

2020 GTA ANNUAL GENERAL MEETING

Chair's Address

It is with great pride and pleasure that I provide the 2019/20 Annual Report as Chair of Grain Trade Australia (GTA).

GTA is the focal point for the commercial grain industry within Australia. It facilitates trade and works to provide an efficient, equitable and open trading environment by providing leadership, advocacy and commercial services to the Australian grain value chain.

The variability of supply and the nature of market demands, means the supply chain and its participants must be dynamic and adaptable, as our members and GTA have been this year.

This places greater importance and value on GTA's core mission of the '**facilitation of trade**' and the ability for industry participants to appropriately manage risk'.

Grain will not trade and move as efficiently through the supply chain without the products and services provided to industry by GTA with the support of its members.

The 2019/20 year has been a challenging and mixed year for the Australian grain industry that has tested our resilience with the ongoing east coast drought combined with the additional challenge of adapting to the impacts of COVID 19.

These conditions, whilst challenging the industry and its participants has demonstrated the value and efficiency the Australian grain industry achieves through a united and collaborative approach.

GTA is proud to play its part, working on behalf of its members and industry to facilitate trade and provide an industry driven self-regulatory framework.

As an industry, we are pleased and encouraged to see the signs of emergence from one of the most severe droughts on record. Drought has not been the only challenge facing the industry with the geopolitical landscape providing challenges for industry and especially barley growers and exporters.

GTA shares industry's deep disappointment with the announcement by the People's Republic of China to place punitive tariffs on Australian barley exports to China in May 2020.

An enormous amount of time money and effort has gone into trying to minimise the effect on the Australian Grains Industry by these tariffs. GTA members have been at the forefront of these efforts alongside Government and producers.

It is estimated this dispute will cost the Australian grain industry and notably rural and regional economies at least \$A2.5 billion over the five-year period of the tariffs being in place.

On a positive note, GTA acknowledge the collaborative industry and government approach that has resulted in the signing and commencement of the Comprehensive Economic Partnership Agreement (IA-CEPA) between Indonesia and Australia.

It will reduce non-tariff barriers to trade, simplify paperwork and will support preferential arrangements for the sale of Australian feed grain into Indonesia.

I applaud all supply chain participants for the expedient and practical steps taken to ensure COVID-19 has had minimal impact on the grain supply chain. It has been outstanding to see the collegiate approach to managing issues and overcoming hurdles. In fact, it has been noted there are some unanticipated flow-on benefits from the adversity with the crisis leading to flexibility in supply chain processes by both industry and governments. This is evident in shipping-related trade support functions with electronic trading and flexibility in shipping documentation during the COVID-19 period.

To support its members, GTA has recently released a comprehensive strategy document to drive the industry forward from the worst drought in living memory, through the COVID-19 Pandemic through to 2030. This innovative growth and investment strategy document for the Australian grain supply chain is aimed at leveraging aligned strategic policy and commercial objectives with government and industry. The strategy – “Modernising the grain supply chain - from Drought, through COVID-19 to 2030” has been prepared by GTA and its member driven Technical Committees on behalf of its members and will:

1. Support Australian supply chain initiatives to improve the competitiveness of the Australian Grain Industry.
2. Provide context, structure and to focus the strategic value associated industry driven collaborative projects with Government and other strategic partners.

The self-regulatory framework is bound together by the Australian Grain Industry Code of Practice, managed by GTA. The Code outlines the quality assurance processes and procedures in the value chain. This is important to the facilitation of trade and creates value for all by ensuring confidence in the Australian value chain and reduces the risk premium embedded in all stages of the value chain. All GTA members are required to adhere to the Code. The Code is recognised by the Australian Government and supports trade and market access arrangements for Australian grains, pulses and oilseeds.

GTA's Sector Councils and Technical Committees play a critical and important part in GTA's activities. The Sector Councils and Technical Committees are part of GTA's Member driven process, they work to develop policies that draw in the expertise from industry for the broader benefit of industry and members. Over the past year GTA has continued to operate several Technical Committees as well as providing facilitation and support to the Australian Grain Exporters Council (AGEC)

The GTA Technical Committees are:

- Trading Standards,
- Commerce,
- Transport, Storage and Ports,
- Information Technology Advisory Committee,
- Trade and Market Access Committee and the
- Plant Breeding Innovation Committee.

Technical Committee members represent all sectors of the value chain including Seed Producers, growers, storage and port operators, Industry Good agencies, consumers and small and large marketers.

Committee members all volunteer their time, I would like to thank all our committee members.

I would also like to acknowledge the Australian Grain Export Council. AGEC is active and well supported by its members. They have actively participated in Industry Working Groups such as IA-CEPA, and continued involvement in GIMAF and the Department of Agriculture, Water & the Environment Grains Industry Consultative Committee.

GTA has undertaken considerable work on behalf of members in positioning Australian grain in the domestic and world market. A strategic focus and activities continue on Non-tariff Trade Measures (NTMs) such as phytosanitary issues, chemical residues, grain assessment variations and regulatory coherence.

Trade and market activities are supported by the very important and active National Working Party on Grain Protection. The Working Party is just one of the many examples of the grain industry working together, with individuals giving freely of their time for the betterment of all. Researchers, regulatory authorities, chemical companies and grain storage suppliers meet with the people who put it all together, the producers, commercial storage providers and traders at the annual National Grain Storage and Protection Conference, which we had virtually last week. The conference is managed and facilitated by GTA.

Like previous years, the premier event on the grain industry calendar the Australian Grains Industry Conference (AGIC) offered an impressive line-up of local and international industry experts to provide delegates with the latest insights, learnings and opportunities.

AGIC continues to demonstrate its importance as a networking forum that brings the grain industry together. AGIC Asia was planned for March 2020, with events planned for China and Vietnam including Government Roundtable meetings as part of the overall program. However, due to the Covid-19 pandemic these events were postponed, and a virtual conference was held in July 2020 with great success.

The AGIC Australia conference for the 2019/20 financial year was held in July 2019, was our traditional face to face event in Melbourne. Can you believe it?! It was another hugely successful industry event, with top range speakers, interactive panel sessions and culminating in the AGIC Gala Dinner. We are looking forward to getting together again as an industry and GTA will be there to facilitate it!

GTA'S Training and Professional Development programs, are an important part of industry stewardship and self-regulatory framework. These programs provide professional development opportunities for industry participants to improve skills and knowledge, and importantly improve industry capability.

To wind -up, I would like to acknowledge the efforts of all the industry specialists who volunteer their time and expertise as members of the various GTA Technical Committees (AGEC) and Industry Working Groups, as well as the GTA Arbitrators.

I must acknowledge the contributions of the GTA Board (who also volunteer their time) Zoom meetings have taken over from face to face meetings but the Board continues to operate seamlessly with great cohesion. Everyone leaves their ego's at the door which is why it works so well.

However, I'm sure we are all looking forward to seeing one another again soon.

I would also like to take this opportunity to especially thank Pat, Julia, and Tim and those from the past for the incredible way you have coped and operated through Covid19. GTA is a small organisation with a huge array of tasks, all have been done on time with the minimum of fuss, thank you all.

The volunteer base and contributions to GTA are the critical element of GTA's and industry's "can do" culture and resilient attitude. This benefits the whole Australian grain industry. We are very aware and recognise GTA does not have a right to exist. It must continually earn that right from its members, by providing them with the products and services required to support their business needs. There will be some challenging times ahead, however, your Board believes GTA is well placed to face those challenges.

Thank you,



Andrew Goyder
Grain Trade Australia - Chair