

GTA MARKET NOTIFICATIONS



No. 8 of 20 Industry Advice Notice—Outcome of the Grain and Plant Products Export Industry Consultative Committee Meeting 1 July 2020

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

1. Status Update

- Grain Trade Australia is a member of the Grain and Plant Products Export Industry Consultative Committee (GPPEICC) representing the interests of GTA members.
- The GPPEICC is the principal forum for the Department of Agriculture, Water and the Environment (DAWE) to consult with the grain, fodder, nuts, seed and timber industries on export inspection and certification, export market access and other relevant issues.
- The most recent meeting was held 1 July 2020 and issues of relevance to GTA members are outlined below.

2. Meeting Outcomes

DA Export Finance and Certification Charges

- Year on year industry debt levels with DAWE have decreased. Industry is encouraged to continue to appropriately manage overdue fees and liaise with DAWE where issues are expected.

- Generally as a consequence of the crop conditions on the east coast, revenue for the Grain and Seed Export Program arrangement continues to remain significantly lower than budgeted. The forecast deficit for the 2019/20 year is over \$2.5m. This will impact on the Cost Recovery Reserve at the end of the financial year (June 2020).
- GTA has provided significant input into the cost recovery review for all export related charges. As advised previously, due to ongoing under-recovery, it was proposed by DAWE to significantly increase some charges for the grain export sector for the 2020/21 financial year. Due to ongoing concerns with Covid-19, the Australian Government has not provided DAWE with a budget figure and therefore the revised charges/export program budget will be delayed until at least October 2020. Given the potential increase in crop and thus exports once harvest commences later in 2020, various charging scenarios are being considered and industry will be consulted once advice is received from DAWE.

Documentation & IT System Issues

- GTA Members would be aware of successful efforts to introduce electronic signatures on various documents, in order to minimise the impact on industry. Discussions with DAWE will continue in order to maintain efficiencies achieved going forward and promote the benefits in overseas markets of electronic documentation.
- DAWE is introducing a new scheduling tool to replace the existing manual booking system. An Industry Advice Notice will shortly be released explaining the new process and the benefits of this revised approach.
- The rate of re-submission of documents has followed a trend of reduction in the recent reporting period. The primary reasons for resubmission remain as:
 - Incomplete, errors – AO paperwork, RFP details, supporting documents
 - Lodgement errors

DAWE will continue to actively review and analyse the resubmission trends and provide feedback to industry as actions are identified that can prevent re-work.

- New instructional material for grain and plant products has recently been released and all industry is encouraged to review that material (<https://www.agriculture.gov.au/export/controlled-goods/plants-plant-products/ian/2020>).
- PEMS 3 was delivered in December 2019 and following that the PEMS system is now being upgraded to make it compatible on mobile phone. PEMS integration is occurring to make it available to use with industry systems and IANs will be released shortly by DAWE outlining the timelines impacting each sector of industry. All external AO's involved in Plant Export Inspections have now been registered in PEMS.
- The use of the PEMS will be mandatory and enforced from 1 October 2020, which will result in any request for authorisation that is received in any other format being rejected, unless an exceptional circumstance applies.
- As noted to industry in the Market Notification for GPPEICC meeting No.24, a business case was developed to seek funding in 2020-21 for a bigger body of work under PEMS v4.0. Due to the Covid-19 situation, decisions on new investment proposals has been delayed by government.

- IANs will shortly be provided to industry advising of:
 - The removal of paper export certificates, including extra certificates, will be effective from 4 August 2020 for New Zealand for all grain consignments.
 - The removal of paper phytosanitary certificates will be effective from mid to late August 2020 (exact date to be confirmed) for Indonesia for all grain consignments.
- DAWE are updating the functionality of MICoR and the enhanced version will be released in the next quarter 2020.

Operational and Market Access Matters

- DAWE has received a number of applications for funding assistance under various grant programs recently announced. GTA provided a number of requests for funding for various research projects and activities that would assist GTA Members and the grain industry in general. While some funding programs have been delayed due to Covid-19, GTA continues to monitor progress of applications and will advise industry of the status of those proposals once known.
- Audits of Registered Establishments continue through telephone and on-line systems. One key issue identified is that AOs using PEMS need to ensure the correct inspection processes and instructional material are followed.
- The DAWE Plant Export Operations Strategic Plan 2020-2030 has been released to industry. A working group has been formed to identify key elements and plan for progressing actions outlined in the strategy.
- DAWE continues work to implement a requirement for AOs to use Go Pros (or equivalent) to record empty bulk vessel inspections at berth and anchorage. An industry/DAWE working group continues to review all aspects of this change. The aim is to implement the use of GoPros for all empty bulk vessel inspections by October 2020.
- New instructional material has been developed for mobile loading operations and this will be released by DAWE in a few weeks.

Legislation Review

- The Export Control Act 2020 is now implemented.
- The Consultation Draft Export Control (Plants and Plant Products) Rules 2020 (draft plant rules) was released for public consultation on 18 May 2020. GTA has held meetings with the drafters of these Rules and provided a submission on behalf of its members.
- A second round of industry consultation is expected towards the end of 2020.

3. Further Information

Contact GTA to seek further information on any of the above issues.

Further information on GPPEICC and its membership can be found at <http://www.agriculture.gov.au/biosecurity/partnerships/consultative-committees/gppeicc>