

20 March 2026

**Department of Agriculture, Fisheries and Forestry  
Sustainable Trade Funding Taskforce, Agricultural  
Trade and Regulation Group  
GPO Box 858  
Canberra ACT 2601, Australia**



Sent via: [exportsfunding@aff.gov.au](mailto:exportsfunding@aff.gov.au)

Dear Sustainable Trade Funding Taskforce, Agricultural Trade and Regulation Group,

## Re: Draft export CRIS 2026–27

The seed for sowing sector supports a well-functioning, efficient, and internationally credible export certification system. A sustainable funding model is important to ensure the integrity of Australia's export framework and to maintain market access.

We also align with broader industry, including the grain sector, in supporting a cost recovery model that reflects efficient service delivery, transparency, and continuous improvement. Cost recovery should support an effective and modern regulatory system. One that enhances, rather than constrains, Australia's global competitiveness.

### **However, the context in which this consultation commenced has materially changed.**

Global trade conditions are currently characterised by heightened volatility. Ongoing geopolitical conflict, disruptions to shipping pathways, constrained port access, and sustained increases in freight, fuel, and input costs are placing significant pressure on export supply chains. These conditions are not temporary fluctuations, they represent a structural shift in the operating environment for exporters.

At the same time, the proposed model is based on assumptions of stable export volumes and activity over the forward estimates period. In the current environment, this assumption is increasingly difficult to sustain. Variability in demand, logistics constraints, and market uncertainty all point to a less predictable export landscape.

This creates a fundamental risk: that cost recovery settings may not accurately reflect actual industry activity or capacity to absorb additional costs. In periods of disruption, exporters may face rising regulatory costs at the same time as margins are under pressure, with limited ability to pass those costs through to market.

It is also important to recognise that industry has already absorbed recent increases in export cost recovery. The current fee structure reflects a series of stepped adjustments implemented over recent years, and pricing has only recently stabilised. The proposed changes represent not just a continuation of this trajectory, but an expansion of the cost recovery framework to include additional activities and cost pools.



While some individual charges are proposed to decrease, the broader effect is an increase in the overall regulatory burden and complexity. This includes the introduction of new cost-recovered activities and increases in a number of transaction-based and compliance fees. These changes are occurring alongside concerns, also raised by the grain sector, regarding transparency of cost allocation, expansion of scope, and the need to ensure that cost recovery reflects efficient service delivery rather than revenue targets.

**Critically, these changes must also be considered in the context of international competition.**

Australia operates in highly competitive global agricultural markets. Seed exporters compete directly with suppliers from other jurisdictions who may face lower regulatory costs, different cost recovery models, or greater government support. In this environment, regulatory settings form part of the overall cost base that determines whether Australian exporters remain competitive.

If regulatory costs increase beyond what can be absorbed or passed through, there is a real risk that international competitors will move into markets currently serviced by Australian exporters. Once market share is lost, it can be difficult and costly to regain. Maintaining Australia's reputation as a reliable supplier is not only about regulatory integrity, it is also about ensuring our exporters remain commercially competitive.

**For the seed for sowing sector, these pressures are particularly acute.**

The seed sector operates differently to bulk commodity exports. It is characterised by lower volumes, higher value consignments, and a strong reliance on certification and regulatory assurance to maintain market access. At the same time, it represents a relatively small proportion of total cost recovery revenue, approximately \$535,000 in the last financial year within a much larger grain and plant products system.

This combination creates a structural imbalance. The sector is highly exposed to transaction-based and compliance costs, yet has limited capacity to absorb increases. As a result, changes to fee structures and cost allocation can have a disproportionate impact on seed exporters compared to larger, bulk commodity sectors.

It also highlights the importance of proportionality in the design of any cost recovery model. A framework developed primarily around bulk export pathways may not appropriately reflect the operating realities of smaller, specialised export sectors such as seed.

A sustainable and effective export system must strike the right balance. It must ensure cost recovery is achieved, but also maintain Australia's competitiveness in global markets, support diverse export sectors, and avoid unintended consequences that may reduce participation or disrupt established trade.

**In this context, the seed for sowing sector recommends that:**

- Implementation of expanded cost recovery measures be deferred until global trade conditions stabilise
- The underlying modelling assumptions, particularly regarding export volumes and activity, be reviewed to reflect current market conditions
- Further work be undertaken with industry to ensure transparent, efficient, and proportionate cost allocation, consistent with cost recovery principles



- Sector-specific impacts, including those on seed exporters, be explicitly considered in the final design of the model

A sustainable export certification system must be both financially sound and globally competitive. Australia cannot afford to price its exporters out of international markets through well-intended but poorly timed or structured regulatory settings. A measured and staged approach, grounded in current conditions and informed by industry is the most appropriate path forward.

Thank you for the opportunity to contribute to this consultation. We look forward to continued engagement with government and industry to support a sustainable and competitive export framework.

Yours sincerely,

Katherine Delbridge  
**Chief Executive Officer**  
Australian Seed Federation