



22 September 2017

Gene Technology Secretariat
Department of Health
MDP 1060
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Dear Gene Technology Secretariat

The National Farmers' Federation (NFF) welcomes the opportunity to make a submission to the third review of the National Gene Technology Scheme. The NFF was established in 1979 as the national peak body representing farmers and, more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

The NFF recognises the potential of gene technology as a valuable tool within agricultural production systems. The responsible and strategic application of gene technology within Australian production systems thus far has resulted in significant benefits for Australian farmers, the environment, consumers and the Australian economy as a whole. As stated by the International Service for the Acquisition of Agri-biotech Applications (ISAAA) in its annual report, there has been a 110-fold increase in adoption rate of biotech crops globally in just 21 years of commercialisation – growing from 1.7 million hectares in 1996 to 185.1 million hectares in 2016¹.

The agricultural sector is in the midst of pervasive changes in terms of the approach and method in which farming is conducted. Technological and scientific developments have been increasingly pertinent to an industry facing harsher climatic conditions and striving to remain internationally competitive on global markets. Farmers globally are adopting gene technology due to the enormous advantages this technology offers, including improved productivity and profitability, as well as improving conservation efforts and outcomes (such as reducing use of pesticides and herbicides, maximising water efficiency, resilience in adverse growing conditions and boosting production yields).²

¹ *Global Status of Commercialized Biotech/GM Crops: 2016*, <https://www.abca.com.au/2017/05/int-latest-gm-crop-figures-released-3/> accessed on 12 September 2017.

² ISAAA reports that the adoption of biotech crops has reduced CO2 emissions equal to removing approximately 12 million cars from the road annually in recent years; conserved biodiversity by saving 19.4 million hectares of land from agriculture in 2015; and decreased the environmental impact with a 19% reduction in herbicide and insecticide use.1 Additionally, in developing countries, planting biotech crops has helped alleviate hunger by increasing the incomes for 18 million small farmers and their families, bringing improved financial stability to more than 65 million people.

In Australia, all dealings involving genetically modified organisms (GMOs), from laboratory experiments to the commercial release of crops, are overseen by a rigorous regulatory framework. The Australian Regulatory system, built around the Gene Technology Act 2000, is recognised as one of the most stringent in the world and provides an effective and robust national framework for the regulation of GM and GMOs. The Office of the Gene Technology Regulator (OGTR) is responsible for overseeing gene technology research and development in Australia. The NFF supports the scientific, risk based approach of the OGTR.

The realisation of the potential benefits of gene technology within Australian farming systems is dependent upon continued commitment to research and development (R&D), and the appropriate legislative settings that provide confidence to consumers and promotes investment into research. The NFF supports gene technology R&D and believes that the outcomes of this R&D can contribute to meeting Australia's future challenges in areas such as economic growth, human health and environmental sustainability. The NFF considers that the ultimate aim of government should be to create an operating environment that encourages public and privately funded research and supports the development of Australian innovation, including in the field of gene technology.

There has been a raft of technological change in the area of GM and GMO's, and legislation to date has not kept up with these changes. New gene technologies span the whole continuum of transformation, and current legislation doesn't provide guidance on the regulation of these, which creates ambiguity in the legislation and uncertainty for investors.

Australian farmers compete in international markets, and it is important that they have access to the tools which allow them to produce safe fresh produce in a cost effective manner; particularly when these productive tools are available to our international competitors.

Globally, there is a growing sentiment to review the regulatory settings around gene technology. The Australian review into the National Gene Technology Regulatory Scheme provides an opportunity for Australia to ensure that our regulatory system aligns with those countries that are more advanced in the use and regulation of GM and GMO, but also ensures that Australia is in a position to ensure our world class system can be shared with less developed nations, which in turn will facilitate better trading outcomes for Australian farmers in the long term.

So long as gene technology materials meet all regulatory requirements, farmers and consumers should have the choice of growing and consuming these products. Ultimately, Australia's farmers would like to see a transparent regulatory framework for GM and GMOs instituted by Governments, so that new products and techniques are available to farmers in a timely manner. They also want to see a regulatory environment that fosters investment in agricultural R&D, Australia's agricultural innovation commercialised to provide maximum benefits to Australia, and a balanced program of communication for consumers and the public.

The NFF acknowledges the need for effective regulation. Often, regulation provides important protections for the business owners, workers, and the community, and sets a minimum level of performance required to meet community standards and expectations. Additionally, regulation can also act to underpin high quality product status upon which farmers can attract price premiums. However, it is important that regulation is warranted, appropriately targeted, clearly communicated, and that restrictions are minimised as far as

possible to avoid perverse outcomes. In short, the benefits of regulation must outweigh the costs of doing so. There are a number of opportunities to reduce the regulatory burden on industry without sacrificing the integrity of the regulatory framework. These could include making greater use of data and assessments accepted by well-regarded overseas regulators, and more effectively tailoring the assessment pathway to the risk profile of a product.

Response to the Terms of Reference:

Current developments and techniques, as well as extensions and advancements in gene technology, to ensure the Scheme can accommodate continued technological development.

There is a substantial amount of regulatory uncertainty around the world regarding the regulation of new and emerging gene technology. In regards to definitions, current users of the system can't agree if gene editing fits under the Act, so it is even more difficult for government to make the determination. The NFF supports the science based rigor of the OGTR and believe that the science community is best placed to be engaged and drive the debate regarding new technology and its regulation. All regulations designed by the OGTR need to be guided by scientific debate and input, and the NFF is heartened by the risk based scientific process undertaken to date by the OGTR.

The system regulating gene technology needs to be transparent, flexible and adequately resourced. Consumer, market based decisions must be left to industry, and government should concentrate on facilitating a regulatory system that provides confidence to consumers regarding the health and safety of people, animals and the environment, and ensure that any regulation is commensurable with the risk.

The NFF firmly advocates that farmers should retain the opportunity to adopt the method of production best suited to their business needs, be that utilising gene technology, conventional, organic or any combination of these methods of farming production. The NFF upholds the right of consumers, farmers and processors to freely choose what sort of products they use. This recognises the potential diversity in technology and market positions that may arise and the need for the markets to reasonably cater for such diversity and associated outcomes.

Existing and potential mechanisms to facilitate an agile and effective Scheme, which will ensure continued protection of health and safety of people and the environment.

The NFF has confidence in the readiness and capacity of the agricultural supply chain to provide an appropriate level of stewardship in the area of gene technology, in addition to the stewardship they already provide on many other fronts. This will ensure farmers that choose to utilise gene technology that has been approved by the OGTR as safe for humans and the environment will do so within a broader industry and market framework.

The appropriate legislative arrangements to meet the needs of the Scheme, now and into the future, including the Gene Technology Agreement.

The issue of gene technology has been a part of the Australian agricultural landscape since the 1990s. Farmers have long recognised its inherent potential benefits and associated risks, and have addressed the latter with a view to the coexistence of the organics, conventional and

GM industries. This has been achieved through a network of government and industry-led initiatives and comprises legislation, policy, systems, education and infrastructure.

Private enterprises, as well as State Government, have invested considerably in gene technology. The moratorium that is in place in a number of States, has direct consequences on these investments. A climate of uncertainty, with no clear path to market for approved GM products, and frustrations in exploring the commercial effects of R&D investment, all present convincing disincentives for further investment. This, in turn, will jeopardise Australia's future global competitiveness of agricultural sectors such as the oilseed industry.

The NFF would urge the Gene Technology Secretariat to engage with the Rural Development Corporation's (RDC's) (a full list of these is available at attachment A) and science agencies such as the CSIRO in the next phase of consultation, as they often hold the intellectual property rights to some of these new products and techniques, and can provide information regarding the effects of the moratorium on investment into GM.

The NFF is satisfied appropriate Australian safeguards exist to ensure food safety and the sustained integrity of organic and conventional food production. Australian farmers are well-placed to responsibly harness the enormous opportunities gene technology offers and are positioned to conduct their enterprises in a harmonious way that will allow these industries to coexist and restore the basic right to choose to the community.

Funding arrangements to ensure sustainable funding levels and mechanisms are aligned with the level and depth of activity to support the Scheme.

The NFF asserts that the OGTR should be adequately funded by Government to ensure the integrity of its scientific investigations and to provide a level of confidence in the system for consumers and researchers alike. The costs of regulating this process should not deter researchers from seeking to introduce new products and techniques to the Australian market. Any changes to funding structures and modelling undertaken should ultimately be viewed from this perspective. The system should continue to be government funded as it is still in its infancy and provides a degree of transparency and trust in the processes involved in the community.

While innovators should be encouraged to continue to invest in the Australian gene technology market, changes that would provide a disincentive for the development of new techniques and products in the market need to be carefully analysed for the impact on perception, safety and farmer access to the range of techniques and products they require now and into the future.

If you would like any additional information or would like to discuss any of the issues raised in this submission, please contact Mark Harvey-Sutton (Manager, Rural Affairs) on 02 6269 5666.

Yours sincerely



TONY MAHAR
Chief Executive Officer

Attachment A

The Rural RDCs

There are currently 15 RDCs—five Commonwealth statutory bodies and 10 industry-owned companies (IOCs). All the RDCs manage R&D services, with most IOCs also providing other industry services, mainly marketing. Following legislative amendments in 2013, statutory RDCs are also able to undertake marketing activities at the request of industry, where supported by a statutory marketing levy.

Statutory RDCs:

-) Australian Grape and Wine Authority
-) Cotton Research and Development Corporation
-) Fisheries Research and Development Corporation
-) Grains Research and Development Corporation
-) AgriFutures Australia (Formerly Rural Industries Research and Development Corporation)

IOC RDCs:

-) Australian Egg Corporation Limited
-) Australian Livestock Export Corporation Limited (LiveCorp)
-) Australian Meat Processor Corporation
-) Australian Pork Limited
-) Australian Wool Innovation Limited
-) Dairy Australia
-) Forest and Wood Products Australia
-) Horticulture Innovation Australia Limited
-) Meat and Livestock Australia
-) Sugar Research Australia Limited