



## **GTA Chair Address at 2021 AGM**

I am very pleased to provide the 2020/21 annual report as Chair of Grain Trade Australia (GTA).

I must mention that 2021 is the 30th Anniversary of the formation of NACMA/GTA. Everyone involved in the organisation over the last 30 years should be very proud of the organisation's achievements and how GTA has evolved and led the industry to its successful position today.

GTA remains the focal point for the commercial grain industry within Australia. It facilitates trade and works to provide an efficient, equitable and open trading environment by providing leadership, advocacy and an industry driven self-regulatory framework including the Australian Grain Industry Code of Practice, grain Trading Rules, Contracts and Grain Trading Standards.

The grain industry story of 2020/21 has been one of recovery following years of severe drought. Australian grain production recovered in 2020/21 season to 58 million tonnes<sup>1</sup>, the second largest crop on record, with domestic consumption of 16.9 mmt<sup>2</sup> and exports of 36.5 mmt<sup>3</sup>.

It has been a monumental effort by GTA members to efficiently receive, store and move this large crop to demand points within Australia and across the globe, while ensuring the quality and food safety of the grain along the supply chain. The capacity and capability of the grain supply chain has been truly tested in the past year, and I am pleased to report, despite some challenges, it has passed the test.

In 2021 GTA held the first *Australian Grain Supply Chain Summit* to launch an important strategy called "**Modernising the grain supply chain - from drought, through COVID-19 to 2030**", developed by GTA to enhance and grow industry, through strategic efficiency gains in the value chain.

The rationale in focusing on the supply chain is simple; improving the efficiency of the grain supply chain, improves the value of every tonne of grain that moves through it. It improves our industry's global competitiveness benefitting not only supply chain participants, including GTA members, but importantly the benefits will deliver economic value to rural and regional communities.

The GTA strategy is closely aligned with the Department of Agriculture, Water & the Environment (DAWE) strategies and we are collaborating with the Department to deliver benefits and improve the competitiveness of the Australian grain industry, to better meet the increasing pressure from global competition.

Australia's self-regulatory industry framework enabled by GTA's products and services is unique and allows the grain industry to operate with confidence, be it originating grain from producers, managing price and logistical risks, or moving grain from farm to domestic and offshore markets.

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<sup>1</sup> Source: ABARES

<sup>2</sup> Source: USDA

<sup>3</sup> Source: ABARES

Australia remains the only major exporting country with an industry managed and driven Code of Practice, noting all GTA Members are required to adhere to the Code.

GTA's Dispute Resolution and Arbitration Service instils commercial confidence and underpins grain contracts in Australia. GTA Arbitrators are industry experts who volunteer their time, and we must thank them for their important contribution to industry.

GTA's Sector Councils and Technical Committees, with participation from across the value chain, are part of GTA's Member driven process and voluntary work that draws on the expertise in industry to develop policy for the broader benefit of industry and members.

I am pleased to report GTA established a *Domestic Sector Council* in 2021. The Australian domestic market is the largest single "destination" for Australian grain. The GTA Domestic Sector Council will focus on issues effecting GTA members in the domestic sector and it now joins the *Australian Grain Exporters Council (AGEC)* as Sector Councils of GTA operating under the Charter of the GTA Sector Councils.

Our industry operates within a trading environment, which is becoming more challenging with increasing competition and emerging technical barriers to trade.

GTA through the Trade and Market Access Committee has a strong focus to ensure that Australia's reputation as a supplier of quality grain is protected and market access is assured and improved.

GTA remains committed to ongoing participation in international trade policy development. This requires direct industry experience and a practical focus to ensure a policy does not take an unpredicted turn that could disrupt trade.

GTA's focus is to advocate for open, competitive markets, regulatory coherence based on sound science and risk-based assessments. This includes being actively involved in the International Grade Trade Coalition (IGTC), of which GTA is a long standing and active member.

Trade and market activities are supported by the very important work and advice of the National Working Party on Grain Protection. Researchers, regulatory authorities, chemical companies and grain storage suppliers meet with producers, commercial storage providers and traders at the annual National Grain Storage and Protection Conference, managed and facilitated by GTA.

The premier event on the grain industry calendar remains the *Australian Grains Industry Conference (AGIC)*. Due to the COVID Pandemic, AGIC 2020 was successfully held on a special virtual conference platform. The program was exceptionally strong with 2 cabinet ministers, local and international business leaders and speakers providing expert insights on global markets, trade, politics and the challenges of the COVID pandemic.

AGIC Asia and Roundtable events in planned for China and Vietnam in March 2020 were postponed due to COVID-19 and were replaced with a highly successful virtual conference held in July 2020.

Following this success AGIC Asia 2021 was held in March 2021 as a virtual conference with over 650 delegates from 25 countries on-line for the event highlighting Australian grain and the quality assurance process in the grain supply chain.

AGIC Asia and its Roundtable events continue to demonstrate value and have resulted in tangible trade and market access outcomes supporting the maintenance and growth of these important markets.

The Training and Professional Development programs, delivered by GTA, are an important part of industry stewardship and self-regulatory framework. These training programs provide professional development opportunities for industry participants to improve their skills and knowledge, and importantly improve industry capability.

GTA has fulfilled its role in supporting Wheat Quality Australia (responsible for Australia's Wheat Classification System), having played an important role in resurrecting this important function in the wake of export deregulation. I can report that WQA stewardship has been passed to Grains Australia Limited from July 2021.

We remained humbled by the support and efforts of all the industry specialists who volunteer their time and expertise as members of the various GTA Technical Committees and Industry Working Groups, as well as the GTA Arbitrators.

The commitment and contribution of the GTA Board (who also volunteer their time) and management team, past and present is integral to GTA's success, for which I thank you.

This volunteer base and their contributions to GTA are the foundations of GTA's and industry's "can do" culture and resilience. We should never underestimate the importance of this commitment to the success of our organisation and industry.

GTA Board and management know we must continue to work hard and be effective in providing products and services that support members and in-turn the Australian grain industry. As the industry continues its growth in value, sophistication as well as complexity, GTA must continue to respond and adapt in meeting the needs of members and facilitating trade.

This is true for trade challenges, during favourable seasonal conditions as well as times of drought.

Your Board is committed to ensuring GTA delivers for its members under all scenarios.

Thank you.

A handwritten signature in black ink, appearing to read 'Andrew Goyder', with a long, sweeping flourish extending to the right.

**Andrew Goyder**

**Chair -Grain Trade Australia.**