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Our Ref:

C2005/524

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Contact Officer: Cameron Martin

24 August 2005

Mr Sam Ponder General Manager Agsafe Limited GPO Box 816 Canberra City ACT 2601

Dear Mr Ponder

## Application for revocation of authorisation A90871 and substitution by replacement authorisation A90963 lodged by Agsafe Ltd - final determination

The Australian Competition and Consumer Commission (the ACCC) has issued a determination granting conditional authorisation in respect of the application for authorisation lodged by Agsafe on 18 March 2005.

A copy of the ACCC's determination is attached. The ACCC has decided to grant conditional authorisation until 31 December 2008 for the reasons set out in its determination.

## Condition of authorisation

The ACCC has granted authorisation subject to the following conditions which are also outlined in its determination.

## C1 Agsafe is to engage an independent auditor to:

- 1. assess the cost of operating the drumMUSTER and ChemClear programs
- 2. assess the level of the levy in light of these costs and other sources of funding, including existing reserve funds and
- 3. to make recommendations as to the appropriate level of the IWRS.

This assessment is to be completed and provided to the ACCC no later than two weeks after the effective date of this authorisation.



C2 To the extent that the independent audit recommends that the IWRS levy should be set below its current level, Agsafe is to implement its findings no later than 31 December 2005.

The ACCC notes that, to the extent that the independent audit outlined above finds that the IWRS levy should be increased, authorisation A90963 will not grant Agsafe immunity from the *Trade Practices Act 1974* (the TPA) to give effect to such an increase. The ACCC considers that to engage in such conduct, Agsafe may need to seek a substitute authorisation under section 91C of the TPA and satisfy the statutory provisions outlined in that section.

## Application for review

Pursuant to section 101 of the TPA, a person dissatisfied with this determination may apply to the Australian Competition Tribunal for its review. An application for review must be made within 21 days of the date of this determination; that is, on or before 14 September 2005. If no application to review is lodged by this date, the ACCC's determination will come into force on 15 September 2005.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Cameron Martin on 02 6243 1107.

Yours sincerely

Scott Gregson

A/g General Manager Adjudication Branch