

## Making it easier

Standardising grain quality specifications, controls and trade rules enables smooth facilitation of trade, backed by a rigorous and cost effective Dispute Resolution Service.

## Available to all

GTA membership is open to any individual, company or organisation actively involved in the grain industry or in the supply of services to the grain industry.

## Informing industry

GTA provides information to enable industry players to stay abreast of the latest trade tools through regular updates, educational programs and representation in domestic and global industry/government circles.



Grain Trade Australia Ltd  
Postal: PO Box R1829 Royal Exchange NSW 1225 Australia  
Street: Level 7, 12 O'Connell Street, Sydney NSW 2000  
Phone: +61 2 9235 2155 | Fax: +61 2 9235 0194

[www.graintrade.org.au](http://www.graintrade.org.au)



# About Grain Trade Australia Ltd

GTA, the focal point for the commercial grains industry within Australia, 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.

- ✓ GTA is non political
- ✓ GTA is industry driven and managed

The primary focus for GTA is to provide the commercial rules and standards that are used across the entire Australian grain industry.

**Background:** GTA (formerly NACMA) was formed in 1991 to standardise grain standards, trade rules and grain contracts across the Australian grain industry to enable the efficient facilitation of trade across the grain supply chain.

GTA has over 240 member organisations ranging from regional family businesses to large national and international trading/storage and handling companies.

Its members are responsible for over 95% of all grain storage and freight movements made each year in Australia. More than 90% of all grain contracts executed annually within the country refer to GTA's Grain Standards and/or Trade Rules.

In March 2009, NACMA changed its name to Grain Trade Australia Ltd. This name change better reflects the position of the organisation within the industry.

**GTA Core Functions:** GTA's role is to ensure the efficient facilitation of commercial activities across the grain supply chain. To achieve this, GTA develops and provides the industry with some key tools.

**GTA Grain Standards:** GTA develops and distributes the wheat and coarse grain standards. It also distributes the standards for oilseeds (developed by Australian Oilseeds Federation), pulses (developed by Pulse Australia) and birdseed (developed by Queensland Agricultural Merchants) across the Australian grain industry. These grain standards are the basis of trade for domestic and export contracts.

**GTA Contracts:** GTA has developed the following contracts for use within the Australian grain trade.

- **Contract No. 1** – For Grain and Oilseeds In Bulk FOB Terms – Contract for export shipments in bulk.
- **Contract No. 2** – For Grain and Oilseeds In Bulk Delivered Price Basing Point or Port Terms (Basis Track) – this contract enables export traders and large domestic end users to aggregate large tonnages from merchants.
- **Contract No. 3** – For Grain/Oilseeds/Birdseeds/Pulses etc – this contract, endorsed by the Grains Council of Australia, was specifically developed for trade between producers and grain merchants.
- **Contract No. 4** – For Grain/Oilseeds/Birdseeds and Pulses in containers Delivered Container Terminal (DCT) – contract for export shipments in containers.
- **Bulk Freight Contract** for the road transportation of grain.
- **Storage & Handling Agreement** to be used by producers who require a warehouse agreement.

**GTA Trade Rules:** GTA Trade Rules underpin the GTA Contracts and are the basis of trade for other specialty grain contracts.

**GTA Dispute Resolution Service:** GTA conducts an arbitration service for contract disputation. The three methods to resolve a dispute are:

- ✓ Expert determination,
- ✓ Fast Track Arbitration; and
- ✓ Full Arbitration.

The service is open to all participants of the grain trade, not only GTA members. **Legal authority of GTA Contracts & Trade Rules** – GTA Contracts and Trade Rules are backed by the Australian legal framework. GTA Trade Rules and Contracts have been challenged at the following jurisdictions:

- ✓ Small claims tribunals;
- ✓ County Court; and the
- ✓ State Supreme Courts.

In all cases the various jurisdictions upheld the GTA Awards handed down as part of the GTA Dispute Resolution Service or ordered the parties to refer their dispute to GTA for arbitration.

**GTA Related Functions:** GTA related functions support the core functions and other aspects of its members' business.

**Advocacy:** GTA is non political, however, issues arise from time to time where there is common agreement amongst members and GTA represents their interests. GTA is a member of:

- **International Grain Trade Coalition (IGTC)** – members are drawn from the major grain exporting countries. The IGTC represents their interests at world trade forums such as the UNEP Convention on Biological Diversity, better known as the Cartagena Protocol.
- **Australian Quarantine Inspection Service (AQIS)** – GTA is on the Grains Industry Consultative Committee.
- **Food Chain Assurance Advisory Group** – GTA is part of the Committee to the Commonwealth Attorney General's Department.

GTA makes representations to :

- **Australian Securities Investment Commission (ASIC)** in relation to Financial Services Reform Act (FSRA), Australian Financial Services Licence (AFSL) requirements and other ASIC issues relating to the grain industry.
- **Department of Foreign Affairs and Trade** on issues such as the Cartagena Protocol on Biosafety.
- **Financial Ombudsman Service** that was established to resolve disputes between parties to financial and derivate based products.

**Training and Development:** GTA conducts a vigorous training and development program across Australia. Each year GTA trains in excess of 300 grain industry personnel.

**Workshops** are conducted in each State on a range of topics including contract terms & conditions, trade rules, Australian Financial Services Licence, commodity pricing, arbitration and grain accounting.

GTA offers the **Diploma of Grain Management**. The core units for the Diploma are:

- ✓ GTA Review and Evaluate Grain Markets
- ✓ GTA Trade Rules & Contracts
- ✓ GTA Grain Standards

**Communication:** [www.graintrade.org.au](http://www.graintrade.org.au) GTA's website has been developed to be the online reference library for all issues associated with the trading of grain in Australia.

**Member Updates** are emailed to members on an "as required" basis.

**Grains Industry Common Interest Forum** is held in July or August each year. Members canvas issues and make recommendations to core GTA functions for the forthcoming year. The GTA Committees give an overview of their activities from the preceding 12 months and share proposed future strategies.

**Corporate Governance Workshop** is held in July or August each year and focuses on issues affecting grain industry organisations associated with derivative markets.

**GrainMatters** is a monthly update of topical industry issues.

**NewsInGrain** is a quarterly newsletter highlighting GTA activities.

**Conferences:** GTA is one of the host organisations of the Australian Grains Industry Conference which is held in July or August each year and is the pre-eminent grain industry conference in Australia attracting over 600 participants.

**Operating structure:** GTA derives its revenue from membership fees and the provision of services to the grain industry.

GTA operates with three full time staff members including a Chief Executive Officer, an Operations Manager and an Office Manager to ensure a timely response to the activities of GTA and member needs.

GTA's Board of Directors is responsible for the strategic direction of GTA and the adherence to ongoing compliance and statutory legislative obligations. The Board is composed of individuals from the membership classes as well as Directors with Special Qualifications.



GTA's Technical Committees include:

- **Commerce Committee** – responsible for development of and ongoing review of GTA Trade Rules and Contracts.
- **Corporate Governance Committee** – tasked with consideration of issues relating to statutory requirements such as the Financial Services Act, AFSL requirements and ASIC issues relating to the grain industry.
- **Standards Committee** – responsible for development of wheat and coarse grain standards. This committee is also responsible for the promulgation of oilseeds (AOF), pulse standards (Pulse Australia) and birdseed standards (QAM).
- **Transport, Storage & Handling Committee** – tasked with determining the GTA Location Differentials and Registered Bulk Handler approval process.

### Process to review GTA resources:

GTA resources, be they a Standard or a Contract are used across the entire Australian grain industry. Therefore, the review of any of the resources must be transparent and inclusive of all sections of the supply chain. Review of all resources is undertaken by the Committees who seek comment from members of the supply chain. Drafts of any of the Committee documents are available on the GTA website.

Each Committee gives equal weighting to any submission, irrespective of whether it is received from a member or non member. All parties must be satisfied that the final resources reflect the commercial grain trading environment. This approach to review and development of resources ensures "facilitation of trade" across the grain supply chain.