

GRAINMatters



EDITION 55, April-May 2021

UPCOMING EVENTS

1 - 2 June 2021 Australian Grain Storage & Protection Conference 2021

23-24 June 2021 Grain Merchandising

28 - 29 July 2021 AGIC Australia

17-18 August 2021 Export Contracts & Documentation

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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MODERNISING THE GRAIN SUPPLY CHAIN SUMMIT

- GTA hosted a Grain Supply Chain Summit on the 21st of April 2021 with **over 150 delegates registering from industry and government across Australia.**
- This Summit was in support of the strategy developed through GTA and its member driven Technical Committees - *Modernising the grain supply chain - from Drought, through Covid-19 to 2030*. This is an [innovative growth and investment strategy](#) to take industry forward and to support Australian supply chain initiatives.
- Presenters discussed grain industry needs, gaps and innovation that can help drive efficiency gains throughout the value chain. Copies of the presentations and session recordings are available on the [GTA website](#)
- Delegates were informed that GTA and the Department of Agriculture Water & the Environment (DAWE) are jointly planning projects that are complementary to both industry and government strategies including: **Storage Asset & Operational Standards**. Development of Standards and an on-going Assurance Program will provide:
 - a. A framework that includes guidance and training on the business steps and processes storage operators should strive to achieve; and
 - b. Procedures to allow an assessment and quality accreditation of any storage asset and its operational management practices.
- The Standards will allow all farm-based and commercial storage assets and their operation to have access to an integrated industry supported Quality Assurance system in the export and domestic supply chain thus reducing industry exposure to risk and reputational damage and to better reflect export requirements.

Modernising the Grain Supply Chain Summit



INFORMATION TECHNOLOGY ROADMAP

- An Information Technology Roadmap (ITR) is strategic communication tool to provide context for GTA Members and highlight the synergies achievable through technology across industry and government. The role of an ITR is considered critical to assist industry sectors and associated government agencies when considering any reviews of process, procedures, and direction in information technology.
- An ITR allows GTA Members to stay aware of the direction for technology and to align their own strategies with the bigger picture. Importantly it allows industry and government to align direction and to discover synergistic opportunities.

An ITR is a **summary level guidance document** that:

- ⇒ Identifies proposed areas of standardisation and targeted innovation.
- ⇒ Describes the challenges faced by the grain industry
- ⇒ Outlines the strategy and innovations to support industry through these challenges.

GTA BOARD - ON THE ROAD AGAIN

- The GTA Board have thrown off the shackles and have resumed meeting on a face-to-face basis in 2021 with the Board and Management meeting in Canberra during March 2021 for its annual strategy planning session and Board day.
- During the Strategy session the Board reviewed and discussed GTA's role and its objectives and its performance against these objectives.
- The day provided an opportunity for the Board to consider the suitability of existing strategic direction and to fine tune that direction to better meet the needs of GTA members.
- Further to the March meeting several of the Board also met in Melbourne for the April 2021 Board meeting with others joining virtually due to WA related border closures and /or other commitments.
- Post this meeting the Board took the opportunity to invite Melbourne based GTA members to an industry drinks evening on the 27th of April 2021 to offer an opportunity for GTA to meet and to discuss pertinent issues with Board members.

SUPPLY CHAIN CONSTRAINTS

- A constant quote in the market today is there is an undersupply of road trucks & drivers and an oversupply of demand. This issue is not just restricted to road as rail-based supply chains are also being impacted by weather events and a shortage of train drivers.
- Whilst challenging and frustrating to supply chain participants GTA Members are reminded to continue to **practice good commercial business practices** and to be aware of the impact poor communication can have within an integrated supply chain. This is particularly relevant and timely in **Delivered contracts**, noting:
 - GTA members are reminded of the obligations in their contracts and the GTA Trade Rules associated with the delivery of grain and the importance of timely communication of any delays or impediments relating to delivery.
 - Be aware that failure to adequately communicate can have downstream impacts on other participants especially when involved in a String Sale. Good communication can minimize the frustration levels.
 - We are often asked what can be done when a counterparty does not deliver. The short answer is when you think a party has not meet its contractual obligations and where commercial negotiations fail, the option of a GTA Arbitration can be considered. While it will not make grain immediately available (often when it is needed), the GTA dispute resolution service closes the contractual loop, to ensure financial compensation when a party defaults on its contractual commitment. It is the "option" of this process that instills confidence in the marketplace to facilitate trade.

SUPPLY CHAIN CONSTRAINTS CONT.

- Increasing and updating the knowledge of GTA contracts and Trade Rules across your company, could be the best “trade” you make all year! GTA runs [Training and Development](#) courses in Contracts and Trade Rules and Dispute Resolution.
- Members are reminded GTA publishes its [Arbitration Awards](#) to benefit industry in the learnings from Arbitrations. Why not become a GTA Arbitrator? You are guaranteed to learn something!

QUALITY AND REPUTATION ARE PARAMOUNT

- Whilst the supply chain is under pressure and somewhat overheated exporters and domestic sellers are reminded that **grain quality and phytosanitary requirements need to be adhered to at all times** to ensure your company and the Australian grain supply chain reputation is maintained.
- Trading Standards and government export regulations are the front line for our reputation in the market. Please ensure you remain vigilant and adhere to good business practice in particular:
 - in regional areas where mice numbers are high (noting a **zero tolerance for mouse droppings** in the GTA Trading Standards); and
 - Remember the washing protocols when treated fertilizer has been a prior cargo, refer to [TGD 18 – Truck Cleaning Procedure](#)
- As they say, reputations can take years to build, and moments to damage or destroy

THE TRADING STANDARDS PROCESS - SUBMISSIONS SUPPORTING CHANGE

- The GTA Trading Standards Committee is the Technical Committee under GTA responsible for generation of all Trading Standards and related issues.
- Details of the Trading Standards Technical Committee and the process it undertakes on an annual basis to review the Trading Standards is outlined in the [GTA Trading Standards Fact Sheet](#). This process includes two rounds of industry consultation and opportunity for submissions.
- At the recent GTA Trading Standards meeting held in Melbourne on 15 April 2021 the Committee reviewed and discussed several Submissions received from GTA members including:
 - A request to consider a change to the Wheat Trading Standards by the application of weight-based assessment where (sand and earth are combined) as opposed to the current separate assessment by count for sand and for earth.
 - Seeking a reduction in the Maize moisture limits from 14% to 13% to minimise risk associated with the stored product.
 - A discussion on whether to implement the requested change to the specifications for SFW1.
- The Trading Standards Committee Members were also asked to review and consider a proposal provided to the Committee by **Wheat Quality Australia (WQA)**.

THE TRADING STANDARDS PROCESS - SUBMISSIONS SUPPORTING CHANGE CONT.

- WQA is considering the introduction of a **new wheat Hard Class – Australian White Hard Wheat (AWW)** and wanted to provide a briefing to the Trading Standards Committee given it is a significant change.
- The main points raised by WQA included:
 - WQA have been considering for some time the introduction of a new Hard Class which may fit the requirements of a relatively large proportion of the export market for Australian wheat.
 - The introduction of AWW is proposed to target customers who purchase Australian White Hard wheats for general purpose requirements.
 - The aim of AWW is to provide scope for high yielding varieties and to remove the need to pass 'end product performance' testing prior to being approved. This will improve breeding flexibility and yield opportunities.
 - WQA consider AWW a GP standard and expect it will not be subject to a protein minimum.
- It was noted this is a significant change for industry and a change in focus that will require time and effort to ensure industry is aware and prepared should it proceed.
- The Committee discussed and resolved to establish a Working Group to consider all implications and potential issues associated with the introduction of AWW.

VULNERABLE SUPPLY CHAIN - SUBMISSIONS

- Volatility in the Supply Chain is anticipated to continue due to strong demand for goods during COVID-19. This increased market demand has created supply chain congestion and has destabilised the efficient management of loaded and empty containers.
- Whilst these issues are largely market driven, they have further highlighted there **are issues** within the regulatory framework that delivers market supportive and timely outcomes.
- AGEC and GTA's Technical Committees have supported the preparation of a **Submission into the Productivity Commission** Review of Vulnerable Supply Chains
- The Submission highlights the grain supply chain consists of multiple parties and complex interactions which impact on market fairness, access and cost and suggests any negative interaction **can create unmanageable risk, vulnerability and restrict the ability for the market to work effectively.**
- It [recommends industry and Government work together](#) to:
 - develop and implement trade and market access strategies to grow and diversify markets for Australian grains,
 - invest in modernising the grain supply chain to improve global competitiveness, efficiency and value of the grain moving through the supply chain, reducing risk of disruption to trade and flow of grain to food processors and consumers.

INLAND RAIL SUBMISSION - SENATE HEARING

- An inquiry into the management of the Inland Rail project by the Australian Rail Track Corporation and the Commonwealth Government is being undertaken by the Senate Rural & Regional Affairs & Transport References Committee. The Terms of Reference are can be [found here](#).
- GTA provided a Submission to the inquiry in **November 2019**

GTA presented to a Public Hearing of the Senate Committee on 22 April 2021 and spoke to its Submission and answered questions of the Senators on the Committee.

GTA's message was:

- a. The role of GTA
- b. Importance of the grain industry to the economy
- c. Diminishing use of rail in eastern Australia
- d. GTA is seeking engagement with governments, rural councils, industry participants and ARTC on opportunities to analyse the DC and where possible leverage the Inland Rail project.
- e. GTA sought funding through the Inland Rail Interface Improvement Plan to progress a [review](#) but was unsuccessful.



UPCOMING EVENTS

GTA TRAINING & DEVELOPMENT WORKSHOPS

12-13 May 2021 Grain Export Execution & Risk Management

23-24 June 2021 Grain Merchandising

[Find entire Semester 1 workshop schedule here](#)

REGISTER NOW

Grain Export Execution & Risk Management

New date 17-18 August 2021

Topics include:

- Formation of Contracts
- Letters of Credit
- Logistics
- Bills of Lading
- Charter Parties
- Dispute Resolution

REGISTER NOW



 GRAIN TRADE AUSTRALIA

This 2 day workshop will help you understand the risks and the complexities of exporting grain and completing International Trade Documentation. It is an interactive workshop with a unique opportunity to address your questions to the experts in the industry .

Australian Grain Storage & Protection Conference

1-2 June 2021

Rydges Melbourne - Face to face event

(with a hybrid option)

Visit [conference website](#) to register, for more information, ticket options and accommodation special rates

AUSTRALIAN GRAIN STORAGE & PROTECTION CONFERENCE

MEETING MARKET REQUIREMENTS



AGIC Australia 28-29 July 2021

28 - 29 July 2021

Crown Promenade, Melbourne

Registrations are now open

The Australian Grains Industry Conference

2021



AUSTRALIAN GRAIN STORAGE & PROTECTION CONFERENCE

MEETING MARKET REQUIREMENTS

BROUGHT TO YOU BY THE NATIONAL WORKING PARTY ON GRAIN PROTECTION (NWPGP)



01-02 JUNE 2021

RYDGES MELBOURNE

186 EXHIBITION ST, MELBOURNE, VIC 3000



ONE EVENT - TWO EXPERIENCES:

Full Conference Ticket (in person at Rydges Melbourne)

Early Bird - \$395

- Attend 2 days at Rydges Melbourne
- Lunch & Morning tea provided
- Reconnect with industry peers (in person)
- Networking opportunities (in person)
- Exhibitors/Sponsor displays
- Q&A and Panel discussions
- Social function included
- Access to conference recordings for 30 days

Hybrid Ticket (via Live Stream)

Early Bird - \$225

- Live stream from Rydges in Melbourne
- Connect with industry peers via virtual platform
- Exhibitors/Sponsor virtual displays
- Q&A and Panel discussions via virtual platform
- Networking with delegates, speakers & sponsors (via virtual platform)
- Immersive experience for those that are not on-site
- Accessible attendance for interstate delegates
- Access to conference recordings for 30 days

- ◆ Wider Audience
- ◆ Inclusivity
- ◆ Greater Sponsor Exposure

- ◆ Options for Everyone
- ◆ High value level for Delegates and Sponsors
- ◆ Sustainable and leading towards hybrid events future

[REGISTER HERE](#)