

GRAINMatters



EDITION 68 AUGUST / SEPTEMBER 2022

UPCOMING EVENTS

- **Grain Trade Standards Workshop**
 - 13-14 September - Horsham, VIC (Face to Face)
 - 22 September - Zoom
 - 27-28 September - Adelaide, SA (Face to Face)
 - 18-19 October - Perth, WA (Face to Face)
- **Trade Rules & Contracts Workshop**
 - 15 September—Zoom
- **Grain Finance & Risk Management Workshop**
 - 26 October—Sydney, NSW (Face to Face) + Zoom

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- Facilitating Trade Through Efficient Import Protocols
- Yes It is Busy, But Lets Be Nice
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- A-UK FTA & AI-ECTA Tariff Rate Quote Discussion
- Bulk Vessel Inspection
- New Members
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- Upcoming FACE TO FACE Workshops



Dear GTA Members

Sustainability, Environmental, Social & Governance (ESG)

Sustainability, Environmental, Social & Governance (ESG) and how individual companies and enterprises position themselves to be aware of requirements, show good process and practices and demonstrate a minimal footprint can be challenging.

GTA has been meeting with its members to seek input to how best GTA can assist them, and at the same time assist industry address the challenges and opportunities presented through ESG developments. This has identified that ways that GTA can add value including:

1. Encouraging/facilitating **Uniformity** across industry
2. Assistance with the uniformity of **mapping emissions**
3. The **establishment of Standards and coordination** across GTA members.

After discussion at a GTA Board committee regarding the three objectives it was decided to:

1. Support for establishing a stakeholder group for ISCC engagement and for dissemination of information
2. **Progress discussion across all GTA Technical Committees of ESG matters**
3. Review and **develop Greenhouse Gas Measurement Standards** for *Australian* companies.
5. Provide a **coordination role of post farm gate** participants and a link to pre-farm gate initiatives.
6. Provide a coordination point to corral importers through the development of a “**Story**” on the **Australian Brand and ESG credentials**
7. Support smaller GTA members through:
 - GHG Standards
 - **Training for GTA members**
 - Communication of the industry / post-farm gate sustainability “story” to stakeholders (customers, consumers, regulators, Govt etc).

As I said previously, this is a complex (and evolving) area requiring collaboration and engagement across sectors and with Government. GTA has accepted the challenge and work has commenced to support members with ESG including work to add Modern Slavery and Anti Sanction clauses to the GTA Trade Rules.

GTA is also preparing supporting material including a discussion on the ESG credentials of the Australian grain supply chain that includes the following proposed GTA member ESG Statement:

ESG Statement

Improving the Australian grain value chain to better connect the world's demand for food and feed with a globally recognised clean and safe food system, to the benefit of all communities that participate in the grain value chain.

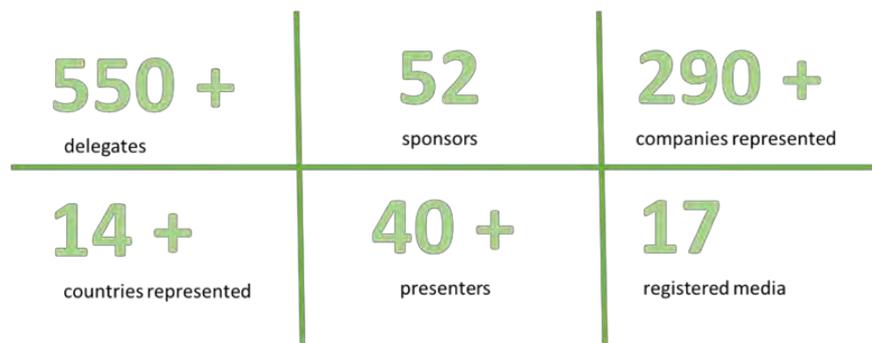
As we progress I will provide you further information.

Australian Grains Industry Conference

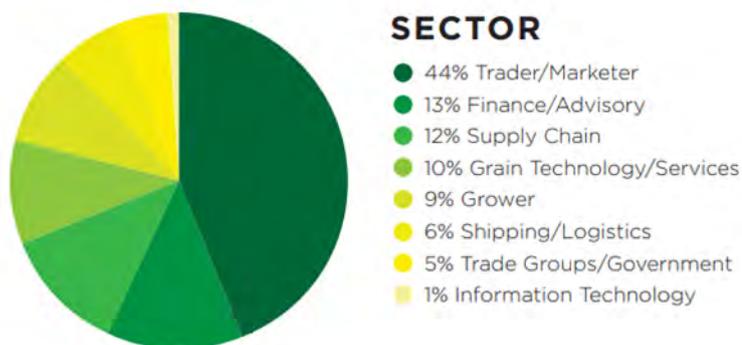
I am still receiving great feedback from delegates who attended the Australian Grains Industry Conference on the 27th and 28th of July 2022 and thought I would share some of the metrics with you:

Continued Over

GOYDER'S LINE— SOCIAL AWARENESS (cont)



Delegate Profile & Insights



“Congratulations to GTA, AOF and Pulse Australia for hosting another memorable conference, including the incredible presentation by Nikolay Gorbachov of the Ukrainian Grain Association. It was fantastic to reconnect with so many industry colleagues again!”

State Visits

The Board and GTA management are and have been out and about with state affiliate meetings. These meetings create wonderful opportunities to connect, capture the feeling and mood of the industry and GTA members. Recent and upcoming events including:

1. Grain Industry Association of South Australia General Meeting and Dinner
2. Queensland Agricultural Merchants Inc AGM and dinner
3. Grain Industry Association of Victoria AGM and annual lunch
4. GTA Board meeting held in Perth, WA and GTA Member event

I very much appreciate the opportunity to host the GTA Board in my home state and as voluntary Board members I wish to thank them again for their support of GTA and the grain industry and the time they give up participating in the *facilitation of trade*.

I would also like to offer my congratulations to **Richard Simonaitis** the current CEO of AEGIC who has been appointed into the role as CEO of Grains Australia. GTA has enjoyed working with Richard in his 6 years at AEGIC and look forward to continuing the relationship in his new role.

Andrew Goyder
Chair—Grain Trade Australia

IMPORTANT INDUSTRY TOOL KIT UPDATE

Anyone who has looked across and/or been involved across all sectors of the grain industry will understand some of the complexities of dealing in an agricultural commodity market and the amount of varied information that is required to support the trade of grain.

Two of the important tools within the industry toolkit have recently been updated and released. These are:

[Chemical Usage Recommendations and Outturn Tolerances](#)

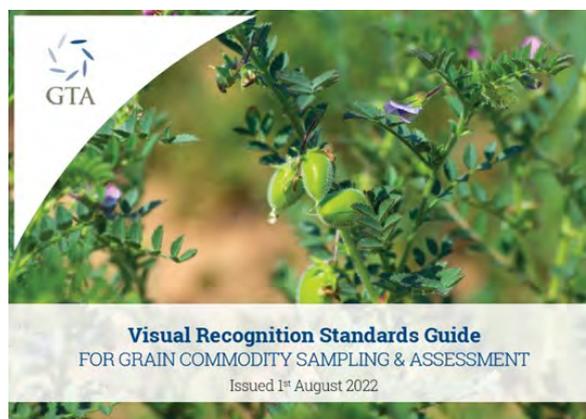
The Chemical Usage Recommendations and Outturn Tolerances document represents a critical guidance document for participants in the Australian grain industry. It is an important document to be referred to when marketing Australian grain to assist industry in adhering to market Maximum Residue Limits (MRLs).

As per the Code of Practice, when outturning grain industry must comply with all market chemical requirements.



[Visual Recognition Standards Guide](#)

A visual display of grain defects to assist grain assessors in the determination of defective grains which are covered by the GTA Grain Trading Standards which is now released and available for purchase.



[ORDER HERE](#)

GTA would like to acknowledge the volunteers on Technical Committees and the relevant Sub-Committees for their input and time and for the collaborative and collegiate manner in their approach to improving these important industry tools.

FACILITATING TRADE THROUGH EFFICIENT IMPORT PROTOCOLS

The Australian domestic grain market is our largest grain consumptive market for Australian grain. The most recent drought, requiring the importation of large quantities of bulk grain highlighted some challenges associated with understanding, adhering to, and satisfying Australia's bio-security requirements and the government import processes.

These import issues are not limited to the import of whole grain during droughts as there are similar challenges for any company that may seek approval to import plant-based protein meal. Whilst Australia is a regular importer of plant-based protein meals including soybean meal (900,000 in 2021-2022) any new entrant that wishes to commence importing plant-based protein meal must establish and complete a lengthy process to understand, confirm and adhere to the Government requirements.

Access to grain imports has been discussed with DAFF and a joint industry and government Working Group has been established to review the existing processes to find efficiency and to reduce the application process timing.

This objective has been discussed with DAFF and has **established a joint industry and government Working Group** to review the existing processes and to seek to find efficiency and to reduce the application process timing. The Working Group has already met twice and will continue to meet on a fortnightly basis to ensure the Domestic Sector Council's objective is met.

YES IT IS BUSY, BUT LET'S BE NICE!

We do not think anyone would argue that our grain supply chain is, and has been for some time, in a state of frenzy. Some people thrive in these types of environments whereas others can feel stressed and not completely in control which is understandable.

When stressed some people's personalities change and even may become aggressive, abusive or insulting. Whilst this may help you let off steam this type of behaviour is not acceptable and may even be classified as workplace bullying.

Logistics, the management of grain and its movement is an area where this type of behaviour can occur as one event may lead to a ripple effect and may lead to unexpected or desired changes in plans for many supply chain participants. Please be conscious that any abusive, insulting or offensive behaviour on your part can adversely affect the psychological and physical health of the people you deal with within the grain supply chain. So, we encourage everyone to be conscious of this and play nice out there!

The issue of work stress within the grain industry and the behaviours that can become prevalent will be a focus for consideration by the GTA Board ESG Committee within the context of a wider and more broad industry perspective.

Whilst each GTA member organisation may have in place its own social programs the focus of the Board -Committee will be at the industry level including:

- **Industry Culture** – How we do things in the grain industry
- **Gender Balance** – (Linked to culture) the grain industry is male dominated. This should be examined and understood.
- **Mental Health** – providing support across the industry.



TRANSPORT SAFETY—ONLINE TRAINING

GTA has been working with the National Heavy Vehicle Regulator (NHVR) since 2018 to increase the awareness across industry of the importance of transport safety and the responsibility that all participants who are in the supply chain have.

Through NHVR's support, assistance and funding GTA has been able to develop specific grain industry training materials and resources aligned to the [Grain Transport Code of Practice](#) that provide practical training in compliance with the National Heavy Vehicle Legislation. For more information about the [GTA NHVR project click here](#).

These training resources support the running of small interactive training courses and the development of an on-line training tool to assist course participants to understand and to remain compliant to NHVR and Chain of Responsibility.

The [on-line training](#) consists of 3 interactive online learning modules which take around 30 minutes each to complete. At the successful completion of the 3 modules, participants will:

1. Understand the fundamentals of CoR,
2. Who is responsible and when,
3. What part they play,
4. Where they fit, and
5. Where their obligations lie along the chain.

Why Chain of Responsibility Compliance?

The Law has changed.

You are at risk if you are not compliant.

You need to prove you are compliant at all times.

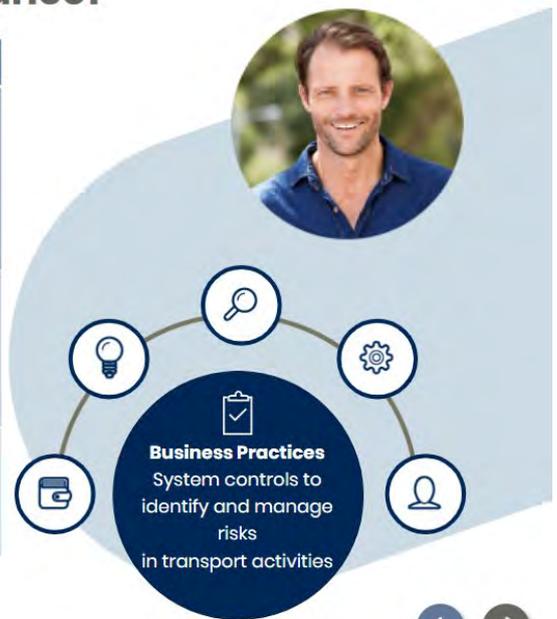
Proof of compliance is required.

Prove you can comply by:

- Documents.
- Records.
- Actions.

Potential penalties if you do not comply.

Offence	Penalty	
Category 1 Offence For a person who is reckless as to the risk	Individual Maximum \$300,000 or 5 years imprisonment, or both	Corporation Maximum \$3,000,000
Category 2 Offence For exposure to risk of death or serious injury	Individual Maximum \$150,000	Corporation Maximum \$1,500,000
Category 3 Offence For breaches of the safety duty	Individual Maximum \$50,000	Corporation Maximum \$500,000



AGRICULTURAL LEVIES

DAFF collects and administers agricultural levies. GTA members who buy, export, produce, process or sell grain may be required to lodge a return and make a payment to DAFF.

The collection of levies as captured in [TGD 13. Grain Levies](#) is the focus of the regular Grain Matters spotlight on the supporting documents to the [Australian Grain Industry Code of Practice](#) (Code), namely the [Technical Guideline Documents](#). The 22 Technical Guideline Documents (TGDs) are supportive and supplementary to the Code and assist implementation of each listed activity in the Code and are important reference materials for industry.

Levies help run the industry and are critical to improve productivity gains, support market access and quality management. The Council of Research & Development Corporations which includes the GRDC highlight that for every \$1 dollar invested there is an average return of \$10.50 over a 25-year timeframe. So, it is important that the levy collection process is understood and supported.

It is also important that companies that complete the levy collection process provide an equitable freight deduction in the calculation to derive the grower farm gate value. There have been complaints received that receivers of grain may be entering in a common freight deduction for all loads of grain delivered from farm storages irrespective of the load's origin. This can have a material impact over a number of loads.

GTA members are reminded the grain industry has committed to ensuring the levy collection and payment mechanism is as accurate as possible and complies with all regulatory requirements.

ONE TEST TO RULE THEM ALL

Importing countries provide lists to DAFF of various pests (e.g., plant diseases, fungi) they do not want exposure to in imported grain. Generally, industry is required to provide evidence to DAFF **for each consignment** that the grain meets the importing country phytosanitary requirements, whether they be officially declared quarantine pests or not. This evidence may involve:

- Representative samples of individual consignments are collected and analysed by each exporter. Freedom from the pest is provided in the form of certification to DAFF prior to or at the time of the shipment. For many pests, analysis pre-loading in a laboratory is required. Alternatively, for certain pests, grain may be inspected during the loading process to confirm its status in the grain, noting visual inspection at loading is only practical for relatively few pests. This is obviously expensive and can be time consuming.
- An informal process also currently applies where representative State or Port Zone samples are collected post-harvest and analysed to confirm freedom from specific pests in those regions. **Significant cost savings for industry** are provided through this process without compromising quarantine standards. Unfortunately, this option is currently limited to very few commodities and pests, and an informal arrangement applies only.

To maximise the value associated with Port Zone representative samples GTA and DAFF have formed a Working Group to agree and to introduce a more formal approach to the collection and identification of “freedom from pests” and to **widen the scope to a broader range of pests** and commodities.

The Working Group will establish a pilot program to test the strategy and the Port Zone testing for a wider range of pests and commodities. If successful, the Working Group will seek endorsement of the final adopted strategy by industry and DAFF.

A - UK FTA & AI-ECTA TARIFF RATE QUOTE DISCUSSION

Following the signing of both the Australia-United Kingdom Free Trade Agreement (A-UK FTA) on 17 December 2021 and the Australia-India Economic Cooperation and Trade Agreement (AI-ECTA) on 2 April 2022, DAFF, Pulse Australia and GTA are developing a position for managing the tariff rate quotas (TRQs) being introduced under these agreements. Both agreements are due to enter into force in late 2022.

Whilst the size of the Australia - United Kingdom TRQ (80k mt of wheat and 7k mt of barley) is minimal it is expected the 150,000 metric tonnes AI-ECTA will be of benefit to lentil exporters.

Discussions with DAFF have pointed towards introducing a first come first served arrangement with some measures in place to ensure an equitable opportunity to access the TRQ.

Further details will be provided when arrangements are finalised.



BULK VESSEL INSPECTION

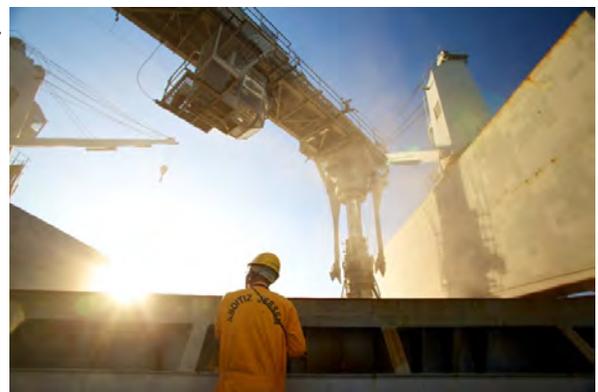
At a recent DAFF Grain and Plant Products Export Industry Consultative Committee (GPPEICC) that GTA attends GTA raised the issue of Bulk Vessel Inspections by DAFF Authorised Officers and Marine Surveys and the duplication of the task and roles. This discussion has now progressed to the formation of an industry Working Group.

The Working Group will consider opportunities to combine some of the roles of the Bulk Vessel Inspection Authorised Officer (AO) and the Marine Surveyors (MS) performing bulk vessel survey. There are benefits that can be achieved through the process of reviewing the roles to remove duplication.

The AOs and MS whilst doing similar roles are employed and reimbursed by different parties. As in any commercial relationship there are points of conflict and competing interest that generate slightly different priorities and potentially outcomes. However, these can be examined, isolated and potentially procedures installed to mitigate any associated risk.

The use of Technology including body cameras (already used for DAFF audits) will be considered as a means to support any initiatives.

The Working Group will hold its first meeting in early September 2022.



NEW MEMBERS

We would like to extend a very warm welcome to the following new members who have recently joined Grain Trade Australia:

• Targray Australia Pty Ltd	Level C2
• The Trustee for Hogan Family Trust t/a Outlook Commodities	Level C2
• Export Import Australia Pty Ltd	Level C2
• QS Commodities Pty Ltd	Level C2
• Avoca Grain Storage Pty Ltd	Level C2
• Tiller Commodities Pty Ltd	Level C2
• Wirrinourt Transport Pty Ltd t/a Wirrinourt Transport & Trading	Level C2

We are pleased that these businesses have chosen to become part of GTA and contribute to GTA's mission to "facilitate trade".

EXPELLED MEMBERS

- Moulamein Grain Co-Operative Ltd
Read Member Update No. 13 of 22 [here](#)

UPCOMING WORKSHOPS—FACE TO FACE TRAINING IN VIC, SA, WA & NSW



Grain Trade Standards Workshops

6 September - Zoom
13-14 September - Horsham, VIC **(Face to Face)**
22 September - Zoom
27-28 September - Adelaide, SA **(Face to Face)**
18-19 October - Perth, WA **(Face to Face)**

Trade Rules & Contracts

15 September—Zoom

Grain Finance & Risk Management

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[REGISTER NOW](#)