

GRAINMatters



EDITION 64, APRIL 2022

UPCOMING EVENTS

- GTA Member Event - Drinks Night and Meet GTA Board & Team (Melbourne) 1 June 2022
- Arbitrator Training Workshop (Webinar) 10 June 2022
- Australian Grain Storage & Protection Conference (Melbourne) 15-16 June 2022
- Grain Merchandising (Webinar) 22-23 June 2022
- Advisory & Compliance Day (Webinar) 14 July 2022
- AGIC Australia 2022 (Melbourne) 27-28 July 2022

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GOYDER'S LINE—THE IMPORTANCE OF A GLOBAL OUTLOOK



Dear GTA Members

We spoke in the last edition of Grain Matters regarding the Russian conflict in Ukraine and the impact on grain and oil prices with the prices of these commodities fast approaching or surpassing the 2008 fuel and food crisis. It was noted this situation is creating the potential for global food security issue, that could potentially have far-reaching human and political consequences, in addition to the tragic circumstances in Ukraine.

The conflict, combined with the existing COVID-19 disruptions, is affecting the global economy through supply chain disruptions, volatile commodity prices including grain and through the impacts of sanctions

In these uncertain times it is critical **for trade to continue** and be supported through dialogue and most importantly through a collaborative approach to common issues. GTA is a member of the International Grain Trade Coalition Association (IGTC). IGTC is a non-profit federation of grain trading related associations formed to serve the greater good by promoting and facilitating the performance of the supply chain for grains, oilseeds, pulses and derived products.

The objective of the IGTC include 'Supporting accomplishments toward world food security and economic well-being goals as defined by the United Nations'.

GTA will be travelling to London in early June for the London Grains Week. This is a week of the commercial grain trade and government agencies coming together with IGTC meetings and strategy sessions, International Grains Council annual conference and several GAFTA meetings. Given current global food security issues, it is expected to provide a pivotal forum for discussion and strategy on global trade.

Grains Week follows an IGTC Global Grain Trade Round Table to discuss and consider Egypt's food security. This is scheduled for May 12, 2022.



Andrew Goyder
Chair—Grain Trade Australia



IGTC
International Grain Trade Coalition

SCHEDULE SEVEN (SAFETY IN THE SUPPLY CHAIN)

Workplace health and safety laws have been written to get people to review and talk with each other about the risks that exist at work. These laws seek to get people to find ways to remove risks before anyone gets hurt.

We need to have a conversation with each other and with all participants in the grain supply chain about the risk that occurs when **inappropriate treatment of grain with fumigants** occurs.

GTA has been receiving reports that grain delivered in road trucks to receival points including seaport terminals and container packers have, on occasions, had high levels of phosphine gas present in the load. There have also been reports of fumigant tablets found within the grain tendered for delivery.

Phosphine is one of the most dangerous products used in the grain supply chain and is classed as a schedule seven poison and, as indicated on the label, it's – **DANGEROUS POISON**.

One recent incident involved a delivery of an ex-farm load to a seaport terminal. A truck driver, after completing the delivery, contacted the terminal operator and reported that he had been severely impacted by Phosphine gas that had recently been introduced into the grain prior to him loading the truck. The driver sought medical assistance after leaving the terminal.

This case and other reports create a number of risks including:

- Risk to truck drivers' health and potential for vehicular accident because of the exposure to Phosphine and its impact on the ability to control a moving vehicle.
- Risk to terminal grain assessors and hopper attendants.
- Damage to industry reputation, and
- Inappropriate use of Phosphine may impact on its **long-term viability as a fumigant** for the grain industry

This risk must be discussed at an industry level, and industry must find ways to address these issues. To progress discussion and to raise these concerns at a national forum there will be several presentations and panel discussions on day one of the **Australian Grain Storage & Protection Conference** to be held in Melbourne on the **15th and 16th of June 2022** ([Register Here](#)).

If you have any concerns with safety in the grain supply chain please consider and review the [GTA Safety Guidelines](#), and remember that each business has an obligation to develop a Safety Management System designed around the particular needs and operations of that business.



GRAIN PRICES IN THE NEWS

There has been several recent articles and comment relating to the cash grain 'basis' price and the marked spread between the local wheat price compared to the global futures markets.

Questions have been asked why the Australian grain prices have not fully reflected the rally in US wheat futures market in response to the Ukraine conflict. Rest assured there are good sound market reasons why this has occurred.

It should be noted this is not a purely Australian issues as similar impacts have been [reported on in US markets](#) with analyst stating the '*wheat futures are in ludicrous mode*' .



National Grains Reporter for Farm Online Gregor Heard, who published the initial stories with grower groups commenting on what they perceived as low local grain prices and cash basis sought comment and input from GTA and subsequently ran some articles published on Farmonline. These articles can be found at the links below:

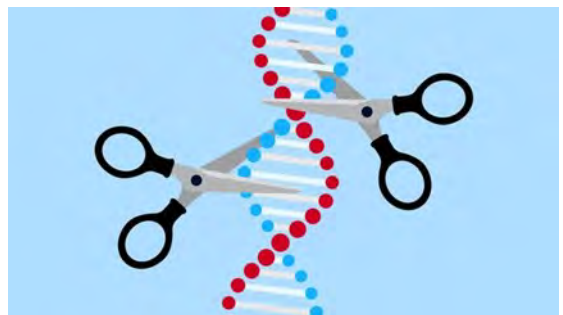
- <https://www.farmonline.com.au/story/7714108/qa-with-gta-boss-on-supply-chain-grain-prices/?cs=4733>
- <https://www.farmonline.com.au/story/7714149/unprecedented-grain-exports-create-trading-headaches/?cs=4733>

GTA's Board consider it is important industry debate, while always welcome needs to ensure our members broader interests to be properly represented, and when matters such as grain pricing and competition type issues are discussed in the media, that appropriate balance and factual information is available and presented in a professional manner.

SCIENCE BASED APPROACH TO INNOVATIVE PLANT BREEDING

GTA supports science-based research on utilising innovative plant breeding technologies to enhance the productive capacity of Australian grain producers.

GTA supports the commercial release and trade of SDN-1 modified organisms where these has been approved for commercial release by the Office of Gene Technology Regulator (OGTR) and other relevant Federal, State and Territory regulators.



A review of the Gene Technology Regulations 2001 by OGTR in 2018 led to the **approval of SDN-1** and subsequently excluded it from the GM regulation. This decision reflected the principle that regulation should be commensurate with the risks posed by gene technology and that decision made in this regard should be based on scientific review.

SDN-1 organisms are developed through a form of genome editing. The advancement of targeted genome editing methods complements and further expands existing breeding tools by enabling more efficient introduction of desired sequence changes (genetic variation) in specific genes. CropLife International summarises genome modification in this [link](#).

GTA has become aware Tasmania is proposing to regulate the entry of SND-1 modified organisms into [Tasmania and Draft Biosecurity Regulations 2022 for Tasmania \(regulations\)](#) have been released for public comment.

Continued Over.....

SCIENCE BASED APPROACH TO INNOVATIVE PLANT BREEDING (*continued*)

The draft regulations include Clause 17 – which describes SDN-1 material as having biosecurity impact. Labelling SDN-1 modified grain as a biosecurity impact will in effect **classify grain** grown from innovative plant breeding as:

- A plant disease;
- A plant that is contaminated;
- A plant that is unfit or unsuitable for use in any commercial or other activity in which it would normally be used; or
- A risk to human health, human safety or the environment; or
- Unfit for export or other trade for which it would normally be used.

GTA and its Plant Breeding Innovation Committee are of the opinion this proposed regulation is inappropriate and will be lodging a Submission seeking withdrawal of the proposed legislation.

GRAIN ENVIRONMENTAL SOCIAL & GOVERNANCE (ESG)

GTA's Board has directed the formation of a GTA Discussion Group to consider environmental, social & governance (ESG) and the grain industry and what assistance GTA can provide to its members.

Specific members were asked to join the Discussion Group to discuss ESG in the grain industry; how they are dealing with it and the role GTA could adopt that would assist them and also other GTA members.

Comments of how GTA could add value included:

- Uniformity across industry;
- Assistance with the uniformity of mapping Greenhouse Gas Emissions;
- The establishment of Standards and coordination across GTA members.

Agreed next steps included:

- Support SGA establishing a stakeholder group for ISCC engagement.
- Progress discussion across all GTA Technical Committees on ESG matters
- Review and consider a Greenhouse Gas Measurement (GGM) Standards for industry.
- Provide a coordination role of post farm gate participants and a link to pre-farm gate initiatives.
- Provide a coordination point to corral importers through the development of clear communications plan and story for Australian grain and its ESG credentials
- Support the smaller GTA members through:
 - GGM Standards
 - Provision for the Story
 - Potential Training for GTA members
 - Communication of industry / post-farm gate sustainability “story” to stakeholders (customers, consumers, regulators, Govt etc).

SUBMISSIONS

GTA has developed and lodged a number of Submissions into Government reviews since the last Grain Matters. This is an important activity to ensure Government formally receives practical information and perspectives directly from industry and GTA members. A summary of these recent Submissions and links to them are included in the following Table.

Submission	Description	Links
The Office of the Gene Regulator	GTA/AGEC submission on the consideration to include MON-00073-7 canola on the Genetically Modified Organism (GMO) Register.	Link Here
Food Standards Australian New Zealand	GTA provided a submission to the Food Standards Australia New Zealand (FSANZ) consultation on Proposal M1019 - Review of Schedule 22 – Foods and classes of foods 2021	Link Here



GTA/DAWE STORAGE ASSET AND MANAGEMENT STANDARD (SAMS) PROJECT

The GTA Board has endorsed GTA to progress the development of GTA Grain Storage Asset Management Standards (SAMS) for Australian grain industry participants. It is proposed to develop the SAMS as an industry reference tool and a guide to industry companies to allow them to voluntarily rate capability.

Development of Standards and an on-going Assurance Program will provide:

1. A framework that includes guidance and training on the business steps and processes storage operators should strive to achieve; and
2. Procedures to allow an assessment and quality accreditation of any storage asset and its operational management practices

The Challenges/OPPORTUNITIES



Having industry assured grain storages that improve process and procedures of grain management is expected to derive benefits for industry.

The Standards will allow **all farm-based and commercial storage assets and their operation** to be integrated into an **industry driven quality assurance system in the export (and domestic) supply chain** thus reducing industry exposure to risk and reputational damage and better reflect export requirements.

Project next steps & timeline

The Project Team overview of the timeline includes:

1. First draft of the Standard was completed in early 2022.
2. **A pilot program** is planned to be introduced in 2022 as a trial. This will potentially include a large, medium and small storage business.
3. **The project team is completing extensive industry engagement during May and June 2022.**

NATIONAL RESIDUE SURVEY

Chemical Maximum Residue Limits (MRLs)

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). Industry wide management is required to ensure we continue to meet regulatory requirements for MRLs both domestically and internationally.

All grain supply chain participants are reminded of obligations under [the Australian grain 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**.
- 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. A Technical Guideline Document (No. 20) providing further details can be found [here](#).
- Participation in the NRS program is required for several reasons, including but not limited to:
 - 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.

PROGRESS— AUSTRALIAN FINANCIAL SERVICES LEGISLATION IMPACT ON GRAIN COMMODITY ADVISORS

As reported in previous editions of Grain Matters the 2021 GTA Advisory Compliance Workshop (ACW) captured 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.

This was identified as an industry issue with the potential risk to impact the facilitation of trade and in the longer term the availability of quality advice to growers.

A GTA Working Group was established with GTA members who operate grain commodity advisory services. This group wrote to the Government and ASIC ([here](#)) seeking to engage with ASIC on these issues. The ASIC letter was also provided to the Shadow Minister for Financial Services and Superannuation – Stephen Jones MP.

GTA subsequently met with the Chairman of ASIC as they requested a meeting with GTA during which there was a recognition of GTA's position that training and education level requirements required of AFSL advisors should be aligned and consistent with the particular financial services licence requirements and conditions, rather than the current 'one size fits all'.

GTA is continuing its engagement with ASIC and Treasury. Treasury have recently issued a **Discussion Paper**, as part of their review on the *Quality of Advice*. GTA and the Working Group will lodge a Submissions to Treasury prior to the deadline of 3rd June 2022



AUSTRALIAN GRAIN STORAGE & PROTECTION CONFERENCE

MEETING MARKET REQUIREMENTS

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



15-16 JUNE 2022
MELBOURNE



Enquiries: Julia O'Keeffe 0449 038 330 or admin@graintrade.org.au

[REGISTER NOW](#)

The Australian Grain Storage & Protection Conference will be held in person over 2 days in Melbourne CBD. Registrations are now open.

The NWPGP 2022 Australian Grain Storage and Protection Conference is an open forum for the entire grains industry to review and discuss the latest market requirements relating to chemical regulations and developments in grain storage and protection.

Presenters will cover national and international regulation along with a range of topics including:

- Market requirements for MRLs - now and future challenges
- Sustainable chemical use and impacts on industry
- Insect infestations and their control methods
- Pesticide residue violations & traceback findings
- Grain protectants do have a use
- Fumigants and challenges for their use
- Physical control methods to maintain grain quality
- Extension activities along the supply chain
- Other key research outcomes

The NWPGP has been meeting annually for over 45 years, however, the annual conference, delegate list and industry representation continues to expand and evolve – constantly striving to meet industry's needs.

UPCOMING EVENTS

REGISTER NOW

The Australian Grains
Industry Conference

2022

GROWING WITH GRAIN

27 - 28 July 2022
Crown Promenade, Melbourne

[REGISTER NOW](#)

We are pleased to announce the Australian Grains Industry Conference 2022 will be held face to face at Crown Promenade, Melbourne from 27th to 28th July 2022. The Australian Grains Industry Conference (AGIC 2022) is an industry run conference for grain market participants and service providers, hosted by leading grain industry associations Grain Trade Australia, Australian Oilseeds Federation, and Pulse Australia.

This year's conference theme is **Growing With Grain** and will be a hybrid event, allowing delegates from around the Australia and the world to join both in person, and virtually.

The Conference provides a chance to connect with fellow industry colleagues through a variety of networking opportunities and AGIC offers exposure to:

- Grain and oilseed producers, processors, importers and exporters
- Manufacturers of food, animal feed, biofuels and bio-based industrial products
- Suppliers of services (financial/logistical/marketing/communications) to the grain and grain-products industry
- Ports businesses, freight forwarders, shipping/ocean line companies, container companies
- Technology, equipment and service providers
- Trade groups, government agencies and researchers
- Industry advisers/consultants; key policy/decision makers

AGIC 2022 is proudly hosted by the following leading grains industry organisations.

Grain Trade Australia (GTA) was formed in 1991 to formalise commodity trading standards, develop and publish the trade rules and standardise grain contracts across the Australian grain industry. GTA's role today is to ensure the efficient facilitation of commercial activities across the grain supply chain. GTA's has over 260 organisations as members ranging from regional family businesses to large national and international trading/storage and handling companies.

Pulse Australia is a peak industry body that represents all sectors of the pulse industry in Australia, from growers and agronomists through to researchers, merchants, traders and exporters. It is unique in that it is an independent, non-political and whole of industry organisation, which acts as a catalyst for the development of the pulse industry.

Australian Oilseeds Federation Inc. (AOF) was established in 1970 to represent the common interests of all Australian oilseed industry participants and to promote the development, expansion and improvement of Australian oilseed production. The AOF represents players across the total oilseed supply chain including Service Providers / Research, Development & Extension, Growers, Traders/Marketers (domestic and export), Processors (crushers, refiners, manufacturers) and Consumers.

ADVISORY & COMPLIANCE DAY—14 JULY 2022

1 Day Workshop Delivered via Zoom

The GTA Advisory Compliance Day is an annual forum for GTA Members to meet and discuss and consider the risks and pitfalls that are present in the grain value chain. It provides a great opportunity to become informed and to understand how to best manage exposure within your business.

The Advisory & Compliance Workshop is structured to meet GTA Members' requirements and cover specific topics of interest. The program has some flexibility so it can include discussion and provide information on 'breaking issues' or topics of particular interest to your business. The program objective is to meet your needs in this area and will include:

- Compliance with legislation, taxation, insurance, staff payments
- Arbitration lessons
- Managing catastrophic events such as COVID – 19
- Insolvencies
- Reputational risk
- Sustainability



[REGISTER NOW](#)

Registration Cost: \$390 (inc GST) per person

ARBITRATOR TRAINING WORKSHOP—10 JUNE 2022

10 JUNE 2022—11.00AM—1.30PM

Delivered via Zoom

****FREE FOR GTA MEMBERS****

This is a FREE workshop for all existing and potential GTA Arbitrators, being held between 11.00am-1.30pm on June 10. The workshop is designed for existing GTA Arbitrators as a refresher course as well as those who would like to become a GTA Arbitrator. The workshop provides an appreciation and understanding of the role of arbitration, the process and the legislative framework along with the processes that should be followed at the commencement of and duration of arbitration. Topics covered include:

- GTA Arbitrators—their appointment, role and responsibilities
- Commencing and Conducting an Arbitration
- Common Issues faced by Arbitrators
- Awards & real life examples from past arbitrations

[REGISTER NOW](#)

The Arbitrator Training Workshop is presented by Geoff Farnsworth. Geoff is a lawyer with over 20 years experience, whose specialty is in transport and commodities related law. He has also recently become qualified as a Member of the Chartered Institute of Arbitrators. Geoff acts as Secretariat to GTA Arbitration Tribunals. He regularly advises major transport and commodity companies in relation to contracting and dispute resolution. Geoff is a regular presenter at conferences and seminars, and a director of Grain Trade Australia Ltd



GRAIN TRADE AUSTRALIA

MEMBER EVENT

BULL

AND MOUTH HOTEL

H O R S H A M

FREE DRINKS FOR GTA MEMBERS

1 JUNE 2022 6.30PM

JOIN US FOR A DRINKS NIGHT AND
MEET GTA BOARD & TEAM

RSVP by email: admin@graintrade.org.au

