



Industry Productivity & Innovation

better 'fit for purpose' regulations

Better regulation that is less complex and reduces red tape will assist industry productivity, innovation and investment.

A look back on our Industry Productivity & Innovation achievements for 2022–2023

- We continued to build a positive and constructive working relationship with the industrial chemicals regulator, the Australian Industrial Chemicals Introduction Scheme (AICIS) via several engagement sessions with the Executive Director and senior members of the AICIS team, including via our Canberra Day Seminar and Regulatory Affairs Committee.
- We successfully pushed for a 3-stage engagement and improvement plan for AICIS.
- We continued to actively engage in improving the implementation requirements of the new Industrial Chemicals Environmental Management Standard (IChEMS), including confirmation of no label changes for products, and we successfully advocated for the first scheduling considerations to be highest risk.
- We continued our active engagement and dialogue with the Therapeutic Goods Administration (TGA) to progress streamlined regulation of disinfectants and cosmetic ingredients (via chemical scheduling).
- Via our involvement with Standards Australia, we drove progress towards greater international alignment for tampons, aerosols and sunscreens.
- We successfully prosecuted a practical approach for federal authentication of GMP certificates for cosmetic exports to China.
- We organised a face-to-face bilateral meeting with the Australian Pesticides and Veterinary Medicines Authority (APVMA) at the regulator's Armidale offices, to facilitate better understanding of our industry's products.
- We were invited by the Department of Foreign Affairs and Trade to speak on a peak bodies panel discussing technical barriers to trade in June 2023.

Regulatory Affairs Report

Lighter Touch, Lower Cost, Faster to Market

AICIS improvements

1 July 2020 saw the commencement of AICIS, replacing the National Industrial Chemicals Notification and Assessment Scheme (NICNAS). The two-year transition period ended on 31 August 2022 and, in September, AICIS' Executive Director Graeme Barden met with and presented to Members at our annual Canberra Day Seminar. As a result of Accord's advocacy and push for tangible improvements to the system, at Canberra Day Mr Barden announced a 3-stage process to rectify issues facing industry regarding the Industrial Chemicals Rules.

- Stage 1: Extension of the administrative arrangement for listed introductions until November 2023.
- Stage 2: This stage introduced a new low-volume introduction category for chemicals at volumes of 10 kg or less in a registration year.
- Stage 3: The largest stage and currently ongoing, exploring options to address the issues already raised by Accord that are related to the categorisation, reporting and record-keeping requirements of these introductions under AICIS.

For Accord, the priority issues we would like addressed via Stage 3 include:

- International Nomenclature of Cosmetic Ingredients (INCI) name acceptance
- Intellectual property (IP) protection by reviewing specific information requirements and written undertaking requirements
- An easier pathway for fragrance and R&D sample compliance
- The removal of the capture of esters and salts by the high hazard list

Accord continues to engage with AICIS on common and key issues encountered by Members and has met with the Executive Director and senior AICIS team members to discuss stage 3 work.

Accord has also provided technical regulatory assistance to our international association and industry colleagues in raising potential trade barrier concerns regarding AICIS.

Accord continues to advocate for proper cost-recovery for AICIS activities in line with the Australian Government's Cost Recovery Guidelines and supported the significant reduction in AICIS registration fees for the second year in a row.

Accord continues to engage with Members on this work and to keep companies abreast of ongoing developments via our regular Member Updates and Regulatory Bulletin.

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Therapeutic goods regulatory reform

Accord continues to work with the TGA to reduce the regulatory burden on low-risk Member products such as disinfectants, sunscreens and their ingredients. We are active participants in the TGA's Industry Working Group on GMP (TIWGG), as well as the Complementary and OTC Medicines Regulatory and Technical Forum (ComTech), resulting in TGA's greater understanding of Accord Member issues and specific reform proposals.

For sunscreens, the priority over the reporting period has been the smooth adoption of the 2021 Sunscreen Standard. Via ComTech, we have advocated for a minimum transition period of three years, with a preference for five years, for the new Standard to allow for an orderly transition. We also successfully argued that the proposed inclusion of new and uniquely Australian concepts within the Standard were unjustified and unnecessary. Additionally, Accord continues to contest technical changes with regulatory impact that significantly increase the regulatory burden—without identified benefits—including defending ingredients on the Permissible Ingredients List for their continued acceptance in sunscreens.

As an active member of the Therapeutic Goods Advertising Consultative Committee (TGACC), Accord continues to seek relevant amendments to the Therapeutic Goods Advertising Code for our industry's low-risk products. Our involvement in this committee also allows us to uniquely assist our Members in understanding their advertising requirements and work to improve the interpretation of these requirements. In 2022, Accord successfully sought clarification on paid testimonials to allow images of people using products, and for positive statements that are not in the first person to not be considered testimonials. Accord is also working to maintain a nuanced cosmetic/therapeutic interface, which does not rely on a rigid definition of modifying a physiological process.

Accord has continued to work with the TGA to streamline the disinfectant application process and to clarify the testing requirements for Member products. Through the Regulator Performance Framework feedback process, we argued for target timelines to be set for all applications as a TGA KPI for next year, including devices and disinfectants, which has gained some traction. Accord is also working with the TGA to ensure that the TGA Instructions for Disinfectant Testing are easy to understand, aligned with international requirements, applied consistently and suitable for industry.

The Accord Secretariat continues to keep Members abreast of ongoing changes and reforms for therapeutic goods through regular updates in our Regulatory Bulletin.

Agricultural and veterinary (Agvet) products regulatory reform, including dairy sanitisers

Accord continues to work with the Department of Agriculture, Fisheries and Forestry and the APVMA on the implementation of Agvet reforms, to provide a better regulatory framework for our industry sector.

Accord is continuing our open dialogue with the APVMA through bilateral meetings to discuss and resolve Members' issues relating to APVMA permits, monitoring of overseas legislation and reforms for low regulatory risk applications.

Trade measurement and pre-packaged goods labelling reform

Accord continues to engage with the Government to achieve greater flexibility with unit measure placement and unnecessary over-labelling of imported products through the National Measurement Institute (NMI). On 30 June 2023, the NMI shared with industry the government's response to the National Measurement Law Review consultation. Pleasingly, the Accord-supported 'Option 2 – flexible and future focused' was recommended by the NMI and agreed for adoption by the government, with some elements of 'Option 1 – streamline with minimal change' included.

The next phase of this review will include ongoing public consultation as the legislation, regulations and guidance materials are drafted. Accord will continue to engage with the NMI in this process to ensure fit-for-purpose measurement rules for our Members.

Transport and labelling of dangerous goods

Accord continues to work closely with the National Transport Commission (NTC) on the best outcomes for Members and to build on our previous successes with regulatory reforms for the removal of unique Australian requirements that add regulatory burden, as well as advocating for a simpler, more efficient regulatory system for the transport of lower risk dangerous goods.

A full-scale review of the Australian Dangerous Goods Code (ADG Code) is currently in process—the first since 2007—and Accord has been actively engaged in this process. We are involved in two stakeholder working groups, Exemptions and Limited Quantities, and over the reporting period have provided three submissions to the Review Working Group. It is our aim that the review will result in greater alignment with EU dangerous goods regulations to leverage international expertise and improve efficiency, as well as an update of the Code to reflect technological progress over the last decade.

Biosecurity

Accord continues to articulate the need for clear biosecurity risk identification, appropriate risk mitigation strategies for Members' products and the need to exclude low-risk formulated chemical products from biosecurity requirements. Accord continues to attend the biological consultative group meetings, to ensure Members are kept updated on biosecurity changes and updates of relevance to Member companies.

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International Alignment

New Zealand Environmental Protection Authority (NZ EPA)

Accord continues to represent Members' views on the reform implementation of New Zealand's hazardous chemicals regime administered by the NZ EPA. In May 2023, Accord provided a submission to the NZ EPA in support of allowing information from international regulators. This change would enable the NZ EPA to rely more on data and assessments from international regulators while still considering the New Zealand context.

The NZ EPA has also been consulting on a proposed update of the Cosmetic Products Group Standard Schedules to align with the EU Cosmetic Products Regulation. In Accord's May 2023 submission, we raised concerns about unnecessary regulatory costs proposed, as well as the potential negative impacts on trade with regions outside of the EU, like Australia. Public hearings on this consultation are expected in late September 2023.

Chemical scheduling

Accord continues to provide regular input into the chemical scheduling process via the TGA public consultation process and through direct engagement with the TGA. We ensure Members are kept up to date on both upcoming consultations and scheduling decisions via the Regulatory Bulletin and targeted email alerts.

Accord responded to scheduling proposals for six chemical ingredients of relevance to Members, providing submissions to the Scheduling Committee and to the Delegate.

Facilitate Trade and Commerce

Australian Competition and Consumer Commission (ACCC)

Throughout the reporting period, Accord has engaged with the ACCC on the development of timely and important industry guidance on topics such as environmental claims and 'greenwashing', an identified compliance priority for the regulator. We have been pushing for more transparency and collaboration in the issuing and amending of necessary guidance.

Members of the ACCC's Sustainability Taskforce virtually attended our Sustainability Seminar in March 2023 to provide a special Q&A on the regulator's recent greenwashing compliance sweep.

Accord has also been an active member of the ACCC's Product Safety Consultative Committee, established with the aim of improving engagement with the regulated industries on consumer product safety issues.

Industrial Chemicals Environmental Management (Register) Act 2021 (IChEMS)

Accord continues to engage with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) to provide industry perspective in the development of the associated regulations and standard setting.

In February 2023, Accord joined with other peak associations to present on our sustainability agenda to the IChEMS Advisory Committee.

We continue to advocate for appropriately designed cost-recovery arrangements of IChEMS, with appropriately identified stakeholder groups for cost recovery. Pleasingly, the DCCEEW continues to proactively engage with Accord in addressing our concerns.

Simplifying trade...and more

In May 2021, Cosmetic Regulations in China underwent a fundamental change with new rules coming into effect that seemingly allow an exemption from mandatory animal testing for imported 'general' cosmetic products, if the manufacturer has third party GMP certification from a competent government/regulatory authority. Accord worked with every level of Australian Government and advocated for the establishment of a national system. The federal Department of Agriculture, Fisheries and Forestry (DAFF) established an authentication system for cosmetic GMP certificates which began operating in April 2023. Since then, Accord has continued dialogue with Members and DAFF to improve the workability of the system.

In June 2023 we attended the Simplified Trade Systems Summit to participate in discussions with our government colleagues on the need to simplify Australia's trade systems to boost national productivity.