

GTA MARKET NOTIFICATIONS



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TOPIC: Outcome of the Grain and Plant Products Export Industry Consultative Committee Meeting 9th March 2021

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

1. Status Update

- Grain Trade Australia is a member of the Grain and Plant Products Export Industry Consultative Committee (GPPEICC) representing the interests of GTA members.
- The GPPEICC is the principal forum for the Department of Agriculture, Water and the Environment (DAWE) to consult with the grain, fodder, nuts, seed and timber industries on export inspection and certification, export market access and other relevant issues.
- The most recent meeting was held on 9th March 2021 and issues of relevance to GTA members are outlined below.

2. Meeting Outcomes

DAWE Finance and Budget Issues

- Industry debt levels with DAWE have reduced in the most recent reporting period, a pleasing result. However, debt recovery actions have commenced to some stakeholders and industry is reminded to continue to appropriately manage overdue fees and liaise with DAWE where issues are expected.
- The Grain Program is expected to incur a deficit for the 2020/21 year of \$0.8m due to reduced exports. The Cost Recovery Reserve at the end of the financial year (June 2021) is expected to be a deficit of \$1.2m, noting the government has announced no increase in fees during that period due to the “busting congestion budget measure” announced during the 2020/21 budget release which will maintain government services during the reform period.
- Industry is advised it is expected that export charges and fees will gradually increase to full cost recovery in 2023/24.
- The grain Cost Recovery Implementation Statement (CRIS) for 2020/21 has been released and industry is encouraged to provide feedback by the due date of mid-April 2021 at <https://www.agriculture.gov.au/fees/cost-recovery-implementation-statements>. GTA will provide

feedback to DAWE on behalf of members. DAWE plan to release a CRIS annually going forward to manage applicable fees and charges and ensure they are as transparent and applicable as possible.

Reforms & IT System Issues

- Industry continues to liaise with DAWE on the benefits and pursue development/adoption of electronic data and certifications systems, including MICoR, Nexdoc and e-phyto.
- As part of the government “congestion busting reforms”, PEMS V4 is being planned and it is expected up to 4 releases will occur prior to June 2021. As part of that process, it is expected all industry (and software providers) will be using PEMS by that period, unless exceptional circumstances arise.
- DAWE are undertaking a review to harmonise their regulatory function with State governments. Industry is encouraged to provide any examples where duplication of effort is involved in DAWE and State governments. GTA will be providing a response to DAWE on members behalf.
- Additionally, industry is encouraged to provide DAWE with any ideas of technology usage or opportunities to use technology to assist the export operations of both DAWE and industry.
- MICoR has been updated significantly in recent months. Industry is encouraged to register under “subscribe” to receive an email notification of all changes in market access conditions in MICoR at this location <https://micor.agriculture.gov.au/Plants/Pages/default.aspx> Prior to implementing future MICoR upgrades, industry is encouraged to provide suggestions to improve its performance. GTA will be providing a response to DAWE on members behalf.
- NEXDOC for grains is due after dairy (expected May 2021).
- E-Phyto is expected to be completed by the end of 2021.

Operational and Export Market Access Matters

- The government have approved 21 grants under the latest round of Package Assisting Small Exporters program (PASE), for a total value of \$4.95 million (GST excl.), across export commodities and locations. GTA was allocated some funds to raise awareness of representative grain sampling as part of the Prescribed Goods Export Preparation Standard. As the project progresses GTA will advise industry through various communication channels.
- DAWE is working with Austrade and DFAT on initial planning and implementation of Agri-Business Expansion Initiative (ABEI), including reaching out to agricultural and food export industries and individual businesses via a \$72.7 million investment to help Australian agribusinesses expand and grow their export markets. While the initial focus was on alternative markets (to China), there are 5 strategies to assist industry to grow export markets. Over the coming months specific details will be provided to industry seeking industry engagement on opportunities and implementation strategies. For further information <https://www.agriculture.gov.au/market-access-trade/agri-business-expansion>
- While there have been disruptions because of Covid-19 however as restrictions ease, audits of establishments continue. Given the increased presence of mice, audits are increasingly focussed on hygiene and pest control. Mobile Bulk Loading registration audits have been completed.
- BVI inspectors have been identified as conducting risk assessments of vessels with infestable residues. Industry should be aware that BVI AO's do not have the authority to risk assess and will be audited and issued Corrective Actions by DAWE for failure to follow the Work Instructions.
- Documentation and record keeping continue to be the key elements for non-compliances identified at audit and industry is reminded of their obligations under the Export Control Act.

- There has been an increase in the overall documentation resubmission rate with the current rate sitting at 12%. Regional Assurance Managers (RAMs) to work with the relevant individual companies as part of an active approach to reducing resubmission rates.
- Industry has experienced delays in documentation processing by DAWE, who have increased staffing to assist. DAWE are trialling new technology to speed up the current documentation process. Some delays have been caused by incorrect industry-supplied documentation, due to the use of relatively inexperienced casual staff.
- Due to the expected high volume export task in 2021, DAWE would appreciate early advice from industry exporters are considering moving away from industry AOs to the use of DAWE AOs.
- The introduction of the requirement for AOs to use Go Pros (or equivalent) to record empty bulk vessel inspections at berth and anchorage has been deferred until sometime after March 2021. Industry will be advised of further developments.
- DAWE is updating to all its instructional material to ensure compliance with the new plant export legislation effective from 28 March 2021.
- Changes have been made to the policy and process relating to the issuance of phytosanitary certificates for re-export. Exporters will need to familiarise themselves with the changes prior to the implementation on 28 March 2021 to ensure a smooth transition. See the IAN at <https://www.agriculture.gov.au/export/controlled-goods/plants-plant-products/ian/2021/2021-09>
- Planning for further DAWE/industry forums led by DAWE Regional Assurance Managers (RAMs) in all other States is underway. Industry is encouraged to assist in the planning of the forums where possible and participate once dates are provided.

Legislation Review

- DAWE are preparing for the commencement of the new legislation on 28 March 2021 by reviewing and updating instructional material, forms and records, training products, government certificate templates, PEMS, EXDOC and webpages. The following advice has been provided by DAWE for distribution to industry:

“Australia’s export legislation is changing...”

Australia is getting a new legislative framework for agricultural exports on 28 March 2021. Together, the Export Control Act 2020 and Export Control Rules 2021 streamline existing export requirements that were previously across 20 Acts and 40 pieces of legislation.

If you are involved in exporting plants and plant products, the Export Control (Plants and Plant Products) Rules 2021 set out the specific requirements you need to follow. More simply known as the plant rules, they replace the current Plant and Plant Product Orders.

The new legislation is easier to understand and use. It will continue to achieve the same regulatory outcomes that are expected by Australia’s trading partners.

The new legislation looks different, but it is not designed to add regulatory burden or change how industry do business in the short term. In the longer term it will support our plant industries to innovate and pursue opportunities for efficiency.

For export businesses, the changeover should be simple. All existing legislative approvals will automatically transition when the new legislation begins. This includes accredited properties, registered establishments, authorised officer appointments, export permits, government certificates (such as phytosanitary certificates), product inspection records, treatment supervision records, container approvals and bulk vessel approvals.

There are some key changes you should be aware of as we transition to the new legislation. These include updates to policy, IT systems and forms. You can find more information on these changes and what the new plant export legislation means for you at awe.gov.au/new-plant-export-legislation.”

3. Further Information

- Contact GTA to seek further information on any of the above issues.
- Further information on GPPEICC and its membership can be found at <http://www.agriculture.gov.au/biosecurity/partnerships/consultative-committees/gppeicc>