

# GRAINMatters



EDITION 50, September 2020

## UPCOMING EVENTS

30 SEPT	IA-CEPA WEBINAR
14 OCT	NWPGP CONFERENCE
21 OCT	GRAIN ACCOUNTING W/SHOP
28 OCT	GRAIN MERCHANDISING W/SHOP

## COVID-19

GTA have established a COVID-19 page on our website, as information source for Members.

In response to member demand, GTA has set up COVID-19 Safety Guidelines.

[Access COVID-19 page here](#)

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## INLAND RAIL INTERFACE PROGRAM

- GTA has made a submission to the Department of Infrastructure, and Transport Inland Rail Interface Improvement Program. This Program is to assist in the development of project ideas that have the potential to boost the benefits that flow from Inland Rail.
- The Interface Program supports the development of ideas for more productive rail-based supply chains and improvements to capacity on key country rail lines that intersect with Inland Rail. Ideas and input is sought from industry, local operators, governments, the community, and others that are interested in taking advantage of the long-term benefits of Inland Rail.
- The GTA submission proposes a **joint grain industry, ARTC and multi-level government strategic review** of the grain supply chain in eastern Australia. The **objective** of the review is to drive value for grain producers, rural communities, the grain supply chain and for the Inland Rail project. This will be achieved through a study of the existing eastern Australian grain supply chain and **quantify** the benefits and opportunities of the grain supply chain from the Inland Rail project.
- The GTA submission can be [accessed](#) and a **summary of the submissions follows**:

### Summary:

- Grain industry structure, disaggregated demand for transport assets and the cyclic nature of grain production is resulting in a modal shift from rail to road.
- Funding shortfalls on below rail infrastructure across regional lines does not support rail usage due to the load capacity difference across Networks significantly impacting transport efficiencies.
- Rural supply chain network strategies are necessary to leverage any benefits from Inland Rail and to integrate the project with existing infrastructure and market and operational arrangements.
- Industry collaboration and coordination is likely to foster more efficient intermodal operations and the integration of farm-based storages into the supply chain.

## SUMMARY OF SUBMISSIONS - RESEARCH & DEVELOPMENT CORPORATION

- In September 2019 the Australian Government, released *Modernising the Research and Development Corporation system: discussion paper* and invited the public to submit their views on the effectiveness of its Research organisations including the **Grains Research and Development Corporation**
- The Government received 182 submissions from interested organisations [including GTA](#).
- From these submissions a [summary discussion paper](#) has been released. Government is currently considering feedback and its direction relating to RDCs

- International grain organisations including the International Grain Trade Coalition (IGTC) and the international Plant Protection Convention (IPPC) continue to push the objective of moving phytosanitary certificates to a digital format. The IPPC is responsible for phytosanitary standards-setting and the harmonisation of phytosanitary measures affecting trade.
- The IPPC reported at the end of August 2020 there are now 90 countries registered to be part of the program to move towards electronic phytosanitary certificates.
- Usage of ePhytos has increased significantly since COVID-19 from a level in January 2020 of 12,000 certificates to an August level of **45,000 certificates**.
- The IPPC project team has released a [new webpage](#) that provides visual up to date information including an interactive global map that highlights country status of:
  - Live exchanging;
  - Exchanging commenced;
  - Started Testing;
  - Testing; and
  - Registered.

## IA CEPA BUSINESS WEBINAR & THE VALUE OF FTAs

- To increase awareness GTA will host an [IA-CEPA webinar on September 30th](#) focusing on **both importers and exporters**. This initiative has been supported by DAWE and Austrade and is targeted at Indonesian importers and Australian exporters.
- The **complementary webinar** will include opening comments from the Australian Ambassador to Indonesia, Mr Gary Quinlan, as well as speakers from GTA, ACF, DAWE, Indonesian Feed Millers and AEGIC. Topics covered will include:
  - the Australian grain value proposition for customers;
  - Indonesian Feed grain demand outlook;
  - The IA-CEPA process;
  - Australian S&D balance; and
  - IA-CEPA opportunities.
- In addition and to further assist Indonesian grain buyers and importers GTA prepared a [Fact Sheet](#) on the Indonesia Australia Comprehensive Economic Partnership Agreement (IA-CEPA) for importers and exporters available in both English and Bahasa.

## IA CEPA BUSINESS WEBINAR & THE VALUE OF FTAs CONTINUED

- A [new report](#) indicates **Free Trade Agreements** such as IA-CEPA have created immense **value for Australian exports**. A recent ABARES Insights paper that explores Australia's agricultural export performance over the past 15 years has found the growth of agricultural exports has been strongly supported by the proliferation of free trade agreements (FTAs).
- The report highlights 81% of Australia's agricultural exports are to countries with which Australia has a preferential trade agreement or FTA.

## AUSTRADE ACCESS TO MARKET INFORMATION

- Austrade is developing digital products that assist exporters to access the market information they need. The digital products provide key market information about exporting your product, including market insights, opportunities and trends, and regulatory information.
- The site is now available and can be [accessed](#).

## COASTAL SHIPPING REVIEWS

- GTA has been involved in a Department of Infrastructure, Transport, Regional Development and Communication review of Coastal Trading Reform for Cargo Vessels.
- This has been a long-term Review process. The Coastal Trading (Revitalising Australian Shipping) Amendment Bill 2017 was the most recent attempt to reform Australia's approach to Coastal Trading regulation. **This Bill lapsed in the Senate** after the election last year.
- As a result of the Bill lapsing the Government have released a further [Discussion Paper](#) and a '[Where to from here](#)' document. This process provides another opportunity for comment and the Department is seeking views on the cargo options paper, by **COB Friday 9 October 2020**.
- GTA's view on the proposed process is the reforms are beneficial to grain exporters as they will remove some of the burdensome applications process in applying for temporary licences.
- GTA will provide a further submission to the Department supporting the proposed reforms

## INDIA'S EVOLVING STANCE ON FOOD SAFETY

- In recent times the Indian government via its Food Safety and Standards Authority of India (FSSAI) has been issuing orders that may lead to restrictions on the trade of grains and oilseeds.
- India is an important market for Australian commodities such as pulses and, at times, wheat and canola. Given its growing population and middle-class, India is an important future market for Australian grains and an important market diversification option, considering the current imposition of duties by China on Australian barley and enhanced monitoring of wheat shipments.
- Examples of recent announcements include - India proposed **a ban on 27 chemicals**. This has now been followed with a recent advice of a major change in Maximum Residue Levels (MRLs) for a range of chemicals.
- India on the 20<sup>th</sup> of August 2020 released a Food Safety and Standards Authority of India Notification (India SPS254) of changes to MRLs for grain for a range of chemicals.
- Whilst these bans and changes to MRLs have been assessed and **there appears to be minimal issue** with the ban and the variation to the MRLs it does indicate an increasing trend from the Food Safety and Standards Authority of India. Continued bans and/or changes to MRLs may impact on market access and disrupt trade.
- The FSSAI also issued an order on 21 August 2020 which will require importers, from 1 January 2021, to **mandatory declare** on 24 major food crops that the products **are not genetically modified** and that they also have a non-GM origin.
- This comes at a time when India is still working on its regulations for GM foods.
- Crops in the list of interest to Australia are beans, canola and wheat, and to a lesser extent, maize, safflower and soybean. Of these all are non GM in Australia, with the exception of canola.
- This is a further example of India imposing measures that restrict trade of grains and oilseeds (previous examples include imposition of duties on pulses with little notice) **and adds unpredictability and risk for exporters.**
- This order does not address a safety-related issue nor have a scientific justification. Australia has a market choice framework and established processes that enable consumer preferences for non-GM products to be met through contracts between importers and exporters, in accordance with national laws.
- As most of the listed crops including those of interest to Australia, have no GM varieties in commercial cultivation anywhere in the world, the declaration by FSSAI adds unnecessary costs and red tape to the grain supply chain with no added benefit.

## INDIA'S EVOLVING STANCE ON FOOD SAFETY CONTINUED

- GTA supports importing countries having a low-level presence policy, as zero tolerance is not practical for the grain trade to comply with and the costs of supplying a market with a zero-tolerance approach are high and, at times, trade prohibitive
- To address this concern [GTA has written to, DAWE's Agricultural Counsellor in India.](#)
- GTA believes the FSSAI requirement is unnecessary and that India already has mechanisms in place to manage GM crops/products and to ensure imported foods meet the requirements of existing laws.
- The letter to DAWE's Agricultural Counsellor in India requests assistance to encourage India to withdraw the Order; or failing this further consult the grain sector regarding the implementation challenges and potential mitigations, such as:
  - Delaying the implementation date
  - Exemptions for crops that have no GM traits in cultivation
  - Acceptance of certification by private sector/third parties
  - Transparent and trade-facilitative enforcement & compliance policies with allowances for low-level presence.

## UPCOMING HARVEST—LOGISTICAL CONCERNS

- As reported in a prior Grain Matters, COVID-19 and border restrictions are creating concerns for GTA members and the grain industry in relation to movements across borders and access to casual labour for harvest activity.
- [GTA recently wrote to Minister Littleproud](#) to raise concerns due to Covid-19 restrictions that are emerging (and likely to escalate) in the local grain supply chain and in preparations for harvest activity and harvest operations.
- The key issues raised included concerns around the movement and availability of skilled labour and equipment required for the grain supply chain to operate effectively. If left unchecked these restrictions are likely to have serious implications on the operations and management of the 2020/21 harvest for GTA Members (including grain storage providers, marketers, exporters, consumers, transport and port operators) who rely on seasonal labour, just as many producers do.
- These concerns are playing out in the inability to fill casual labour positions at receival sites and are also anticipated to have an impact on driver availability for the grain truck fleet. Anecdotal comments suggest the volume of grain receivals may lead to shortages in the supply of available transport during peak activity.
- Further to these concerns are impacts of the Inland Rail Project construction that will in NSW remove the access to a key rail line the Narrabri to North Star section of track from April 1 2021 for a 6 month period.

## 14 OCTOBER 2020—VIRTUAL EVENT

There is a fantastic learning experience and opportunity in 2020 with the annual Australian Grain Storage Conference going virtual and being held on the 14<sup>th</sup> of October 2020.

This Conference is brought to you by the National Working Party on Grain Protection (NWPGP). The NWPGP is the body responsible for providing management and leadership to industry in the areas of post-harvest grain storage and hygiene, chemical use, outturn tolerances, international and domestic market requirements and chemical regulations.

NWPGP has been meeting annually at the Conference for over 40 years and is proudly supported by Grain Trade Australia and funded by Grains Research & Development Corporation.

This year NWPGP will meet "virtually" online due to COVID-19 restrictions. Delegates & Sponsors are offered a unique opportunity to participate in this online virtual event and to promote your products and services to a highly targeted and engaged industry audience.

Presenters will cover national and international regulation along with a range of topics including:

- Market requirements
- Insect infestation/entomology
- Pesticide residue requirements/violations
- Grain protectants
- Fumigants
- Physical control methods
- Application technology
- Extension
- Other key research outcomes

## AUSTRALIAN GRAIN STORAGE & PROTECTION CONFERENCE

### MEETING MARKET REQUIREMENTS



More information—visit [Conference website](#)

[DOWNLOAD PROGRAM](#)

[REGISTER HERE](#)

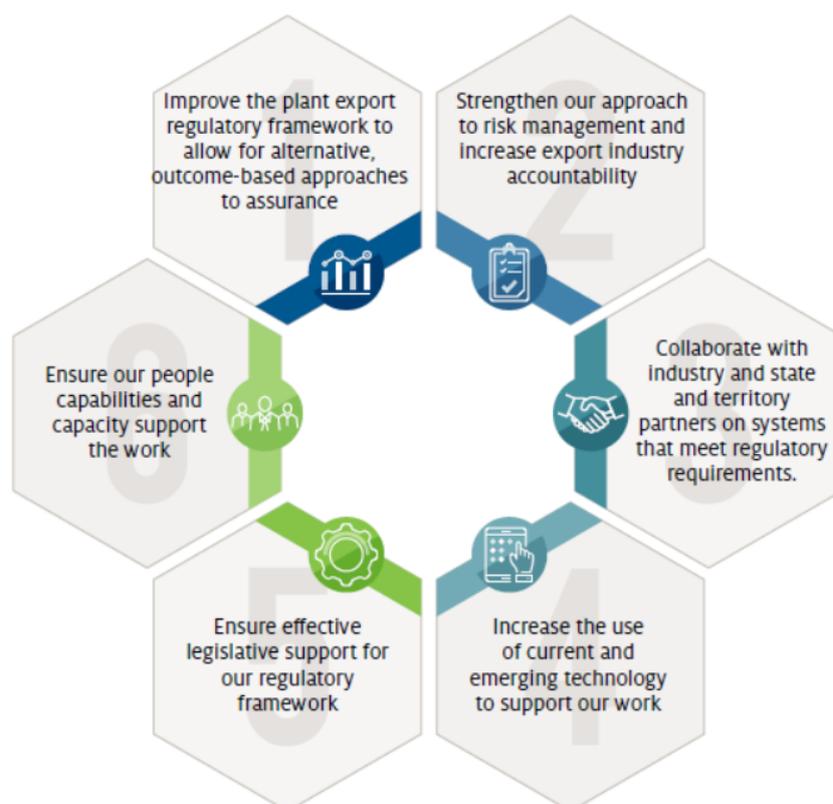
## REVIEW UNDERWAY - THE GRAIN TRANSPORT CODE OF PRACTICE

- GTA has developed the [Grain Transport Code of Practice](#) as an important tool to assist Australian grain industry participants who transport grain to do so quickly, safely and within the relevant laws.
- The GTA Transport Storage & Ports Committee is responsible for the administration of this Transport Code including the performing of reviews to ensure the Transport Code is relevant and contemporary with regulation.
- A review is currently underway and an opportunity to provide comment on any proposed changes to the Transport Code will shortly be made available to GTA Members via a Member Update.

## DAWE 2020 - STRATEGY RELEASED

- In 2018, the National Farmers Federation published a roadmap to achieve \$100B in farm gate output by 2030. The Australian Government has committed to enabling industry to achieve its goal.
- To support this target a vision and [strategic plan](#) has been developed by DAWE to support the plant export industry contribution to the 2030 target. The Strategic Plan includes 6 priorities, and these have crossover and alignment with GTA's *Modernising the Grain Supply Chain Strategy*
- GTA and DAWE are assessing opportunities to coordinate where goals are aligned and working collaboratively will produce a positive outcome.

### Our strategic priorities



## POTENTIAL REQUIREMENT TO PERFORM SELF HEATING TESTS ON MEAL CARGOES

- The International Maritime Solid Bulk Cargoes Code (IMSBC) has an objective to facilitate the safe stowage and shipment of solid bulk cargoes by providing information on the dangers associated with the shipment of certain types of solid bulk cargoes and instructions on the procedures to be adopted when the shipment of certain types of solid bulk cargoes and instructions on the procedures to be adopted when the shipment of solid bulk cargoes is contemplated.
- The current IMSBC has a section for **NON-HAZARDOUS**. This includes solvent-extracted rape seed meal, pellets, soya bean meal, cotton seed meal and sunflower seed meal, containing not more than 4% oil and 15% oil and moisture combined and being substantially free from flammable solvents
- In the revised IMSBC that is in force **in 2021 the non-hazardous section is removed**. This removal will place **an obligation on a shipper** to perform a self-heating test on meal cargoes including canola and soybean meal.
- This requirement has been labelled as unnecessary and a potential trade disruptor on account of the associated cost to perform the testing. GTA is considering actions and advocacy avenues to seek to address industry concerns.

## CONSULTATION—DRAFT EXPORT CONTROL RULES

- Fundamental to trade are the Australian Government rules and regulations. The agricultural export legislation including the Plant and Plant Product Rules have been undergoing a review since 2018.
- The current agricultural export legislation is due to expire on 1 April 2021. Consequently, DAWE is developing improved agricultural export legislation for Australia.
- GTA has been involved and participated in the review to ensure any change is beneficial to grain industry participants including providing a Submission (Here:)
- On the 9<sup>th</sup> September 2020 DAWE released the [DRAFT Export Control Rules](#) (Plants and Plant Products) **for further review and consultation**. Consultation closes on the 5<sup>th</sup> November 2020.

## REMINDER TO NOMINATE TO TECHNICAL COMMITTEE POSITIONS

Members are reminded to nominate for GTA Technical Committee positions. Calls for nominations were made via GTA [Member Update 21 of 20](#). Please note that existing Committee members are required to re-nominate for positions.

Technical Committee Nominations close on **Friday 2nd October 2020**.

Please email nominations to [submissions@graintrade.org.au](mailto:submissions@graintrade.org.au).

GTA is a member driven organisation, which makes active participation by Members on the Board, committees and working groups critical to GTA and the value it delivers to industry by facilitating trade through its products and services.

## WELCOME NEW MEMBERS

We would like to extend a very warm welcome to the following new members who have recently joined Grain Trade Australia:

- Barrett Burston Malting
- Grenfell Commodities
- BSM Global
- McNaughts Grain & Fertilizer
- Priag Marketing
- Surat Bulk Grains
- Aperture Ag

We are pleased that these businesses have chosen to become part of GTA and contribute to GTA's mission to "facilitate trade". We are always on the look out for new members, please contact [admin@graintrade.org.au](mailto:admin@graintrade.org.au) for any new membership ideas.

Member should also note that the following companies are no longer GTA Members:

- Australian Grain Storage Alliance
- Agfarm
- Agrifoods Australia
- Grain Direct
- PASE
- Elders

## GRAIN TRADE AUSTRALIA ANNUAL GENERAL MEETING

2020 Annual General Meeting of members of Grain Trade Australia Limited will be held online, **on Tuesday 27 October 2019 at 9.00am**. To attend, members are invited to register:

[Register for AGM](#)

*Please note that all members are welcome to attend GTA AGM, but only 1 nominated person per membership organisation can vote.*

The AGM provides the opportunity for GTA Members to receive and consider the Company's financial report, directors report and the report by the auditor for the year ended 30 June 2020.

The meeting will also facilitate the election of 3 Directors to fill vacancies on the GTA Board. Refer to [Member Update 24 of 20](#)



## TRAINING OPPORTUNITIES DURING COVID-19



# TRAINING & DEVELOPMENT PROGRAM

# WEBINARS



- GTA Members are reminded that GTA training courses are operating during this period as on-line training. This provides an opportunity for GTA Members and staff to attend on-line training that may have found difficult to attend in the past.
- On-Line training provides more flexibility and saves on participants time ,budget including travel costs. As a result, GTA is seeing strong numbers attending training and have noticed a strong increase of participants based in regional locations.
- GTA Members are encouraged to consider the advantages of on-line training as an option for staff that normally would not have the opportunity to travel to attend traditional face to face training.

If you wish to arrange "in-house" training on a day that suits you and your team, please email [admin@graintrade.org.au](mailto:admin@graintrade.org.au) or call Julia O'Keeffe 0449 038 330

### UPCOMING EVENTS:

30 SEPT—IA-CEPA Webinar ([Register here](#))

21 October—Grain Accounting Workshop

28-29 October—Grain Merchandising Workshop

[REGISTER HERE](#)

### [PUBLICATIONS—ORDER HERE](#)

- Visual Recognition Standards Guide 2020-2021
- Seed Impurities of Grain Identification Guide

