

Agcarm's Code of Conduct

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Agcarm's Code of Conduct

1 Introduction

Agcarm is the non-profit trade association of companies which manufacture, distribute and sell products that keep animals healthy and crops thriving. Member companies are committed to ensuring that these products are used safely, effectively and sustainably.

Agcarm's mission is to achieve public awareness and appreciation of our industry's contribution to society by:

- Promoting the responsible use of animal health and crop protection products as an integral part of high-yield sustainable agriculture
- Promoting recognition of the role of high-yield sustainable agriculture in preserving the quality of life including the land and the natural environment
- Fostering a regulatory environment responsive to scientific progress and community welfare
- Educating the community about our industry's contribution to the quality of life.

Agcarm and its members are committed to safety, stewardship and quality:

- **Safety** – protecting human health and the environment through a rigorous and science-based regulatory process, the adoption and promotion of good agriculture practice and the correct use of products according to label directions.
- **Stewardship** – the responsible and ethical management of industry products throughout their lifecycle.
- **Quality** – the production of products of the highest quality that meet registration specifications every time.

All members are encouraged to participate fully in industry-wide dialogue on contemporary issues to ensure that Agcarm is a truly representative organisation.

This Code of Conduct has been developed to ensure all Agcarm members meet industry standards for the manufacture, distribution and marketing of crop protection and animal health industry products in New Zealand.

Compliance with this Code is a condition of Agcarm membership; companies that are not members of Agcarm are encouraged to observe this Code.

This Code sets out a series of obligations, the meeting of which is a condition of membership, and details a number of policies and programmes that members are encouraged to adopt, implement or participate in.

2 Obligations

2.1 As a member of Agcarm you must:

2.1.1 Act in the best interests of the industry

- 1) Act at all times ethically, with integrity and honesty.

2.1.2 Comply with relevant New Zealand legislation

2) Comply with all relevant legislation, including, but not limited to:

- *Hazardous Substances and New Organisms Act 1996*
- *Agricultural Compounds and Veterinary Medicines Act 1997*
- *Animal Welfare Act 1999*
- *Health and Safety in Employment Act 1992*
- *Land Transport Rule: Dangerous Goods 2005*
- *Resource Management Act 1991.*

- 3) Ensure that within their particular fields of authority and responsibility, employees or sub-contractors comply with all statutory requirements concerning the manufacture, packaging, handling, storage, distribution and application of their products.
- 4) Ensure that company staff participating in Agcarm activities do not discuss or exchange information which may in fact, or give the appearance of, an agreement that would violate the Commerce Act and relevant consumer legislation.
- 5) Ensure that company staff participating in Agcarm Executive Committee, Sub-Committee or working group meetings declare any material or personal interest if and when a conflict of interest arises relating to the affairs of Agcarm.

2.1.3 Participate in stewardship activities

6) Ensure all premises where company products are manufactured, formulated or stored meet an appropriate standard, and are subject to regular audit.

Note: Agcarm endorses, and encourages Members to participate in the PRINCE scheme; reference may also be made to the relevant sections of *NZS 8409:2004 Management of Agrichemicals*.

- 7) Ensure company products prior to end-point sale are transported by persons that are licensed dangerous goods transporters, where required by law.
- 8) Ensure that all company personnel handling, selling, recommending, giving advice on, or taking responsibility for the safety of industry products, are appropriately (preferably Growsafe) trained.
- 9) Support and participate in the Agrecovery programme.
- 10) Support and participate in the msds.co.nz programme.

2.1.4 Promote understanding of this Code

11) Ensure that the provisions of this Code are both understood and complied with by relevant company staff.

2.1.5 Make only accurate statements in product claims

12) Ensure that all public claims for products made by the company are consistent with the applicable product approval (HSNO) and registration (ACVM), approved label or use and safety information approved by ERMA and the ACVMG.

- 13) Ensure that all product claims are consistent at all times with the approved label/label content.
- 14) Encourage users to observe and follow label instructions relating to safety recommendations, first aid directions and withholding periods, and to adhere to the relevant recommendations on storage and disposal.
- 15) Ensure that product labels and supporting technical literature provide adequate information on correct use practices, including the observance of recommended rates and frequency of application/administration.
- 16) Ensure that products made by the company are contained in packages suitable for the purpose under any storage and climactic conditions likely to be met.
- 17) Ensure that if a user is observed by an Agcarm member employee to administer a product in a way other than that set out on the label so that farm produce quality or operator safety may be jeopardized, or the misuse may adversely impact on the environment, the employee must bring such misuse to the notice of the user, attempt to cause the practice to cease and report such misuse to the relevant regulatory authority.

2.1.6 Use information responsibly in publicity material

- 18) Ensure that promotional, public relations and advertising material is consistent with the approved label claims for the product, or use and safety information approved by ERMA and/of the ACVMG, and complies with relevant legislation, the Advertising Codes of Practice of the Advertising Standards Authority (in particular, the Advertising Codes of Ethics, the Code for Comparative Advertising and Code of Environmental Claims), and the FairAd Code for Promotion of Veterinary Medicines.
- 19) Ensure that promotional programmes do not denigrate another member's product in such a way that the industry as a whole can be discredited.
- 20) Avoid where possible negative comparisons in advertising. Any comparisons of products that do occur must be factual and capable of substantiation. In presenting a comparison, care must be taken to ensure that it does not mislead by distortion, or by undue emphasis, or in any other way.
- 21) Ensure that statements comparing the risk, hazard or "safety" of different products are not made.
- 22) Provide information of the "robustness" of a product through the use of dose-response curves.
- 23) Avoid price or savings claims which are misleading, or which do not offer provable bargains or savings.
- 24) Ensure the reprints and abstracts of scientific reports do not omit relevant parts or quote out of context in such a way as to imply a meaning other than that intended by the author.
- 25) Advertisements must be clearly distinguishable from editorial material; where there could be doubt, the word *advertisement* must be used.
- 26) Promotional material shall not imitate the devices, slogans or general layout adopted by other companies in a way that is likely to mislead or confuse.
- 27) Where it is desired to present promotional material specific to any product with a restricted mode of distribution to persons other than those authorised to prescribe or use that product without supervision, then such a promotion should be confined to the general use of the

product, to the provision of product names, and the restrictions which apply to its sale.

- 28) Advertisements based on scientific data from an “outside” source should have that authors approval.
- 29) Ensure that handouts, flip-charts, etc, not for general circulation purposes but for face to face presentations are no less authentic and capable of substantiation than advertising and other general publications.

2.1.7 Samples, inducements, sponsorship, gifts and hospitality

- 30) Ensure that advertisements and promotional activities do not include inappropriate incentives or gifts to encourage the purchase of products or bring discredit upon, or reduce confidence in the animal health/crop protection industry.

2.1.8 Act ethically when conducting market research.

- 31) Ensure that methods used for market research do not bring discredit upon or reduce confidence in the industry. Interviews must not be gained by subterfuge.

2.1.9 Mitigate Security Risks

- 32) Ensure that all manufacturing, storage and distribution facilities within New Zealand under the control of the member company meet government requirements and have adequate systems in place to manage foreseeable security risks, and that all relevant all staff are appropriately trained in those systems.
- 33) Ensure that all manufacturing, storage and distribution facilities within New Zealand under contract to the member company have adequate systems in place to manage foreseeable security risks, and that all relevant all staff are appropriately trained as a condition of contract and that this contract is audited at least once every two years.

2.1.10 Membership of Agcarm

- 34) Ensure that membership fees are paid on time and in full
- 35) Comply with Agcarm’s Constitution and Rules.

2.1.11 Trials

- 36) Ensure all trials are conducted in accordance with sound scientific procedures and the principles of good laboratory practice (and good clinical practice where applicable).

2.1.12 FAO Code

- 37) Member companies, with all necessary modifications for non-crop protection company Members, must also comply with the FAO’s *International Code of Conduct on the Distribution and Use of Pesticides*.

2.2 **As a member of Agcarm you are encouraged to:**

2.2.1 Policies and programmes

- 38) Adopt, implement or participate in the policies and programmes promoted by Agcarm, including container recycling and premises accreditation.
- 39) Contribute financially or in kind to alliances as agreed by Agcarm's Executive Committee from time to time.

2.2.2 Advertise Agcarm membership

- 40) Advertise membership of Agcarm in promotional information through use of the phrase *Member of Agcarm*.

3 Administration of the Code of Conduct

These procedures are intended to assist both complainants and subject companies to ensure that a fair and full review is conducted of complaints lodged. If these general criteria are not met, the complaint may be returned to the complainant for more information, or the review may be conducted in the absence of a complete response.

3.1 Member-generated complaints

Complaints should not be used as a competitive tool.

Complaints from one member company against another member company, which cannot be resolved amicably between the parties concerned, should be reported to the Chief Executive of Agcarm in writing, with the proviso that animal health companies should consider direct recourse to the FairAd procedures.

3.1.1 Information to be supplied

The complaint should include the following information to ensure a complete review:

- 1) A summary page containing:
 - The company and product(s) subject to complaint
 - A description of the complaint, itemising specific claims at issue, with a complete rationale for the alleged breach to be included as an attachment
 - The section of this Code alleged to be breached, or detailed explanation of the complaint
 - Details of attempts to resolve the matter with the company.
- 2) In the case of scientifically based complaints – supporting data cross-referenced to specific claims at issue and the rationale for challenge.
- 3) In the case of marketing-based complaints:
 - Alleged consequences (damage to complainant) and including supporting data, if available
 - Approved or full product information for the complainant's product if mentioned in a comparative context.
- 4) Written endorsement of the Chief Executive of the complainant company.

In addition, complainants should note that:

- 5) Dialogue with the other party is not obligatory, but unless adequate reasons for not undertaking dialogue is given, then the complaint may not be accepted for evaluation until such attempts are made.
- 6) When challenging a claim on technical/scientific grounds, it is not sufficient to simply state that the claim is not supported. Evidence must be provided to support the complainant's case.
- 7) If these criteria are not met, then Agcarm may return the complaint to the complainant for further information.

3.1.2 Response by company/Member

When a complaint has been accepted for evaluation, the company is asked to state whether or not the information supporting the complaint is correct, and give any answer or explanation that may be deemed necessary.

When providing this information, the company should include:

- Details of attempts to resolve the matter with the complainant;
- A brief summary of the response to each alleged breach;
- Substantiation of the specific claims at issue with full supporting data;
- Original pieces of the promotional material at issue; and
- The signature of the Chief Executive of the company.

3.1.3 Procedure for complaint resolution

This Code will be administered by the Executive Committee of Agcarm, in line with the following procedure for the handling of breaches of the Code of Conduct:

- 1) Before making a formal approach to Agcarm, it is expected that the complainant Company will have made contact with the Company complained against, in an effort to resolve the dispute.
- 2) If Agcarm's Chief Executive considers that a Member may be in breach of the Code of Conduct, either as the result of receiving a written complaint to that effect or otherwise, he shall inform the Member concerned and invite comments from the Member within a reasonable period (normally within 20 working days).
- 3) Agcarm's Chief Executive may institute any additional inquiries he considers necessary to determine whether a breach has occurred.
- 4) When placing a complaint before Agcarm's Chief Executive, the submission from the complainant should include copies of the clauses of the Code of Conduct considered to be breached, and advise of the measures taken to resolve the matter with the defendant company.
- 5) If Agcarm's Chief Executive considers that a breach has occurred, and no satisfactory assurance has been received from the Member concerned, he will refer it to the Executive Committee.
- 6) The Executive Committee will offer the Member the opportunity to present their case; after which, if the Executive Committee is satisfied that a breach of the Code of Conduct has occurred, it may decide what action, if any, should be taken in respect of such breach and

shall inform the Member accordingly.

- 7) In general, decisions will be publicised in Agcarm Review and/or Chief Executive's newsletter.
- 8) Action to be taken may include one or more of the following:
 - Offer to appoint a mediator
 - Requiring that the practice complained of is discontinued
 - Requiring assurances that no similar breaches will occur in future
 - Recommend that recourse be made to the FairAd procedures
 - Recommending that the parties approach the Advertising Standards Complaints Board
 - Suspension from Agcarm
 - Recommending to a General Meeting of Agcarm that the member concerned be expelled from Agcarm.
- 9) If the member(s) do not accept the proposal by the Executive Committee, then the member(s) may agree to submit the complaint to independent dispute resolution procedures.

3.2 Non member-generated complaints

Complainants are encouraged to contact the subject company prior to lodging a complaint with Agcarm as a satisfactory explanation or solution may be immediately available. If resolution is not achieved, the following information may be sent to Agcarm's Chief Executive:

- The company and product(s) subject to complaint
- A brief description of the complaint, itemising specific claims at issue, and including supporting data and alleged consequences
- The section of this Code alleged to be breached
- Details of attempts to resolve the matter with the respondent company.

Complaints generated from sources external to the industry shall be referred to the Executive Committee for determination as to the most appropriate action required.