

**Australia-European Union Free Trade
Agreement**

WOOLPRODUCERS
AUSTRALIA

Australia-European Union Free Trade Agreement
Office of Trade Negotiations
Department of Foreign Affairs and Trade
RG Casey Building
John McEwen Crescent
Barton ACT 0221

Via email: a-eufta@dfat.gov.au

9 July 2019

Australia – European Union Free Trade Agreement

WoolProducers Australia (WoolProducers) welcomes the opportunity to provide this submission to the Department of Foreign Affairs and Trade (DFAT) on the Australian-European Union Free Trade Agreement (A-EU FTA).

The European Union (EU) is a significant market for Australian wool, with 37.9kt exported to the EU in 2017-18, worth \$454 million¹. The top four EU countries (by volume and greasy wool equivalent) that import Australian wool are the Czech Republic, Italy, the United Kingdom and Germany. The EU is Australia's second largest wool export market, exceeded by China and preceded by India. Overall, Australia exports 98 per cent of its wool, which brings \$4.3 billion to the Australian economy².

WoolProducers Australia is the peak industry council for the wool industry. Our membership is comprised of the industry's commercial, superfine and stud breeding sectors. WoolProducers is nationally representative through our State Farming Organisation members and three democratically elected Independent Directors. WoolProducers' policy areas include animal health and welfare, biosecurity, pest management control, natural resource management, drought policy, emergency animal disease outbreak preparedness, and industry development including research and trade.

WoolProducers acknowledges that the current EU text for the A-EU FTA is a draft and so, we provide this submission for consideration in negotiations. Our concerns with the draft text are regarding the *Animal Welfare* and *Antimicrobial Resistance* Articles in the *Sanitary and Phytosanitary Measures* Chapter.

WoolProducers strongly advocates for the highest animal health, welfare and biosecurity standards, which is evidenced through our policies and ongoing work across these areas for the sheep and wool industries. Upholding good animal health and welfare standards and biosecurity practices is in the best interest of Australian woolgrowers, whose businesses succeed from associated benefits of good practice.

Similarly, Australia has effective steps in place to prevent and manage antimicrobial resistance in food producing animals, which have seen our food animals not become resistant to fluoroquinolones, colistin and fourth generation cephalosporins.³ Responsible antimicrobial stewardship is important to the wool industry as sheep used in wool production enter the red meat supply chain. Ensuring high standards of antimicrobial use are achieved occurs through good producer – veterinarian relationships and antimicrobial stewardship.

¹ ABARES, 2017-2018

² Australian Wool Innovation, 2018, 'The Australian wool supply chain'

³ Australian Government, date unknown, 'Antimicrobial Resistance', www.amr.gov.au

Considering Australia's good welfare and antimicrobial stewardship, WoolProducers request that references to, or Articles on animal welfare and antimicrobial resistance are not included in the A-EU FTA. Including these Articles in the A-EU FTA could oblige unwarranted practice changes and increase production costs for woolgrowers, if the EU was to impose compliance or accreditation systems once the agreement is in place. The resultant audits and proof of compliance that could arise will cost woolgrowers' businesses. Other reasons for our key positions are explained further in this letter.

WoolProducers' requests DFAT strongly consider the recommendations we have made in this submission. Should you wish to discuss our submission further, please do not hesitate to contact me on 0488 554 811, or via email (jhall@woolproducers.com.au).

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Jo Hall', written in a cursive style.

Jo Hall
Chief Executive Officer
WoolProducers Australia

Animal Welfare

The Australian Government recognises animals as sentient beings. However, Australian state and territory governments are responsible for regulating and enforcing animal welfare and do not (except for the Australian Capital Territory) recognise animals as sentient beings.

Recommendation 1: That DFAT does not support recognition of animals as sentient beings in the A-EU FTA. This would align with the Canada- and Japan- EU trade agreements.

WoolProducers does not support broadening the scope of the OIE animal welfare standards, as well as their implementation, with a focus on farmed animals. Australia has high animal welfare standards that exceed those upheld in many countries, including member states of the EU. Australian regulation and enforcement of animal welfare standards and practises is understood and respected both domestically and by our trading partners. While we support the strengthening of animal welfare outcomes based on scientific evidence, particularly new science that substantiates improved welfare practices and outcomes, WoolProducers does not believe that Australia needs to be bound to EU regulation through the A-EU FTA in regards to animal welfare standards

Recommendation 2: That DFAT disallow the inclusion of text in the A-EU FTA that supports broadening the scope of the OIE animal welfare standards, and obligates cooperation of the parties to promote, develop and implement animal welfare practices.

WoolProducers does not support alignment of regulatory standards between the EU and Australia. As aforementioned, Australia upholds and enforces very high animal welfare standards, with many husbandry practices on Australian farms undertaken at a standard exceeding those that are carried out in the EU. WoolProducers does acknowledge the importance of information exchange and cooperation on matters of mutual benefit to Australia and the EU. However, this can be achieved through intergovernmental and OIE communications and through science, as it already occurs.

It is essential that the differences in production systems between the EU and Australia, and external factors that influence these systems and husbandry practices are understood by DFAT. A 'one size fits all' approach to animal welfare regulation in the A-EU FTA is simply not practical given the vast differences in production systems, including husbandry and transportation. Alignment of these standards will not benefit Australia if the A-EU FTA imposes additional regulations on Australian primary producers and their supply chains.

Recommendation 3: That DFAT disallow the inclusion of text in the A-EU FTA that obligates Australia and the EU to align animal welfare regulatory standards in the A-EU FTA.

Recommendation 4: That DFAT disallow the inclusion of text in the A-EU FTA that obligates the parties to cooperate on matters of mutual benefit regarding animal welfare.

International findings on animal welfare research are well communicated through scientific journals and other communications. International cooperation on animal welfare research presently exists and as such, there is no need for the A-EU FTA to force cooperation in this research.

Recommendation 5: That DFAT disallow the inclusion of text in the A-EU FTA that obligates cooperation on animal welfare research between the parties. This would align with the Canada- and Japan- EU trade agreements.

WoolProducers does not believe the establishment of a Technical Working Group on animal welfare by the parties is necessary. Through the OIE and direct Government relationships, Australia and EU members can converse on issues of animal welfare. Without the activities outlined in the current draft text of the animal welfare Article being undertaken, this Technical Working Group is not required.

Recommendation 6: That DFAT disallow the inclusion of text in the A-EU FTA that will see the formation of a Technical Working Group on animal welfare. This would align with the Canada-EU Trade Agreement.

Antimicrobial Resistance

WoolProducers recognises global efforts being undertaken in the area of antimicrobial resistance, including surveillance and control activities. The Australian Pesticides and Veterinary Medicines Authority evaluates and registers antimicrobials for livestock use in Australia, which includes an assessment of the risk of antimicrobial resistance developing.

With most antimicrobials used in animals listed as Schedule 4 medicines, Australia has good control over the supply of antimicrobials as this class requires veterinary prescription to be obtained by non-veterinarians. Each state/territory Veterinary Surgeons' Board controls the practice of veterinary science in line with jurisdictional laws, which include how antimicrobials can be prescribed and supplied. Further, by law, states/territories are responsible for the control of veterinary medicine use. As such, WoolProducers strongly believes that Australia is already responsibly supplying and using antimicrobials.

WoolProducers is aware that the inclusion of antimicrobial resistance provisions is now common practice for the EU in all new free trade agreements. However, we note that both the Canada-EU Trade Agreement and EU-Japan Economic Partnership Agreement do not include reference to antimicrobial resistance.

Recommendation 7: That DFAT disallow an Article on antimicrobial resistance in the A-EU FTA. This would align with the Canada- and Japan-EU trade agreements.

We do not believe that the A-EU FTA should include text that seeks harmonisation of surveillance systems and monitoring for antimicrobial resistance, and strongly oppose the development of an antimicrobial stewardship programme between the parties. We do support development of texts in the Codex Alimentarius Commission and the OIE on antimicrobial surveillance and believe that scope exists within existing domestic programmes to provide further quality assurance for our trading partners.

Recommendation 8: That DFAT disallow the inclusion of text in the A-EU FTA that binds the parties to support the development of a harmonised system for surveillance and monitoring of antimicrobial resistance. This would align with the Canada- and Japan-EU trade agreements.

Recommendation 9: That DFAT disallow the inclusion of text in the A-EU FTA that binds the parties to develop an antimicrobial stewardship programme. This would align with the Canada- and Japan-EU trade agreements.

Australia already cooperates in international efforts to undertake and counter increased antimicrobial resistance, as outlined previously. Livestock industries and veterinarians have long been committed to reduced use of antimicrobials in Australia. WoolProducers therefore opposes the A-EU FTA dictating cooperation in, and following of, existing and future codes, guidelines, standards, recommendations

and actions developed in international organisations, initiatives and national plans to promote reduced use of antimicrobial agents. Australia already undertakes significant activities to achieve this outcome at an international level.

Recommendation 10: That DFAT disallow the inclusion of text in the A-EU FTA that requires Australia to adhere to, and cooperate in, existing and future antimicrobial resistance strategies imposed by the EU. This would align with the Canada- and Japan-EU trade agreements.

The A-EU FTA should not obligate Australia to cooperate and promote reduced use of antimicrobials in animal production undertaken in third countries, particularly the phase-out of antimicrobials as growth promoters in animal production.

Recommendation 11: That DFAT disallow the inclusion of text in the A-EU FTA that obligates Australia to cooperate to promote reduced antimicrobial use in third countries including the phasing out of antimicrobial agents as growth promoters in animal production. This would align with the Canada- and Japan-EU trade agreements.

WoolProducers supports Australia's participation in agreed international action plans and strategies on antimicrobial resistance. The Australian Government already participates in international efforts to combat antimicrobial resistance worldwide. Therefore, we do not believe that the A-EU FTA should obligate Australia's involvement. It will occur regardless.

Recommendation 12: That DFAT affirm Australia's involvement and support of coordinated efforts that combat antimicrobial resistance to the EU, but do not include this in the A-EU FTA. This would align with the Canada- and Japan-EU trade agreements.

Australia's international cooperation and efforts towards addressing antimicrobial resistance are well known. Our domestic practices are also well documented and as such, WoolProducers does not believe a Technical Working Group on antimicrobial resistance needs to be formed between the parties. Through the OIE and direct Government relationships, Australia and EU members can converse on issues of antimicrobial resistance. Without the activities outlined in the current draft text of the animal welfare Article being undertaken, this Technical Working Group is not required.

Recommendation 13: That DFAT disallow the inclusion of text in the A-EU FTA that will see the formation of a Technical Working Group on antimicrobial resistance. This would align with the Canada- and Japan-EU trade agreements.