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GTA Chairman's Report – *The Year in Review*

Over the past 12 months, the Australian grains industry has again shown its resilience and capacity to grow despite production and market challenges. The 2015/16 crop was in excess of 40 million tonnes, despite the influence of another El Nino event.

Grain Trade Australia's mission is to facilitate and promote trade by providing products, services and advocacy for the Australian grain value-chain. We support our members by the provision of commercial resources through our core activities of; Trading Standards, Trade Rules and Contracts, Dispute Resolution Services, Trade and Market Access Activities and Training and Development. These activities continue to be developed so as to remain contemporary and to provide best practice processes to meet customer requirements for both domestic and export markets.

GTA has increased its activity in relation to trade and market access to ensure that Australia's reputation as a supplier of quality grain is protected and market access is assured. The GTA Trade and Market Access Committee has become an integral and very active part of our Technical committee structures. I would also like to acknowledge the efforts of Grain Growers Limited and also Grains Industry Market Access Forum (GIMAF) in this important area.

The National Working Party on Grain Protection (NWPGP) is a clear example of the grain industry working together for the betterment of the whole industry. Researchers, regulatory authorities, chemical companies and grain storage suppliers meet with producers, commercial storage providers and traders at each year's annual conference to review industry needs and developments.

In 2014, when the Government made available grant funds for **Packages to Assist Small Exporters (PASE)**, GTA successfully applied for funding for a number of projects. These projects include; development of guidelines for container packers; truck cleanliness, and databases for standards and food safety. These projects, when completed, will provide another suite of tools to assist industry in meeting customer and regulatory requirements.

The **Australian Grain Industry Conference** continues to demonstrate its importance as a forum to bring the grains industry together.

AGIC Asia continues its work in the showcasing of Australian grain in major markets such as China and South East Asia. This year's conferences attracted

a large audience of end users, including millers – from stockfeed and human consumption markets.

The Singapore Conference was again opened by the Australian High Commissioner, Mr Philip Green, the Beijing Conference was opened by the Australian Ambassador, Ms Jan Adams, and the Guangzhou Conference was opened by the Australian Consul-General to Guangzhou, Mr Dominic Trindade.

This year has seen the roll out of the **GTA Diploma in Grain Management** – another first for the trade sector of our industry.

GTA continues to play a key role in industry good activities;

- supporting grain quality initiatives through our membership, with GRDC, in Wheat Quality Australia – which is responsible for Australia's Wheat Classification System.
- being actively involved in the **Australian Grain Industry Discussion Group**. A key activity of this group is developing and recommending projects for the use of the surplus funds from the Wheat Industry Special Account.

On the behalf of members, I would like to acknowledge the tireless efforts of a **team of industry specialists** who give their time and expertise as **members of the various GTA Technical Committees**.

GTA and the whole of the grains industry were deeply saddened with the passing of Geoff Honey, in June. **Geoff was a real icon of the Australian grains industry** as was clearly evidenced by the very large contingent of people from across the industry that attended his funeral in Sydney.

I would also like to acknowledge and thank Mr Guy Allen, who retired as a GTA Director following the 2016 AGM. Guy served on the Board for 3 years and during this time held various positions, including Chair of the Commerce Committee and Chair of Transport, Storage & Ports Committee.

I must also acknowledge the contribution and dedication of the GTA Board and Management through some challenging times and changes.

Finally, thank you to all GTA members for their ongoing support.

GTA must continue to meet the needs of its members by providing the products and services required to support their business activities.

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Vale Geoff Honey

10 June 2016

Geoff joined Grain Trade Australia in 2003.

Over his thirteen years with the organisation, Geoff expanded the membership base from five grain trade organisations, in 2003, to a national organisation with over 270 members.

He guided the organisation (previously NACMA) to be considered the pre-eminent “trade voice” in the Australian grain industry.

His leadership helped put in place frameworks that assisted the Australian grain industry’s transition from the single desk to deregulation.

He ensured GTA became heavily involved in trade and market access committees both in Australia and overseas, as well as managing the development of grain standards that are the basis of trade for domestic and export contracts.

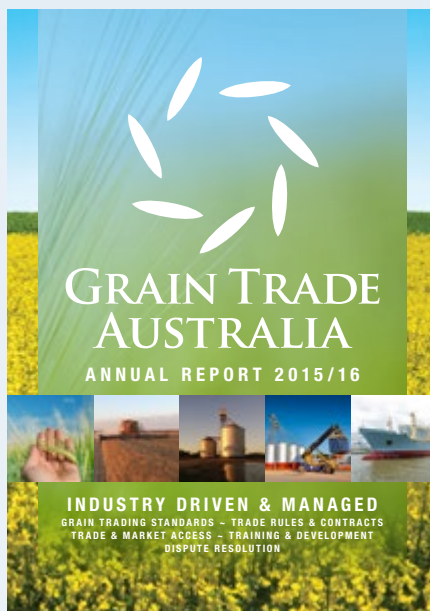
He established technical committees to ensure industry deliberations were actively debated and resolved, and established contact with overseas grain trade organisations, presenting to both ASEAN and APEC meetings.

Geoff also introduced an advocacy role for GTA, with the result that GTA became viewed as the “go to” grain organisation for many government (both State and Federal) and overseas grain related organisations.

Geoff was a member of the Management Council for the International Grain Trade Coalition (IGTC), contributing to the facilitation of the commercial functions associated with the 500 million tonne global grain trade.

But it is not just the grains industry that will enjoy Geoff Honey’s legacy. He will also be remembered for his achievements earlier in his career in the Australian Wool Industry.

Geoff passed away suddenly on 10 June 2016, following a heart attack. He is survived by his wife and three children. He will be greatly missed.



GTA Annual Report

GTA is again excited to have delivered an informative and high quality 2015/16 Annual Report for the organisation, Members and friends.

Every financial Member of GTA was sent a copy of the report on 30 September 2016.

The Annual Report can also be found on our website www.graintrade.org.au/sites/default/files/GTA_104709_ANNUAL%20REPORT%20201516_07_Final.pdf

NEW GTA MEMBERS

GTA WELCOMES THE FOLLOWING ORGANISATIONS THAT HAVE JOINED THE MEMBERSHIP RANKS IN 2016.

Applicant Name	Membership Category
Australian Grain Technologies Pty Ltd	Corporate – Large
Yenda Prods Grain Pty Ltd	Level C
A C Grain	Broker – Sole Operator
ED & F Man Grains Australia	Level C
Australian Choice Exports Pty Ltd	Level C
AusiCan Commodities	Level C
McNaughts Grain & Fertilizer Pty Ltd	Level C
ACCB Australia	Broker – Sole Operator
Agromin Australia Pty Ltd	Corporate – Small
WHG Oceania Pty Ltd	Corporate – Large
Quattro Ports	Level C
Lawson Grains Pty Ltd	Level C
CCIC Australia Pty Ltd	International Affiliate
Harberger’s Farm Supplies (Trading) P/L	Level C



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2016/17 GTA Board Appointments

Ahead of the 2016 Annual General Meeting (AGM), nominations were sought for the following classes of GTA membership, to fill two Director positions:

- **Ordinary Level B** – to fill one vacant Director position
- **Merchant Association** – to fill one vacant Director position

Nominations received for these positions were:

- **Ordinary Level B** – Stephen Bennett, nominated by Bunge Agribusiness Australia
- **Ordinary Level B** – Ole Houe, nominated by Special One Grain Pty Ltd
- **Merchant Association** – Lachlan Allen, nominated by Grain Industry Association of SA (GIASA)

The following Directors with Special Qualifications also retired on completion of their term, and offered themselves for reappointment.

- Peter Reading
- Geoff Farnsworth
- Rebecca Reardon

Voting was conducted at the AGM held in Sydney on 25 October 2016 to appoint the final Board as seen below. Members were entitled to vote either in person or by proxy. All GTA members unable to attend the AGM were also eligible to vote for the appointment of GTA Directors by submitting their proxy forms.

Name	Category	Nominating GTA Member	Status
Jason Craig	Ordinary Level A	Cooperative Bulk Handling (CBH)	
John Warda	Ordinary Level A	Emerald Grain Pty Ltd	
Malcolm Finlayson	Ordinary Level B	Arrow Commodities	
Ole Houe	Ordinary Level B	Special One Grain	Appointed 25 October 2016
Andrew Goyder	Ordinary Level C	Premium Grain Handlers	
Michael Wood	Merchant Association	GIAV – Victoria	
Robert Imray	Merchant Association	QAM – Queensland	
Lachlan Allen	Merchant Association	GIASA – South Australia	Appointed 25 October 2016
Peter Reading	Special Qualifications – Industry & Chair		Reappointed 25 October 2016
Geoff Farnsworth	Special Qualifications – Legal		Reappointed 25 October 2016
Rebecca Reardon	Special Qualifications – Production Sector		Reappointed 25 October 2016

GTA Board Retirement

Guy H. Allen (Director – Merchant Association)

The GTA Chairman, during his AGM address, acknowledged and thanked Mr Guy Allen, who retired as a Director following the 2016 AGM. Guy was on the Board for three years, during which time he chaired

both the Transport Storage & Ports Committee and, more recently, the Commerce Committee.

The Chairman paid tribute to Mr Allen's passion for the issues he believed were important and his contribution to the robust Board meeting discussions that resulted.

Package Assisting Small Exporters (PASE)

GTA secured funding under the Department of Agriculture Water and Resources (DAWR) for Package Assisting Small Exporters (PASE) projects.

The PASE projects will not only help improve market access for exporters they will be a positive contribution to industry development functions for the Australian grains industry.

GTA has signed agreements with the DAWR and commenced work on the following projects:

- Cleaning Chemical Residues from Grain Trucks
- Food Safety Database

The first milestone for the above projects has been completed on time and budget to DAWR satisfaction.

GTA has also commenced work on the following projects:

- Container Packer Operations Manuals
- Trading Standards Database Development

These PASE projects have drawn on the skills and experience within the Industry, by establishment of Expert Working groups and specialist skills where required. We would like to thanks all those who have made a contribution to the projects so far.

The PASE Projects have enabled work to be done to further develop GTA's core mission of facilitating and promoting trade, by strengthening the self-regulatory framework provided by GTA for the Australian grains industry.

Estimating Pool Returns

With a large harvest commencing around the country and cereal grain prices being historically lower than recent years, it makes sense to provide a timely reminder to GTA Members to note the [GTA Technical Guideline Document \(TGD\) – Operating Standards for Pool Providers](#).

GTA members are required to adhere to the Australian Grains Industry Code of Practice, and members should note this includes adhering to the TGD of Operating Standards for Pool Providers.

A key purpose of the Pool TDG is to ensure base level operating standards within the industry to manage industry wide reputation risk for Pools as a grain marketing products and potential flow on reputational effects for industry participants, most being GTA members. So it's incumbent upon all to ensure compliance within industry to the Pool TGD.

In terms of Estimating Pool Returns, the TGD clearly states:

Estimated Pool Return

- Where a Pool Provider posts an Estimated Pool Return (or similar terminology) for a Pool, that EPR will be a fair and reasoned estimate that the Pool Provider will be able to justify to Pool Participants at the time it is posted.
- The EPR must explicitly define what costs, fees and charges are included and excluded in the published figure.
- The EPR will be regularly updated via a posting on the Pool Providers website at least monthly. Where there is a Material Adverse Change to the EPR, the Pool Provider will update the EPR as soon as practicable.
- The EPR will be published for each grade, payment method and port terminal on a Net EPR basis.

Material Adverse Change

- In relation to an EPR means a reduction of the original published EPR of more than 5%.

Industry Roundtable on China State Administration of Grain

GTA participated in a Grains Industry Roundtable meeting organised by Department of Agriculture Water and Resources (DAWR) for a high level Chinese delegation of State Administration of Grain (SAG).

The delegation included a deputy Minister, and would rank as one of the highest level delegations from the Chinese Government to visit the Australian Grains Industry. Australian participants included DAWR, Grain Growers Limited (GGL), Grain Producers Australia (GPA), Grains Industry for Market Access Forum (GIMAF), GRDC and senior management from Cargill, Glencore, Archer Daniel Midland (ADM) and COFCO Australia.

GTA presented their promotion brochure "Australian Grain – Quality Product" translated in Chinese to the delegation which was well received. The Chinese delegation outlined policy reforms in grains with a focus on more market orientated policies, but still acknowledge the need to "look after" their 600 million farmers.

GTA also made concluding remarks on behalf of the Australian Grains Industry asking that China market access be focussed on market economics and based on science.

The Chinese delegation also travelled to Western Australia and met with CBH, GIWA (Grains Industry of Western Australia) and AEGIC (Australian Export Grains Innovation Centre) and tour several WA facilities.

The State Administration of Grain (SAG), China is one of the functional agencies of the Chinese State Council. It was established in 1999 on the basis of the former China State Administration of Grain Reserves. The SAG is directly under the Chinese National Development and Reform Commission (NDRC), and it is responsible for macro-regulation of national grain distribution, providing guidelines for the development of grain industry and administering national grain reserves.

It is encouraging to have such high level Chinese grains industry leadership travel to Australia and gain a greater understanding of our self-regulatory industry model. We would also like to acknowledge and thank all leaders across our industry and the DAWR.



GTA PROMOTING AUSTRALIAN FEED GRAINS AND SUPPLY CHAIN AT CHINA FEED GRAIN CONFERENCE

GTA was invited by Austrade and by conference convenors, the FoodChina Company, Conference to present at the 7th China Dry Distillers Grain with Soluble (DDGS), and Sorghum and Barley Conference Qingdao, China.



The conference held on 9 September 2016 was sponsored by US Grains Council with key note presenters from USA, Canada and GTA presenting on Australia. The Chinese feed market is being challenged by policy settings resulting in large domestic feedgrain production and stocks and high import margins. The Chinese have launched a trade investigation against GM event "found" in US DDGS exports to China (in addition to the GM corn

issue that had already disrupted US / Chinese grain flows). The Chinese market was interested to look at alternative origins such as Australia and Canada as potential sources of feed products.

GTA's presentation focused on basic supply and demand for Australian barley and sorghum and also quality assurance systems and processes in place in the Australian Grains Industry (such as grain standards, testing processes and practices including the Code of Practice). GTA would like to thank Profarmer Australia for providing data and slides for GTA's presentation.

In general, the event was viewed as a success and raises both Australia and GTA's profile in the Asian market and working to position Australia as a "safe and reliable" source for grains.

The important issue for Australian grains industry is to maintain access to the Chinese market and note that

in the overall scheme of Chinese grain consumption, imports from Australia are a fraction of overall demand. A small piece of Chinese demand can be a big chunk of demand for Australia.

The demographics of the Chinese market of continued growth of an urban middle class provide an encouraging basis for demand growth in that market.

Chinese policies will play an important part of how much of that demand will be accessed from the global market. GTA will continue to work with the Australian Government, international partners through the IGTC and other Australian industry organisations to ensure optimum and smooth flow of exports to China.

Access for Australian grain into China remains of high importance, meaning it is critical to maintain industry focus on tangible items such as the wheat/barley protocol requirements including the China Industry Management Plan.

Australia co-sponsor the proposal to harmonise grain standards within Asia Pacific Economic Cooperation (APEC)

The global grain trade efficiently moves large volumes of grains, oilseeds, pulses and processed products annually with the view of ensuring an efficient and internationally competitive industry. Standards are one measure that allow grain systems to maximise the value of the grain product and minimise cost inefficiencies and handling costs associated with the supply chain.

Standards provide:

- Understanding of quality
- Knowledge of pest and disease status
- Knowledge of end-use suitability
- Segregate known quality & quantity
- Enable grain to be traded & to different markets based on their requirements

Standards will reflect the specific characteristics of grain from a particular destination and are a tool for communicating the value of grain from that origin to customers. The grain industry globally has a sophisticated set of standards and each exporting nation has its own trading standards that enables efficient movement of grain to meet customer and regulatory requirements.

A meeting of all economies was held in Beijing 24-26 August at which all economies outlined their standards/processes under the APEC project. The aim of the project is to "To develop science-based recommendations and well-accepted standards proposal of food standards and safety assurance for APEC economies; to propose the inventory on grain standards to harmonize the food standards at APEC level; to create a framework for settling the disputes and misunderstanding of grain trade." The project will also review existing trade disputes relating to grain specifications".

Mr Gerard McMullen representing GTA and Australia as an invited industry expert presented on behalf of our nations grains industry.



Key points Mr McMullen pointed out was that harmonised standards and conformance procedures improve the efficiency of production and facilitate the conduct of international trade, resulting in more rapid trade flows, reduced costs and greater integration of production networks. Australia argued for adoption of common processes and terminology rather than standards per se – as we do not support full harmonisation of all grain standards.

The GTA presentation had been developed in conjunction with Department of Agriculture Water and Resources (DAWR) to highlight the robust nature of standards in Australia, industry driven process and lack of Government involvement.

The recommendations of the Beijing meeting were as follows:

- That APEC strengthen the joint efforts for promoting food standard exchange and cooperation among economies, so as to identify existing challenges on grain standards development, improve mutual understanding of technical

factors, promote the marketing of sufficient and high-quality grain, and help create an open, fair, transparent and facilitative environment for grain trade, thus promoting regional food security.

- Strengthen the co-operation with international organisations such as ISO and Codex Alimentarius Commission (CAC).
- Seek support for the work of this research through strengthening the connection and cooperation with the APEC Committee on Trade and Investment (CTI) and the Sub Committee of Standards and Conformance (SCSC).
- The APEC Policy Partnership on Food Security (PPFS) assign expert working groups to regularly review, evaluate and report on APEC economy standards. This would specifically refer to various methods and terminology such as Test weight, Foreign Material, Protein etc. It would also involve development of common visual reference guides for defective grains.

Grain Trade Australia hosts networking functions for Global Government Experts who met in Australia to develop an International Standard for Phytosanitary Measures

An Expert Working Group from the International Plant Protection Convention (IPPC) met in Melbourne in late September to discuss the international movement of grain. Various Government members (including Australia) plus invited industry experts made up the Expert Working Group (EWG).

The IPPC is in the process of developing an International Standard for Phytosanitary Measures (ISPM) on the international movement of grain.

The ISPM is aimed at facilitating the safe international movement of grain through harmonised guidance and criteria for the establishment of phytosanitary import requirements to be used by National Plant Protection Organisations (NPPOs) and to help minimise the

spread of quarantine pests due to the international movement of grain.

Once developed, the Standard will potentially have a significant impact on industry and the trade in terms of daily operations and the role the trade plays in supporting global food security.

Grain Trade Australia (GTA) has been an active participant in the development of the Standard internationally through the International Grain Trade Coalition (IGTC).

GTA hosted a cocktail reception for the EWG, and along with the Grains Industry Market Access Forum (GIMAF) jointly hosted the EWG at a dinner with the purpose of highlighting GTA's key functions and the

ongoing evolution of the Australian grain industry.

GTA is supportive of the process for development of the Standard, however, continues to work with the Australian Government to ensure that it is undertaken in a manner that provides for the least trade distortive and most trade facilitative conditions, and is fully reflective of the commercial and economic requirements of the global food, feed and processing industries.

GTA's technical consultant Rosemary Richards will be attending the Geneva Management Council meeting in November 2016, timed with Global Grains Geneva Conference where the Standard will be one of the topics under discussion.



AGIC Australia continues to deliver value for Delegates and Industry

The value of the Australian Grains Industry Conference (AGIC) continues to grow. The AGIC 2016 Conference in Melbourne delivered an excellent technical program and networking events with once again a large number of attendees, strong sponsor support and high attendance at the ever-popular conference dinner. The range of high calibre international and local speakers made the 2016 technical program one of the strongest and most attractive for AGIC.

The Australian Grains Industry Conference is uniquely positioned as the premier event of the year for the Australian Grains Industry. The Conference is a highly sought after opportunity for industry participants to come to in order to network with colleagues and hear high quality experts speak on key areas of interest and impact for their businesses.

The value opportunities of AGIC are many, as it is growing not only for networking and introduction, but is also a significant venue for exhibitors to access a targeted customer base. The conference continues to attract high profile speakers with a focus on local and international company CEOs/Chairs and provides excellent networking opportunities during the conference and through formal social functions.

This year's program was built around the theme of **"Sound Foundations: Fresh Horizons"**.

The 2016 AGIC conference featured some of Australia's leading CEOs in the ever popular "CEO's in Conversation" session. This year the conversation was led by prominent national journalist, Emma Alberici with CEO's Richard Goyder of Wesfarmers and Graham Turley Managing Director Institutional Banking, ANZ. Emma also facilitated a panel session with grains industry leaders and CDEO's Mark Palmquist, GrainCorp, Andy Crane, CBH and John McKillop, Hassad Australia.

Delegates were also exposed to the forthright market views and analysis of **Dave Hightower of the Hightower Report, one of the world's most prominent agricultural market analysts.** AGIC has partnered with Dave to offer **AGIC conference delegates a free year's subscription to the leading Hightower Report**, providing delegates with even more value for their conference attendance (contact GTA if you think you qualify for this special offer!).

World leading science communicator Jack Bobo gave a fascinating presentation on effectively communicating the benefits of agricultural technology to the global community. One could tell the quality of the presentation by the silence in the room during Jack's presentation.

The conference was opened by Keith Pitt, Assistant Minister for Trade.

This year's program included the second GRDC Growers Day which covered topics including market outlook, value adding, technology and trade and

AGIC ASIA showcases the Australian Grains Industry

Australian Grain Industry Conference (AGIC) Asia continues to showcase the Australian grains industry to Asia, and helps consumers of Australia's grain gain a better understanding of our quality product and supply chain.

In 2017, AGIC Asia events will be run in China and Vietnam in March 2017, to help customers get a better understanding for the quality of the recent harvest. GTA is also looking to the possibility of running an AGIC Asia event in Indonesia, targeting the new flour mills as Indonesian demographics and economic growth drive increase in demand for quality food products.

The AGIC Asia program will evolve to meet changing needs and be tailored to each market. The needs of specific markets will change from time to time

Since its launch in 2013 AGIC ASIA has played an important role for GTA and provided a platform for the Australian grains industry in the region. Key achievements include:

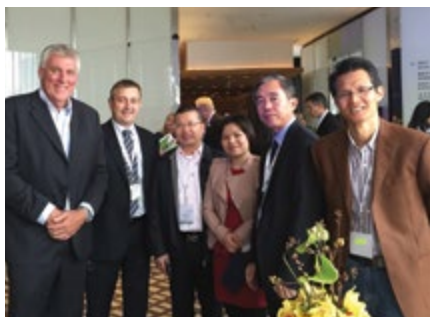
- Has presented a united Australian industry view to the market and customers, in particular, in initial years following deregulation where there was uncertainty around Australia's supply chain activities. AGIC Asia has established a flagship position for the Australian grains industry and has built its events around timing aligned to the release of the new season crop reports
- Has played an important role in growing and/or emerging markets like China for feed barley, sorghum and canola in providing information and access to Australian suppliers
- Built high level recognition and support from the Australian Government reflected in the attendance of Australian officials and in market heads of Government
- The various events have been attended by more than 500 customers from across industry markets

The need for a broad member driven industry grains group to showcase the Australian grains industry, provide customers with technical information and provide customers with opportunity to raise issues with the Australian grains industry is important

market access. The Growers Day was opened by Luke Hartsuyker Assistant Minister to the Deputy Prime Minister.

The Conference program closed with a session combining the leaders of the grains industry representative bodies discussing the future opportunities for the industry; greater collaboration across the industry for industry benefit and views of how the grains industry will continue to evolve.

The Australian Grains Industry Conference is a highly valued networking opportunity. As the grains



for all participants across the supply chain in our industry. GTA will continue to support these programs and other initiatives and also focus on value for participation from Australian companies across the breadth of traders/marketers

- AGIC Asia will continue to focus on crop production and quality information supported by new developments and technical information. AGIC will also seek opportunities to work with commodity groups e.g. AOF and/or technical groups and/or sector groups to make the AGIC program as successful as possible for the industry.

AGIC has linkages with industry associations across a number of the target markets through GTA's membership of IGTC. GTA see that there is an opportunity to better leverage these relationships to promote the events and reach out to customers.

GTA believes that working together will provide the opportunity to:

- Increase the total investment in showcasing the Australian grains industry
- Increase the reach to target customers
- Maximise use of resources - greater efficiency and less duplicated effort
- Provide access to up-to-date information, innovation and research
- For AGIC Asia to be a central focus and also cover other in-market activities and inwards missions.

industry evolves, it is very important for the industry to have the opportunity for the whole of the industry to come together and participate in discussion around issues impacting on the industry's future are increasingly important. The Australian Grains Industry Conference provides the most important venue for this as the largest grains industry event of its type in Australia.



Life Membership for the passionate founding GTA CEO

Life Membership of Grain Trade Australia has been awarded to the late Mr Geoff Honey, former CEO of Grain Trade Australia (GTA) deserves the highest level of recognition for his outstanding vision, work and passionate to the Australian grains industry. The award of Life Membership was announced at the Australian Grain Industry Conference in July 2016.

The award of Life Membership is a category of membership recognised in the Grain Trade Australia (GTA) constitutes and is conferred on individuals who have given outstanding or meritorious contribution, serve or assistance to the grain industry in Australia through their work in support of or through GTA.

Mr Peter Reading, Chairman of GTA said "It will come as no surprise; a nomination has been made to GTA that Geoff Honey be nominated for Life Membership of GTA. The nomination was received from Mr Christopher Kelly (K M & W M Kelly & Sons, and Rod Wolski (A & B Grain, Oakey, QLD) who are GTA Level C Ordinary Members.

The GTA Board has considered and concurs with the nomination and has decided that Geoff's vision, work and passionate commitment to GTA *deserves the highest level of recognition* that the organisation can offer, said Mr Reading

So, despite Geoff sadly no longer being with us (passed away on 10 June 2016 after suffering a severe heart attack), the Board still believes it appropriate to award Geoff Honey, Life Membership of GTA, albeit posthumously.

"Life membership is forever, the name and the recognition never leaves the honour roll", said Mr Reading

When Geoff drafted the criteria for GTA Life Membership, he was very clear, that the nominees could not be currently employed with GTA, must have made an outstanding contribution, preferably within the last 5 years. Geoff was a stickler for clear processes and to follow the process – which we have done – so I think he would be smiling at the irony of the "Life Membership" award here tonight.

Geoff Honey joined Grain Trade Australia (GTA), (or NACMA as it was known then) in 2003 as its inaugural full time CEO and company secretary and held that position until his untimely passing in 2016. In that time he transformed GTA from a fledgling, unfunded, organisation into the pre-eminent organisation of the Australian grain industry. He oversaw the expansion of the membership base from only a handful of members to a national membership in excess of 260. It is now financially strong and well resourced.

In 2003 it required a paradigm shift in how it operated. Geoff set about the task by organising the administration, concentrating on key needs such as membership and services and promoting education of the industry. Geoff introduced an advocacy role for



Ms Lucy Broad and Mr Peter Reading

GTA and it is now regarded as the 'go to' organisation for government and international bodies. In 2008 the Federal Government recognised GTA's position in the wheat industry. When it deregulated the export of wheat, the minister requested GTA to develop the wheat industry grain trading standards and the Code of Practice for the Australian grain industry supply chain.

Geoff had an ability to get members and others in the industry, with conflicting views to find the way to get things done. He travelled the length and breadth of Australia to meet state organisations, major sponsors, grower groups, government and managed the process that led to agreed positions.

He was responsible for establishing the industry support infrastructure in the form of technical committees and arbitrators with more than 160 personnel supporting GTA initiatives. The Professional Development Program has had in excess of 700 personnel attend courses run by GTA. Geoff was appointed chair of the Business Planning Development Committee that led to the business model to form the International Grain Trade Coalition (IGTC). His contribution has been recognised by the international trade. Geoff pioneered the Asian conferences which have opened up many trade avenues for Australian and international grain companies. He was an inaugural director of Wheat Quality Australia 2011, Chair of the Grain Export Certification Reform Program 2009-2011, member of the Wheat Industry Expert Group 2008 and The Grains & Plant Products Export Industry Consultative Committee 2004-2016.

Geoff Honey has had a huge beneficial influence on the Australian Grain industry and leaves a wonderful legacy. His energy and enthusiasm created positive outcome.

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Nomination for GTA Life Membership can be made by any current members where it is felt the nominee has made a contribution that sets them apart from other valuable contributors.



Second recipient of the GTA Nuffield Fellowship

The GTA Chairman, Mr Peter Reading announced the 2016 recipient of the GTA Nuffield Fellowship at the Australian Grain Industry Conference in July.

Mr Jerome Critch of Planfarm Marketing, is a grain marketer based in Wembley, Western Australia. He is also a shareholder and a director of Planfarm Marketing. His award will further his project to investigate the transparency and access of information relevant to farmers for determining a fair price for their grain, in particular the local supply and demand of grain.

Mr Critch believes there's room for improvement in the way supply chain organisations connect with growers to help them achieve a successful grain growing enterprise.

Jerome will visit several countries with varying levels of sophistication, government intervention and regulation in grain marketing and will meet farmers, buyers and industry members to seek feedback on what systems and technologies are working both poorly and effectively.

"I would like to improve the understanding of how Australian farmers receive prices and price signals for their grain, and also how that compares with other parts of the world. I would also like to investigate other ways the Australian grain industry could be improved".

"Becoming a GTA Nuffield Fellow will open doors to people with knowledge and experience and, by surrounding myself with people of this calibre, will ensure that I am gaining valuable new knowledge", says Jerome.

GTA Chairman, Peter Reading, said the fellowship is an excellent opportunity for someone within the grains industry to travel, study and explore a post farm-gate research project of their choice and report these findings back to the trade and growers nationally.

Mr Reading noted the high calibre of applications, which covered all aspects of the supply chain.

The fellowship is open to employees of GTA members and will fund an international study tour.

CEO of Nuffield Australia, Jodie Dean, said she was thrilled with the continued support of GTAs fellowship.

"Nuffield is able to offer remarkable access to new scholars through our alumni. The networks that GTA have throughout the world will build on this, and is something we will both be able to benefit from, going forward."

Mr Critch will present the findings of his research at the 2017 Australian Grains Industry Conference as well as the Nuffield conference.

The Body for grain storage, chemical use, market requirements and chemical regulations

The National Working Party on Grain Protection (NWPGP) is the body responsible for providing management and leadership to industry in the areas of grain storage, chemical use, market requirements and chemical regulations..

The annual conference of the NWPGP is a forum providing participants with the latest research and developments in the area of post-harvest storage and hygiene, chemical usage and outturn tolerances, international and domestic market requirements and regulations. It also discusses industry's performance in meeting market access requirements for chemical maximum residue limits over the preceding year.

GTA acts as the secretariat for the NWPGP and will continue to undertake this role during 2016/17. GTA further supports the NWPGP by coordinating their annual conference.

2016 Annual Conference

The NWPGP Annual Conference (as the **Australian Grain Storage and Protection Conference**) took place in Melbourne on 23-24 June 2016 with over 120 delegates attending. Delegates came from the entire grain supply chain and included growers, storage and transport operators, end users, traders, researchers, product and chemical manufacturers and service providers, and government agencies. It also attracted several international delegates.

The conference program was diverse and included speakers covering:

- **Updates on changing Market MRL requirements**
- **Industry performance in meeting market MRLs**
- **Latest Insect infestation trends**
- **Discussion on Pesticide residue violations**
- **The latest on suitability of Grain protectants**
- **Improved practices for use of Fumigants**
- **Physical insect control methods such as aeration**
- **The latest Extension messages**
- **Other key research outcomes on new technologies for insect control**

The NWPGP continues to refine and promote the:

1. Phosphine Resistance Management Strategy to prolong the life of phosphine for use in grain storage. The labels and recommended practices for use of this fumigant, along with the rotational use of alternative fumigants is being reviewed.
2. Australian Grains Industry Post Harvest Chemical Usage Recommendations and Outturn Tolerances document which details the chemicals that are permitted for use post-harvest and applicable Maximum Residue Limits (MRLs) for various grain commodities out turned to Australian domestic or export markets.

The **full list of outcomes from the Conference** is available on the GTA website but in summary they included:

- The continued role of the NWPGP including the Strategic Working Group (SWG) to oversee the NWPGP and Annual Conference with administrative support from GTA.
- The continued need for key communication and extension activities around grain storage, chemical use and grain hygiene with support from various industry organisations – in order for industry to continue to maintain its high compliance with market MRLs.
- Regulatory updates and key MRL reviews as they relate to CODEX and individual markets, requirements. The need for industry to continue to work closely with the Australian Government throughout the submission process was highlighted.
- An outline of issues to be considered by industry relating to insect infestation trends and insect resistance when using various grain treatments.
- Improving industry practices in on-farm and post-farm gate storage as this trend towards more storage outside of the traditional storage system continues to grow.
- The need to continue industry involvement in the National Residue Survey (NRS).
- The continuation of the Market Trends Survey with refinements to gather changing market access information from industry.

The 2017 NWPGP conference will be held on Wed 7 June and Thur 8 June 2017, Rydges, Melbourne, VIC



International Grain Trade Coalition bringing a commercial awareness to the grains industry Internationally

GTA, a financial member of IGTC will be attending the next Management Council & Strategy Session meeting, Geneva on 8 November 2016.

Currently GTA's active files for IGTC are:

International Standard on Phytosanitary Measures (ISPM) on grain. The Expert Working Group (EWG) met in Melbourne on 19-23 September 2016.

E-phytos and electronic documentation.

The Australian Government is playing a lead role and reverts to GTA for commercial trade input. In addition, IGTC has established a working which GTA is a member of and has provided input. In addition, a number of GTA members have participated in polls/surveys circulated by IGTC.

Low Level Presence (LLP), GTA is a member of the LLP Working Group. The latest IGTC LLP policy is can be achieved by the link below that Canada recently released its updated policy on LLP <http://www.agr.gc.ca/eng/industry-markets-and-trade/agri-food-trade-policy/trade-topics/low-level-presence/policy-model-managing-low-level-presence-of>

genetically-modified-crops-in-imported-grain-food-and-feed/?id=1472836695032 GTA met with the Australian Government in early September and confirmed support their involvement in the next meeting of Global Initiative on Low Level Presence.

Cartagena Protocol on Biosafety (CPB),

The Conference of the Parties (COP) serving as the Meeting of the Parties (MOP) (COP-MOP) to the Protocol currently meets every two years in conjunction with the regular meetings of the Conference of the Parties (COP) to the Convention on Biological Diversity. To date, the COP-MOP has held seven meetings. The next Conference of the Parties - Meeting of the Parties (COP-MOP) is scheduled for Mexico in December. GTA is a member of the IGTC working group but does not intend to have any active role in the COP-MOP meetings. The key issue emerging is around Art 18 - risk assessment, synthetic biology.

New Plant Breeding Techniques (NPBTs) – GTA is represented on this working group by Mr David Hudson. Latest IGTC policy on NBTs is attached

Maximum Residue Levels (MRLs) – This is a new working group formed by IGTC. The group have developed a Terms of Reference which has been approved by IGTC. The scope and activity of this working group will be discussed by the Management Council in November. Terms of Reference attached.

New Grain Laws China – China implemented new administrative measures for grain imports on 1 July. As noted last meeting, GTA had collated GTA member issues in relation to these new laws, participated in meetings in China through IGTC and with the Australian Government to highlight member concerns. One issue of concern was in relation to the Protocols in place with China which has been resolved satisfactorily with existing protocols to take precedence over the Grains Administrative Measures.



CAPTURING AND MONITORING FOOD SAFETY DATA

GTA applied for and received funding as part of the Government's Package Assisting Small Exporters (PASE) to build a database for the use by industry to capture and monitor food safety data on the Australian grain crop.

Currently a national database of data to support Australia's clean image in relation to food safety does not exist.

The data generated under the project will be used for three main purposes i.e. to:

- Assist market access, via increasing industry knowledge to select stock based on market requirements
- Support Australia's involvement in Codex (CCFAC) which requires national data to support development of international standards. Individual country (Governments) programs generally supply data and, in relative terms, limited monitoring data (of domestic and/or exported grain) is provided by Australia. As an industry good function, GTA will provide summary data from the database for this purpose

- Assist industry through provision of reports on the status of Australian grain

Food safety data includes all mycotoxins, heavy metals, radiation and any other parameter of relevance to industry. Given the National Residue Survey (NRS) currently undertakes this activity in relation to chemical residues it is not planned to include chemical residue testing data in the database. However, the database has flexibility to incorporate other individual participant data for their own purposes if required.

All grain commodities are able to be entered, including any processed fractions.

The information and knowledge developed through this process will be important for all domestic and export marketers and processors and support whole of industry market access activities.

GTA Staff Updates

Pat O'Shannassy

CHIEF EXECUTIVE OFFICER (CEO)

Pat O'Shannassy who has been the interim CEO of Grain Trade Australia following the passing of Geoff Honey, has now been confirmed as CEO for the organisation effective November 1, 2016.



Pat has vast industry experience, having spent more than 20 years in the grains industry in Australia and USA. He has a diverse experience across the entire value chain, with roles in management, grain origination, trading, trade policy and business strategy, gained from working for trade houses, financial institutions as well as customer service and information focused businesses.

He has previously been a Director of Grain Trade Australia and a past Director of the Australian Grain Exporters Association (AGEA) and Member of the Commodity Markets Council (USA).

Pat holds a Bachelor's Degree in Agriculture from University of Melbourne, Australia and a Post-Graduate Diploma in Applied Finance and Investment.

Mary Raynes

OPERATIONS MANAGER (OP)

Mary Raynes, commenced with GTA at the end of August as Operations Manager.

Ms Raynes comes from a grain property in the Victoria Wimmera region and has extensive hands on experience in grain production, marketing, event management and agricultural research skills. She also has broad industry networks across the grains industry.

Formerly of Pulse Australia Limited (PAL), Ms Raynes has taken over the role from Jodie Dean, who started with GTA in 2013 and earlier this year accepted the appointment as Nuffield Australia's CEO.

Mary holds a Bachelor's Degree in Agriculture from University of Melbourne, and is a graduate of the Australian Rural Leadership Program (ARLP).



Rosemary Richards

TECHNICAL CONSULTANT

GTA would like to thank and acknowledge Rosemary Richards for her work and support acting in the role of Operations Manager (June–August 2016).



Rosemary's contribution has been outstanding in the organisations time of need. Of course Rosemary is well known in the grains industry, particularly in the area of trade and market access policy as well as convenor of the AGIC conferences.

We are pleased to announce that GTA will continue to benefit from Rosemary's knowledge and experience, with her accepting a part-time role with GTA as Technical Consultant – Trade and Market Access, where she will provide technical support to GTA Trade and Market Access Committee and the Committee for Innovation Plant Breeding Technology. Rosemary will also continue in her role as AGIC Conference Convenor.

GTA Dispute Resolution Service (DRS)

The number of parties utilising GTA's Arbitration and Dispute Resolution service has declined over the years.

This is in fact a compliment to all participants in the Australian grain market and is a demonstration of the effectiveness of professional development programs and the evolution of the industry. However, from time to time, issues can and do arise where contractual parties are unable to resolve their differences by commercial negotiation.

GTA is often asked what does GTA think about a particular set of "circumstances". The circumstances are often complicated, and also there is usually two sides to each story. GTA's position is and must remain, that parties should understand:

- GTA's role is to provide the tools, mechanisms and a framework to facilitate trade. GTA's role is not to umpire contracts. There are two sides each dispute.
- If there are contractual issues in dispute, then parties have available to them the GTA arbitration and dispute processes, assuming they are incorporated into contracts.
- If parties have issues with values being used to washout contracts, then they can also address this via the arbitration and dispute process.
- If parties have agreed to contractual terms they cannot fulfil, they need to resolve that with their counterparty (who may call them in default and seek arbitration)
- "Custom of the Trade" is not a contractual term.
- If parties have issues with the GTA contract terms or Trade Rules, then they should (and are welcome and encouraged) to make WRITTEN submission to GTA Commerce Committee for the committee's consideration. Parties should note this cannot change contracts that have already been written.
- If parties believe there is evidence of illegal activity, such as market manipulation, then they have the option of reporting such to the ACCC.
- If parties believe the GTA Code of Practice has been breached, then they also can lodge a FORMAL complaint to GTA. This can be done on a confidential basis.

2016/17 Technical Committees

GTA Board has recently announced the 2016/17 Technical Committees members after extensive deliberation and consideration.

The Committees include Commerce, Standards, Transport Storage and Ports, to Trade and Market Access along with Plant Breeding for Innovation. Committee members represent a cross sectional area of the organisations member base from Level A to C members, Merchants Associations, domestic to export marketers, milling, bulk handlers, port and storage handlers to stockfeed and production area.

The Technical committees allows Members to raise issues that impact on their commercial operations, leading to industry consensus on issues such as, trade rules and grain standards.

Commerce Committee	
Name	Member Organisation
Michael Wood	Chair & GTA Director
Geoff Farnsworth	Deputy Chair & GTA Director
Darryl Borlase	ADM Trading Australia
Nathan Cattle	NZX Australia
Anthony Chapman	Australian Grain Export
Wade Dabinett	Grain Producers Australia
Simon Gellert	Glencore Grain
Stephen Howells	Ridley Corp.
Michelle Kerr	Riordan Grain Services
Brant Laidlaw	Emerald Grain
Joshua Lawrence	Allied Mills
David McKeon	GrainGrowers Limited
Luke O'Connor	GrainCorp Limited
Belinda Turner	Nidera Pty Ltd

Transport Storage & Ports Committee	
Name	Member Organisation
John Warda	Chair & GTA Director
Geoff Farnsworth	Deputy Chair & GTA Director
Justin Bayles	CBH Group
Steven Bruggemann	Nidera Australia
Daniel Cooper	Grain Producers Australia
Craig Dennis	Network Grain
Dene Ladmore	Quattro Ports
Grant McDougall	Cargill Australia Ltd
David McKeon	Grain Growers Limited
Mark O'Brien	Mauri ANZ
Shaun Williams	GrainCorp Operations Ltd
Mark O'Brien	George Weston Foods Ltd
Zsolt Szilassy	Viterra Operations

Standards Committee	
Name	Member Organisation
Rob Imray	Chair & GTA Director
Andrew Goyder	Deputy Chair & GTA Director
Anthony Chapman	Australian Grain Export
Robert Eassie	Grain Producers Australia
Kirsty Germaine	MauriANZ
Vince Moroney	CBH Group
Julie O'Dea	Viterra Australia
Adrian Reginato	Cargill Aust Ltd
James Saunders	Commodity Insp. Service
Michael Southan	GrainGrowers Ltd
Kerry Stuart	Emerald Grain
Patrick Wilson	GrainCorp Limited
Gerard McMullen	GTA Technical Consultant

Trade & Market Access Committee	
Name	Member Organisation
Jason Craig	Chair & GTA Director
Ole Houe	Deputy Chair & GTA Director
Rob Dickie	CBH Group
Nick Goddard	Aust Oilseed Foundation
David Hudson	SGA Solutions Pty Ltd
Cheryl Kalisch Gordon	GrainGrowers Ltd
Barry Large	Grain Producers Australia
Adrian Reginato	Cargill Aust Ltd
Tony Russell	GIMAF
Jason Shanley	GrainCorp Limited
Rosemary Richards	GTA Consultant
Lachlan Allen	GTA Director

Plant Breeding for Innovation	
Name	Member Organisation
Rob Imray	Chair & GTA Director
Jason Craig	Deputy Chair & GTA Director
Bill Fuller	Australian Seed Federation
Nick Goddard	Aust Oilseed Foundation
David Hudson	SGA Solutions Pty Ltd
Tony Russell	GIMAF
Michael Southan	GrainGrowers Ltd
Tress Walmsley	Wheat Breeding Reference
Andrew Weidemann	Grain Producers Australia
Rosemary Richards	GTA Consultant

GTA Training & Development Program delivers for Australian grain industry

Over 300 people within the Australian grains industry are now better informed thanks to GTA Training and Development programs undertaken during 2016.

Since GTA launched the Diploma of Grain Management as part of their training and development program in late 2014, over three hundred people have attended these on-topic and relevant workshops.

Ninety people have thus far enrolled in the GTA Diploma of Grain Management for 2016.

Six of the ten units for a Diploma of Grain Management were developed through industry consultation and are currently being delivered by certified and accredited trainers. The Diploma takes approximately 24 months to complete and most subjects do have the capacity for acknowledging recognition of prior learning (RPL).

To date, there are five people who have completed the six GTA specific workshops (for a total of 8 units) and only have to complete two more elective units to complete the Diploma of Grain Management.

Advice to date has indicated that, by the end of March 2017, GTA will have its first Diploma graduates. The race is on to see who will be the first to qualify as a GTA Diploma in Grain Management graduate.

Table 1. Comparison of YTD attendance FY15 & FY16

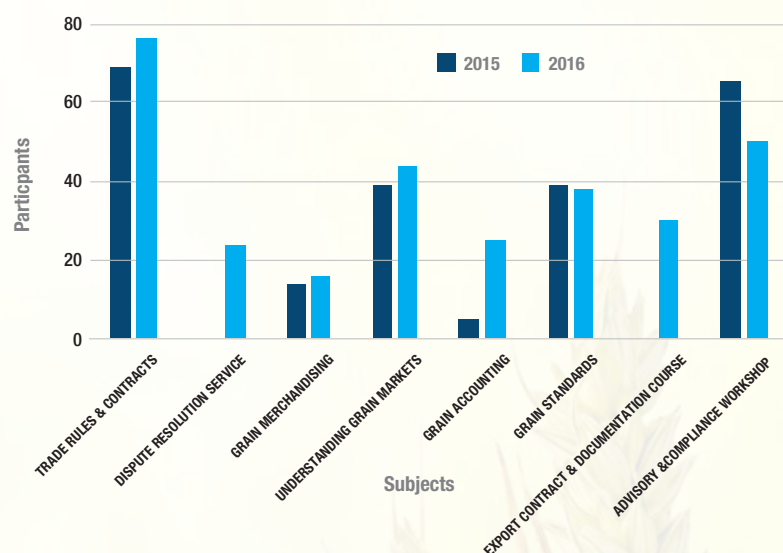
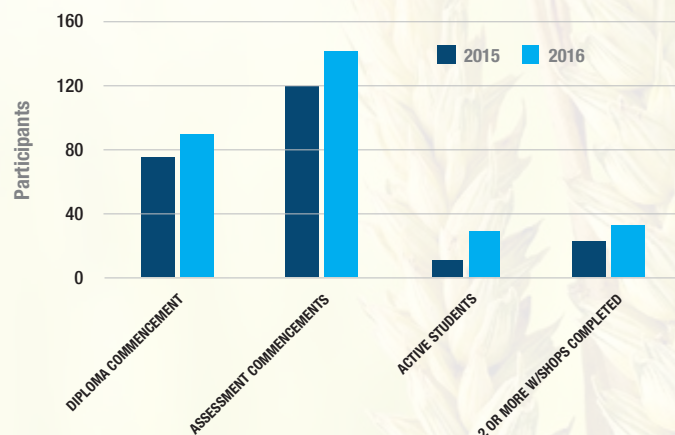


Table 2. Diploma Students progress since inception



For the first time since 2014, GTA delivered its Export Contracts and Documentation Course in Melbourne, May 2016. This course stepped participants through the maze of export documentation – identifying the pathway and pitfalls for trade to container loading, along with all the supporting actions and documents to be lodged.

The 2017 GTA training schedule will be available on the GTA website mid December 2016.

For training enquiries, please contact the GTA Training Manager, Wendy Henry training@graintrade.org.au

e-Phyto's the Electronic trading phytosanitary documentation

A global system of electronic phytosanitary certificates is being developed with the aim of replacing paper certificates in export grain activities

The electronic phytosanitary documents project is developing an e-hub to facilitate exchange of certificates and documentation by the National Plant Protection Organisations (NPPOs) in exporting and importing countries.

Australia is a major contributor to the International Plant Protection Convention (IPPC) via the Department of Agriculture Water and Resources (DAWR).

GTA is participating in this process through input to DAWR and also via representation on the International Grain Trade Coalition (IGTC) Electronic Documents Working Group. IGTC has a seat on the 'Industry Advisory Group' of ePhyto hub project.

e-Phyto is a promising innovation opportunity for the national and global grains industry and GTA believes the move to a fully automated electronic system for certification will support the export sector. An ePhyto hub which delivers more efficient, faster and flexible solutions to facilitate trade documentation and reduces costs will be of benefit to the export sector. The system must meet requirements on reliability, compatibility, confidentiality and choice of competitive options.

The IGTC working group recently undertook a member questionnaire to identify opportunities and challenges for the system. Some headline results from the IGTC poll included:

- Over half – 67% of respondents confirm current use of e-docs
- Adoption began no more than three years ago, and has continued well into 2016
- No respondents currently use electronic documents for all transactions
- Half aim for at least 50% of their transactions to move to electronic documentation by 2018
- Over half – 67% plan for the wholesale adoption by 2025 i.e. a rate of 75-100% of electronic trade documentation for all documents in one transaction

GTA's technical consultant Rosemary Richards will be attending the Geneva Management Council meeting in November 2016, timed with Global Grains Geneva Conference where the ePhyto project will be one of the topics under discussion.

Ho Chi Minh City – Vietnam – 7 March, 2017

Shanghai – China – 9 March, 2017

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MEETING CUSTOMER NEEDS ACROSS THE GLOBE

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