

# MemberUpdate

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**TOPIC: Australian Grain Vessel Protocol**

**DISTRIBUTION: GTA Members – primary contact list. Please circulate to all appropriate internal parties.**

## 1. Issue

The Australian Grain Vessel Protocol has been developed by the Australian Grain Exporters Association (AGEA) and is available to anyone chartering ships to load grain at Australian ports.

## 2. Background

The protocols to export prescribed goods from Australia represent an ongoing challenge to industry. Ships arriving in Australia for purpose loading grain for export are required to be inspected and approved for both suitability for carrying grain and compliance with phytosanitary requirements. A ship failing survey is resulting in cost imposts and operational inefficiencies for Australian exporters and port terminals. AGEA has estimated that the failure rate is around 10-15% on a national basis.

Australian requirements are among some of the most stringent in the world and the difficulties in predicting grain suitability in an Australian shipping context is further complicated by the variability in knowledge amongst seafarers of the requirements and tolerances of Department of Agriculture.

AGEA has launched the Australian Grain Vessel Protocol to provide the export sector with an innovative new tool to assist them to reduce ships failing survey.

## 3. What is the Australian Grain Vessel Protocol?

The protocol is a voluntary tool that works with a combination of questionnaire responses; survey outcomes and overall performance history to construct a predictive model which:

- Identifies the likelihood of a vessel passing grain survey without incident; and
- calculates the relative contribution of each trailing indicator to failure.

The protocol provides the exporter/charterer with a tool to assess the ships suitability ahead of its arrival at the Australian port and take corrective action if required to avoid delays when the ship arrives to load grain.

AGEA has partnered with Rightship to develop and implement this initiative. Rightship is an independent company formed in Oct 2001 to deliver ship vetting and risk management services globally. It is the largest global provider of third party vetting services.

The Vessel Protocol is based around development of data to support a rating system and education program. The Protocol will require ships to complete the AGEA Australian Grain Terminal Questionnaire that will be analysed and assessed by an independent party (Rightship). Over time this will enable the development of Industry best practice guidelines and Improved risk rating reports for individual ships. Until the predictive model is up and running, an expert opinion based on the questionnaire responses is available on a case by case basis.

Users of the system will have:

- Unlimited access to the Protocol i.e. no limit on number of questionnaires that can be requested and submitted
- Full online access including ability to request questionnaires, review progress of questionnaires, monitor activities
- Ability to use the system manually if required
- Access to Rightship qualified experts to review questionnaires and assessments
- Access to training materials and demonstrations
- In addition, users will benefit from continuous improvement of the protocol based on user feedback.

#### **4. Outcomes**

AGEA believes that the Protocol will have benefits for all in the grain supply chain through fewer days lost, lower costs and higher throughput as well as broader industry benefits.

The protocol is envisaged to assist the industry through seeing fewer days lost from ships failing survey and lower costs. Over time as data is collected, the protocol will improve the ability to predict likelihood of future failure and will provide the analytics and insight to assist in promoting increased efficiency in the export supply chain.

The protocol will have broader industry benefits by reducing supply chain interruptions, provide a framework to quantify emerging risk areas, deliver improved port throughput without incurring capital expenditure and enabling benchmarking of industry performance.

#### **5. Further information**

The protocol is available all exporters or those chartering ships (AGEA member and non-member fees apply). For more information or to access to the Protocol contact Rosemary Richards at AGEA on 02 9427 6999 or [agea@agea.com.au](mailto:agea@agea.com.au).

AGEA will not have any involvement in day to day running of the system and all data submitted by a user is confidential to that participant. AGEA will only receive consolidated reports to enable it to monitor industry performance and assist in any future developments/improvements.