

**Tuesday 23 April 2013**

**MEDIA RELEASE**

## **Revised Code of Practice requirements for Pool Providers**

External audits and written justification of Estimated Pool Returns (EPRs) are elements of a revised Code of Practice released today by Grain Trade Australia (GTA), which is now seeking further comment from industry.

The revised draft Australian Grain Industry Code of Practice for the conduct of grain pools has been released following submissions from a number of industry participants calling for additional prescriptive elements.

The CEO of Grain Trade Australia, Geoff Honey said a key requirement proposed for the Code is that grain pools will be subject to an external audit that will be reported to pool participants.

“Pool Providers will also have to be able to justify their Estimated Pool Returns to potential Pool Participants and also declare to Pool Participants if there is the possibility that the EPR will be reduced by more than five per cent.

“It’s a testament to the Pool Providers that they’re willing to voluntarily increase governance of grain pools as a response to production sector requirements; a key feature of a deregulated marketing environment,” Mr Honey said.

In relation to calls for legislative overview of grain pools, Mr Honey noted the substantial additional compliance costs would have to be borne by all Pool Participants.

“This may deter organisations from offering grain pools as a marketing alternative which would lead to decreased competition.”

GTA is inviting submissions from the broader grain industry until 13 May 2013. The draft requirements for grain pools are available on the GTA website ([www.graintrade.org.au](http://www.graintrade.org.au)).

### **Further information:**

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**Grain Trade Australia** develops the grain standards and contracts that are used across the Australian grain industry and has over 250 member organisations ranging from regional family businesses to large national and international trading/storage and handling companies.

Members operate within all sectors of the grain industry in Australia. Organisations involved in related commercial activities such as banking, communications, grain advisory services and professional services (solicitors and accountants) are also members.