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APEC workshop identifies future work on grain NTMs

The grains industry, along with other sectors, has been impacted by an increase of Non-Tariff Measures (NTMs) while tariffs have reduced through the expansion of Free Trade Agreements (FTAs).

NTMs describe regulatory tools and policy measures, other than customs tariffs, that have the potential to affect the international trade in goods. CEO of Grain Trade Australia, (GTA) Mr Pat O'Shannassy explained "In most cases, NTMs are legitimate technical requirements used to protect consumers and the environment, but when they are unjustified, or not in-line with international standards and/or act to protect domestic industries, they can act as barriers to trade".

The Australian Department of Agriculture Water and Environment (DAWE), working with Grain Trade Australia (GTA), developed a project to bring together government and industry to identify NTMs affecting grain trade in the Asia Pacific Economic Cooperation (APEC) region, for both importing and exporting economies.

The First Assistant Secretary of the DAWE Biosecurity Plant Division, Dr Marion Healy said "Bringing government and industry together to discuss differences in regulatory approaches in the APEC region, with the intent of ensuring a more consistent approach to NTMs, provides the opportunity to create sustained long term benefits for all economies involved in grain trade. Benefits could include reduced costs, faster border clearance, greater confidence in food safety systems, building capacity and technical support for developing economies, and greater integration and facilitation of trade in the APEC region"

GTA, with support from DAWE, undertook a consultation process in late 2018 with industry to help shape the project. This was followed by a survey that DAWE undertook with Governments and industry across all APEC economies.

The survey captured the views of import and export economies and industries to identify the key issues that currently impact trade of grain products. Mr O'Shannassy said "The survey identified key issues such as differing or missing Maximum Residue Limits (MRLs), standards of foreign materials, weed seeds and pests with differing and low tolerance levels, and a lack of standardised guidelines and systems for sampling. An emerging issue for many economies is the management of biotechnology products, in particular the registration process and management of Low-Level Presence (LLP) for genetically modified (GM) products."

Additionally, the use of electronic certification was seen as an opportunity to streamline trade flows and facilitate faster border clearance processes. Use of digital technologies is emerging in this space and can greatly assist economies in reducing costs at the border, improving the speed of transactions and providing greater transparency and confidence of timely information exchange.

Dr Healy said "The results of the survey were taken forward for discussion at a workshop held in Beijing, China on 31 October and 1 November 2019. This workshop was focused on identifying and agreeing potential approaches to address high priority NTMs, which will be carried forward in specific APEC projects in future years, with clearly defined objectives and outcomes."

As preparation for this workshop GTA was commissioned by DAWE to undertake a global value chain project to demonstrate the breadth and impact of NTMs on the wheat milling value chain. The outcomes of this work was presented at the workshop. The Australian industry was represented by Rosemary Richards, GTA and Tony Russell GIMAF at the workshop.

Dr Healy explained “The workshop was highly successful in bringing together government from importing and exporting economies and industry to discuss the biggest NTMs impacting grain trade in the APEC region. This was the first time that DAWE have hosted a workshop like this and was a great initiative for the Australian grains industry”. The workshop was co-hosted by the China Entry-Exit Inspection and Quarantine Association.

Key themes for priority NTMs agreed at the workshop were MRLs, SPS and related issues, transparency, and biotechnology and new breeding technologies.

Mr O’Shannassy said “The workshop identified the need for science and risk-based decision making as a priority and focused on the development of interim approaches/ measures that could be implemented to enable trade facilitation where there are regulatory inconsistencies. The issues of resources and capacity building were also highlighted, along with the importance of documentation, particularly moving to electronic documentation”.

A key outcome from the workshop was to establish an Electronic Working Group (EWG) to carry forward work on case studies that detail the impact of certain NTMs in the global value chain of three grains products between now and the next workshop. GTA is a member of the EWG. The next workshop is expected to be held around mid-May 2020.

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Media Contacts:	About GTA
Mr Pat O’Shannassy CEO, Grain Trade Australia Tel: 02 9235 2155	Grain Trade Australia is a national trade organisation and has over 270 member organisations ranging from regional family businesses to large national and international trading/storage and handling companies. The role of GTA is to provide a framework across Industry to facilitate and promote the trade of Australian grain. GTA plays its part in the value chain by providing core products of Trading Standards, Contracts, Trade Rules, Arbitration and Dispute Resolution, Professional Development and advocacy for Market Access. GTA’s grain trading standards and contracts are used across the Australian grain industry. GTA Members operate within all sectors of the grain industry in Australia, as well as related commercial activities such as banking, communications, grain advisory services and professional services. www.graintrade.org.au
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