

23 November 2018

Mr. David Hatfield  
Director  
Adjudication Branch  
Australian Competition and Consumer Commission  
GPO Box 3131  
**CANBERRA ACT 2601**

Email: [adjudication@accc.gov.au](mailto:adjudication@accc.gov.au)

Dear Mr. Hatfield

**Re: AgStewardship Australia Limited application for re-authorisation AA1000429 – draft determination**

Thank you for your letter of 9 November 2018 and the opportunity to comment on the Australian Competition and Consumer Commission (ACCC) draft determination in respect of the application made by AgStewardship Australia Limited (AgStewardship) for re-authorisation on behalf of participants of the stewardship programs, **drumMUSTER**<sup>®</sup> and ChemClear<sup>®</sup>, to impose a six-cent levy per litre/kilogram on manufacturers and suppliers of agricultural and veterinary (agvet) chemicals.

CropLife Australia is the national peak industry organisation representing the agricultural chemical and plant biotechnology sector in Australia. CropLife Australia represents the innovators, developers, manufacturers and formulators of crop protection and agricultural biotechnology products. The plant science industry provides products to protect crops against pests, weeds and diseases, as well as developing crop biotechnology products that are key to the nation's agricultural productivity, sustainability and food security. The plant science industry is worth more than \$20 billion a year to the Australian economy and directly employs thousands of people across the country.

CropLife Australia commends the ACCC on their draft determination to approve the application for re-authorisation made by AgStewardship. CropLife Australia and all our members continues its full support of **drumMUSTER**<sup>®</sup> and ChemClear<sup>®</sup> and recommends to the ACCC that the final determination mirror that of the draft determination.

CropLife Australia believes the increase in the levy from the four-cent per litre/kilogram, which has remained constant for twenty years, to six-cents per litre/kilogram, is fully justified and will ensure the ongoing viability of the programs and enable AgStewardship to fund further improvements to these crucial environmental programs. Further, CropLife Australia members acknowledge that the proposed increase to six-cents per litre/kilogram represents a discount on the levy should the levy have been increased in line with the Consumer Price Index over the years of the levy's existence. Without such an increase, CropLife believes the ongoing viability of the **drumMUSTER**<sup>®</sup> and ChemClear<sup>®</sup> programs would be at risk leaving Australian farmers without a chemical container recycling program and the broader Australia community without a program delivering key environmental benefits.



We note there have been some submissions from organisations that oppose the levy increase and/or have sought further information regarding the justification of the increase. AgStewardship's application clearly justifies the levy increase and provides a business case for doing so. In addition, it would appear that these organisations are confused as to the actual purpose of the application process to authorise arrangements that may potentially contravene the *Competition and Consumer Act 2010* (Cth). CropLife and its members have continually sought improvements to the programs and have undertaken a constructive and cooperative approach with both AgStewardship and Agsafe to achieve these improvements. The ACCC authorisation process is not the appropriate forum to nominate potential improvements to the programs.

CropLife Australia and its members were the driving force behind, and founding member of the Industry Waste Reduction Scheme, which saw the launch of the **drumMUSTER**<sup>®</sup> program in 1999, as well as the ChemClear<sup>®</sup> program in 2003. CropLife Australia members remain committed to these environmentally beneficial programs as part of their ongoing commitment to industry stewardship and despite the significant commercial impact of the levy, continue to voluntarily "opt-in" as participating manufacturers.

CropLife Australia is proud of the work its wholly-owned subsidiary, Agsafe, undertakes in the provision of the **drumMUSTER**<sup>®</sup> and ChemClear<sup>®</sup> programs, the only programs of their kind in Australia. To date **drumMUSTER**<sup>®</sup>, Australia's longest running agricultural waste management program has collected over 32 million containers, diverting over 36,000 tonnes of plastic from landfill into recycling schemes. Should these programs not be in existence we would not see the significant benefits that are currently being delivered to the farming sector, the agriculture industry and the community more broadly.

Attached for the Commission's information is a list of the **drumMUSTER**<sup>®</sup> and ChemClear<sup>®</sup> program relevant members of CropLife Australia, for which this letter serves as a response on behalf of the membership collectively.

Please do not hesitate to contact me should the Commission require any clarification regarding these comments.

Yours sincerely



Matthew Cossey  
Chief Executive Officer

Attach:



## **CropLife Australia Limited Members**

Accensi Pty Ltd

Adama Australia Pty Ltd

AgNova Technologies Pty Ltd

Arysta LifeScience Limited

BASF Australia Ltd

Bayer CropScience Pty Ltd

CORTEVA Agriscience (Agricultural Division of  
DowDuPont Inc)

FMC Australasia Pty Ltd

ISK Biosciences Oceania Pty Ltd

Landmark Proprietary Group

Nufarm Australia Limited

Sipcam Pacific Australia Pty Ltd

Sumitomo Chemical Australia Pty Ltd

Syngenta Australia Pty Limited