

## **Member Update**

**Title:** Release of a revised FOB Contract

**Update No.:** 31 of 10

**Date of Issue:** 12 November 2010

### **1 Background**

GTA received a submission from the Australian Grain Exporters Association (AGEA) that the FOB Contract required review to ensure that it was a reflection of trade requirements, particularly given the changed nature in recent years of the number of grain exporters and their respective needs.

The GTA Board, following a recommendation from the GTA Commerce Committee, to fully endorse the recommendations of AGEA.

### **2 AGEA FOB Contract Review Committee**

The AGEA FOB Contract Review Committee consisted off:

- Cargill – Dominic Dillon and Herman Schoo
- Louis Dreyfus – Alick Osborne/Amanda Reilly
- Glencore – James Maw
- Viterro – Peter Jones/Bronwyn Kennedy
- Geoff Farnsworth (McPherson + Kelley, and a GTA Director) provided legal advice to the Committee as required.

### **3 Review process**

The Committee considered a number of international contracts as references. The approach taken was to develop a simple, vanilla contract (attached) and to refer people via the Explanatory Memorandum (attached) to issues that should be considered such as the various BHC protocols that operate in different parts of Australia.

Importantly, the dispute resolution process references the GTA Dispute Resolution Service to be used in the first instance.

### **4 Access to the contract**

The contract and Explanatory Memorandum can be found on the GTA website.

### **5 Attribution**

AGEA provided the lead on this review process and the vast bulk of the work effort. The GTA Board notes AGEA's contribution with appreciation.

This review process is a marvelous demonstration of the various trade organisations working in a cooperative manner to ensure maximum efficiency on the development of contemporary trade facilitation processes.