



AUSTRALIAN
**FOOD &
GROCERY**
COUNCIL

ASEAN-CER Integration Partnership Forum

What constitutes Good Regulatory Practices

**Peter Keogh,
Director Economics and Trade
AFGC**

5 April 2018

*Sustaining
Australia*

1. Relationship between Business and Regulation
2. Complexity of NTM from a Public Policy Perspective
3. Some better practices in regulation design and implementation
4. Advocacy undertaken by the AFGC

1. Governments don't create market failures
2. Markets create market failures
3. The loser of NTM is economic growth and prosperity
4. Exporting and International trade is not easy

Businesses must take responsibility



1. Growth in FTA's
2. Strong institutional frameworks and capacity building
3. Alignment of regulatory policy.



1. Governance (setting of policy)
2. Entry control
3. Setting of Standards
4. Education
5. Surveillance and compliance
6. Enforcement



AFGC

Functions of a Regulator and alignment



1. Strong institutional frameworks and capacity building
2. Greater alignment across the various Departments and Agencies

1. Administrative burdens,
2. Bureaucratic red tape,
3. Lack of transparency of information,
4. Inadequate systems processes and tools and ICT infrastructure,
5. Changing state of agriculture regulation
6. Time delays, and
7. Inconsistency, and unpredictability,

1. Transactions costs as a result of NTM are three times that of the tariff costs that previously existed
2. For food, NTMs add 2 x to the cost of the product.
3. While NTB as a result of poor implementation of NTMs add 4 X the cost of the product.

- 87 % of business believe compliance costs are increasing
- 50% of governments believe that compliance costs are decreasing.

- 80% of businesses believe that regulations are complex , difficult and not transparent
- 69% of governments believe that regulations are simple straight forward and transparent

- 69% of businesses believe that Regulations and NTMs are applied in a biased and discriminatory way
- 75% of governments believe the NTM are consistently and fairly applied.

1. Strong institutional frameworks and capacity building
2. Greater Alignment across the various Departments and Agencies
3. Alignment of expectations between business and government and education via RIA's

4. Rationalising the sources of standards to be used.
5. Rationalise use of Surveillance and Compliance evaluation functions
6. Sunset and evaluation clauses to assess relevance of the regulation.
7. Consider embracing the concept of outsourcing some functions.
8. Legal Mandate must exist
9. Due process in terms of development of NTMs

1. Government NTM Committees
2. FTA Committees
3. Practical guides for business in managing NTMs for particular countries
4. Educational Roadshows for businesses
5. Foreign Government Education
 - Australian Food Safety System by food type
 - Mapping safety system to country specific systems