

# MemberUpdate

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**TOPIC: Market Access for IMI Tolerant Barley Varieties**

**DISTRIBUTION: GTA Members – primary contact list. Please circulate to all appropriate internal parties.**

## 1. Purpose:

- To provide GTA Members with updated information on market access issues for Imidazolinone (IMI) tolerant barley varieties (Spartacus CL or Scope CL). Initial information on this issue has recently been provided by Barley Australia and other industry organisations.
- To ensure Members consider the full range of potential commercial implications due to potential market access limitations.

## 2. Background

- A joint industry statement has been issued by Barley Australia, GIMAF, National Working Party on Grain Protection, Grain Growers Limited, Grain Producers Australia, Intergrain and Seednet. GTA Members are encouraged to read this statement, available [here](#).
- The Industry statement identifies that IMI tolerant barley varieties (Spartacus CL or Scope CL), released and classified as Malt varieties, may have some restrictions on market access for some export destinations (e.g., Japan and South Korea). This potential restriction is due to the existing Maximum Residue Limits (MRLs) in those destination markets being below the residues allowed in Australia following the use of IMI registered chemicals according to approved Australian label directions in the production of these barley varieties.
- It is recommended that the IMI chemical residue status (as well as other applicable chemicals) of stock of these grains held in storage should be determined prior to any stock selection and presentation for export to these markets.

## 3. Commercial Implications

- GTA Members have an obligation under the Australian Grains Industry Code of Practice to ensure that the chemical residue status of all grain is known prior to outturn and that all grain exported meets the importing country regulatory requirements, including chemical residue limits.
- Given the potential restrictions on market access to various destinations for these barley varieties, GTA Members are advised to consider the commercial implications of the issues detailed in the joint industry statement that has been issued. These issues may include, but not be limited to:
  - Potential price implications due to limitations on access of grain held in storage on destination markets;
  - Potential implications on forward contracts;

- Ensuring appropriate and accurate information is obtained and included in Commodity Vendor Declarations provided by growers and other suppliers;
- Appropriate segregation and commingling strategies are implemented to minimise market access risks. Members should consult with their storage operators to ensure appropriate segregation and stock selection processes are in place.
- To meet obligations outlined in the Australian Grains Industry Code of Practice, when purchasing stock GTA Members should establish full and prior knowledge of the residue status of the inventory prior to positioning and commitment of grain for export.
- GTA will continue to work with industry stakeholders to seek to improve market access to these and other markets for these products. Members should note that seeking improved access regarding chemical residues is a complicated process and timelines are uncertain and difficult to predict. Applications for revised MRLs may not be successful.
- GTA recognises the sovereign rights of countries to manage their chemical regulations and ensure all food is safe for their consumers. GTA is working with the International Grain Trade Coalition (IGTC) to achieve a market and regulatory environment supportive of trade that minimises disruptions in the international trade of grain, oilseeds, pulses and derived products .

#### **4. Further Details**

- Visit the [GTA website](#) for full details of the joint industry statement.