Departmental Disclosure Statement

Agricultural Compounds and Veterinary Medicines Amendment Bill

The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry for Primary Industries.

The Ministry for Primary Industries certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate as at the date of finalisation below.

21 April 2026.

Contents

Part One: General Policy Statement

Purpose of Bill

The Agricultural Compounds and Veterinary Medicines Amendment Bill (the **Bill**) amends the Agricultural Compounds and Veterinary Medicines Act 1997 (the **ACVM Act**).

The Bill implements policy changes responding to, and building on, recommendations of the Agricultural and Horticultural Products Regulatory Review (the **Review**), undertaken by the Ministry for Regulation. The Review made 16 interrelated recommendations to improve the proportionality, efficiency, transparency, and certainty of the pathways for approval of agricultural and horticultural products. The Bill gives effect to the recommendations of the Review that are related to the ACVM Act.

Policy objectives

The Bill has the following policy objectives:

- to reduce barriers to accessing new agricultural products, while ensuring that pathways for approval of those products remain proportionate to risk:
- to modernise and strengthen the legislative framework of the ACVM Act:
- to support efficient and timely decision-making:
- to make processes relating to applications and other matters clearer, more consistent, and more flexible:
- to enhance transparency by improving public notification of applications and other matters.

How the Bill achieves policy objectives

To achieve those objectives, the Bill amends the ACVM Act—

- to replace a power to make regulations that exempt agricultural compounds from registration with a power for the Director-General of the Ministry for Primary Industries (the Director-General) to exempt them from registration; and
- to replace the scheme for provisional registration of trade name products with a scheme for consent for use of agricultural compounds in research and for other purposes; and
- to clarify that the information that an applicant for registration or a consent may be required to supply includes information obtained from a recognised agency under the ACVM Act, a recognised person under the ACVM Act, or a person with particular qualifications or skills; and
- to require the Director-General, when evaluating risks and benefits likely to result from the manufacture and use of a trade name product that is the subject of an application to register the product, to have regard to an applicable assessment from a recognised overseas regulator; and
- to enable recognition of overseas regulators for that purpose; and
- to require the Director-General to decide an application to vary the conditions on a registered trade name product in accordance with regulations (instead of in accordance with an assessment and decision-making process set out in the ACVM Act); and
- to enable time frames currently set out in the ACVM Act to be provided for in regulations; and
- to expressly enable the Director-General to approve specifications relating to manufacturing and other matters and for those specifications to be referred to in conditions imposed by the Director-General on registrations, consents, or certain exemptions; and

- to expressly enable those specifications to be varied on application; and
- to allow the Director-General to grant an application for a product that is a prescription medicine if it is prescribed by regulations (as an alternative to the Director-General always having to obtain the consent of the Director-General of Health before granting an application for a product that is a prescription medicine); and
- to require the Director-General to publicly notify a prohibition or restriction on importing, manufacturing, selling, or using a registered trade name product, or an agricultural compound to which a consent applies, that is being reassessed; and
- to make the following changes relating to suspending the registration of a trade name product:
    - allowing the Director-General to suspend the registration if the Director-General has reasonable grounds to believe that the product poses a risk to public health, trade in primary produce, human welfare, or agricultural security:
    - expressly requiring a registrant to be given an opportunity to be heard before a suspension (except in the case of an emergency); and
- to provide a scheme for specifying manufacturing practice standards and for issuing certificates of compliance with those standards; and
- to modernise requirements to publicly notify applications and other matters that currently provide for notification in the Gazette, so that notification may be done by methods that are most appropriate in the particular case (which may include the Gazette).

The Bill also contains minor and technical amendments, including amendments to improve accessibility for users.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	**YES**
Agricultural and horticultural products regulatory review - Published in February 2025 by the Ministry for Regulation (Accessible at Agricultural-Horticultural-Products-Regulatory-Review-full-report.pdf)	

Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	**NO**

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	**NO**
The Ministry for Regulation determined that the amendments to the ACVM Act are exempt from the requirement to provide a Regulatory Impact Statement (RIS), on the grounds that the proposals have no or only minor economic, social, or environmental impacts.	

Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	**NO**

2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	**NO**
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	**NO**

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	**NO**
(b) the nature and level of regulator effort put into encouraging or securing compliance?	**NO**

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
New Zealand's international obligations in relation to the registration of agricultural compounds and veterinary medicines are linked primarily to conventions on chemicals, including the Rotterdam and Stockholm Conventions. The proposed changes would not alter the way New Zealand adheres to its international obligations under these conventions.

Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?
The Ministry for Primary Industries has considered the principles of the Treaty of Waitangi during policy development and found that the amendments do not affect Māori rights or interests. These changes are limited to technical and operational improvements to the ACVM regulatory framework and do not engage any Treaty principles.

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?	**YES**
The Cabinet paper notes that the proposals in the Bill do not raise issues under the New Zealand Bill of Rights Act 1990. The Ministry of Justice was consulted during policy development and no Bill of Rights Act implications were identified at the policy approval stage. The Ministry of Justice is undertaking its usual vetting process on the draft Bill. Officials do not anticipate that the draft Bill will raise any inconsistencies with the New Zealand Bill of Rights Act 1990. Advice to the Attorney General, including any report under the Act if required, is generally made publicly available on the Ministry of Justice's website when a Bill is introduced. Any such advice or report will be accessible at: https://www.justice.govt.nz/justice-sector-policy/constitutional-issues-and-human-rights/the-bill-of-rights-act/advice/	

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	YES
(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO
The Bill amends section 55 of the ACVM Act to replace existing offences relating to provisional registrations with corresponding offences for the new consent framework. It also updates offences relating to suspended registrations, compliance with conditions and directions, and false representations. These amendments are considered consequential to the new consents introduced by the Bill. No changes are made to penalty levels or the overall enforcement framework.	

3.4.1. Was the Ministry of Justice consulted about these provisions?	YES
The Ministry of Justice, specifically the Offence and Penalty Vetting Team, was consulted on amendments to section 55 of the Act regarding offences.	

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	NO

3.5.1. Was the Privacy Commissioner consulted about these provisions?	NO

External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	YES
The proposed amendments to the ACVM Act were subject to targeted stakeholder consultation during policy development, prior to seeking Cabinet approval. Ten interested industry representative bodies provided submissions, and their feedback was taken into consideration in finalising policy decisions. Submitters included AgriZero NZ, Fertiliser Association of NZ, Federated Farmers of New Zealand, Horticulture NZ, Meat Industry Association of NZ, Beef + Lamb NZ, Animal and Plant Health Association of NZ, DairyNZ, NZ Pet Food Association and NZ Winegrowers. The requested timing for progressing the Bill's introduction to Parliament did not permit broad public consultation.	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	YES

The Ministry for Primary Industries has assessed the provisions in the Bill internally and in consultation with the Ministry for the Environment, the Environmental Protection Authority, and the Ministry for Health to ensure the proposed changes are workable and compatible with those agencies' existing regulatory frameworks and responsibilities. This assessment included seeking advice from operational sections of the Ministry for Primary Industries, such as New Zealand Food Safety, for how the changes will interact with the regulated parties.

Additionally, a Sector Leaders Forum was created, in response to recommendations from the Ministry for Regulation Review, providing an opportunity to discuss proposed amendments with industry.

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	**NO**

Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	**NO**
There are no amendments to the ACVM Act in the nature of a charge or tax.	

Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	**NO**

Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	**NO**
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	**NO**

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	**YES**
The Bill protects the Crown, the Director – General, and employees of the Ministry for Primary Industries from liability (by reasons of the issue, refusal or failure to issue, or withdrawal of a certificate of compliance) for any loss that arises because of the relevant authority of an overseas market refuses or fails to admit and agricultural compound intended to be exported to that market.	

Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	**YES**
The Bill expands, clarifies and updates the Director-General's decision-making powers under the consent framework, including the ability to grant, refuse, vary, suspend, or revoke a consent and to impose conditions. These decisions can significantly affect a person's ability to import, manufacture, sell or use an agricultural compound. These powers are necessary to ensure management of risks associated with the use of ACVM products.	

Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	YES
The Bill amends the ACVM Act to empower the Director-General to grant exemptions from the requirement to register an agricultural compound (new section 8AA). An exemption issued under this provision is secondary legislation.	

4.8. Does this Bill create or amend any other powers to make delegated legislation?	YES
The Bill creates additional delegated powers to make secondary legislation including prescribing application timeframes, prescribing decision-making processes for registration, variation, consents and conditions under section 75 and specifying manufacturing practice standards by secondary legislation.	

Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO

Appendix One: Further Information Relating to Part Four

Powers to make delegated legislation- question 4.8

[Information on powers to make delegated legislation]

Product registration exemptions in secondary legislation

Clause 10 inserts new section 8AA, which creates a new delegated power for the Director-General (DG) of the Ministry for Primary Industries to exempt an agricultural compound, or a class of compounds, from the requirement to be registered. This replaces the existing regulation making power in section 75(1)(a), repealed by Clause 68. Under section 8AA, an exemption is secondary legislation.

The power is subject to the statutory framework in section 8AA. Exemptions must comply with conditions prescribed by regulations. The Director-General may disapply or modify prescribed conditions only to the extent allowed by regulations. The Director-General may grant an exemption only if it is consistent with the purpose of the Act, and only after consulting affected organisations and considering any comments received

Exemptions must be able to be issued for specific compounds or classes of compounds. Therefore, a delegated power allows exemptions to be made for a particular substance without amending primary legislation.

Regulations to set timeframes

Clause 19 replaces section 16, whereby time limits for deciding applications are no longer set in the Act. Instead, the timeframes will be prescribed in regulations.

The Director-General must comply with the timeframes set in those regulations and must notify the applicant regarding the outcome of the application.

Timeframes for decision making are operational and may need to be updated to reflect changes in application volumes, processing systems or administrative practice. Thus, placing timeframes in regulations allow them to be adjusted more readily when required.

Recognition of overseas regulator assessments

Clause 20 sets out a new requirement to have regard to any assessment of a recognised overseas regulator that has been carried out for the purpose of registering, licensing, or authorising an agricultural compound with the same formulation as the trade name product under a comparable legislative scheme to the registration scheme under new subpart 2 of Part 2.

Clause 21 inserts new section which allows the Director-General to declare a person to be a recognised overseas regulator for the purposes of the new section relating to having regarding to any overseas assessment and sets out criteria for making a declaration.

Variation decisions made under regulations

In clause 23, section 21A requires the Director-General to decide an application to vary the conditions on a registered trade name product in accordance with regulations. This replaces the detailed decision-making requirements previously set out in section 21 of the Act, which are removed from primary legislation. New section 21A retains the existing statutory limits relating to prescription medicines and hazardous substances or new organisms.

The move from section 21 to new section 21A is consistent with the Bill's restructuring of the registration framework, which relocates detailed operational requirements into regulations.

Certificates of compliance with manufacturing practice standards

Clause 41 inserts new subpart 4 (new sections 35FA to 35FF). The delegated power is contained in new section 35FA, which empowers the Director-General to specify manufacturing practice standards by notice. A notice is secondary legislation.

The standards may apply to all or some agricultural compounds and may relate to matters listed in section 35FA (2), such as plant and equipment, quality assurance and control, staff qualifications and training, manufacturing practices, and procedures for recall, record-keeping and audits. Manufacturers must comply with the standards to the extent required by a condition of registration, a consent under section 35AAD, or an exemption under section 35FB.

Manufacturing practice requirements are technical and may need to be updated. A delegated power allows these standards to be specified and amended without changing primary legislation.

Regulation-making powers

Clause 68 updates the regulation-making powers in section 75 so they align with the new structure of the Act. It removes outdated powers, including the ability to exempt agricultural compounds from registration, and replaces them with powers that support the updated registration and consent processes, such as prescribing procedures and requirements for conditions imposed at registration or when granting consents under section 35AAD.

Regulations made under section 75 remain subject to the usual safeguards for delegated legislation, including drafting by Parliamentary Counsel, Cabinet scrutiny, publication, disallowance, and review by the Regulations Review Committee.

These changes are necessary to ensure that the regulation-making powers remain up to date, coherent, and able to support the new consent and registration frameworks introduced by the Bill.