GRAIN TRADE AUSTRALIA

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Submission to a GTA Technical Committee

Instructions
Please complete **all** sections of this form to ensure the Committee receives a clear indication of the issue and your recommended course of action.

Proposal from: GrainCorp Operations Limited

GTA Member name: GrainCorp Operations Limited

Contact details:

Date submitted: 28th July 2017 *sent, via email, to GTA at submissions@graintrade.org.au*

NOTE
Submissions will be published on the GTA website unless there is a request not to, based on confidentiality.
GTA publishes submissions:

1. to aid industry in understanding the issues on a particular topic; and
2. as a method for submitters to check that their submission has been received.

Issue - *outline what the issue is.*

b) Auditing of a Pool

Impact on Member Business - *detail how the issue affects the business operations of not just your business but other GTA members as well.*

1. The TGD's subjective language renders itself un-auditable from a compliance perspective. On this premise, pool providers may operate outside the guidelines given it cannot be checked by an independent auditor anyhow. 2. Auditing costs, particularly in a smaller year like 17/18, could weigh down returns by ~$5/mt, particularly if additional resources are required to audit prior to final payment. 6 months is appropriate. 3. Without the audits of all pools being combined in a comparable format by GTA, the grower is unlikely to compare results anyway.

Recommendation - *detail your recommendation to address the issue.*

That GTA conducts the audit on simpler basis, removing subjective items from the TGD such as "act with honesty and integrity", 'EPR will be fair and reasoned', and then houses a matrix or checklist of pool provider compliance on their website.
If GTA cannot determine compliance with the standards, an external auditor will likely fail, particularly if required to do so before final payment. ie: A simpler TGD with the removal of subjective items is recommended.

Members who Support this Submission - *list other GTA members who support this submission. Insert their name and contact person with phone number.*