



## PAYMENT SCAM ALERT!!!

- GTA Members need to be vigilant to financial scammers when paying growers and other counterparties.
- For the purpose of broad industry awareness GTA Members bring to our attention, real-life situations where fraudsters and scammers have been able to penetrate the payment process and steal money. These situations have included mis-representation of companies in person and via email, including hacking into email systems and other electronic means.
- It is critical to have robust policy and procedures in place to manage payments, and in particular changes to payment details. Always seek to verbally re-confirm changes to payment details requested by email. Check email details carefully, including email addresses and spellings, use different people to verify and confirm.
- Preferably speak to someone you know at a particular company and never rely on telephone numbers provided in the requesting email. For paying growers, if not already doing so, seriously consider using services such as NGR to manage grower payee details.
- A Lot of money is at stake...its worth reviewing and testing your company's systems, processes and procedures, to protect your business and importantly your customers. Its one of those things than can happen to you...Please review the ACCC's notice [here](#)

## AGIC ASIA 2019 – Indonesia and China

- GTA held this year's AGIC Asia Conferences on March 5th in Jakarta, Indonesia, and 7<sup>th</sup> March in Shenzhen, China. Both conferences were well supported with around 120-140 attendees at each conference.
- Feedback from participants and Australian attendees has been very positive, with it being noted that all the major consuming companies in both countries continue to ensure they are represented at AGIC, making AGIC Asia an important and valuable networking event for Australian industry with our important markets. Several Australian exporters who attended commented that AGIC Asia is an efficient and effective way for them to meet with their customers and enhance their profile as part of the Australian grains industry, with the events focused on the value of Australian grain and strength of our supply chain.
- The Indonesian conference was opened by Australia's Ambassador, Mr Gary Quinlan, and featured Mr Frankie Welirang from PT Indofoods and the Indonesian Flour Millers Association and Dr Desianto from the Feed Millers Association.
- The Australian and Indonesian grain and grain products industries have a long established and close trading partnership which reflects the mutual benefit and relationship between the two countries. This has been founded on the value that Australian wheat plays in the Indonesian flour milling industry, in particular for noodles. Mr Welirang noted the strong preference by Indonesian consumers for noodles made from Australian wheat. He also noted that Indonesia's flour market is growing at around 5% per annum, on back of population growth, changes in eating habits and growth of the middle-income class.
- The Jakarta event was held the day after the Indonesia/Australia Comprehensive Economic Partnership Agreement (IA-CEPA) signing which provided topic of conversation for the conference. GTA CEO, Pat O'Shannassy said "The relationship between our industries is set to strengthen and expand with the IA-CEPA including enhanced feed grain access and a strategic grain partnership initiative. The Strategic Grain Partnership which will allow up to 500kt of Australian feed grain access to the growing Indonesian feed markets."

- This was AGIC's fifth consecutive year in China, and the first AGIC event in Shenzhen. Demonstrating the importance of this market to Australia's industry, GTA CEO, Pat O'Shannassy noted "The Chinese market is a major market for a range of Australian grains, oilseeds and pulses. Providing information and a clear and consistent message about the Australian industry, its quality and reliability is very important for all sectors of our Industry and particularly for Australian grain growers."
- The Shenzhen event was well attended by local Chinese industry, with all major companies represented. The event was opened by Mr Jason Robertson, Australia's Consul General, and included presentations by leading Australian grain companies and GTA Members, as well as AEGIC on Australia's crop quality, benefits of pulses and extracting value from Australia's cereals and feed grains.
- "The AGIC Asia conferences are important to maintaining and growing Australia's markets with key trading partners and provide the opportunity to reinforce the higher quality and reliability of Australia grains and oilseeds and demonstrate the value this delivers to the local industry" Mr O'Shannassy said.

## GTA Roundtable Discussions & IA-CEPA

- As part of the AGIC Asia conference in Jakarta, GTA held another successful AGIC Roundtable event, which was held in the Australian Embassy in Jakarta on the same day as the official signing of the Indonesia/Australia Comprehensive Economic Partnership Agreement (IA-CEPA). The Roundtable meeting was a good opportunity to highlight the intrinsic benefits of Australian grain and the quality assurance processes through the supply chain.
- The meeting considered potential opportunities arising from the IA-CEPA Strategic grains partnership, the genesis of which emerged from the information exchange that took place at the AGIC Asia Conference in Jakarta in 2017.
- Australia's Trade Minister Simon Birmingham and Ambassador Gary Quinlan attended the Roundtable meeting as part of their engagements surrounding the launch of the IA-CEPA Agreement. The Minister and Ambassador were briefed on the opportunity to grow the grain trade relationship between Indonesia and Australia.
- Wheat is Australia's largest single export to Indonesia valued at around \$1.3 billion, and with annual wheat exports of around 4.2 million tonnes per year. With a population of around 270 million, and a relatively young population with 59% aged between 15 and 54 years, and a rapidly growing middle class, Indonesia is a country of enormous opportunity.
- The IA-CEPA will not only further strengthen the relationship between the Australian and Indonesian grain industry, but create expanded opportunities for the Australian grain industry, and support growth, development and trade opportunities for Indonesia's food and feed manufacturing sectors.
- An important part of the IA-CEPA is the Indonesia-Australia Strategic Grains Partnership. This will allow for 500kt of market access for Australian feedgrains into Indonesia.
- The Roundtable provided the opportunity for discussion around opportunities for Australia and Indonesia to work with regional partners through forums such as APEC and ASEAN to address non-tariff measures (NTMs) impacting on trade. It was noted gaining a closer understanding of the non-tariff measures influencing each of our sectors is very important to helping develop regional approaches to addressing these measures which would be of mutual benefit to Indonesia and Australia

## China Barley Export Investigations

- Considerable work is being undertaken by GTA and other members of the China-Barley Industry Working Group (IWG) on the Anti-Dumping and Countervailing investigations initiated by China on Australian Barley Exports. The IWG is a cross section of industry and includes barley exporters, GIMAF, AGECE, GPA and GGL. The IWG has worked collaboratively and cohesively together in the broad interests of the Australian grains industry.
- This work has involved liaising with DFAT, DAWR and respective Government Ministers and their offices. GTA has made submissions to China's Ministry of Finance (MOFCOM) for both the Anti-Dumping and CVD Investigations.
- Grains Industry organisations have released a joint [industry statement](#) on the situation, to ensure all participants in the value chain, including growers, marketers and consumers are aware of the uncertainty that exists in the market and that the potential outcomes are uncertain as industry and government works through the issue.
- It is important to note that Australian industry fully respects China's rights to investigate under the WTO rules. The Australian grains industry advocate for rules based trade.
- With the impacts of this issue being spread broadly across the entire grains industry, GTA has established an Industry Fighting Fund to assist in meeting some of costs incurred. There is still more work to be done, and **contributions to the Fighting Fund are still being sought from GTA Members** involved in both malting and feed barley sectors. For enquiries please contact Pat O'Shannassy or Ian Desborough.

- For more information contact Pat O'Shannassy, CEO, at [pat.oshannassy@graintrade.org.au](mailto:pat.oshannassy@graintrade.org.au)

## Upcoming Events

- **Australian Grains Industry Logistics Conference**
  - 9 & 10 April at the Rendezvous hotel in Melbourne.
  - This is the first time a national conference has been held specifically on supply and logistics issues and is targeted at professionals working across the grains industry supply chain. It is a great opportunity to network with counterparts in the industry, sharing skills, knowledge and experience.
  - Keynote speakers include Maurice James – Qube, Michael Reeves – Ridley, Matt Miller – Swire Bulk Shipping, Adrian Browne – Aurizon, Geoff Farnsworth – Holding Redlich, Andrew Kotzur – Kotzur P/L, Matt Kelly – Kelly Grains, Brianna Peake – CBH, Stuart Tighe – Booloh Commodity Management, Neil Chamber – CTAA, Jim Riordan – Riordan Grains, Sinclair Davidson – RMIT, Kieran Carvill – T Ports.
  - Click here for [registration form](#) and [Sponsorship Prospectus](#).
- **The Australian Grain Storage and Protection Conference**
  - 04 & 05 June at the Rydges on Swanston Street, Melbourne.
  - This will provide opportunity to industry participants to get together and learn about developments in grain protection and participate in setting the priorities and work program for the National Working Party on Grain Protection.
  - Click here for registration form and [Sponsorship Prospectus](#).
  - For more information contact Julia O'Keeffe, GTA Office Manager, e: [admin@graintrade.org.au](mailto:admin@graintrade.org.au)

## The Importance of MRLs

- The use of agricultural chemicals that results in residues exceeding Maximum Residue Limits (MRLs) can severely jeopardise market access for all industry
- The European Union (EU), currently the most important export market for Australian canola, has recently announced they will reduce the MRL for Haloxyfop (a pre- and postemergence selective herbicide) on canola from the current limit of 0.2mg/kg to 0.05mg/kg. This is significantly lower than the Australian MRL of 0.1mg/kg, and therefore presents a management challenge for Australian growers and canola exporters.
- This change is expected to occur in early 2019, although the exact date is unclear at present. MRLs applying in other markets are not scheduled to change.
- The impending change in the EU MRL will place focus on all Australian exports of canola and require industry implement appropriate strategies to avoid potential violations of the EU Haloxyfop MRL. If Haloxyfop MRLs in canola exported to the EU are breached three times, then under EU rules market access could be suspended or withdrawn for **all of the Australian canola industry**, not just individual exporters whose shipments may have breached the EU Haloxyfop MRL. Some reports of residues in canola suggest this requires immediate attention of Australian industry.
- **Initiatives to Assist Industry**
  - A number of activities are underway to advise industry of issues in this matter and to assist industry to minimise the risk of residues in excess of the MRL. These include:
    - The National Residue Survey (NRS) has updated the National Working Party on Grain Protection (NWPGP) conference annually for several years advising of Haloxyfop residues detected through the NRS program.
    - The NWPGP has formed a Working Group to coordinate aspects such as grower and post-farm gate communication programs and research into the cause of the residues that have arisen.
    - A number of extension and trace-back investigations have also occurred where Haloxyfop MRL residues have been significant enough to warrant further investigation.
- **Suggested Industry Actions**
  - **Industry should review the suitability of their current management strategies used for supplying canola to domestic and export markets.** Given the impending MRL change for the EU

market, it is strongly recommended that industry implement further measures in order for Australia to maintain access to important canola markets such as the EU:

- At a minimum, industry should ensure they are aware of the Haloxyfop residue level of all canola stock before loading for export. This will require actions such as:
  - **Consultation with storage providers to obtain pre-shipping samples of all canola in storage;**
  - **Liaison with an appropriate analytical laboratory to ensure the residue test conducted is as per the haloxyfop definition and method applied by the EU (i.e., acid hydrolysis);**
  - Assessment of the level of haloxyfop on stored canola;
  - A requirement to select stock to be loaded for each market based on the haloxyfop residue level.
- Continued application of previously used management strategies such as:
  - Declarations from growers and canola suppliers of their use of haloxyfop, via a Commodity Vendor Declaration, recognising the canola harvest is generally complete for 2018/19;
  - Stock selection based on the haloxyfop residue status of canola to be exported. This may require consideration of shipment to alternative markets or only selecting stock that has been declared as not being treated during the growing season with haloxyfop;
  - **Loading canola for each market only AFTER the haloxyfop residue status is confirmed it will meet the market requirement;**
  - Participation in the NRS to determine the residue status of the shipment as a confirmatory test of their own sampling and testing program.
- For more information contact Gerard McMullin, GTA Grain Quality Manager, e: [gerardmcmullen@optusnet.com.au](mailto:gerardmcmullen@optusnet.com.au)

## ASEAN Business Forum on NTMs

- The ASEAN Business Forum on NTMs was held in Singapore on 12 & 13th March 2019. This was a forum initiated by ASEAN CEO Roundtable meeting in Sydney in 2018, and progressed by DAWR. GTA was nominated to be the lead delegate for the grains sector. Other sectors represented include meat, dairy, food and beverage. The purpose of the forum is to promote and develop strengthened ASEAN and Australian industry engagement and dialogue to support addressing NTMs within the ASEAN region. The Forum provided the opportunity for the private sector to prioritise NTMs for reform in the ASEAN region and produce an agreed set of recommendations on priority cross-cutting NTMs to be addressed by Australian and ASEAN member governments.
- The report will be presented by industry to both ASEAN and AANZFTA member governments for action under respective joint committees.
- The meeting identified 4 key areas of focus being:
  - a) Permits & Certification
  - b) Halal
  - c) Regulatory & technical harmonisation and
  - d) Future/evolving NTMs
- Working across commodities on a multi-lateral basis will help to garner commitment and action from Governments across the ASEAN region.
- The project is being managed by AustCham ASEAN (Singapore based Chamber of Commerce recognised by ASEAN) in conjunction with Food Industry Asia (FIA), a food industry trade association based in Singapore.
- For more information contact Rosemary Richards, GTA Trade & Market Access Consultant, e: [operations@graintrade.org.au](mailto:operations@graintrade.org.au)

## DAWR Traceability Project

- GTA is representing members and industry by working with other agricultural industries to provide guidance and direction to the Australian Government with its objective of developing a National Traceability Framework.

- This Framework is a tool used to guide Australian industries and food producers, governments and related businesses in enhancing agricultural traceability systems and promoting 'brand Australia' as a provider of clean and safe food and agricultural products to our international markets.
- An objective of the Framework is to develop a national approach to regulated and commercial traceability systems across agricultural supply chain. The potential for benefits include consistent, coordinated regulation across jurisdictions, and the sharing of information and experience between industries.
- GTA recently presented at one of the Traceability Forums in Canberra on the quality assurance systems that support the grain industry and how traceability is a supporting element in these QA systems. This presentation also discussed further process enhancements that may benefit the traceability of grain such as electronic Commodity Vendor Declarations.
- For more information contact Tim Ross, GTA Projects & Operations Manager, e: [tim.ross@graintrade.org.au](mailto:tim.ross@graintrade.org.au)

## Future System developments to improve trade facilitation

- Globally and locally there is a strong focus on removing redundant transactional workloads through system enhancements. These opportunities all involve cooperative arrangements across governments and industry participants and include:
  - ePhyto (International)
    - ePhyto is short for electronic phytosanitary certificate and ePhyto is a solution under management by the International Plant Protection Convention (IPPC).
    - IPPC is working with the United Nations International Computing Centre (UNICC) to design, develop and host the ePhyto.
    - Through the use of the ePhyto Solution countries will be able to exchange electronic rather than paper phytosanitary certificates in a more secure and efficient manner, which in turn will facilitate stronger management of pest spread, minimize crop loss and increase food security.
    - Industry is involved in the development of this solution via the [ePhyto Industry Advisory Group \(IAG\)](#). The IAG need more data and results in order to obtain a solid overview of the system's benefits and areas of improvement. The IAG welcome exporters, importers, and industry representatives to get involved. Check out the [Industry and ePhyto engagement document](#) to find out more!
  - eCVD (Australia)
    - The [Commodity Vendor Declaration \(CVD\)](#) is an important industry document that captures all relevant information on grain consignments; and provides a means to transfer grain consignment information amongst stakeholders.
    - Currently the GTA CVD is a static version transferrable as a paper document, or as a PDF file.
    - GTA's Information Technology Advisory Committee (ITAC) has initiated a project to move the GTA CVD to a digital file (eCVD) (so information originally entered can be transferred) and to consider the extension of the CVD role to also capture and transfer other events associated with the grain consignment including:
      - Grain Commodity Truck Cleanliness and Prior Load Declaration ([here](#));
      - Consignment delivery weight receipt records;
      - Capture of aggregate level data associated with loads rejected by processors and storage agents (focus is bio-security and recording of industry level data and trends)
    - This project facilitated by GTA for ITAC is currently engaging with industry on this initiative to seek input and to determine the most acceptable method of capturing this opportunity.
  - Agri – Bulk execution (International)
    - A group of large agricultural industry companies are working together to promote the use of electronic Bills of Lading and other electronic documents associated with bulk export shipments.
    - They are attempting an industry wide solution to standardise and digitise global agricultural commodity trade operations for the benefit of the entire industry.

- The focus is on the post trade processes associated with agri bulk shipments including provision of Notices, Instructions, 3<sup>rd</sup> party appointments and Shipping Document issuance and presentation.
  - The project has recently completed the exploratory stage and is now gathering market feedback with the intention of moving into the initial development phase in mid-2019.
- For more information contact Tim Ross, GTA Projects & Operations Manager, e: [tim.ross@graintrade.org.au](mailto:tim.ross@graintrade.org.au)