

# GTA MARKET NOTIFICATIONS



Notice 7 of 2024 • 14 August 2024

**Topic: Outcome of the Grain and Plant Products Export Industry Consultative Committee Meeting 7 August 2024**

## 1. Status Update

Grain Trade Australia is a member of the Grain and Plant Products Export Industry Consultative Committee (GPPEICC) representing the interests of GTA members.

The GPPEICC is the principal forum for the Department of Agriculture, Fisheries and Forestry (DAFF) to consult with the grain, fodder, nuts, seed and timber industries on export inspection and certification, export market access and other relevant issues.

The most recent meeting was held on 7 August 2024 and issues of relevance to GTA members are outlined below.

## 2. Meeting Outcomes

### DAFF Finance and Budget Issues

DAFF recently released 3 papers to industry seeking feedback:

- a) Proposal for annual adjustments to fees and charges based on indexation and an annual review and
- b) A Sustainable Funding Model. GTA made a number of objections to these two proposals in a submission [See Here:](#)
- c) An industry survey on the impact of DAFF export costs, via Callida Consulting. As expected, industry input and feedback was very limited, questioning the value of such a task.

Concurrently, DAFF are reviewing how other countries (competitors to Australia) set export fees and charges to further assist their future charging strategy.

DAFF are reviewing the findings of those reviews and will advise in due course. GTA again stressed the need for efficiency in DAFF operations and transparency in fees and charges, for both its direct and indirect costs.

The final 2023/24 performance is yet to be finalised. Revenue was slightly less than budgeted however expenditure was as forecast. A surplus of \$2m arose, bringing the total over-recovered funds to \$5.4m. Industry stressed the need for continued over-recovery to be addressed in the 2024/25 fees and charges review.

The previously announced Grain and Plant Products exports Cost Recovery Implementation Statement (CRIS) outlining DAFF fees and charges increases for the 2024/25 year now apply as of 1 July 2024 (with industry expecting a further increase in over-recovered funds as a consequence).

Final warning letters highlighting the impact for non-payment of outstanding DAFF charges is gaining traction on re-establishing contact with several debtors.

### Strategic and Operational Matters

DAFF auditors have continued conducting onsite announced and unannounced audits at Registered Establishments. The most common form of non-compliances identified continue to be:

- a) Incomplete record keeping
- b) Pest control

A focus continues on increasing the number of unannounced audits rather than announced audits at Registered Establishments.

Updates to the list of registered establishments approved for exporting various products to China requested previously in March have been incorporated into the China Animal and Plant Quarantine list, but the updates requested in June have not thus far been applied. The list can be checked here <http://scintl.chinaport.gov.cn/aprwebserver/pages/apr/public/html/companyList.html>

DAFF is seeing an increase in the number of inspections erroneously performed against the requirements for sorghum for processing when provided with import permits for sorghum for stockfeed. Industry is reminded that the Import Permit and correct end-use must be complied with.

While there have been improvements since the last GPPEICC meeting, DAFF is still seeing instances of non-compliance by AOs of meeting their obligations. DAFF are closely monitoring those AOs and industry is reminded that they have a role to ensure any AOs maintain the reputation of the inspection process and complete their tasks as required under legislation.

The GTA-led Working Group on fumigation of containers post-inspection continues to negotiate with DAFF on developing a practical solution yet enabling quarantine regulations to be met. Where a quarantine fumigation pre-inspection is not able to be conducted, for many years, industry has fumigated post-loading and maintained market access. DAFF has proposed changes that in the view of industry are unworkable and place the continued trade in containers for certain markets under significant risk. GTA continues to seek a practical solution with DAFF and will update industry on progress prior to the expected large shipping program from the 2024/25 harvest.

Work continues on the Grain Storage Assets and Management Standard. GTA continues working with DAFF to develop the Regulatory Assurance Framework for administering and monitoring compliance with the Standard. This includes training for industry and proposed training for AOs to be undertaken rather than by DAFF. Given the need for DAFF to fully evaluate the proposed GTA audit process, and for changes to legislation to recognise the scheme, GTA and DAFF have agreed to a revised implementation date of 1 July 2025.

While GTA continues work on developing a draft Standard to assess future technology used for grain quality and biosecurity assessment, DAFF has announced they have commenced a project to develop a policy for recognition of technology used for all purposes as it relates to plant exports. Industry will be updated as that project progresses.

An updated list of market access matters being considered by industry (with DAFF assistance) for market maintenance, improvement and new market access was provided. Several of which are complex in nature and potentially may place severe restrictions or jeopardise the ability of industry to export individual commodities to certain markets. If industry requires specific details, please contact GTA, your relevant GPPEICC representative or Grains Australia who are responsible for managing that list and actions to address market access issues on behalf of industry.

#### Digital Reforms and IT System Issues

Further enhancements to PEMS and changes to fields on the phytosanitary certificate have occurred recently as have updates to Exdoc to enable exchange of information under the ePhyto project. Details will be finalised and go live within the next 3 months.

DAFF are now working on introducing ePhyto to markets other than the initial market, being Fiji. Industry stressed the need to ensure grain industry priority markets are included in that list for initial consideration, in order to gain significant benefits for industry. DAFF considered industry views and are planning to discuss the introduction of ePhyto to a several export markets for Australia based on a range of factors they outlined in the meeting.

The long-awaited work is about to commence on the transition of plants to the Next Export Documentation (NEXDOC) system. DAFF advise NEXDOC for grains should be implemented by the end of 2025 and industry communication and advice will be sought in the ensuing months.

### **3. Further Information**

Contact GTA to seek further information on any of the above issues. Further information on GPPEICC and its membership can be found at:

<http://www.agriculture.gov.au/biosecurity/partnerships/consultative-committees/gppeicc>