

AINMatters



EDITION 85—MAY 2024

UPCOMING EVENTS

- Grain Export Execution & Risk Management—15-16 May 2024
- Australian Grain Storage & Protection Conference 5-6 June 2024
- Grain Trading for Non-Traders Workshop 19-20 June 2024
- Arbitrator Training—13 June 2024

In this Issue:

- Goyder's Line
- Monthly Government Operational Meeting with Government
- **Exporters Beware Get Your Export Permits** Prior to Shipment
- China Delegation Reconnecting & Building
- Registration of certain GTA Trading Standards as Certification Trade Marks

- **Sprouted Sorghum**
- Government Grower Biosecurity Levy
- National Heavy Vehicle Regulator Telematics for PBS Vehicles
- Mandatory Fumigations Container Exports
- Accredited Grain Surveyor Assurance (AGSA) Scheme
- Training, & Events



GOYDER'S LINE

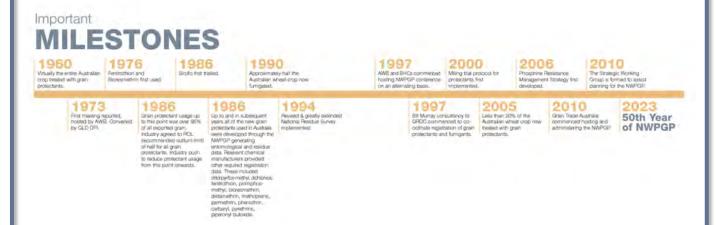


The Australian grain industry has a long history and during its time has developed a framework of tools and support mechanisms that facilitate trade between industry participants. It is important that we protect this framework and ensure it is used appropriately by trade participants. This is why GTA has taken the step to protect its valuable intellectual property in the GTA grain Trading Standards. I ask you to please take the time to read the full article in this edition of Grain Matters that explains the details of the formal registration of certain grain grade classifications under the GTA Trading Standards as 'Certification Trade Marks".

Safety, including compliance with all aspects of Work Health and Safety regulations, is an important factor for all businesses and participants in the grain industry. This is critical with the handling and use of fumigants and chemicals utilised in the grain industry. Members that utilise Phosphine as a fumigant need to be aware of a future change in the Workplace Exposure Standards for airborne contaminants.

From 30 November 2026 the limits for phosphine as an airborne contaminant will change from its current level of 0.3ppm to the new level - 0.05ppm. The National Working Party for Grain Protection (NWPGP) will soon be providing a range of information out to industry on these changes as well as discussing it at the 51st Australian Grain Storage and Protection Conference being held in Melbourne on the 5 - 6 June 2024; an event not to be missed.

As you can see from the below timeline GTA has been supporting the NWPGP conference since 2010. We are pleased to continue the relationship given the value the group creates for GTA members and the industry.



The Australian grain industry as proven at AGIC Asia 2024 has a long and valuable association with the South East Asian markets. As discussed last month the AGIC Asia events have confirmed for me the strong strategic importance this region has for Australia. This has been supported by the release of a recent report by the Australian Government by Nicholas Moore AO.

Australia's Southeast Asia Economic Strategy to 2040, was developed by Special Envoy for Southeast Asia, Mr Nicholas Moore AO. The strategy outlines a practical pathway to significantly increase two-way trade and investment between Australia and Southeast Asia.



GOYDER'S LINE CONTINUTED

"Agriculture and food" are one of the 10 key priority sectors of the report the Australian Government will support through the through three priority initiatives:

- Investment deal teams new dedicated public and private sector teams to identify, develop and facilitate investment in commercial projects in the region.
- Southeast Asia Business Exchange Program to grow trade through targeted sectoral business missions to help small and medium enterprises enter the market, including a Southeast Asia trade and investment promotion campaign in Australia.
- Pilot exchange program for young professionals with Australian and Southeast Asian businesses to foster enduring commercial links.

GTA will make a formal Submission into the Moore Report and seek to maximise the benefit of this Government initiative to create value for GTA members and Australian grain industry.

Invested:

Australia's Southeast Asia Economic Strategy to

A report for the Australian Government by Nicholas Moore AO

GTA Board and management will be holding a face-to-face Board meeting in Perth on the Tuesday the 28th of May 2024. This will be followed by a WA Members social function at the Stables Bar in the Perth CBD.





Yours sincerely,

Andrew Goyder

Chair—Grain Trade Australia

MONTHLY OPERATIONAL MEETING WITH GOVERNMENT

GTA and the Australian grain industry engages with Government both strategically, politically and at the operational level through several formal and informal arrangements and groups.

As discussed last month in Grain Matters for formal engagement industry and government has a principal forum with a long title – the Grain and Plant Products Export Industry Consultative Committee (GPPEICC). This committee meets 3 times a year and aims to provide assurance for exporters and other stakeholders involved in the preparation of grain for exports, that their views are given due consideration before the introduction of any major policy or operational changes by the department.

The triannual timing of GPPEICC meetings and its broad focus has led to a decision to commence a monthly industry and Government - Operational Meeting.

This provides a wonderful opportunity to discuss and resolve any current operational issues and impediments to the export trade of grain. This could be a lack of access to DAFF staff or issues with the phytosanitary certificate process. (Please if you have any issues - let GTA know either by email or a phone call and we will follow up with Government).

EXPORTERS BEWARE—GET YOUR EXPORT PERMITS PRIOR TO SHIPMENT

DAFF has contacted GTA to raise an issue with industry performance. Reportably there are a number of errors exporters are making with their submitted inspection records and requests for approval of the export permit after the consignment/commodity has left Australia.

The Government advice is:

- 1. Inspection records, once submitted, are considered to be an accurate reflection of the inspection that took place, and legally signed by the Authorised Officer (AO) who performed the inspection.
- 2. The DAFF Grain and Seed Export Program (GSEP) staff will be taking a firmer line on inspection record errors in view of the high and increasing number of inspection record inaccuracies being presented and will begin tracking the establishments, exporters and AOs making these errors.

GTA members are asked to please ensure you implement appropriate measures to detect errors in inspection records before they are submitted.

Importantly an export permit (authorised RFP) must be obtained before the containerised commodity is loaded onto the vessel.





EXPORTERS BEWARE — CONTINUED

DAFF have stated if these errors continue companies may not get a government certificate (e.g. phytosanitary certificate) and your consignment/goods that are on a vessel will need to be returned to Australia.

Please be aware of the risk you face and focus on rectifying the current high level of errors on inspection records and RFPs and please note that problems with inspection records are much easier and cheaper to rectify if the goods have not already departed (prior to getting an authorised export permit).

GSEP are willing to discuss these and other export related questions. Please contact at grain.export@aff.gov.au or phone 02 6272 3229.

CHINA DELEGATION—RECONNECTING & BUILDING

GTA were pleased to host a meeting with a visiting senior Chinese trade delegation in Sydney during April 2024. The delegation of representatives of the National Food and Strategic Reserves Administration (NAFRA) was led by Mr Qin Yuyun, Vice Administrator of NAFRA.

The main responsibilities of NAFRA are to draft laws and regulations and departmental rules for the management of grain movements and grain stock reserves throughout China. This includes organising and implementing the collection, storage, rotation, and daily management of national strategic and emergency grain reserves.

This meeting in Sydney requested by NAFRA followed several meetings and exchanges GTA had with NAFRA in Beijing as part of AGIC Asia events and Roundtable meetings. GTA took this further opportunity to meet with NAFRA to promote and highlight the Australian grain supply chain attributes underpinned by the industry self-regulatory framework and the industry Code of Practice.

During this meeting both parties agreed there are opportunities and value for both China and Australia to increase technical collaboration across our industries. This includes promoting trade harmonisation at the multi-lateral and the regional level.



This meeting and the prior meetings during AGIC Asia were opportunities to reflect on the strategic importance and the success of the trade in grain between China and Australia. It is important to meet, acknowledge and understand the people who are involved in the grain trade and in the business of managing the Chinese grain reserves.



REGISTRATION OF CERTAIN GTA TRADING STANDARDS AS CERTIFICATION TRADE MARKS

To protect its valuable intellectual property (IP) in the GTA Trading Standards that have been developed by GTA members over time, GTA has registered certain grain grade classifications under the GTA Trading Standards as "Certification Trade Marks" with IP Australia (GTA Certification Trade Marks).

This will ensure the continued use of the GTA Certification Trade Marks across the Australian grain industry, thus benefiting all Australian grain industry participants including GTA members and growers.

The reasons for registering the GTA Certification Trade Marks include:

- to allow GTA to take appropriate action against anyone (including non GTA members) misusing the GTA Certification Trade Marks:
- to protect the reputation of the Australian grain industry and the GTA Trading Standards themselves;
- to protect the investment made by GTA members in the development of the GTA Trading Standards;
- to provide additional value to growers and GTA members by improving the facilitation of trade;
- to create a "level playing field" with regard to the quality of grain being traded which facilitates transparency in pricing and the quality of the Australian crop, benefitting producers and traders alike;
- to ensure consistency in the quality of the grain being traded and the confidence of buyers of Australian grain;

GTA's mission is to facilitate trade. Its primary focus and intention are to protect the reputation of the GTA Trading Standards, the Australian grain industry, GTA members and growers.

As the GTA Certification Trade Marks are registered as "Certification Trade Marks", it means third parties can use them, provided they adhere to the accompanying Trade Mark Rules (Rules), which govern the use of the GTA Certification Trade Marks. The Rules are approved by the ACCC.

The Rules are publicly available on the GTA website (www.graintrade.org.au) and will be incorporated into GTA's annual process for review and publication of the GTA Trading Standards.

At least one party to a grain contract that references registered grain grades in the GTA Trading Standards, should have a licence granted by GTA, to use the GTA Certification Trade Marks as an "Approved User". GTA will grant an "Approved User" licence to use the GTA Certification Trade Marks to GTA members as a component of the annual GTA membership process. This licence will be provided to a GTA member when they are issued with their GTA Member Certificate.



The "Approved User" licence granted to GTA members covers the overwhelming majority of grain contracts written in Australia which means that growers selling their grain to a GTA member do not need an "Approved User" licence.

GTA members are encouraged to familiarise themselves with the <u>Trade Mark Rules</u>. Further information is available to GTA members including this <u>Fact Sheet.</u>If more information is required, please feel free to email or call GTA: admin@graintrade.org.au



SPROUTED SORGHUM

GTA and its Trading Standards Committee has been dealing with reports of difficulty and some inconsistency with the assessment of Sorghum during a wet Queensland harvest that has created issues with sprouted grain.

The reported assessment issues include:

- Sorghum is a small, dark spherical grain that when impacted by rain prior to harvest may lead to the seed visually sprouting.
- Harvesting and handling can knock this sprout off creating problems in determining visually if a sorghum seed has sprouted.

Trading Standards Committee members advice is the key for grain assessors is to look for scalloped grain as it indicates the grain has sprouted and the sprout has been knocked off.

The assessment for sprouted and scalloped grain is done visually by trained samplers using the accepted definition and visual photographs developed by the GTA Trading Standards Committee and accepted by industry. As it is a subjective test there will be some inherent variances such as:

- between samplers
- within a sampler impacted by stress and tiredness

While industry adopts the GTA produced definition and photo, it is a subjective test, and GTA cannot dictate to industry how to interpret and implement the Standard, variations do exist.

It is important to note that sprouted and scalloped grain are inferior to sound grain and is not suitable for many markets uses.

Sprouted

Definition: The shoot is visibly extending from any part of the germ. Grains with pin holes are not included in this definition.



It has been recorded that some of the highly sprouted sorghum this season still maintains a good test weight, making it suitable for various stockfeed uses despite containing high levels of sprouted grain. Each end-user determines the suitability of the grain for their own purposes when outside of the GTA Trading Standards.

For this current sorghum harvest, the Trading Standards Committee agreed there should be clarification to industry that scalloped Sorghum is not 'sound' as it has resulted from sprouted grain having the sprout removed.

The Trading Standards Committee also agreed to seek more accurate photos of sprouted and scalloped Sorghum for the Visual Recognition Standards Guide and release an industry communication [Insert Link] to clarify the interpretation of scalloped Sorghum.



GOVERNMENT GROWER BIOSECURITY LEVY

The Federal Government's announced in last years' budget a move to impose an additional cost on grain producers via the Biosecurity Protection Levy (BPL). Collection of the levy is planned by Government to commence on 1 July 2024. However, there are several inquiries and approval processes prior to the levy being legislated and implemented.

Background:

This BPL is part of a package that introduces a new model for funding biosecurity based on shared responsibility between those who create risk and those who receive significant benefits from the Australian Government's efforts at the border. Primary producers will contribute 6% of the funding for the biosecurity system.

Government has confirmed this new BPL is intended to be collected in a similar way to the current compulsory grower levies, and it is to be identified as a separate line item on a grain growers' recipient-created tax invoice (RCTI).

The actual BPL rates are calculated on a common basis applicable to all agricultural products and is based on each industry sector's contribution to total intended BPL revenue (\$51.8 million in 2024-25) and proposed BPL rates will be set by reference to each product's average proportional share of Gross Value of Production (GVP) over the 2019-20 to 2021-22 financial years.

Based on this approach, the grain sector will be expected to contribute \$12.2 million of the total \$51.8 million in revenue intended to be collected annually.

Biosecurity Levy Rates to be deducted by grain receivers:

BPL proposed levy rates are listed in the attached DAFF Table 1.

Product	Proposed rate of Biosecurity Protection Levy
Grains - Coarse – Maize	0.0513% of the value
Grains - Coarse - Canary Seed	0.0716% of the value
Grains - Coarse - Cereal Rye	
Grains - Coarse - Millet	
Grains - Legumes - Peanuts	
Grains – Legumes - Black Gram	
Grains – Legumes - Wild cowpeas	
Wheat	
Grains – Coarse - Barley	0.0727% of the value
Grains – Coarse - Sorghum	
Grains – Coarse - Oats	
Grains – Coarse - Triticale	
Grains – OilSeeds - Canola/Rape Seed	
Grains – OilSeeds - Linseed/Linola	
Grains – OilSeeds - Soy Bean	
Grains – OilSeeds - Safflower Seed	
Grains – OilSeeds - Sunflower Seed	
Grains – Legumes - Faba/Broad Beans	
Grains – Legumes - Mung Beans	
Grains – Legumes - Pigeon Peas	
Grains – Legumes - Navy/Kidney/French Beans	
Grains – Legumes - Vetch	
Grains – Legumes - Lentils	
Grains – Legumes - Cow Peas (unguiculata)	
Grains – Legumes - Chick Peas	
Grains – Legumes - Lupins	
Grains – Legumes - Field Peas	



GOVERNMENT GROWER BIOSECURITY LEVY—CONTINUED

Commencement of Levy Collection?

As a result of industry feedback a Government inquiry is considering associated issues with the BPL. GTA provided the inquiry a submission (insert Submission).

Issues include:

- Equitable nature of the levy.
- Cost to administer this BPL.
- Inability for several agricultural sectors that do not have existing collection arrangements to establish collection methods by 1 July 2024.

The inquiry delivered a report on the 10th of May 2024 and recommended the Senate approve BPL.

It is recommended GTA members should not commence IT system changes until Government confirm implementation will occur and a date for commencement.

NATIONAL HEAVY VEHICLE REGISTRATOR—TELEMATICS FOR PBS VEHICLES

The National Heavy Vehicle Regulator (NHVR) has established a regulatory national framework to manage heavy vehicle road access through the use of vehicle telematics.

Telematics is a method of monitoring vehicles by using GPS technology and on-board diagnostics to plot the vehicle's movements. On-board diagnostics includes on-board mass systems (OBM) - i.e. truck weigh scales.

This telematics framework is called the 'Intelligent Access Program' (IAP)

Trucks fitted with the appropriate telematics can enjoy approved access to the road network. Location, time and identity of each truck are remotely monitored using satellite tracking and wireless communication technology via the In-Vehicle Unit (IVU) telematics.

Road agencies will automatically receive data when a vehicle operates outside the permitted access networks or conditions.





NATIONAL HEAVY VEHICLE REGULATOR — CONTINUED

Benefits of the NHVR IAP:

- Telematics and the NHVR framework enable operators to access roads or bridges, operate at greater masses, or use larger and heavier vehicles than would otherwise be available.
- This system provides road managers with the confidence and assurance that heavy vehicles are complying with their road access conditions.

To operating at Higher Mass Limits (HML) in the future in some states will require:

- Victoria: Smart On-Board Mass (OBM) telematics required for specific High Productivity Freight Vehicles (HPFVs) by 30 June 2023.
- Tasmania: Certain Performance-Based Standards (PBS) vehicles need Smart OBM for designated road access.
- Queensland: Specific Class 2 and Class 3 vehicles must adopt Smart OBM systems by 1 June 2024.
- New South Wales: Eligible PBS vehicles should enrol in TMA PBS Level 1-4 Vehicle Monitoring scheme by 1 June 2024.

For more information visit https://tca.gov.au/service-offering/intelligent-access-program/

MANDATORY FUMIGATIONS—CONTAINER EXPORTS

In prior Grain Matters the issue of Mandatory Fumigations for container exports for some importing countries was raised, and that GTA and a Working Group is discussing the issues raised in GTA member Submissions with DAFF.

The issues raised by GTA and its members include:

- DAFF state mandatory fumigations must happen prior to inspection by the Authorised Officer (AO)
- Mandatory fumigation prior to the AO inspection is not always practical for Container Packer operations. It has been a long-standing industry practice to include fumigation in containers post inspection as a practice.

These issues were discussed between GTA and DAFF at a meeting in Canberra in early March 2023, December 2023, and an April 2024 meeting. The outcome and direction from the meetings were:

- DAFF must adhere to its regulations, and they must be confident that industry and DAFF have met the requirements of the International Plant Protection Convention (IPPC).
- DAFF provided a Protocol to support fumigation in containers in some circumstances through the establishment of an 'Approved Arrangement' that is to be entered into by the Packing company/fumigation company.

A Working Group was formed between DAFF and GTA to discuss this Protocol and to better understand the detail so further communications can be provided to industry. This Working Group held its first meeting on 7 December 2023.



MANDATORY FUMIGATIONS—CONTAINER EXPORTS — CONTINUED

GTA members raised several issues with DAFF and discussed alternative approaches and came up with some actions that may result in DAFF considering changes to the Approved Arrangement. These included:

GTA and the National Working Party on Grain Protection arranging scientific feedback to prove the relevance of the proposed DAFF Protocol.



Scientific feedback has since been received and reviewed by GTA and the Working Group. A communication has been sent to DAFF informing:

- there are circumstances where pre-treatment is not practical, and industry utilises a post-inspection and loading fumigation practice.
- industry supports a consistent approach, that meets legislative obligations to meeting fumigation requirements, that process must be suitable to ensure the ongoing trade of grain in containers.
- Market requirements must be met, as well as legislation regulation imposed by DAFF at export. The primary method for focus of fumigation of containers should be pre-inspection and loading, at the rates stipulated by importing countries.
- Where not feasible, a consistent and practical approach to fumigation post-loading should be developed, agreed by DAFF and industry, and applied.

GTA and the Working Group recommended to DAFF:

A Trial To support the development of the best practice procedure and to achieve a consistent approach to fumigation that complies with quarantine requirements.

The Working Group will re-engage with DAFF one its response is received to the recommended trial.



ACCREDITED GRAIN SURVEYOR ASSURANCE (AGSA) SCHEME

The Australasian Institute of Marine Surveyors (AIMS) and the Department of Agriculture, Fisheries and Forestry (DAFF) are in the process of developing new rules on Conflicts of Interest for AGSA accredited marine surveyors.

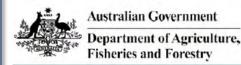
A draft fact sheet that includes the Rules has been prepared to assist with the Accredited Marine Surveyors becoming aware of the new rules.

GTA was made aware of these proposed new Rules and has worked with the Transport Storage & Ports (TS&P) Committee to analyse the Rules and consider their impact on the supply chain.

The TS&P Committee notes several of the Rules are of concern as they will limit access to port labour including what companies are acceptable to inspect and clean vessels.

These new AGSA Rules have been proposed due to perceived conflicts of interest between parties that provide services to vessels and / or operate as DAFF representatives as 'Authorised Officers'.

GTA (and Shipping Australia) has requested engagement and discussion into the design of the proposed Rules. The objective is to ensure arrangements for the servicing and inspection of vessels complies with Government regulations whilst ensuring efficient and practical processes are developed to maintain or improve existing arrangements.







Accredited Grain Surveyor Assurance (AGSA) scheme

Guidance note 2 April 2024: Conflicts of Interest

MEMBER EVENT IN PERTH

Save the Date: GTA is hosting Member Social **Function in Perth**

28th of May 2024 (Monday) 5.30pm—7.30pm

RSVP: admin@graintrade.org.au





GTA MEMBER EVENT

28 MAY (TUESDAY)

5.30-7.30PM

THE STABLES BAR

888 HAY ST, PERTH

JOIN US FOR A DRINKS NIGHT AND MEET GTA BOARD & TEAM

RSVP: admin@graintrade.org.au

AUSTRALIAN GRAIN STORAGE & PROTECTION CONFERENCE

MEETING MARKET REQUIREMENTS

BROUGHT TO YOU BY THE NATIONAL WORKING PARTY ON GRAIN PROTECTION (NWPGP)



5-6 JUNE 2024 727 COLLINS ST, DOCKLANDS VIC



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Workshops Schedule Semester 1, 2024

NEW

February

Grain Trading for Non-Traders

Presented by Lloyd George

14-15 February - Zoom

Understanding Grain Markets

Presented by Lloyd George

21 February - Zoom

March

Trade Rules & Contracts

Presented by Lloyd George

13 March - Zoom

Grain Finance & Risk Management

Presented by Malcom Finlayson

21 March - Zoom

NEW

April

Trade Rules & Dispute Resolution

Presented by Lloyd George

11 April - Zoom

Understanding Grain Markets

Presented by Lloyd George

30 April - Zoom

May

Trade Rules & Contracts

Presented by Lloyd George

8 May - Zoom

Grain Export Execution & Risk Management

Various presenters

15-16 May - Melbourne & Zoom



June

Grain Trading for non-traders

Presented by Lloyd George

19-20 June - Melbourne

Arbitrator Training

Presented by Geoff Farnsworth

13 June - Zoom

Grain Merchandising

Presented by Lloyd George

26-27 June - Melbourne

GTA Member fees

1 day Zoom Workshop - \$792

2 day Zoom Workshop - \$1,300

1 day F2F Workshop - \$990

2 day F2F Workshop - \$1,650

Non-Member fees

1 day Zoom Workshop - \$1,184

2 day Zoom Workshop - \$1,650

1 day F2F Workshop - \$1,480

2 day F2F Workshop - \$2,475

Please note all prices are GST inclusive

Register online here

For any inquiries please contact GTA on: Tel (02) 9235 2155 or 0449 038 330 admin@graintrade.org.au

REGISTER ONLINE HERE



ARBITRATOR TRAINING WORKSHOP

COMPLIMENTARY TO GTA MEMBERS

13 June 2024 11.00am—1.30pm AEST

Delivered via Zoom



Presenter: Geoff Farnsworth

Geoff is a lawyer with over 25 years experience, whose specialty is in transport and commodities related law. He has also recently become qualified as a Member of the Chartered Institute of Arbitrators.

Geoff acts as Secretariat to GTA Arbitration Tribunals. He regularly advises major transport and commodity companies in relation to contracting and dispute resolution.

Geoff is a regular presenter at conferences and seminars, and a director of Grain Trade Australia Ltd.

This is a **FREE** workshop for all existing and potential GTA Arbitrators, being held each year. The workshop is designed for existing GTA Arbitrators as a refresher course as well as those who would like to become a GTA Arbitrator.

The workshop provides an appreciation and understanding of the role of arbitration, the process and the legislative framework along with the processes that should be followed at the commencement of and duration of arbitration. Topics covered include:

- GTA Arbitrators—their appointment, role and responsibilities
- Commencing and Conducting an Arbitration
- Common Issues faced by Arbitrators
- Awards & real life examples from past arbitrations



A must to attend for GTA Arbitrators

Delivered by an experienced industry expert

A short refresher course (2.5hrs)

This GTA Course offered to GTA Members considering becoming a GTA Arbitrator and all current GTA Arbitrators. Ongoing training is encouraged and recommended as the primary means to become and remain a GTA Arbitrator.

For more information contact GTA admin@graintrade.org.au

REGISTER HERE

