CropLife Australia

September 2025

National competition policy analysis 2025 (interim report)

Productivity Commission

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 of which 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 country.[1] CropLife Australia is a member of CropLife Asia and part of the CropLife International Federation of 91 CropLife national associations globally.

CropLife welcomes the opportunity to comment on the Productivity Commission's interim report on its *National Competition Policy analysis 2025*. This submission is provided in the context of the current national packaging regulatory reform process. The process commenced following the Environment Ministers (EMM) Meeting on 10 November 2023, where the EMM agreed "*that the Federal government will step up as the new regulator of packaging standards.*"[2] At the time of writing, the Department of Climate Change, Energy, the Environment and Water (DCCEEW) has been progressing the national packaging regulatory reform process.[3] DCCEEW completed its initial

[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] "DCCEEW | Agreed Communique - 10 November 2023," Communiques, n.d., https://www.dcceew.gov.au/about/news/stay-informed/communiques#environment-ministers-meeting.

[3] "DCCEEW | Reforming Packaging Regulation," n.d., https://www.dcceew.gov.au/environment/protection/waste/packaging/reforming-packaging-regulation.

consultation in October 2024 and is currently continuing to develop the framework in line with the EMM's agreement.[4]

CropLife and its members support the Commission's focus on the adoption of international and overseas standards. The harmonisation of regulated standards across Australian jurisdictions is also supported, as these measures are crucial to improving productivity and reducing costs. As the Commission has noted, "*alignment with overseas standards is also particularly relevant to new areas of regulations such as artificial intelligence*" (page 8). Packaging, too, represents a new area of regulation, where early adoption of harmonised international standards will be essential to ensure consistency, reduce regulatory burned, and foster competitiveness.

THE IMPACT OF PACKAGING ON PRODUCTIVITY

Packaging, much like transport and energy, are economy-wide enablers. Inefficiencies in packaging requirements cascade through all sectors and across every stage of the supply chain; increasing costs, constraining innovation, and undermining effective product stewardship.

For Australian agriculture and the plant science sector, packaging standards directly affect the availability, cost, and design of products, many of which are imported pre-packaged. Business in the plant science industry typically operate across multiple international markets, with packaging designed to comply with larger, established overseas standards. Divergence from these standards in Australia risks creating unnecessary technical barriers, duplicating compliance obligations, which may deter multinational companies from supplying the Australian market. This would significantly restrict product choice for farmers and the broader agricultural sector creating the large opportunity cost of foregone productivity.

In addition to market competition, packaging standards will also directly affect whether industry-led stewardship programs, such as drumMUSTER and bagMUSTER, can operate at scale and with maximum efficiency. Recycling infrastructure is highly material-specific, particularly for plastics. Not all plastics can be processed in the same way, and successful recovery systems depend on clear differentiation between polymer types. For example, under the bagMUSTER program different categories of soft plastics must be separated and managed through distinct streams. If packaging standards fail to account for these practical realities, they risk undermining the

[4] "DCCEEW | Reform of Packaging Regulation," Consultation hub, n.d., https://consult.dcceew.gov.au/reform-of-packaging-regulation.

viability of stewardship programs, driving up costs for industry, and ultimately reducing both recycling outcomes and environmental benefits for Australia.

PACKAGING STANDARDS AND THE NEED FOR HARMONISATION

The Commission's interim report identifies that divergence from international standards and inconsistencies between states can create technical barriers to trade (page 48). In the context of packaging regulation, both issues are acute and the need for harmonisation was highlighted at the EMM on 9 June 2023, where it was resolved that "*… Australia will mandate obligations for packaging design as part of a new packaging regulatory scheme based on international best practice…*".[5]

The Australian market is relatively small by global standards. Pesticide products, and their associated packaging included, where more than 95 per cent of crop protection products are imported, in packaging that is also manufactured overseas.[6] Imposing bespoke, Australian-specific packaging requirements on these products risks constraining supply and increasing prices for farmers and other end users, as alluded to on page 30 of the interim report.

Aligning Australia's packaging framework with established international standards will also place Australia in step with emerging global policy directions. The negotiations toward a UN Global Plastics Treaty explore principles such as design-for-recyclability, lifecycle accountability, and harmonisation of packaging requirements.[7] These principles are also consistent with the Federal Government's National Plastics Plan and the 2025 National Packaging Targets, ensuring that domestic policy directions remain aligned with both international and national objectives.[8,9]

---

[5] "DCCEEW | Agreed Communique - 9 June 2023," Communiques, n.d., https://www.dcceew.gov.au/about/news/stay-informed/communiques#environment-ministers-meeting.

[6] "IndexBox | Australia's Pesticides Market: Consumption to Rise Over Next Decade, Reaching 391K Tons and $1.8B by 2035," n.d., https://www.indexbox.io/blog/pesticide-australia-market-overview-2024-1/.

[7] "UNEP | Resolution Adopted by the United Nations Environment Assembly on 2 March 2022 End Plastic Pollution: Towards an International Legally Binding Instrument UNEP/EA.5/Res.14," March 7, 2022, https://wedocs.unep.org/xmlui/bitstream/handle/20.500.11822/39764/END%20PLASTIC%20POLLUTION%20-%20TOWARDS%20AN%20INTERNATIONAL%20LEGALLY%20BINDING%20INSTRUMENT%20-%20English.pdf.

[8] "DCCEEW | National Plastics Plan," n.d., https://www.dcceew.gov.au/environment/protection/waste/plastics-and-packaging/national-plastics-plan.

[9] "DCCEEW | 2025 National Packaging Targets," n.d., https://www.dcceew.gov.au/environment/protection/waste/packaging/2025-national-packaging-targets.

Packaging regulation: inefficiency in the absence of national harmonisation

Australia's experience of the National Environment Protection Measure (Used Packaging Materials) Measure 2011 (NEPM) and its co-regulatory arrangement provides a cautionary example.[10,11] There are currently no consistent or harmonised standards for packaging regulation in Australia. This serves as an example of how fragmentation undermines policy outcomes. The co-regulatory system has proven ineffective in delivering alignment across jurisdictions. Each state and territory regulator has applied their own reporting templates, performance measures, and compliance expectations, resulting in a patchwork of requirements that businesses must navigate. Rather than streamlining stewardship, this inconsistency imposes unnecessary administrative and financial cost on industry, particularly for companies operating nationally. The lack of harmonisation not only limits the efficiency and scalability of recycling and waste reduction initiatives but also highlights the fundamental weakness of a co-regulatory approach when multiple jurisdictions set divergent standards. A genuinely national, harmonised framework is essential to reduce duplication, lower compliance costs, and deliver more effective environmental outcomes.

The negative consequences of the inconsistencies in packaging standards are further exemplified in the co-regulator of the NEPM, the Australian Packaging Covenant Organisation (APCO). APCO has developed into a quasi-administrative monopoly, requiring industry participation and compliance fees while imposing extensive reporting obligations. With individual jurisdictions lacking capacity to enforce or align the NEPM requirements, Australia is left with a packaging stewardship system that places complex and inconsistent regulatory burden on businesses and little environmental outcome.

Similar challenges in packaging regulation have been observed internationally; for example, in the European Union. Prior to the consolidation of divergent national packaging requirements under a single EU regulation, the former EU Packaging and Packaging Waste Directive (94/62/EC) allowed considerable leeway in implementation. This led to inconsistencies in Extended Producer Responsibility schemes and labelling obligations. To eliminate these discrepancies, the

[10] "NEPC | National Environment Protection (Used Packaging Materials) Measure 2011," n.d., https://www.nepc.gov.au/nepms/used-packaging.

[11] MP Consulting, "Review of the Co-Regulatory Arrangement under the National Environment Protection (Used Packaging Materials) Measure 2011 - Final Report," January 3, 2022, https://www.awe.gov.au/sites/default/files/documents/independent_review_of_the_upm_nepm_and_the_australian_packaging_covenant_-_final_report_-_september_2021.pdf.

EU replaced the Directive with a directly application Regulation (2025/40), with rules applying uniformly across all Member States without needing separate national transportation and ensuing greater harmonisation.[12]

Packaging regulation: balancing cost, safety, and stewardship

The case for harmonisation of packaging standards applies across the entire packaging lifecycle, encompassing not only product design but also the effectiveness of stewardship programs at the end of a product's life. Without harmonised standards for outcomes, industry stewardship schemes are forced to absorb inefficiencies. In the current economic environment, it is therefore imperative that government pursue greater efficiencies in packaging regulation to minimise cost impacts across the supply chain.

Equally, standard harmonisation must be carefully designed to recognise that some industries, such as that of the plant science sector, already operate under stringent, regulated packaging requirements. For pesticides, container design and labelling are embedded within the product registration process and supported by integrated frameworks for dangerous goods transport, workplace health and safety, and chemical regulation. If new environmental packaging standards are developed in isolation from these established frameworks, the result would be conflicting requirements, regulatory duplication, and increased costs without delivering additional environmental benefit.

Relevant international standards for the plant science industry's packaging stewardship can be found in the joint UN Food and Agriculture Organization and World Health Organisation International code of Conduct on Pesticide Management (the Code).[13] This code includes specific guidance on the safe management of empty pesticide packaging, reflecting globally recognised best-practice. While these guidelines are not legislated, they provide an important, industry-specific benchmark that packaging regulatory reform in Australia should be mindful of.

Importantly, Australia has already demonstrated world-leading product stewardship through industry-funded initiatives such as drumMUSTER, ChemClear, and bagMUSTER. These initiatives embody the principles set out in the Code by providing safe, practical, and effective pathways for

[12] Hazel O'Keeffe, "The New EU Packaging and Packaging Waste Regulation – Highlights and Challenges Ahead," Packaging Law, n.d., https://www.packaginglaw.com/special-focus/new-eu-packaging-and-packaging-waste-regulation-highlights-and-challenges-ahead?utm_source=chatgpt.com.

[13] "WHO & UNFAO | The International Code of Conduct on Pesticide Management," accessed August 19, 2025, https://www.fao.org/pest-and-pesticide-management/pesticide-risk-reduction/code-conduct/en/?utm_source=chatgpt.com.

managing agricultural packaging. Poorly designed or conflicting packaging standards risks undermining the success of these established programs, creating unnecessary duplication, increasing costs, and ultimately, weakening outcomes that are already delivering both environmental and economic benefits.

Notably, a number of international standards and national regulatory frameworks on pesticide packaging demonstrate alignment with the Code, including:

- Canada's Pest Control Product Act: Canada actively contribute to the joint FAO/WHO Code and its regulations mirror these principles.[14]
- The European Commission's Classification, Labelling and Packaging of chemicals (CLP) Regulation: enforces legally binding requirements across the EU, operationalising principles set out in the Code.[15]
- US EPA Regulations – 40 CFR Part 156 and 165: directly reflects the Code's emphasis on proper management of empty pesticide containers and packaging and is enforceable by law.[16,17]
- China's GB pesticide packaging standards: strong technical alignment with the Code and explicitly references the joint FAO/WHO guidelines.[18]
- ISO 18601: General requirements for packaging and the environment; ISO 18602: Optimisation of packaging system design; and ISO 18604: are complementary (not duplicative) to the Code and whilst not pesticide-specific, support the Code's objective of minimising risks to human health and the environment .[19,20,21]

[14] Legislative Services, "Government of Canada | Consolidated Federal Laws of Canada, Pest Control Products Act," January 14, 2023, https://laws-lois.justice.gc.ca/eng/acts/P-9.01/?utm_source=chatgpt.com.

[15] "European Commission | Classification, Labelling and Packaging of Chemicals," July 8, 2025, https://environment.ec.europa.eu/topics/chemicals/classification-labelling-and-packaging-chemicals_en.

[16] "Code of Federal Regulations | Part 156 -- Labeling Requirements for Pesticides and Devices," n.d., 156, https://www.ecfr.gov/current/title-40/part-156.

[17] "Code of Federal Regulations | Part 156 -- Labeling Requirements for Pesticides and Devices," 165.

[18] "National Standard of the People's Republic of China | GB 4838-2018: Packaging for Emulsifiable Concentrates of Pesticides," n.d., https://www.chinesestandard.net/PDF/English.aspx/GB4838-2018.

[19] ISO, "ISO 18601 | Packaging and the Environment — General Requirements for the Use of ISO Standards in the Field of Packaging and the Environment," ISO, n.d., https://www.iso.org/standard/55869.html.

[20] ISO, "ISO 18602 | Packaging and the Environment — Optimization of the Packaging System," ISO, n.d., 602, https://www.iso.org/standard/55870.html.

[21] ISO, "ISO 18604 | Packaging and the Environment — Material Recycling," ISO, n.d., 604, https://www.iso.org/standard/55872.html.

ALIGNING WITH INTERNATIONAL STANDARDS

Australia has benefited from aligning domestic regulations with established international standards. By drawing on global best-practice rather than developing entirely new frameworks in solution, government and industry have avoided the duplication of effort and unnecessary costs associated with 'reinventing the wheel'.

Harmonisation with international standards ensure regulatory efficiency, reduces compliance burdens, and promotes global consistence, particularly critical in trade-exposed sectors such as agriculture. The following industry relevant examples illustrate how this approach has delivered both practice and cost-effective outcomes in Australia.

Australian input driving priority adoption

When Australian experts contribute directly to the drafting of international standards, those standards could be more readily prioritised for adoption at home. This was the case with ISO 45001 – Occupational health and safety management systems, where Australian representatives played a key role in its development and, as a result, the standard was swiftly adopted as AS/NZA ISO 45001:2018.[22] Such participation ensures Australian conditions are reflected in the global context, while also creating a clear pathway for rapid national implementation once the ISO standard is finalised.

Adopting international best-practices

Australia's Dangerous Goods (ADG) Code is directly based on the United Nations' Model Regulations on the Transport of Dangerous Goods.[23,24] This ensures that national transport requirements reflect international best-practice. By aligning with the global framework, the ADG Code delivers consistency across jurisdictions, facilitates safe and efficient cross-border trade, and reduces compliance burdens for businesses operating internationally.

---

[22] "Standards Australia | ISO 45001 Published as Joint Australian/New Zealand Standard," n.d., https://www.standards.org.au/news/iso-45001-published-as-joint-australian-new-zealand-standard.

[23] UNECE, "UN Model Regulations Rev. 23 (2023)," accessed August 15, 2025, https://unece.org/transport/dangerous-goods/un-model-regulations-rev-23.

[24] "DITRDCA | Australian Dangerous Goods Code" (Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts, March 10, 2022), https://www.infrastructure.gov.au/infrastructure-transport-vehicles/transport-strategy-policy/transport-australia/transport-dangerous-goods/australian-dangerous-goods-code.

This approach also provides regulatory certainty within Australia, as updates to the UN Model Regulations are reviewed every two years and incorporated into each new edition of the ADG Code, ensuring that the Australian standards continue to reflect the most current global frameworks.[25]

Regulating according to International Standards

While CropLife agrees that legislation which does not incorporate a standard can also create a trade barrier, it is important to note the substantial degree of international alignment which underpins the regulation of agricultural chemicals in Australia.

Points raised in ***Box B.2 – Examples of areas to review*** (p48), seem to conflate three vastly different situations, and do not address the adoption of international standards. Widespread industry opposition to the *Matthews et al (2021*) proposal for improving access to international registered products centred on issues not addressed in the PC's Interim Report. Rather than accepting assessments conducted by comparable international regulators who utilise the same standards for assessment as those adopted by the APVMA, the proposal sought to bypass the regulator entirely.

CropLife agrees with Animal Medicines Australia, in that unique Australian requirements increase time, cost and complexity of bringing new products to farmers. However, this does not bypass the need for assessment to be conducted for Australian conditions which may vary from those overseas. Efficiencies may be gleaned by increasing the adoption of overseas assessments for chemistry, manufacture, stability and toxicology parameters which are not unique to Australia, The Australian Pesticides and Veterinary Medicines Authority (APVMA) have developed guidelines for this pathway; however, more action is needed to expedite the adoption of these assessments.[26]

More generally, the APVMA already plays a leading role in developing and adopting international standards for chemical regulation and assessment. Importantly, the APVMA currently chairs the OECD Working Party on Pesticides, guiding global alignment on data requirements and risk

[25] "National Transport Commission | ADG Code Review Information Webinar," n.d., https://www.ntc.gov.au/sites/default/files/assets/files/ADG%20Code%20review%20-%20overview%20from%20information%20webinar_0.pdf.

[26] "APVMA | International and Other National Assessments," July 29, 2025, https://www.apvma.gov.au/registrations-and-permits/chemical-product-registration/what-to-include/international-data-standards-assessments/international-other-national.

assessment methodologies. Further, the APVMA participate and work with a range of international standards setting organisations.[27]

In addition, APVMA experts contribute directly to the World Health Organization (WHO) and Food and Agriculture Organization (FAO) through the Joint Meeting on Pesticide Residues (JMPR) and the Joint Meeting on Pesticide Specifications (JMPS). These expert bodies underpin Codex Alimentarius decisions on maximum residue limits (MRLs) and international specifications, both critical for safe trade in food and agricultural commodities. The Australian record of international action as a result of non-tariff trade barriers is admirable but would benefit from increased resourcing by the Commonwealth to ensure that where these international standards exist, such as CODEX, global trade is not compromised.[28,29]

Beyond participation, the APVMA systematically adopts international standards into Australian regulation, including OECD test guidelines, FAO specifications, and pharmacopoeial standards (BP, Ph Eur, USP). This ensures regulatory predictability, reduces duplication, and supports market access while maintaining rigorous safety outcomes.

[27] "APVMA | International Standards and Guidance," accessed August 22, 2025, https://www.apvma.gov.au/about/international-collaboration/international-activities/international-standards-and-guidance.

[28] "CODEX Alimentarius UNFAO WHO | Codex Online Databases," n.d., https://www.fao.org/fao-who-codexalimentarius/codex-texts/dbs/en/.

[29] "CropLife Australia | Submission to the Joint Standing Committee on Trade and Investment Growth," CropLife Australia, October 10, 2023, https://www.croplife.org.au/resources/submissions/joint-standing-committee-on-trade-and-investment-growth/.