

GRAINMatters



EDITION 61, NOVEMBER/DECEMBER 2021

UPCOMING EVENTS

- Grain Sampling Training (FREE)
- Chain of Responsibility Online Training Course (FREE)
- Training and Development Schedule released for 2022
- AGIC Asia 2022 (registrations are now open)

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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GOYDER'S LINE - CHRISTMAS MESSAGE FROM GTA CHAIRMAN



Dear GTA Members,

I would like to personally and sincerely wish all GTA members, your families and all grain industry participants a very Merry Christmas and a prosperous 2022. Please stay safe over this period and for those members caught up in a hectic harvest please remember the most important thing is for everyone to arrive home safe from work ([GTA Safety Guidelines for your reference](#)).



As 2021 passes and we welcome 2022 we look back on another year that has been particularly challenging for all Australians due to COVID-19. The industry continues to throw us opportunities and challenges, with wonderful potential in the 2021/22 crop offset by unseasonable wet harvesting conditions. As proven over recent seasons the industry is up for the challenge and can overcome adversity.

Best wishes for the remainder of the harvest and hopefully the bulk of it is off by Christmas and you can settle down to enjoy this year's Christmas festivities with your friends and families. Please enjoy this special time and reflect positively on this year and in 2022 that is ahead of us and also reflect on those less fortunate.

On behalf of the GTA Board, management, and staff, may I offer the very warmest of Christmas wishes to all GTA members your families and may we look forward to a brighter and prosperous 2022.

Yours Sincerely,

Andrew Goyder, Chair—Grain Trade Australia



Goyder's Line. After inspecting northern pastoral lands devastated by a drought in 1864–65, Surveyor-General George Woodroffe **Goyder** advised the colonial government to discourage farmers from planting crops to the north of a **line** delineating the extent of the 12-inch (30cm) annual rainfall. GTA Chairman Andrew Goyder is a descendant of SG Goyder!

INDUSTRY CONCERN - AUSTRALIAN FINANCIAL SERVICE LEGISLATION IMPACT ON GRAIN COMMODITY ADVISORS

- At the 2021 GTA Advisory Compliance Workshop (ACW) the issue of the cost and the time involved for grain commodity advisors to train and meet the Financial Advisor Standards and Ethics Authority (FASEA) requirements was identified as an industry issue with the potential risk to impact the facilitation of trade.
- Australian grain commodity advisors who provide advice to farmers are required to comply with the Australian Financial Services Legislation (AFSL) and the Financial Advisor Standards and Ethics Authority (FASEA). AFSL set the Legislation and FASEA set the education, training and ethical standards of licensed financial advisors in Australia. The heart of the issue is that the FASEA and AFSL compliance requirements do not fit the practical realities and requirements needed to provide sound risk management advice, a "square peg in a round hole" if you like!
- Several issues have been raised by GTA members to show that FASEA requirements are not fit for purpose in the grain industry including:

- Existing advisors who mainly hold degrees in economics, business, marketing, agribusiness or agricultural science have until 1 January 2026, to complete an additional approved degree in Financial Management, that is more focused on full portfolio investment advice, rather than practical, specific and transaction risk management service and advice specific to grain.
- New entrants entering into the grain commodity advice market will need to:
 - Have completed a FASEA approved university degree (must be Financial Services based rather than disciplines such as economics, business, marketing, agribusiness or agricultural science that are more suited for grain commodity advice)
 - Undertake a professional year; and
 - Passed the Financial Advisor Exam.
- These new requirements largely address **failings identified in** the Hayne Royal Commission in the **Funds Management and Financial Advisory** area rather than any failings in the grain commodity advisory area.
- The 2021 GTA Advisory Compliance Workshop (ACW) identified the requirements are cost and time prohibitive and burdensome on small business, as well as being a disincentive for new talent to enter the industry.

Key points raised include:

- There are only a **small number of grain commodity advisors** in the market. It is a specialised area providing advice on how to minimise price and business risk for growers.
- Advisors tend to be **industry trained and establish market knowledge and information** through participation in the market and understanding the key areas of risk.
- Not all current advisors have a FASEA approved university degree.
- Agricultural advisors do not hold or manage their client's funds; however, grain market advisors will be required to adhere to the same onerous training and reporting obligations as a Funds Manager or Financial Planner, despite the breadth of advice and the factors impacting such advice being significantly different.
- Given these obligations the **grain industry risks losing the services** of existing grain commodity advisors and the threat that they will not be replaced by new entrants.
- A GTA Working Group was established with GTA members who operate grain commodity advisory services to develop and [prepare a letter to ASIC](#) seeking to engage with ASIC on these issues. GTA has been advised our correspondence is being considered by specialists within ASIC.



GTA REFERENCE MATERIAL APPLICABLE FOR A WET HARVEST

- With the “wheat belts” in all states experiencing wet conditions, it is important all industry participants are familiar with industry arrangements for assessing and classifying Sprouted Grain.
- Visually sprouted grain are those grains in which the covering of the germ is split. It is important to note the standards for Sprouted grain do differ by commodity.
- GTA has prepared a [Technical Guideline Document No. 3 - Sprouted Grain Assessment](#) to assist GTA members and industry with detailed information on how Sprouted Grain is assessed. Please review this information as required. Further information is available on the GTA web site in the [Commodity Standards section](#).



NON-PARTICIPATION IN THE NATIONAL RESIDUE SURVEY (NRS) & MRL VIOLATIONS ARE A COLLECTIVE RISK TO OUR INDUSTRY

Chemical Maximum Residue Limits

- The Australian grain industry is heavily reliant on export markets, and it is imperative the industry respects the import requirements of the countries that import Australian grain.
- A key requirement is to comply with the importing country chemical Maximum Residue Limits (MRLs). The supply of grain requires industry wide management to ensure we continue to meet regulatory requirements for MRLs both domestically and internationally.
- As reported in GTA [Member Update No 21 of 21](#) consignments of Australian sorghum and mung beans to Taiwan have been detected with **glyphosate residues above the respective MRL**.
- It is understood since that Member Update there **have been further violations** in mung beans and sorghum that are under investigation.
- Continuing violations are of great concern to the grain industry and are likely to require explanation and **more significantly may lead to restrictions and even suspension of imports into Taiwan from Australia**.
- All grain supply chain participants are reminded of obligations under [the Australian grain industry Code of Practice](#) with additional information available in [TGD No. 15 Managing Chemical Violations](#) helping to ensure we maintain access to our important export markets.



National Residue Survey (NRS) Participation

- The costs of the NRS program are covered through industry levies, this means there is **no cost to any participating GTA member**.

NON-PARTICIPATION IN THE NATIONAL RESIDUE SURVEY (NRS) & MRL VIOLATIONS ARE A COLLECTIVE RISK TO OUR INDUSTRY CONT.

- The NRS serves an important risk mitigation function for the benefit of all participants in the Australian grain industry.
- As part of the Australian grain industry Code of Practice for the Management of grain along the supply chain (Code of Practice, section 2.4.1), it is a requirement for all bulk and container exporters and domestic consumers to participate in the NRS program. [Technical Guideline Document \(No. 20\)](#) provides further detail.

Participation in the NRS program is required for several reasons, including:

- The NRS program provides an independent audit of industry compliance with customer and government chemical regulations and requirements.
- Data from the NRS program is used to support industry & government endeavours to revise an importing country MRL and when seeking Import Tolerances for MRLs that don't exist.
- Participation in the NRS reduces the potential for government regulation/compliance.
- The NRS publicly commented at the NWPGP Conference in August 2021 that there is a declining proportion of GTA members participating in the NRS program.
- To improve the level of participation GTA sent a letter to members that have not been participating reminding them of **their obligations** under the Australian Grain Code of Practice.
- GTA will continue to work with its members to increase the rate of participation in the NRS.

TGD 21 - GRAIN SAMPLING ONLINE LEARNING MODULES

Do you know how to take a **representative sample**?

- Being able to take a representative sample of grain that is in storage, being transferred between storages or is in a transport unit is fundamental to the facilitation of trade.
- The Department of Agriculture, Water & the Environment (DAWE) and the grain industry share an objective to have an agreed industry process for collecting grain samples under all sampling scenarios. DAWE has developed the Prescribed Goods Export Preparation Standard (PGEPS) which cover the export of grain.
- Adherence to the DAWE PGEPS is now a mandatory requirement in the export of grain from Australia with the regulation codified in the first half of 2021. Failure to comply with sampling procedures and to provide representative samples of each consignment as outlined in the PGEPS may result in the inability to complete the export certification process.
- To support industry compliance with the PGEPS, **GTA has developed a FREE online training program** on the correct preparation of representative samples. This training is important for all grain industry participants and especially exporters. It focusses on both the PGEPS and representative sample preparation.

What does the course involve?

The course is very easy to navigate and free to complete. It consists of two modules with an assessment at the end. Course participants should allow approximately 2.5 hrs to complete all modules. At the end of the course, you will receive a Certificate of Completion.

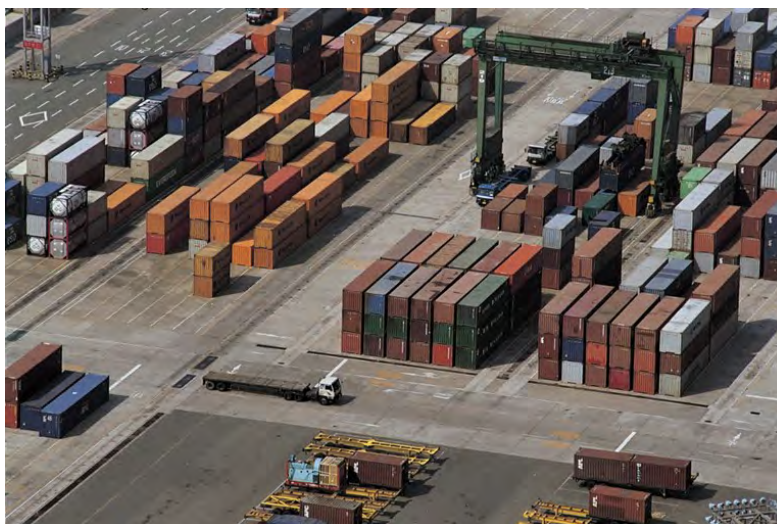
GTA recommends **all** personnel involved in the handling and trading of grain undertake this important training...after all if the sample is not representative, the rest of the grain transaction can't be right!

[REGISTER NOW](#)



ACTIONS - GRAIN CONTAINER SUPPLY CHAIN ISSUES

- Grain Matters readers will be aware the global container and freight markets are under considerable stress, impacting the grain container supply chain.
- In the September Grain Matters we reported GTA has been meeting with 23 of trade focussed industry organisations (the edition of Trade Group) to consider and to discuss opportunities to improve the efficiency of Australia's import and export trade in containers.
- An outcome of the group was to develop of a **Terms of Reference** for an industry and government **review of shipping arrangements**. A key objective of the review that is being sought is to:
 - *examine the efficiency and dependability of the air and **maritime logistics system** (including air and sea freight, container terminal operators and stevedoring, and landside freight providers) to deliver the required services for Australia.*
- The objectives of this group and the importance of efficient freight to the economy of Australia a has been recognised by Government with Trade Minister Tehan coordinating a **Ministerial Round Table** to hear directly from the Trade Group.
 - GTA's Chair Andrew Goyder attended the Ministerial Round Table and highlighted the impact the recent increases in freight rates and port charges with little notification as a major barrier for the trade of grain.
 - Whilst the government and Minister Tehan captured the messages of the Trade Group there has been little communication resulting in the Trade Group actioning further correspondence this time to the Treasurer Josh Frydenburg. [A response was received on behalf of the Government](#) stating they are considering **launching a broad inquiry** into trade and shipping that includes issues that are the portfolio responsibilities of several ministers.



- **ACCC Container Stevedoring Monitoring Report** – Aligned to this issue is the release of the [ACCC Stevedoring Monitor Report](#). This Report prepared by the ACCC for the federal Treasurer monitors the prices, costs, and profits of container terminal operator companies in the major ports. GTA's summary of the Report notes:
 - Covid-19 has derailed the global container freight supply chain.
 - Empty container parks are not coping with the imbalance in the supply chain
 - Importers and exporters are being severely impacted.
 - Opportunistically the Maritime Union is undertaking protracted industrial actions.
 - Container lines do not view Australian ports as efficient and are withdrawing some services from Australia.
 - Privatised container ports can levy excessive land rents and other charges.

ACTIONS - GRAIN CONTAINER SUPPLY CHAIN ISSUES CONT.

To address these issues and to create efficiency the Report recommends:

- Systemic industrial relations issues need to be addressed.
- Governments should review the arrangements and pricing of the privatised container ports.
- As supported by GTA in Submissions to government the ACCC also recommends it is also time to repeal **Part X of the Competition and Consumer Act 2010**. Part X **permits shipping lines to collaborate on prices, capacity and schedules**, among other things, which would otherwise be considered as anti-competitive conduct. The ACCC commented there does not appear to be evidence of shipping lines charging excessive freight rates before the pandemic. However, the shipping industry has become more concentrated over the past decade, so there is a growing risk that shipping lines could use Part X **to artificially elevate freight rates in the future**. Several other countries have already scaled back or removed equivalent exemptions. The ACCC is proposing to develop a class exemption, in place of Part X, which would allow for a more limited form of collaboration that would likely be in the public interest.



MARKET PENETRATION - INDIA FREE TRADE AGREEMENT

- The Australian Government see India as the next “Indonesia” in terms of the potential for strategic trade agreements as part of a Regional Comprehensive Economic Partnership. Australia and India have agreed to **negotiate a Free Trade Agreement (FTA)**. An interim FTA agreement is targeted for the end of 2021 and a final agreement **by end of 2022**.
- It is anticipated an FTA will support a new wave of prosperity in grain trade and investment between Australia and India. Australia’s current grain trade to India is opportunistic due to India’s range of domestic support and tariff policies and an Australia India-Comprehensive Economic Cooperation Agreement (IA-CECA) would allow more diversity, certainty and consequently growth in Australia’s grain trade with India.
- An AI-CECA will potentially boost opportunities for the Australian grain industry and support growth, development and trade opportunities for India’s food manufacturing, stockfeed and livestock sectors.
- GTA and other industry groups have met with DAWE to raise grain industry issues and objectives. The grain groups have met to identify key issues and have made aligned submissions to DFAT in November 2021 as part of the FTA negotiations.
- GTA **delivered its Submission** to the AI-CECA division at DFAT on the 8th of November 2021 seeking grain to be included with meaningful outcomes for any agreement to be credible. GTA’s Submission raised concerns with the **risk of trading with India** and promoted moving to a risk-based approach to trade & biosecurity, and to develop an agreed framework, including regular formal high-level (Ministerial) dialogue to facilitate this.
- [The Submission](#) asked for meaningful market access outcomes, with tariff-free market access or failing that at least tariff-free quotas for Australian grain.

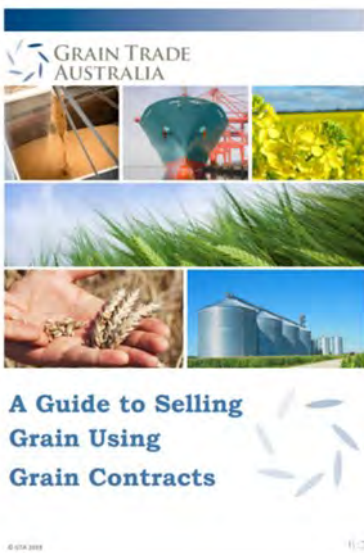


GRAIN STORAGE ASSETS AND MANAGEMENT STANDARDS

- The October edition of Grain Matters contained an article on the development of a Grain Storage, Assets and Management Standard.
- This task, funded by the government under the Busting Congestion agenda and managed through a **joint government and GTA project** has progressed to the stage of having a first draft of the Standard outline for review by both industry and government in Jan-Feb 2022.
- The Standard will be a voluntary framework for adoption by industry sectors such as Export Registered Establishments, exporters, grain storage facility operators and handlers. It is expected relevant elements of the Standard can also apply and be adopted by the domestic grain sector.
- The Project Team has developed a Fact Sheet to assist GTA members and industry understand the shared Goal of DAVE and industry.
- GTA, DAVE and the Project Team welcome any comment or input into this project as it proceeds.



IMPROVING GROWER UNDERSTANDING OF GTA CONTRACTS AND TRADE RULES



- GTA has developed a specific training module targeted for growers to improve understanding of GTA contracts and trade rules and to support our [Guide to Selling Grain Contracts using Grain Contracts](#).
- We are working with NSW Farmers and Grain Producers South Australia in making this available to growers.
- Contact GTA for further information admin@graintrade.org.au

UPCOMING EVENTS & TRAINING



GTA TRAINING AND DEVELOPMENT PROGRAM

Training and Development Program Schedule for Semester 1, 2022

GTA's objective is to provide a range of targeted, practical workshops designed to meet the expanding educational demands

of the grain value chain. All workshops are developed with industry experts to address the expanding demands of the industry and changing regulatory requirements. For further enquiries please email admin@graintrade.org.au.

View the [Training and Development Program Schedule for Semester 1, 2022](#)

Online registrations are now open for Semester 1, 2022

[REGISTER NOW](#)



SAVE THE DATE

2 March 2022 - Virtual Conference

2022 Australian Grain Industry Conference Asia showcases the Australian grain value chain to marketers, processors, consumers and regulators across Asia.

This year we are using a virtual conferencing platform, making it more accessible to a wider audience in Australia and across Asia. AGIC Asia Live is a great opportunity to virtually network with old and new friends and industry colleagues to learn about the value proposition and safety of Australian grain. Establish contacts with Australian exporters and Asia's key flour and feed mill processors, consumers and value chain service providers.

[Registrations](#)

[Sponsorship](#)

UPCOMING EVENTS & TRAINING



FREE

GRAIN SAMPLING TRAINING

ONLINE TRAINING MODULE

 GRAIN TRADE AUSTRALIA

[REGISTER NOW FOR FREE GRAIN SAMPLING TRAINING](#)

To support industry compliance with the PGEPS, GTA has developed this FREE online training program on the correct preparation of representative samples. This training is important for all exporters and will focus on both the PGEPS and representative sample preparation.

The course is very easy to navigate and free to complete. It consists of two modules with an assessment at the end. Course participants should allow approximately 2.5 hrs to complete all modules. At the end of the course, you will receive a Certificate of Completion.



Chain of Responsibility. Are you complacent or compliant?

Farmers



Grain Buyers & Brokers



Freight Providers



Storage & Handlers



End Users



[REGISTER NOW FOR FREE CoR TRAINING](#)

The course consists of 3 online modules which take around 30 minutes each to complete. These can be done all at once, or over a period of time, whatever suits your schedule. You can complete the course on mobile, tablet or desktop. At the end of the three modules you'll understand the fundamentals of CoR, who is responsible and when, what part you play, where you fit and where your obligations lie along the chain. The course also covers off due diligence, risk management and safety management systems, and how to practically implement CoR in your business, or on your farm.



30th Anniversary Dinner

Mark your calendars and join us for the 30th Pearl Anniversary of Grain Trade Australia!

Celebrate this momentous milestone with old colleagues and those new to the industry, as we finally gather face-to-face in the stunning Pearl Ballroom of Crown Towers Sydney.

This five star Gala Dinner is an opportunity to acknowledge the achievements of GTA and a chance to recognise those who have contributed to the past, current and future success of the Australian grains industry.

Be sure to secure your spot early for what will be a night to remember. Ticket sales will open early December.

GTA 30th Anniversary Gala Dinner

When: Thursday 31st March 2022, 6.30pm to midnight

Where: Pearl Ballroom, Crown Sydney Towers

Dress code: Formal with a touch of pearl

Ticket (early bird) price: \$250 for GTA Members

\$275 for non-members

Ticket includes drinks on arrival, an exclusive three course dinner, matching wines/drinks and live entertainment. Plus you'll go in the draw for the Lucky Door Prize of a stunning Natural Australian Pearl.

Online ticket registrations are coming soon; in the meantime, please email admin@graintrade.org.au if you wish to book your tickets today.

FAREWELL TO ERIN AND JOB OPENING



FAREWELL TO ERIN

In December we farewell Erin O'Mara, who worked with us at GTA as Administration Assistant for over 1.5 years. Some of you may have communicated with Erin in the past, she is always friendly, professional and dedicated to her job.

We'd like to thank Erin for her contribution to GTA and acknowledge what an important role she played for GTA, although sometimes behind the scenes! We wish Erin the best of luck professionally and personally in her next adventure—she will be missed!

OPEN POSITION

Administration Assistant

(Part time role)



Grain Trade Australia is looking for an energetic, passionate, and self-motivated Administration Assistant to join our small team in Sydney CBD on a part-time basis (3-4 days a week). We are a small close-knit friendly team focused on delivering value to our members.

If you already have a few years of Admin experience under your belt and looking to regain life-work balance and work part-time from our office in Sydney CBD (with an option of working from home on certain days), then this job is for you!

The Administration Assistant will support the Finance & Administration Manager with the administration and coordination of the general GTA activities under direct supervision.

To apply, send your resume to admin@graintrade.org.au attn: Julia O'Keeffe

To find out more details about the position, view the [SEEK ad here](#)