

# ATTACHMENT C

## AGSAFE ACCREDITATION AND TRAINING

### PROPOSED NEW ARRANGEMENTS TO DELIVER INDUSTRY STEWARDSHIP INITIATIVES IN THE FARM CHEMICAL SECTOR

#### Background

The Agsafe Site Accreditation and Training Program, and its delivery methodology have been in place for a number of years. Over that time there have been several variations. The current system is a formal facilitated store visit by an Agsafe facilitator (auditor) every two years with training linked loosely to the store audit timetable.

In 2008 Agsafe undertook a review (known as the Paterson Review) of the Agsafe Accreditation and Training Programs. The Review raised a number of issues in respect of the existing training and accreditation processes. It was suggested, inter alia, that alternative funding models be examined, that a stronger commercial focus be applied to management of the programs and that alternative training management be considered to better measure participation in training.

Following the adoption of the Review's recommendations further work was undertaken to develop a new model that was based on voluntary industry participation, with less focus on Agsafe's ability to impose sanctions on non-participating companies in the agvet chemical sector.

The following is an outline of the new model to be introduced.

#### AUDIT ACCREDITATION

**Current**                      In store audit with facilitator every 2 years

#### New Model

##### 1. Two year audit by appointment (same as current)

- Basic level – every two years
- Premium levels if certain standards are met resulting in an in-store audit every 3-5 years
- Accreditation dependent on payment of annual fee & completing assessment criteria in a timely manner with minimal corrective action
- Continuous access to facilitator advice while ever membership is current
- If membership lapses, irrespective of status, full audit and back to basic level

Starting on 1 January 2011 (or earlier if possible) every store in the A&T program will pay an annual membership fee, the rate to be determined by the Agsafe Board. This annual fee will first become payable at the new program start date and applied on a pro rata basis depending on the expiry date of the premises current accreditation.

Stores undertaking an accreditation audit after the start date will be assessed on what percentage of corrective actions have been identified by the Agsafe facilitator.

If the level is within an acceptable range and the corrective actions involve issues of a minor nature and are not directly related to compliance requirements under state and federal regulations, the premises has the opportunity to move to a silver level of accreditation. Under this level, premises will not be required to undertake an in store audit for another 3 years.

This level will also entitle the manager and staff of that premises to receive a range of benefits over the period of silver accreditation, providing they pay their annual fees within 30 days of them falling due. If any store fails to pay its membership fee within 60 days of invoice, it loses its audit status and must pay for a facilitated visit to resume its membership and base level audit status.

If a store that is on a silver level audit basis receives a similar standard of silver level audit at their next audit, they will move to a gold level accreditation. This will result in no in-store audit for 5 years and reduced annual fees.

Those with a gold level accreditation status will not receive a formal facilitated visit between in store audits, will but will have online access on a 24/7 basis to advice on a range of matters related to compliance matters.

## **TRAINING**

The current Agsafe Training Program requires

- At least one year's experience in the agricultural and veterinary chemicals industry prior to formal training being undertaken
- Completion of the Personnel Accreditation (Basic) training course
- A formal commitment to comply with the Code of Practice which outlines requirements for compliance with the industry accreditation program and
- Completion of at least one training unit every 2 years (online) or 3 years (face to face) from a prescribed list of Agsafe training modules

### **New model**

The proposed model will decouple training from the store audit process and timing and provide an individual career pathway for personnel engaged in the farm chemical manufacturing and reseller supply chain. Training status will be based on a rolling points system with a variety of course and points accumulation options.

## **PHASING**

On current planning, the move to new training options will commence on 1 September 2010.  
New audit arrangements are not likely to be ready for full implementation before 1 July 2011.

Given the long standing sanction arrangement, it is important that any changes that result in the removal of this powerful tool for compliance be introduced slowly, and only after a sustained campaign to promote within the farm chemical sector the high standards that have been achieved since the establishment of the industry stewardship program.

During that transition period it is critical that the current powers granted under existing Authorisations be retained to allow the full implementation of the changes and their acceptance by industry to take effect.

This timetable allows the new training arrangements and course options to be assessed, considered and introduced over a period of time. The new audit arrangements, especially when not supported by a trading sanction, need to be thoroughly explained and promoted to industry before they are introduced. To do otherwise would jeopardise the current high standards of compliance.

If the sanction power was to be removed without appropriate strategies and a well planned, managed roll-out of the new arrangements, standards would fall quickly and they would be difficult to regain in the short term. That puts at risk not only the current high quality reputation of the farm chemical sector, but also Australia's international reputation for quality food production on the world trade stage.

## **SUMMARY**

We believe we are entering into a new operating environment where formalised and prescriptive Quality Assurance accreditation will be a key driving factor. The Federal Government's National Food Industry Strategy has identified the need to strengthen the efficiency and effectiveness of Australian food safety and quality assurance management systems. Freshcare Food Safety and Freshcare Environmental are already widely used as a basis for supplier requirements for Woolworths, Coles.

As QA programs are introduced and become mandatory throughout the supply chain, they will facilitate Agsafe's move from a sanction protected position where compliance is enforced through trading restrictions to a more flexible, commercially focused QA based system that can draw on a wider and more adaptable suite of compliance tools.

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