



[PROPOSED] SALES-BASED RESERVATION SYSTEM – INDONESIA FEED GRAINS TRQ

1. Quota will be available on a first come, first served basis on provision of a valid contract for the consignment(s) and a complete application.
2. Applications will be accepted from 1 November ahead of the new quota year starting 1 January.
3. The contracts must:
 - a. Include the full name and address of the exporter and importer
 - b. Be signed by both parties
 - c. Include a unique identifier/contract reference
 - d. Specify the commodity
 - i. AHECC and description
 - e. Specify the total weight and the number of consignments
 - i. Tolerance weights must be included in the exporter's reservation request.
 - ii. No capacity to increase weight unless there is uncommitted quota either at the time of issuing the certificate or at the time a contract variation is provided.
 - f. Specify the date range that the contract will be completed within
 - i. A maximum date range will be set at 2 months.
 - ii. Quota will be reclaimed if any volume remains unused the day after the final day of the date range (see *Lapsing Reservations* and *Returns* for further conditions).
4. The application must be made in the form approved by the Secretary.
 - a. This will include a declaration confirming the accuracy of all information and that they have read and understood the legislative Order governing the Feed Grain TRQ.
 - b. The declaration will also acknowledge that it is an offence to provide false or misleading information.
5. An application must be complete to reserve its place in the order of applications received.
6. Access Cap
 - a. Exporters will be limited in their reservations and access to a maximum of 150,000 tonnes.
 - i. This Access Cap applies until the end of 30 April of the quota year. Additional quota above this cap can be accessed from 1 May (see *Additional Quota*, below).
 - ii. Tolerance weights are included in calculating an exporter's Access Cap.
7. If quota is available and the application is complete, the exporter will be notified of any reservation, including the time period/date range and their responsibilities.
8. Applying for a certificate
 - a. Certificate applications will ultimately be linked with NEXDOC, ticking the Quota Indicator box.
 - b. In the interim, exporters must complete a certificate application form and provide it to the Quota Unit. This will include details of the RFP and specify the unique identifier of the contract it relates to (to cover scenarios where exporters have multiple contracts).
 - c. When the RFP reaches Complete and export certification issued, an electronic quota certificate will then be issued.



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- i. A quota certificate will only be issued if the application was received within the date range stipulated in the contract (that is, not earlier or later).
 - d. The certificate will cover the consignment volume, to the extent the exporter has enough quota reserved.
 - i. Incentives will apply where an exporter returns any difference in volume between their contract and overall use (see *Returns*).
 - ii. Otherwise, any difference in volume between contract and overall usage not returned will be reclaimed once the date range ends (see *Lapsing Reservation*, below).

9. Varying contracts

- a. An exporter can request a change to their reservation, via an application and varied contract.
 - i. A change to the weight of a consignment.
 - o A decrease in weight will result in the difference being returned.
 - o An increase in weight can only occur if there is uncommitted quota available (still accessed via FCFS).
 - ii. A change in product – to ensure that it remains within the eligible products under the TRQ.
- b. They cannot change the exporter or importer.
- c. They cannot change the date range.
- d. It is not necessary to notify the Quota Unit of the following variations to a contract:
 - i. Details that the department will not be assessing.

10. Returns

- a. If an exporter has completed their contracted consignments and has a volume of reserved quota remaining, they are encouraged to notify the department and return the balance.
- b. If an exporter returns their balance, they do not face any time restriction to applying for additional reservations. If they do not return the balance, it will be considered lapsed once the end of the date range is reached (see below).
 - i. This supports exporter's need for tolerance weights, while supporting the overall usage of the quota.

11. Lapsing Reservations

- a. Quota reservations will be considered lapsed and immediately cancelled if any volume has not been used the day after the final day of the date range specified in the contract.
- b. If a volume of quota lapses the exporter will be unable to apply for a reservation for 4 weeks.
 - i. This is to incentivise exporters advising the department where quota is not needed (see *Returns*, above).

12. Cancellations

- a. Exporters must notify the department as soon as possible after a contract is cancelled or 'washed out', but not later than 1 week after.
- b. If a contract is cancelled the quota reservation will be cancelled, and the quota returned.
- c. If an exporter cancels a contract they cannot apply for a new reservation for 4 weeks (from the date the department was notified).
 - i. Exception to this is where the exporter had used at least 75% of their reservation. No limitation applies in this circumstance.



13. Additional quota

- a. Despite the stipulated cap of 150,000 tonnes, an exporter may request reservations for volumes above this cap where the applications are made after 1 May of the quota year, and where there is uncommitted quota available.

14. Penalties

- a. If a contract end date is reached and none of the quota was used, the exporter will be excluded from applying for the remainder of the quota year and until 1 May of the next quota year (in line with the date the cap ceases).
- b. Per *Cancellations* above, exclusions of 4 weeks apply where contracts are cancelled without having at least 75% used, or where a contract reaches its end-date with an unused amount (where that amount is not 100% of the reservation, per 14.a.).

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