

Media Release

Accord submission to the PC highlights opportunities for better, lighter-touch regulation of cosmetics, sunscreens and other formulated products

Sydney. Monday, 22 September 2025. Accord's latest submission to the Productivity Commission's 'Creating a more dynamic and resilient economy: Interim report' supports the Commission's many constructive recommendations for regulatory reform and illustrates via various case studies the adverse impacts on our industry from the current state of over-regulation.

"Australia's regulatory settings for low-risk consumer products like cosmetics are out of balance," Accord Executive Director Damian Mitsch said.

"The current regulatory approach in Australia is not aligned with international best practice and is not risk proportionate for either cosmetics or sunscreen products. It treats low-risk cosmetics as high-risk industrial chemicals and for sunscreens it imposes requirements more suitable for orally ingested medicines. Our existing approaches are not fit for purpose.

"The end result is a major drag on innovation, investment and market entry across our industry sector. You need only contrast what is happening here with the dynamic growth that has been seen for the Korean cosmetics sector over the last decades. Korea's cosmetic exports surpass US\$10 billion compared to US\$0.437 billion for Australia, meaning Korea has twenty times the exports with only twice the population. There is a missed opportunity here given Australia's clean, green status and our reputation for entrepreneurship.

"Illustrating the problems facing our industry are fourteen case studies we have included in our submission. These catalogue a snowballing of overly complex and fragmented regulation, often for negligible safety results. For example, ingredients that have been regulated and accepted as safe for cosmetics when used in a sunscreen product must currently be re-assessed by the Therapeutic Goods Administration (TGA) against medicinal standards. This is unnecessary and costly duplication. And TGA may require animal tests when doing this, which goes against the spirit of the Australian ban on testing cosmetic ingredients on animals.

"As identified by the Productivity Commission there is a need to bolster high-level scrutiny of regulations and their impacts. Accord supports the Commission's recommendation that formal impact assessment be shifted to help guide the design phase for new regulations and not just tagged on as an afterthought.

"We also support the Commission's call for greater use of sectoral external reviews of existing regulation and propose cosmetic and sunscreen regulation as an early priority. There are better approaches available than currently in place in Australia, as is demonstrated by our case study on New Zealand regulation of cosmetics. The NZ Cosmetic Standard allows NZ consumers access to safe products that meet stringent overseas regulations such as the EU Cosmetic Regulation without needing duplicative re-assessment.

"Accord applauds the serious focus the Albanese Government has placed on Australia's productivity challenge, and we thank Treasurer Chalmers for having directed the Productivity Commission to undertake this report. It is our hope the Government acts quickly to implement over-arching regulatory reform and that attention is given to sector-specific opportunities for lighter-touch, internationally aligned regulation such as that needed for cosmetics, sunscreens and other formulated products," Mr Mitsch said.

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A copy of Accord's submission can be [downloaded here](#).

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