

GRAINMatters



EDITION 87—JULY 2024

UPCOMING EVENTS

- [Advisory & Compliance Day—18 July 2024](#)
- [AGIC Australia 31 July—1 August 2024](#)
- [Grain Merchandising—14-15 August 2024](#)
- [Grain Trading Standards—20-21 August 2024](#)
- [Grain Trading for Non-Traders—22-23 August 2024](#)

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I can feel the excitement as we head towards the headline act of the grain calendar year the **Australian Grain Industry Conference (AGIC) 2024**. And what a Program we have for you this year!

The conference theme this year is *Every Grain has a Silver Lining* focusing and celebrating AGIC's 25th Silver Anniversary.

AGIC 2024 will again be held in person at Crown Promenade, Melbourne from the 31st of July to the 1st of August 2024 and will provide a chance to connect again with industry and attend and hear from an exciting and informative program of speakers.

The two-day [program](#) will cover:

- The Grain & Oilseed Market Global Outlook
- The Australian Market Outlook
- Drivers in Feed Demand (China)
- Drivers in Supply – Black Sea Grain Situation
- Leaders In Conversation – the challenges of leadership
- Strategic Geopolitical Issues Challenging Australia's Success
- Industry Stewardship – Plant Breeding and Technology
- Container Supply Chain Costs and Competition; and
- Bioenergy and Other Opportunities and more



Hopefully I will see you at the conference or at one of the many social events associated with AGIC 2024.

The GTA Board has recently commissioned a project seeking to establish benchmark data on *diversity, equity and inclusion* (DEI) for the post-farm gate grain sector. This is in response to strategic discussion on stakeholder engagement and “social licence”, and a realisation that there is no real data across the post-farm gate grain sector on DEI.

The purpose of the survey is to establish baseline data on the current workforce composition and DEI practices in the grain industry to facilitate a more informed and factual discussion with stakeholders.

It is important to note all responses are anonymous to GTA, we will only be presented with anonymised, summarised information.

GTA Board believe developing some factual data on diversity in our sector will facilitate a more informed and factual discussion and assist in stakeholder engagement and promoting our sector's Environmental, Social and Governance (ESG) credentials. GTA believes we have a positive story to communicate, as described in the Australian Grain Supply Chain and its ESG Credentials document and encourages members to participate in this survey.

India is on track to be the world's third largest economy by the end of this decade. To ensure Australia benefits from **India 's growth**, the Australian Government has commenced consultations on a future **Australia India Economic Roadmap**.

- The Roadmap will consider existing economic initiatives with India and explore innovative ways of doing more together.
- GTA will engage with this Government Consultation process and ensure visibility of the **India – Australia Strategic Grain Partnership** developed in 2023 by GTA.
- The *Strategic Grain Partnership* model is based on the successful engagement model GTA has used in other Asian markets, notably China, by looking to build relationships, understanding and collaboration at Government, industry association, technical and commercial levels. A good example of this is the AGIC Asia Roundtable sessions held as part of AGIC Asia events.

GOYDER'S LINE CONTINUED

- The India-Australia Strategic grain partnership looks to leverage the broader strategic relationship development by both Governments. It is a medium to longer term horizon, that will seek to be incorporated into the regular formal bi-lateral exchange process and initiatives such as the Australia India Economic Roadmap.

The grain industry and its self-regulatory framework are being considered and reviewed this year as part of the Government review of the Wheat Port Code. As Chair of GTA if there is one thing I continuously promote to members, Government and our overseas customers and contacts is the GTA self-regulatory framework and the suite of tools that GTA provides to industry.

- The most important tool and the glue that binds the framework together is the [Australian Grain Industry Code of Practice](#). This Code of Practice (Code) is a practical guide for participants in the grain industry to achieve the standards and expectations of domestic and export customer requirements.
- The Code will undergo a **review** in 2024 to ensure it is relevant and continues to support industry. Please take the time to assist GTA as it progresses the Code review in 2024.

Unfortunately I was unable to attend the **Australian Grain Storage and Protection Conference** held in Melbourne on the 5 – 6 June 2024. This is an event with a long history – 51 years of continuity and one that delivers enormous value to the industry. Please take the time to read the article on this conference in this edition of Grain Matters.



As a last note it was pleasing for GTA to be invited to the official State Lunch in Parliament House for the visiting **Chinese Premier Li** hosted by Prime Minister Albanese. I feel the invitation to attend this important event is recognition by the Australian Government of GTA and its role in managing and developing the grain trade relationship between Australia and China.

As **China** remains our industry's largest export destination GTA will continue to work to build on the mutually beneficial agriculture relationship and to highlight the importance of mutually beneficial trade between our two countries.

As discussed, I am excited and looking forward to AGIC 2024. Let's all get together and celebrate the year that is 2024!

Yours sincerely,

Andrew Goyder
Chair—Grain Trade Australia

AUSTRALIAN GRAIN STORAGE AND PROTECTION CONFERENCE

The National Working Party on Grain Protection (NWPGP) convened in Melbourne on 5-6 June 2024 for **the 51st occasion** of the annual Australian Grain Storage & Protection Conference.

Opening the conference, GTA Deputy Chair Michelle Kerr welcomed the record number of delegates (> 180) and emphasised the industry and its supply chain are under increased scrutiny and the importance of its reputation for food safety and sustainability is paramount.

- *“Today, the world is watching what we do and what safeguards are in place. This places greater importance on events like this conference to ensure Australia is focussed on protection throughout the supply chain”.*
- *“The NWPGP provides management and leadership to the entire grain industry in the areas of post-harvest grain storage and hygiene, chemical use and outturn tolerances, international and domestic market requirements*

Delegates heard from over 40 speakers and industry experts on a range of research findings and extension activities. A clear message was that as market expectations increase and become more demanding, it is important for both industry and government to ensure supply chain participants are capable and adequately trained in the necessary steps to deliver a quality and safe product to meet customer and importing country requirements. Extension services, information and training and having Standards to apply were considered critical tools for the grain supply chain.

NWPGP Chair Gerard McMullen said *“this 51st Australian Grain Storage and Protection Conference is an important occasion and event in the calendar of the grain industry and supports the important role of science combined with stewardship within the supply chain to enhance the reputation of the Australian grain industry as a provider of a quality and safe product.”*

Ms Kerr in her opening said *“GTA has a long association and history with the NWPGP conference and is proud to be involved as conference organiser. This conference is of immense value to the current and future reputation of Australia’s grain supply chain and helps to cement and promote effective quality assurance throughout the grain supply chain. As industry has established a self-regulatory framework to self-manage and provide leadership in quality assurance of grain this Conference and its participants are integral to achieving and maintaining Australia’s well-deserved reputation.”*

For more information please see the [Conference Media Release](#)



GLOBAL ADVOCACY AND REPRESENTATION — INTERNATIONAL GRAIN CONFERENCE & IGC ASSEMBLY

GTA attended London Grains Week during 12-16 June 2024. The week's events included the International Grains Conference, IGTC Strategy Sessions and the International Grains Council (IGC) Assembly of Members.

GTA CEO Pat O'Shannassy made a presentation to the formal meeting in London of the International Grains Council as part of the official Australian delegation. The purpose of the presentation was to provide the Government representatives with an industry/private sector perspective of the grain trade. The key messages included:

- the importance of rules and a risk-based trade framework,
- importance of trade as a critical component of food and nutritional security, and the
- importance to avoid the temptation to towards government protectionism, subsidies and policies as the evidence shows them to be counterproductive and result in higher prices for consumers and lower prices for producers.

The Australian Government representative at the IGC (DAFF) was elected as Vice Chair of IGC for the upcoming year and will progress to Chair in 2025. This will be a important opportunity for Australia to provide global leadership to the benefit of global trade.

The IGTC hosted a full session during the IGC Grains Conference on June 11th highlighting current and future challenges in ensuring food security through seamless execution, focusing on crop production, international transportation, and plant health. The session included discussion on:

- Global challenges for grain traders and the need for international cooperation among multiple stakeholders, including producers, traders, transporters, and regulators to ensure the smooth flow of grain.
- Regional perspectives considering recent EU elections, a zero-waste approach, the benefits of deregulation, trade as a critical component of global food security and the untapped potential of intra-Africa trade.

Delegates heard that addressing these challenges requires a combination of technological advancements, improved communication, and increased cooperation among multiple stakeholders. Ensuring food security, managing costs and building resilient supply chains are critical to sustaining the global grain trade.

- IGTC's presentation at the IGC Conference gives the IGTC and the private sector important exposure to global industry, regulators and policy makers, helping them to understand the complexities and to promote practical approaches to the grain supply chain and grain trade.
- It also great to catch with our friend Nikolay Gorbachov, President of Ukraine Grain Association who presented at the IGC conference on the Ukraine grain situation. He noted more than 30% of Ukraine's farmland (~ 6 million hectares or about half Australia's wheat area!) is at risk due to mine contamination. To remove the mines costs around USD5K per hectare! More than the cost of the land itself!! Grain Matters readers will remember the stirring presentation Nikolay gave to AGIC Australian in 2022 on the impact of the Russian invasion of Ukraine.



Whilst in London GTA took the opportunity to meet with the Australian High Commissioner to UK, Hon Stephen Smith and senior embassy and trade staff. The meeting provided an important networking opportunity and insights to global trade and politics. Mr Smith has extensive experience in global policy and security and provided insights into China's positioning globally and issues including Ukraine, all of which are influencing global geo-politics and trade.

GLOBAL ADVOCACY AND REPRESENTATION — INTERNATIONAL GRAIN CONFERENCE & IGC ASSEMBLY - CONTINUED



STATE GRAIN MERCHANT ASSOCIATIONS—SUPPORTING GTA

The grain industry is a collegiate and well organised industry. A large support to a collegiate industry is the state-based grain merchant associations who represent merchant and grain traders within each state.

GTA has recently attended functions and meetings held by NSW Grain in Wagga and Grains Industry Association of South Australia (GIASA) in Adelaide. These events were well attended by around 70 people at each function and are a great way to meet grain industry colleagues in a friendly and social atmosphere. GTA was also represented at the recent GIAV meeting in Yarrowonga by GTA Director Matt Kelly.

These events play an important role in building industry networks and facilitating trade. At the end of the day, strong business relationships and dealing with people you know, and trust is fundamental to managing risk and success in the grain industry.

The State Grain Merchant Associations play an important role within GTA and the grain industry. Under the GTA Constitution the State Grain Merchant Associations can nominate three (3) Directors to the GTA Board ensuring their members and state issues are represented.

- The current State Grain Merchant GTA Board representatives are:
- Rob Imray – Queensland Agricultural Merchants
- Matt Kelly – NSW Grain
- Michael Wood – Grain Industry Association of Victoria

GTA encourages all its members to not only be active within GTA but to also engage, participate in and support your local state grain merchant associations



SHARE YOUR VIEWS—ISSUES & CHALLENGES AFFECTING THE CONTAINER FREIGHT SUPPLY CHAIN

The ACCC is inviting grain exporters and industry participants to share their views on the issues and challenges affecting the container supply freight supply chain in Australia by participating in a survey.

But you need to be quick as the survey closes on 31 July 2024!

The Link to the survey can be found [here](#)

TRADING STANDARDS APPROVED—WHAT'S NEW

The GTA Trading Standards Committee review process for 2024/25 is nearing completion. After two rounds of industry consultation the proposed 2024/25 GTA Trading Standards were presented to the GTA Board and approved on the 25th of June 2024.

The 2024/25 Trading Standards will be implemented as of 1 August 2024. This is the first season the GTA Trading Standards Committee has assumed responsibility for producing the **Pulse Trading Standards**. GTA would like to thank Pulse Australia and its Pulse Standards Committee for the smooth transition and the input into the GTA produced 2024/25 Pulse Trading Standards.

The major changes approved for introduction in 2024/25 include:

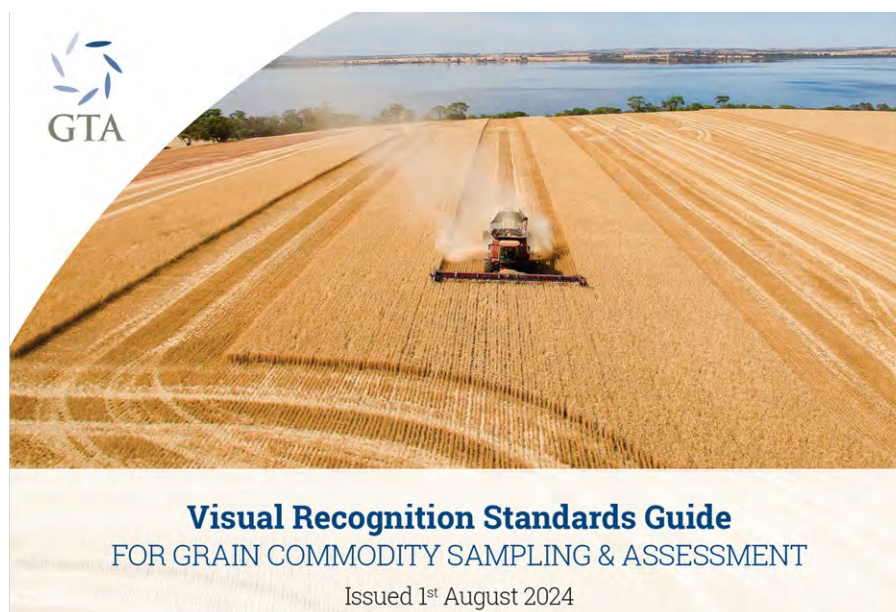
- Multiple enhancements to the Visual Recognition Standards Guide with a new electronic and print version to be available shortly.
- Changes to the Bin Grade Agreed Cascade Rules for AWW Grades.
- Introduction of a new ASW milling grade with a minimum 9% protein.
- Change to the definition of Durum – *fine hairs may be present on the brush end of some durum varieties*.
- Introduction of a low level of tolerance for gumnuts.
- Introduction of the use of the 3.75mm slotted screen when assessing lupins for defective grains that fall below the screen, and
- Modifications to the proposed new Desi Chickpea Grade

A detailed Member Update will be coming soon that will outline these changes in more detail. Included in the Member Update will be the start of industry engagement on the Trading Standards name for Feed barley. Several seasons ago the grade name of Feed barley grades was changed to “Barley 1” and “Barley 2” respectively.

These long form names (Barley 1 and Barley 2) do not fit the industry Code character lengths for grades – that are normally 4 characters/numbers. As a result, these names have become somewhat redundant as the industry have adopted to use **BAR1 & BAR2** as the respective Grade names.

Therefore, a task for the 2025/2026 Trading Standards committee will be to discuss and potentially proposed to industry moving to formally using BAR1 and BAR2 as Trading Standard grades.

A detailed Member Update will be coming soon that will outline these changes in more detail.



RECENT SUBMISSIONS

On behalf of members GTA makes submissions and provides input into Government reviews and process to ensure Government is aware of GTA member perspectives and practical requirements to ensure they are considered in its decision making and policy settings.

Recent GTA Submissions include:

Submission	Summary
<u>Cost Recovery Implementation Statement</u>	<ul style="list-style-type: none"> Exporters pay for the DAFF grain export services. This is known as the “export cost recovery funds” and paid through fees charged on every tonne of exported grain as well as for direct DAFF services. DAFF are required to release a Cost Recovery Implementation Statement (CRIS) outlining DAFF revenue and cost for the past year. GTA provided comment on DAFF performance and the CRIS including: Seeking greater effectiveness from DAFF and the cost recovery model. Access to information and engagement with DAFF that provides satisfaction costs are balanced by the provision of an effective and efficient service. Seeking benchmarking to understand the value proposition of the DAFF fees and services and to ensure they remain efficient and cost effective.
<u>GTA Submission into the role of Australian Agriculture in Southeast Asia Markets</u>	<p>GTA recommended:</p> <ul style="list-style-type: none"> Industry needs to be involved in market strategy formulation and its implementation. Increased funding A focus on growth through mutually beneficial govt to govt programs. The building of capability and trade relationships. Promotion of Australia’s Environmental Social and Governance (ESG) credentials. A focus on removing trade barriers including non-tariff measures.
<u>Inquiry into the Understanding and Utilisation of Benefits under Free Trade Agreements</u>	<p>GTA comments included:</p> <ul style="list-style-type: none"> GTA supports FTAs as they have the potential to grow the trade of Australian grain and create new opportunities for grain exports. FTAs can reduce the distortions of global markets. Support a collaborative industry and Government approach. Include a focus on the supply chain as part of government strategy.

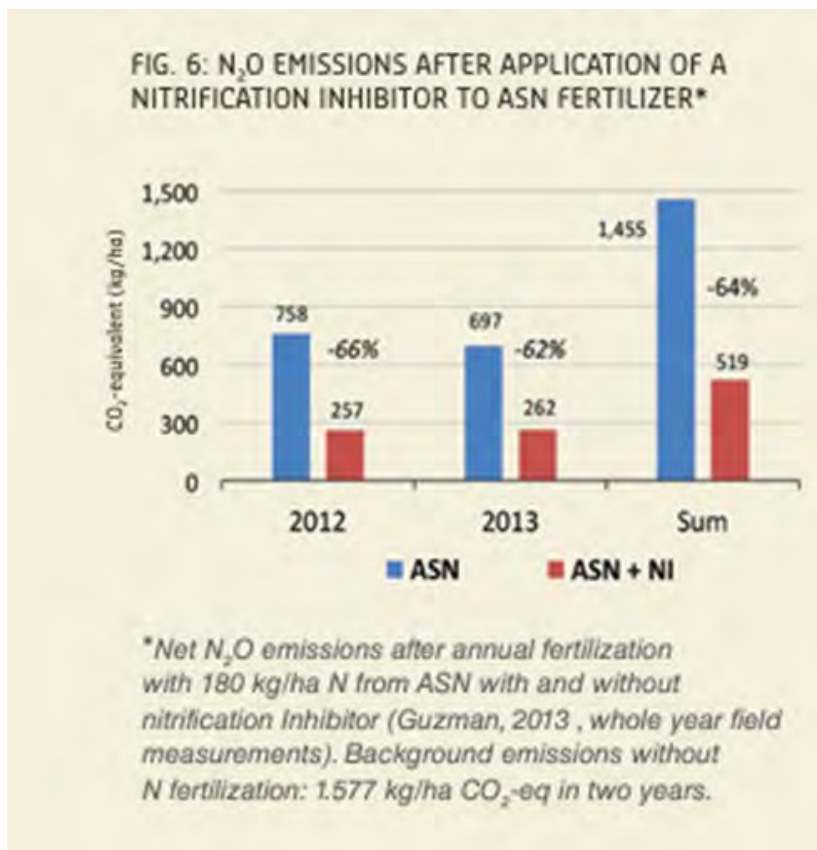
NITROGEN INHIBITORS—REDUCING GREENHOUSE GAS EMISSIONS

Fertilisers are a major source of greenhouse gas emissions, and it is well known there will be environmental benefits from the correct application of fertilisers.

Nitrogen fertilisers provide yield advantages to plants. However, some of these benefits are diminished through the fertiliser not being available to the plant due to above ground and below ground leakage and loss.

GTA has been working with Fertiliser Australia, Grains Australia and the National Working Party on Grain Protection (NWPGP) to assist with the introduction of nitrogen inhibitors into the Australian market.

A nitrogen inhibitor is a compound added to a nitrogen-based fertiliser to reduce losses when added to the crop. It increases the time the fertiliser is available in the soil for the crop to uptake. An inhibitor can improve nitrogen use efficiency and reduce environmental emissions.



Source: Fertilizers Europe – Nitrogen fertilization: Inhibitors

The key focus of the group is to understand any **market access risks** associated with the widespread use of nitrogen inhibitors. Based on current knowledge, the risks of nitrogen inhibitors on market access appear relatively low, however the grain industry must consider and understand any future risks to market access for our grain.

Further work is required, and the group has written to the Government to seek assistance to progress this market risk review.

If you require further information about nitrogen inhibitors, please reach out to GTA

INTERNATIONAL GRAIN TRADE COALITION

GTA attended a gathering of world grain trade associations and Governments at the annual International Grains Council (IGC) and International Grain Trade Coalition (IGTC) Meetings held in London from June the 10th to the 13th. This provided an opportunity for the IGTC members to discuss and progress a recent strategic review of the IGTC. GTA is a founding and active member of the IGTC, representing Australia's grain trade interests in important global forums.

The IGTC strategic review process included a round of member consultation and feedback prior to the London meeting. The outcomes from this process were reported and discussed at the London meetings. The findings included:

- clear alignment and agreement on the necessity for strong, collective global advocacy and strategic collaboration to address the complex challenges facing the grain trade today.
- highlighting IGTC's pivotal role in the global grain trade landscape and a view that IGTC needs to increase its focus on global strategic issues including rules/risk-based trade framework (including multi-lateral forums such as WTO, IGC, FAO, World Bank, World Food Program and Codex) and on the need to explain the critical importance of trade to global food security and stability.

Further discussion by IGTC members during 2024 will be undertaken and there will be an opportunity for these to be progressed at the IGTC General Assembly meetings to be held in November 2024, when a new President will be elected and NAEGA's role in managing the IGTC secretariat functions will conclude.

SITE HYGIENE AND PEST MANAGEMENT

The Grain Industry Code of Practice (Code) and the supporting Technical Guideline Documents (TGDs) is a practical guide for participants in the grain industry to achieve the base standards and domestic and export customer requirements. It is critical to the confidence our customers and regulators have in Australian grain and the Australian grain supply chain. Compliance with the Code is mandatory for members of GTA.

Section 2.3.2 of the Code focusses on Stored Grain & Hygiene Management and provides guidance on the steps storage operators should follow.

Storages that are DAFF approved and Export Registered Establishments (EREs) must also adhere to the relevant government requirements. At a recent DAFF / GTA meeting it was noted the hygiene and pest control at some EREs appears to be below the required standard and DAFF are to increase its spot audit program in order improve compliance with ERE requirements.



GTA members should consider their hygiene and pest control to ensure it is compliant with the Code and DAFF ERE requirements.

DAFF FUNDING LOOKING TO CHANGE TO A 'SUSTAINABLE' MODEL

DAFF receives its funding to operate from both appropriation from the Government Consolidated Revenue and cost recovery revenue through fees on exporters. Cost Recovery raised through fees on grain exporters raise approximately \$14.5m per annum.

Due to recent funding issues (not related to grain revenue or cost) DAFF has launched a "Sustainable Funding" Project.

The DAFF Project team has released a Draft Policy Position Paper which outlines DAFF's preferred mechanism for the annual adjustment of DAFF's Cost Recovery fees through indexation and annual review. DAFF currently work on a 4-year program to smooth out seasonal differences in revenue collection.

The draft policy position paper proposes to annually adjust fees and charges each year based on Consumer Price Index (CPI), with an additional annual review process to ensure the fees and charges appropriately recover the cost of delivering cost recovered services.

GTA is concerned with this approach as it is simplistic and does not cater for seasonal movements in tonnage exported, nor does it provide any incentive or means to improve service efficiency and delivery. There has been no discussion on what is the base year for the start of the indexing and the consequential annual index cost increase.

GTA will proactively engage with this DAFF review as it can have a major impact on both cost and serviced provided to the grain industry.

An industry response will be provided by GTA. If GTA members are interested in also responding, GTA will be drafting some key points and providing these to exporters to assist with the process of giving feedback to Government.

GEOFF NALDER

GTA is sad to have been advised of the recent passing of Geoff Nalder and express sincere condolences to his family. Geoff Nalder made a significant contribution to the grains industry, being active in the VFF for many years and served on the GTA Board as a Director -Special Qualifications (Producer) from 2011-2014. We are thankful for his service.



WELCOME TO NEW MEMBERS

We would like to extend a very warm welcome to the following new member who has recently joined Grain Trade Australia:

- **Riverina Oils & Bio Energy Pty Ltd**
- **Wardi Broking**

We are pleased that these businesses have chosen to become part of GTA and contribute to GTA's mission to "facilitate trade".

Please email admin@graintrade.org.au with any member enquiries or ideas.

TRAINING & CONFERENCES



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Advisory & Compliance Day 2024—1 Day Workshop - Delivered via Zoom

Is your Business compliant?

Don't take a chance, register for our annual workshop today!

The GTA Advisory & Compliance Day is an annual forum for GTA Members to meet and discuss and consider the risks and pitfalls that are present in the grain value chain. It provides a great opportunity to become informed and to understand how to best manage exposure within your business.

The Advisory & Compliance Workshop is structured to meet GTA Members' requirements and cover specific topics of interest. The program has some flexibility so it can include discussion and provide information on 'breaking issues' or topics of particular interest to your business.

The program objective is to meet your needs in this area and will include:

- Compliance with legislation, taxation, insurance, staff payments
- Arbitration lessons
- Insolvencies
- Reputational risk
- Sustainability

[REGISTER ONLINE HERE](#)



GTA TRAINING AND DEVELOPMENT PROGRAM

Workshops Schedule Semester 2, 2024

July

Advisory & Compliance Day

Various Presenters

18 July - Zoom

[Register here](#)

Cost - \$395

August

Grain Merchandising

14-15 August - Zoom

Grain Trading Standards

20-21 August - Dubbo, NSW

Grain Trading for Non-Traders

22-23 August - Zoom

September

Grain Trading Standards

2 September - Zoom

4-5 September - Horsham, VIC

10-11 September - Adelaide, SA

Understanding Grain Markets

12 September - Zoom

Trade Rules & Contracts

26 September - Zoom

October

Grain Trading Standards

8-9 October - Perth, WA

Grain Trading Standards

21 October - Zoom

Grain Finance & Risk Management

23 October - Sydney & Zoom

Grain Trading for Non-Traders

16-17 October - Zoom

In-House Workshops

GTA can host above workshops "in-house" - just for your employees. To inquire about this option, please contact Julia Love.

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, group discounts apply

[Register online here](#)

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