

GRAINMatters



EDITION 76 - JUNE / JULY 2023

UPCOMING EVENTS

Advisory & Compliance Day — 6 July 2023 (Zoom)

Australian Grains Industry Conference — 26-27 July 2023 (Melbourne)

Grain Trading Standards — 22-23 August 2023 (Dubbo, NSW)

Grain Trading for Non-Traders — 22-23 August 2023 (Zoom)

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I'm not sure about you but I am getting excited as we approach the **Australian Grain Industry Conference (AGIC) 2023**.

AGIC 2023 will again be held face to face at Crown Promenade, Melbourne from 26th to 27th July 2023 and will provide a chance to connect again with industry and attend an exciting and informative program of speakers.

Focusing on Challenging Success and Maintaining Momentum the [two-day program](#) will cover:

- The Grain & Oilseed Market Global Outlook
- Australian Market Outlook
- Australian Agriculture On A Global Stage
- Leaders In Conversation
- Strategic Geopolitical Issues Challenging Australia's Success
- Industry Stewardship; and
- Artificial Intelligence Technology and more



Understanding **market requirements and customer preference** is critical to enable the Australian Grain Value Chain to be able to shape production and accumulate grain cargoes to satisfy demand.

One key element in Australia's toolkit is the establishment and maintenance of grain Trading Standards and grades to segment grain into specific quality-based segregations. Segregating grain into grades based on quality allows exporters to select grain for sale ensuring it will meet the specifications of each individual sale.

Due to recent falling average protein levels in Western Australia CBH provided a Submission to the GTA Trading Standards **Committee seeking to introduce a new grade ASW9** (an ASW grade with a **minimum protein of 9%**). CBH's reasoning is this ASW9 will be more marketable as the uses for ASW below 9% protein are minimal.

ASW9 is being discussed by the Trading Standards Committee and are considering:

- The changes to the declining protein content of the WA crop.
- The impact of the proposal on the entire Australian crop make-up.
- Consulting with all relevant industry sectors more fully on the implications of any change, including the grower sector, BHCs in terms of segregations, payments and end-users including the human consumption and stockfeed sectors of industry.

The Trading Standards Committee will continue to provide and release information on the proposed ASW9 Grade as information comes to hand.

The GTA Board and management has a strong focus on promoting **safety within the grain industry** and to GTA members. In 2019 GTA developed the '[GTA Safety Guidelines](#)' to assist GTA members to provide workplaces that provide every employee with a workplace that is, as far as reasonably practicable, free from risk to the employee's health and safety.

- To ensure these Safety Guidelines are up to date and relevant GTA is performing a review of the GTA Safety Guidelines and will update and enhance the document to ensure it provides members information that will assist them to protect their employees.
- As the review progresses GTA will share and provide opportunities for members to have input and to engage on this important matter

Transport Safety should also be front of mind for all in the grain industry as accidents on the road can lead to trauma for all involved. Transport safety and the tools to keep members safe are an important responsibility for GTA.

This is why GTA is involved in a current review of the [Transport Master Code](#). A GTA Working Group will provide input into this review and work to ensure it is supportive of the grain sector requirements.

At the end of the Master Code review GTA and the Working Group will use the learnings from the NHVR process to update the Grain TCOP.

Another tool GTA provides to all industry participants is on-line training in how to be compliant with the transport Chain of Responsibility legislation. This on-line [CoR Training Program](#) consists of 3 parts and contains all necessary information to become equipped with practical steps on how to reach CoR Compliance as an organisation, executive officer, individual and/or primary producer.

Unfortunately, GTA was recently required to provide GTA members notice of the appointment of an administrator to a number of businesses associated with [Grainlink \(NSW\)](#).

Whilst the GTA Board and Management are not able to advise members on how they should handle any commercial dealings with an insolvent party general information is available on the GTA website [Managing insolvency - GTA Briefing Paper](#) and in the [GTA Trade Rules](#) – in particular Definitions and Rule 17 (Default)

As always GTA members are strongly advised to seek their own independent legal advice in these matters.

Best wishes for the rest of the year and continuing rains in the cropping areas and I look forward to seeing you at AGIC 2023.

Andrew Goyder
Chair—Grain Trade Australia



NWPGP CONFERENCE & 50TH BIRTHDAY WAS A HIT!

The National Working Party on Grain Protection (NWPGP) convened in Melbourne on 7-8 June 2023 for **the 50th occasion** of the annual Australian Grain Storage & Protection Conference.

This is an important industry event, where delegates learn, review, and discuss the latest research and activities focussing on protecting grain hygiene and safety – part of ensuring the enviable quality reputation of the Australian grain industry continues.

Opening the conference, Grain Trade Australia (GTA) chair Andrew Goyder welcomed around 160 delegates and described the transition from the NWPGP's original focus at its formation in 1973 to the great range of issues and responsibilities covered by the NWPGP of today. Mr Goyder said 50 years is a fantastic milestone for any organisation, and real testament to the dedication of all the people involved.

- “Today, 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 and chemical regulations,” Mr Goyder said.
- “It coordinates and provides the Australian government with industry views on chemicals in use on grain and associated products, as they relate to market access domestically and for exported commodities, and it does these things with involvement of all sectors in the supply chain – a great example of the industry working together,” he said.

NWPGP Chair Gerard McMullen said conference participants included growers, marketers, bulk handlers, transporters, processors, researchers, technicians, service providers and regulators, with discussions from 33 presentations centred on the latest scientific research, technology, stewardship, market and regulatory developments around prevention and control of pests that impact stored grain.

- “The requirements of our customers and management techniques within the supply chain have become more particular, which means we require continual improvement in pest control, great awareness of stewardship in promoting grain quality for market access and ongoing education across the industry in all these things.
- “No single part of the industry holds the responsibility for grain hygiene – it is a collective responsibility that requires cooperation, knowledge and ongoing action across all sectors, which is why the NWPGP operates the way it does and why so many people from industry and government come together each year for the Australian Grain Storage & Protection Conference.

The conference is convened by GTA, chaired by the NWPGP, with investment from Grains Australia, along with conference sponsorship and support from commercial participants – this breadth of involvement is one of the keys to its enduring success.



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

The IGC Conference, had over 350 delegates from Governments, global industry, regulators and media in attendance. The opening sessions of the conference had a strong government and policy focus, with representation from diplomatic missions in London as well as multi-lateral representation such as WTO, AIMIS, FAO, the World Bank and the IGC.

The theme of the conference was heavily focussed on global food security, with many references to Russia's war on Ukraine and the longer term sustainability issues around global food supply and security.

GTA presented to the IGC Conference during an IGTC session. This was an important occasion to raise the profile of GTA, the self-regulatory framework and policy positions supportive to GTA members. This session was focussed on the resilience and innovation of the global grain trade in terms of the conference themes of food security and sustainability.

GTA looked at the grain trade's role in global food security, in terms of moving grain from where it is produced, processing it into food and feed products and distributing those products.

Key points made by GTA included:

- Grain trade is a critical component of any global food security solutions and must be included in policy discussions, as by definition "food security" involved producing food, storing the produce, moving it, and processing it.
- Risk and the ability to manage it, including transferring risk through market mechanisms and commercial contracts and trade rules is what makes supply chains function. This risk transfer and trade is facilitated by trade organizations including GTA, GAFTA, NAEGA, NGFA and ANEC, all active IGTC members.
- Market efficiency is important to producing and distributing produce and food, and that countries should avoid temptation to restrict trade, as it is ultimately counterproductive to food security and often political stability.
- Non-tariff Measures (NTMs) increase food security risks, by impacting market access and increasing risks, costs and uncertainty for trade but more importantly, producers and consumers (who have the "flat price" exposure).
- Supply chain investment is important to increase competition and efficiency, and with-it food security. Having certainty and an attractive investment environment is key, noting that increasing the efficiency of the supply chain increases the value and efficiency of every tonne, which is the fundamental the reason for GTA's Modernising the Supply Chain Strategy.

GTA was an official observer and attendee at the **International Grains Council (IGC)** General Assembly. The IGC is an inter Government to Government agency based in London, established under the Grains Trade Convention 1995. It has around 30 members and its purpose is to:

- Further international cooperation in grains trading;
- Promote expansion, openness and fairness in the grains sector; and
- Contribute to grain market stability and to enhance world food security.

GTA made a formal address to the session, as well as a short Australian "crop update", noting that the global supply/demand forecasts registered significant potential of El Nino impacting Australian crop production. This has particular focus and significance to global food security given the supply concerns in the Black Sea.

This meeting was an important opportunity to present the role of the grain trade, and the concerns and importance around efficient trade as a critical part of global food security.

The IGC developing more on-line databases and tools to assist in providing information to the marketplace. This includes tracking shipments, shipping stems, on-line SND and improving price indices, for example they will be tracking pulse and canola prices in Australia and building them into their price analysis.

GTA has developed a very credible reputation and strong working relationship with the IGC Secretariat and Executive Director. This is important in being able to access and communicate with IGC as relevant trade issues emerge.

GENEVA DIALOGUE—WTO GLOBAL FOOD SECURITY & GRAIN TRADE FORUM

GTA recently participated in a ground-breaking series of trade and global food security events led by the International Grain Trade Coalition (IGTC) in Geneva. The “IGTC Geneva Dialogues” series featured experts, decision-makers, and thought leaders from around the world participating at the in-person events.

The two-day program on June 19 and 20 focused on cooperation between the public and private sectors for the benefit of global food security, and the role in this for corporate entities, non-profit trade associations, and national and regional governments.

The program featured a Global Food Security and World Grain Trade Forum at the WTO with statements and active participation by:

- ♦ H.E. Mr Alparslan Acarsoy, **Ambassador and Permanent Representative of Türkiye, Chair of the Committee on Agriculture in Special Session**,
- ♦ H.E. Mr George Mina, **Australian Ambassador to the WTO** and
- ♦ Mr Edwini Kessie, **Director, WTO Agriculture and Commodities Division**, the most senior WTO Agricultural official.

At a time when WTO leaders such as DG Okonjo-Iweala are consistently communicating that “trade is key to ensuring food security in a time of crisis”, it was important for IGTC to hear from delegates from the world trade body about its current work such as promoting environmental outcomes via trade and implementing the WTO Sanitary and Phytosanitary (SPS) Agreement.

IGTC representatives took the floor to make presentations from global, national, and regional perspectives, emphasizing the role of the grain trade in meeting the needs of a growing global population, and providing evidence about some of the current challenges for example supply deficits in low-income, import-dependent countries.

GTA chaired a special session title **Resilience, Sustainability, ESG – links to Global Food Security** with GTA’s supply chain [ESG credentials publication](#) providing the basis for the discussion.

Audience members included Geneva-based governmental representatives to the WTO such as Australia, Argentina, Brazil, New Zealand, Paraguay, UK, USA, Uruguay, and Vietnam, in addition to other industry leaders.

This was an important occasion to raise the profile and issues facing IGTC members and the global grain trade and improving the practical understanding of how trade is imperative to food security. Follow-up discussion centered on issues such as agriculture negotiations, the importance of trade for Global Food Security, and opportunities for private sector engagement at the WTO, among others.



These events and presentations are practical examples of how GTA is able to bring the **issues impacting Australian industry to global forums** and advocate for policy positions with commercial stakeholders, governments and policy makers that are beneficial to the interests of GTA members and Australia’s grain industry.

A GUIDE TO CONTRACT WASHOUT

In previous Grain Matters GTA has provided a focus on several of the Technical Guideline Documents that support the Industry Grain [Code of Practice](#). It's now time to put the spotlight onto the GTA [Fact Sheets](#). This month's star is the Fact Sheet - [Grain Contracts – A Guide to Contract 'Washout'](#).

This fact sheet provides information relevant to the production sector in the event grain cannot be provided to fulfill a contract commitment. It highlights how the Grain Contract **is a risk management tool for both the buyer and the seller of the grain** and describes the reasoning for specific actions.

Key points

- Irrespective of where you are in the grain supply chain it is incumbent on you to understand the risks associated with entering into a contract
- Both the buyer and the seller are managing risk through locking in the current market price for a future delivery of grain.
- As soon as the estimated grain production commences to fall to a level that makes delivery of the contracted quality and volumes uncertain discussion should commence between the seller and the buyer.
- Understand the fundamentals of the impact of market movement on the settlement of a 'washout' value.
- Agreement to a 'washout' is not enforced.
- If there is not an agreement on the values used to determine the 'washout' then either party to the contract is able to refer the issue to GTA for determination under the Dispute Resolution Service

GTA members and industry participants should be aware that entering into a grain contract requires careful consideration. Exposure to production failure impacts on both parties associated with a grain contract.

GTA offers unique grain industry specific [Training & Development](#) programs to increase your knowledge and skills across the grain value chain. There is a specific course GTA runs called *Trade Rules and Contracts* that will help all participants in the supply chain to better understand the risks involved in grain marketing.

GTA members that interface with growers should encourage participating in these programs. Just as it makes sense to undertake training and development in growing grain, it also makes sense to undertake training in grain marketing and risk management to minimise business risk and improve profitability.

RESEARCH AND DEVELOPMENT - PNEUMATIC GRAIN PROBES

Some time ago (2019) GTA reached out to the Grains Research & Development Corporation (GRDC) to seek some assistance and research funding with a review of various sampling methods and technology used to collect a representative grain sample from a road truck.

This approach to GRDC by GTA on behalf of grain industry participants was to facilitate the coordination of a research trial. This trial is to initially consider all aspects relevant to obtaining a representative probe-sourced sample of grain within a road truck for the purposes of classification according to grain Trading Standards.

GRDC will fund and manage a trial to better understand the elements and aspects of this research. This trial has been delayed, mainly due to Covid-19 restrictions.

The pilot trial is now underway and is focussing on the efficiency of vacuum sampling probes and if there are any differences between these methods for large and small grains.

Samples of grain will be taken with vacuum Probes as per GTA Trading Standards and these will be compared with samples collected on discharge. Samples will be analysed and compared for any statistical differences.

All individual probe samples will be tested separately to assist determining the variability within a load, these will then be averaged to compare with the site composite sample.

The average results from these various sampling methods can be compared along with the standard deviation to determine if a sampling method gives a different result.

Once the Pilot Trial analysis is available it will be shared with a GTA Sub-Committee to consider the results and to determine if and how the Pilot is to be extended.

GTA will share the relevant information with industry participants to engage and seek input.



TRADING STANDARDS APPROVED—WHATS NEW

The GTA Trading Standards Committee process for 2023/24 is nearing completion. After two rounds of industry consultation the proposed 2023/24 GTA Trading Standards were sent to the GTA Board for approval on the 27th of June 2023.

The major changes approved for introduction in 2023/24 include:

1. Multiple enhancements to the Visual Recognition Standards Guide
2. Agreed Change to the tolerance for Gumnuts:
 - A low-level tolerance for gumnuts only, of 1 gumnut/2.5L is included for all cereal commodities and grades, similar to that applying for Stones
 - The introduction of the AWW Class and New Grades – wheat:
3. The introduction of two new grades, being AWW1 and AWW2 and associated cascading rules.

ACCREDITED GRAIN SURVEYOR ASSURANCE SCHEME

The federal government, in conjunction with the Australian Institute of Marine Surveyors (AIMS) are introducing the Accredited Grain Surveyor Assurance (AGSA) scheme on 1 July 2023.

GTA and Shipping Australia Limited have also been involved in the development of the AGSA.

The AGSA scheme clarifies the qualifications required for marine surveyors to be accredited to perform bulk vessel surveys and:

- reflects the broad range of relevant training and qualifications held by marine surveyors performing bulk vessel surveys;
- incorporates work experience requirements to provide greater assurance that new marine surveyors can perform surveys safely and compliantly; and
- minimises fraudulent practices surrounding qualification and experience requirements.

The changes do not affect the standard expected of vessels that will be loaded with Australian grain.

- They put in place more effective checks and balances to ensure surveying practices meet the current expected standard
- Minimise the risk of Australian grain becoming infested or contaminated by vessels after loading and while transiting to its final destination overseas.

As part of the AGSA scheme **exporters and shipping companies need to be aware** that from the 1st July 2023 exporters and shipping companies **must source AGSA accredited marine surveyors** to perform bulk vessel surveys for the export of grain.

Only AGSA certified marine surveyors are to complete the Fitness to Load certificate. DAFF Authorised Officers have been informed to not accept the Fitness to Load unless it comes from an AGSA approved Marine Surveyor.



UPCOMING WORKSHOPS

ADVISORY & COMPLIANCE DAY



Advisory & Compliance Day 2023—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 NOW

NEW MEMBER

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

- **Mallon Ag Commodities**

We are pleased that this business has chosen to become part of GTA and contribute to GTA's mission to "facilitate trade".

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



GTA TRAINING AND DEVELOPMENT PROGRAM

Workshops Schedule Semester 2, 2023

July

Advisory & Compliance Day

Various Presenters

6 July - Zoom

[Register here](#)

Cost - \$390

August

Grain Trading Standards

Presented by Gerard McMullen

22-23 August - Dubbo, NSW

NEW Grain Trading for Non-Traders

Presented by Pat O'Shannassy

23-24 August - Zoom

September

Grain Trading Standards

Presented by Gerard McMullen

5 September - Zoom

12-13 September - VIC

26-27 September - SA

Understanding Grain Markets

Presented by Lloyd George

13 September - Zoom

Trade Rules & Contracts

Presented by Lloyd George

28 September - Zoom

October

Grain Trading Standards

Presented by Gerard McMullen

26 October - Zoom

Grain Finance & Risk Management

Presented by Malcom Finlayson

25 October - Sydney & Zoom

NEW Grain Trading for Non-Traders

Presented by Lloyd George

18-19 October - Zoom

In-House Workshops

GTA can host all of the 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



REGISTER NOW

Keynotes > Panels & Fire Side Chats > Networking > Exhibition

The Australian Grains
Industry Conference

2023



CHALLENGING
SUCCESS
MAINTAINING
MOMENTUM



**Senator
The Hon
Murray Watt**
Minister for
Agriculture,
Fisheries and
Forestry,
Minister for
Emergency
Management



**The Hon Jackie
Jarvis MLC**
WA Minister for
Agriculture and
Food; Forestry;
Small Business



**The Hon David
Littleproud MP**
Leader of the
Federal
National Party,
Shadow
Minister for
Agriculture

2023 Conference Highlights

**CBH AGIC Gala Dinner,
Melbourne Room at MCEC**



Entertainment - comedian Tom Gleeson

- > Marty Ruikka, President and Principal, The ProExporter Network
- > Ben Macnamara, CEO, CBH Group
 - > Tony Maher, CEO, National Farmers Federation
- > John Woods, Chair, GRDC will launch GRDC's Research Development and Extension Plan (2023-2028)
- > Zsolt Kocza, Managing Director, Cargill Agricultural Supply Chain APAC

- > Su McCluskey, Special Representative, Australian Agriculture
 - > Dennis Richardson AC
- > Brad Hogg, former Australian Cricketer and National Ambassador of GPA's Farmer Mates Mental Health & Ambassador for Lifeline WA
 - > Stuart Grainger, CEO, George Weston Foods Ltd
 - > David Speers, Award winning journalist

26 - 27 July 2023

Crown Promenade, Melbourne, Australia

www.ausgrainsconf.com

Hosted by:

