduce emissions from the livestock sector significantly, while still meeting the additional 20 percent animal protein demand projected by 2050."[3]

Similar data in Australian production systems would provide a mechanism for animal industries to demonstrate their climate performance and emissions reduction achievements, as well as provide incentive for improvement through better animal health. Existing models used to generate emissions reduction outcomes associated with disease prevention or mitigation require validation in Australian production systems.

Poor animal health can have significant environmental impacts, with disease among cattle shown to increase greenhouse gas emissions by up to a quarter per unit of milk and more than double per beef carcass. Further, every animal lost to illness and disease requires another to be raised elsewhere to meet market demand – representing emissions spent that are not subsequently converted into food.

The UNFAO launched a landmark report in 2022, *The Role of Animal Health in National Climate Commitments*, that provided a blueprint for nations to better leverage the transformative value of animal health in climate strategies. The report found that improved animal health should be one of the key action points to reduce GHG emissions, yet "livestock, with only 2% of climate finance received, has been one of the least financed sub-sectors."[4]

The Plan presents a chance to change this dynamic in Australia. Investments in animal health not only support more productive livestock systems, but also result in lower emissions and superior animal welfare outcomes, all while meeting increasing demands for animal-sourced foods from growing populations. This investment would offer a pathway for strengthening the sustainability of livestock farming while meeting global climate commitments.

The Australian animal health sector is working towards a future where the impacts of animal disease on the environment, animal and human health and the livelihoods of Australians are greatly reduced. Scientific advances and emerging technologies are providing novel solutions for improving individual and herd immunity and disease prevention, as well as rapid, specific diagnostic processes and targeted, effective treatment options. Ready access to and widespread adoption of these ground-breaking innovations will assist the Australian livestock industries in achieving their own sustainability goals, by reducing emissions and the use of natural resources, as well as minimising the number of animals lost to disease.

Sustainable food production

Australia's economy is heavily dependent on agricultural production. Australia produces significantly more food than we consume, with around 70 percent of total agricultural production exported overseas.

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[2] HealthforAnimals: Animal health and Sustainability – A Global Data Analysis; available at https://www.healthforanimals.org/reports/animal-health-and-sustainability/

[3] UNFAO: Pathways towards lower emissions; available at https://www.fao.org/documents/card/en/c/cc9029en

[4] UNFAO: The role of animal health in national climate commitments; available at https://www.fao.org/3/cc0431en/cc0431en.pdf

Every year, each Australian farmer produces enough food for 600 people and it has been estimated that, while our population sits at around 26 million, 61 million people will eat food produced in Australia.

With a rising global population requiring food, and in a climate-changed future, Australian livestock farmers will be required to not only improve productivity, but also their efficiency – that is, improving productivity while simultaneously reducing their environmental impact and ensuring agricultural operations remain economically viable.

In a changing climate, feeding an increasing global population and the burgeoning middle class sustainably is an enormous challenge that cannot be solved simply by increasing the size of production systems. Healthy animals produce more meat, milk and eggs, thereby enabling farmers to meet the increasing demand for animal protein with fewer animals. Improvements in agricultural technologies including genetics, automated farming systems, GPS devices, thermal imaging, nutrition and animal health have enabled a 20 percent reduction in land requirements for livestock while doubling production. This, in turn, limits the need for expansion of farming land and allows the dedication of existing farmland to regeneration and biodiversity enhancement projects.

Animal health products are critical tools to feed a growing world population and produce more food more sustainably, whilst simultaneously using less land and resources, and reducing greenhouse gas emissions from those food production systems.

Maintaining the health and welfare of Australia's livestock will be a critical component of achieving the National Farmers Federation's ambitious goal of Australian agriculture being a $100 billion sector. All of Australia's major livestock industries, including beef, dairy, pork, sheep and poultry, focus on animal health and welfare in their sustainability frameworks and targets, reflecting the devastating impact disease outbreaks could have on the Australian livestock sector – and subsequently, the availability of safe, nutritious food for all Australians and those who rely on Australia's export markets.

The 2023 report *Animal health and Sustainability: A Global Data Analysis* examined the broader relationship between animal health and the economy, environment and society, and quantified the association between good animal health on productivity and greenhouse gas emissions. The modelling found that livestock diseases were associated with significant increases in livestock GHG emissions and land use, while vaccination and parasite control correlates to reductions in both.

Key findings of the report included:

- A 60% global vaccination rate for beef cattle correlates to a rise in productivity of more than 52.6%. This is equivalent to the beef consumption needs of 3.1 billion people.
- Every 1% reduction in livestock disease rates would increase production enough to meet the average annual meat consumption needs of 82 million people.
- A 40% global vaccination rate for cattle is associated with a 5-13% reduction in the land required for livestock production.
- When 20% of poultry globally are affected by disease, 8.6% more land is estimated to be necessary to maintain production levels.
- UN FAO data showed that scaling up existing practices in animal health and husbandry could potentially meet the needs of a global population of over 9 billion in 2050 without increasing GHG emissions.

The Report indicates that livestock disease control can impact global needs and targets, and deliver multiplier benefits for economic, environmental and social sustainability. These include reductions in GHG emissions, hunger, malnutrition, undernutrition, food insecurity and poverty in line with the targets set by the UN's Sustainable Development Goals for 2030.

Providing incentives for investment:

The animal health sector has a strong history of innovation and an ambitious goal of a world where the threat of disease is significantly reduced, fewer animals are lost or suffering from disease, food security and safety are improved and lower emissions are associated with animal production.

The veterinary medicine sector is one of Australia's most highly regulated industries, with significant regulatory requirements regarding efficacy, safety and quality assurance. The majority of animal health products available in Australia are currently manufactured overseas, alongside small-volume, high-value global exports of Australian-made veterinary medicines.

Australia's business operating environment has important ramifications for innovation in veterinary medicines, which could include new chemical entities, new formulations, delivery mechanisms, packaging, compliance aids and other platforms to assist in the delivery of healthcare for animals.

Innovation in animal health requires scientific and risk-based approaches and policy settings that aim to eliminate barriers, provide seamless systems between registrations and product uses, 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.

Australia's ability to deliver on sustainability goals and emissions targets, efficiency, trade (in animals and animal commodities) and economic goals is dependent on the commercialisation and adoption of new technologies, and regulation that is effective, efficient, fit for purpose, and consistent with government principles of best practice regulation. The Australian market is small, which limits the ability of companies to recover the costs of bringing a new product to the market. Particularly for new and emerging technologies, there may be minimal regulatory guidance or standards available, which can stifle the opportunities for new technologies to be brought to the local market. Streamlining interactions between industry, stakeholders and government, and recognising intellectual property and other incentives that support commercial decision-making, will encourage investment in Australia.

Australia's regulatory environment must support efficient and appropriate evaluation of new technologies and encourage the adoption of innovations across broad areas to address animal health challenges, such as genetics, remote sensing, management systems, information technology and robotics. The Government must also be mindful not to create regulatory barriers to the adoption of these technologies, noting the small size of the Australian animal health sector within the global context.

Regulatory frameworks for animal health products should be streamlined to accommodate legitimate, science- and evidence-based climate product claims. These should be regulated consistently with other frameworks dedicated to environmental sustainability product claim and comply with Australian Consumer Law (e.g. misleading or deceptive conduct provisions) and be recognised by the broader regulatory framework administered by the Australian Pesticides and Veterinary Medicines Authority (APVMA).

A One Health response is required to monitor and predict both direct and indirect biosecurity and disease preparedness risks associated with climate change. Animal health industries need to be included in all aspects of policy formulation, planning and implementation related to biosecurity and disease preparedness.

In Summary:

Animal Medicines Australia welcomes the Government's commitment to addressing the impacts of climate change.

Healthy animals produce less emissions of key climate gases, including carbon dioxide and methane. Improving animal health offers a cost-effective and sustainable opportunity for livestock industries to reduce emissions and manage climate risks.

Federal and State governments should recognise and incorporate animal health improvements made by livestock industries within climate change policy frameworks and emissions auditing systems. Incorporating animal health benefits will avoid market distortions in investments that may result in negative animal health and welfare outcomes.

Regulatory frameworks for animal health products should be streamlined to accommodate legitimate, science- and evidence-based climate product claims. These should be regulated consistently with other

frameworks dedicated to environmental sustainability product claim and comply with Australian Consumer Law (e.g. misleading or deceptive conduct provisions).

Attach: Actions in Animal Health Sustainability 2022

Animal health and Sustainability: A Global Data Analysis