

Notice to Members

Title: GTA Standards 2010/11 Season – final review

Update No.: 12 of 10

Date of Issue: 12 May 2010

1. Background

Member Update 8 of 10 sought industry feedback on proposed changes to Standards for 2010/11 and potential changes for the following seasons. Feedback was received from industry on the issues outlined in the Member Update and on a range of other Standards issues. Feedback received was both for and against changes and varied in detail provided.

The GTA Standards Committee has recently met to consider feedback received from industry.

2. Industry Feedback

This document lists the following deliberations of the Standards Committee:

- Decisions on issues as documented in the first request for industry submissions process being, proposed changes for adoption in 2010/11, issues that were previously considered for change in 2010/11 but not accepted for progression by the Committee and potential changes where further industry advice is required
- Decisions on new issues raised by industry

In order to finalise the Standards, the GTA Standards Committee is seeking a final round of industry comment on the issues in this document and on any other Standards related issue. Submissions may refer to the initial submission however all relevant material should be provided in the current submission.

Submissions on this second round of the review process should be received by COB Friday 21st May 2010. Please lodge your submissions by sending to admin@graintrade.org.au and title your email – Standards Review 2010/11.

GTA Standards 2010/11 Season

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Submissions on this second round of the review process should be received by COB Friday 28th May 2010. Please lodge your submissions by sending to admin@graintrade.org.au and title your email – Standards Review 2010/11.

GTA Standards 2010/11 Season

1. Issues Highlighted by the Committee in the first round of Submissions

For clarity, this section deals in order with issues raised by the Committee in the first request for industry comments. Issues include:

- Accepted changes for adoption in 2010/11
- Issues that were previously considered for change in 2010/11 but not accepted
- Potential changes where further industry advice is required

1.1 Agreed Change: For all cereals, remove the reference to specific pieces of equipment in the comments section of the charts

An overwhelming majority of industry submissions agreed with this proposal to remove the reference to permit use only of a specific piece/type of equipment when analysing for a particular quality parameter. Industry is free to use any equipment provided it correlates to the Reference Method and any relevant legislation.

1.2 Agreed Change: Development of a Reference Booklet for Sorghum

As with the prior development of the Wheat and Barley Booklets, an overwhelming majority of industry submissions agreed with this proposal.

1.3 Agreed change: Create APH1 grade

Industry agreed there is a need to create this grade given it has been segregated in the northern cropping area of Australia in prior seasons.

1.4 Agreed change: Various corrections to the Barley Reference Booklet

During the process of development and publishing of this Booklet, a number of issues were raised relating to the existing Barley Standards:

- Clarification that Dark Tipping refers to grains that exhibit a distinct light to dark brown to black discolouration
- Clarification that Field Fungi is defined as grains where coverage is greater than 1/8th of the entire grain surface
- Clarified that the reference method to assess Germinative Energy is measured using a 72 hour period rather than the previously listed 24 hour period
- Clarified that the definition of Side or Back Skinning applies to grains where part of the husk has been removed from the side or back of the grain, on the two thirds of the grain closest to the germ end
- Clarified that Shot grains are where the husk has a distinct pin hole at the germ end or has “tramlines” where the husk has begun to lift on each side of the back of the grain at the germ end. Noting that the tramlines must be on both sides
- Removed all decimal places for recording Defective grains and Germinative Energy, as all results are recorded to the nearest whole number except for broken grains which is recorded to the nearest 0.1%
- Additions to the approved malt varieties list as per those determined by Barley Australia
- Clarified that Accredited Feed varieties as listed by Barley Australia include any two row variety with a White Aleurone Layer

- Clarified that protein is converted to “as is” by multiplying barley nitrogen by 6.25%

1.5 *Agreed Change:* Separate the category of Dry Green, Sappy & Frost Damaged – Triticale

Industry agreed with the proposal to make changes to these quality parameters as per other cereals. From the 2010/11 season for triticale, the following will apply:

Dry Green, Sappy	max 2% (% by count, 300 grain sample)
Frost Damaged	max 2% (% by count, 300 grain sample)

1.6 *Agreed Change:* Size definition for Meat and Bone Meal

Industry agreed with the proposal to alter the meat and bone meal standards CSPA1-CSPA7 to include a reference to the requirement for 100% to pass through a 5.00mm screen. From the 2010/11 season for CSPA1-CSPA7, the following will apply:

Texture - minimum 98% to pass through a 2.00mm (US Mesh No. 10 sieve) and 100% shall pass through a 5.00mm screen.

1.7 *Rejected Change:* Seed removal from seed pods – All Cereals

The Committee noted that different interpretations to the removal of seeds from seed pods were being applied by industry based on the type of commodity being assessed. The proposal to develop a uniform procedure across all commodities for the removal of seeds and counting individual seeds would have significantly altered some existing tolerances for specific weed seeds.

Given there is currently a review of all weed seed categories, the Committee rejected the proposed change and agreed to await the outcome of the weed seed review prior to making any changes to the assessment of weed seeds in seed pods.

1.8 *Agreed Change:* Insect tolerances – All Cereals

In general industry agreed with the proposal to simplify the categories of insects and the assessment of these categories in all cereals. From the 2010/11 season onwards, the following tolerances will apply to all cereals (wheat, barley, oats, cereal rye, sorghum and maize except gritting maize):

New Standard	Limit/0.5L	Comment
Stored Grain Insects & Pea Weevil – Live	Nil	Entire load
Insects – Large, dead or alive	3	Includes Rutherglen bugs, ladybirds, grasshoppers and wood bugs, whole or parts thereof
Insects – Small, dead or alive	10	Includes all species of aphid, mites & stored grain insects (dead only)

For Gritting Maize (CSG-44) a nil tolerance for all insects will continue to apply.

1.9 Rejected Change: Alter ANW2 screenings - Wheat

A proposal had been previously received to increase the screenings level from 5% to 10%. The submitter of this proposal has recently withdrawn this request. While some submissions from industry supported the original proposal, the Committee decided to reject the proposed change given there was not a sufficient reason for the change.

1.10 Agreed Change: Alter Western Australia SFT2 grade specifications - Wheat

The majority of industry supported the proposed changes to screenings and protein of SFT2 in Western Australia to reflect the previously introduced SFT3 grade. In addition, a proposal was received from the Western Australian industry for a further change to SFT2 to reflect all specifications of the previously introduced regionally based SFT3 grade in Western Australia.

The committee agreed to adopt the Standard as follows for SFT2 in Western Australia (CSG-145) from the 2010/11 season onwards:

Quality Parameter	Previous SFT2 Standard	New SFT2 Standard
Protein (%) max	9.5	10.5
Screenings (%) max	10	8
Unmillable Material Above the Screen (%) max	1.2	0.6
Falling Number (secs) min	250	300
Small Foreign Seeds (%) max	1.2	0.6

1.11 Rejected Change: Alter the screen slot size – Oats

The majority of submissions did not support the proposal to alter the screen slot size for oat assessment. It was noted by the Committee that industry could provide no evidence of market failures as a consequence of the existing screen specifications. Based on industry feedback, the Committee agreed to maintain the existing screen slot size of 2.00mm x 12.7mm.

1.12 Rejected Change: “Variations” Weed Seed Category – Cereal Rye

While industry in general supported the proposed change, the Committee rejected the proposed change to the weed seed category “Variations” for cereal rye pending the outcome of the current weed seed review.

1.13 Proposed Change for 2011/12: Problem Identification & Best Practice

Industry considered these two documents were a useful guide to industry on the application of Standards. The Committee will review the documents and determine what changes are recommended and advise industry for 2011/12.

1.14 No Change: Birdseed Standards

As no submission was received by the Committee, no changes have been made to these Standards.

1.15 No Change: Frost and Earth in Feed1 and Feed2 - Barley

A submission was received requesting two changes to Feed barley (Feed1 and Feed2):

1.15.1 Changing the Frost Damaged limit in feed barley to "no limit". The Committee rejected this proposal on the basis that there were no marketing reasons for the change and the existing levels were not causing market failure.

1.15.2 Altering the definition of "Earth" to only include a clod of earth remaining above either screen. The Committee rejected this proposal on the basis that earth present anywhere in the sample at export may be rejected by AQIS as it is a quarantinable item.

1.16 No Change: Nil Tolerance – All Cereals

The majority of industry supported the view of the Committee that Standards deal with technical and not commercial issues. Industry is free to vary the Standards for their own commercial reasons and apply a "tolerance for nil". Therefore the Committee agreed with its previous determination that a tolerance and revised definition for "nil" would not be included in the Standards.

1.17 No Change: Test Weight Assessment – All Cereals

While a sector of industry requested that there only be one methods of assessment of Test Weight in the field, the Committee agreed with its previous determination that industry is free to use any method for assessment in the field provided it is sufficiently accurate, is equivalent to the reference method and adheres to regulatory requirements.

Industry is reminded it is the policy of GTA that any equipment may be used in the assessment process of any quality parameter in the Standards on the understanding that those field units provide results equivalent to the Reference Method(s) and adhere to any regulatory requirements.

1.18 Agreed Change: Trash and Split/Broken – Sorghum

As this parameter is a marketing requirement, the Committee had previously advised industry it had rejected the proposal to delete the tolerance for this quality parameter in the Standards. The rationale was that the Split/Broken category was listed in many export contracts and therefore was a required assessment.

Submissions received indicated that while this quality parameter was noted in contracts, it was not assessed as per the Standards chart. Rather it was assessed as part of the screenings content. On that basis, it was agreed to reverse the prior decision of the Committee and delete this quality parameter from the Standards for the next season.

1.19 Proposed Change beyond 2010/11: Develop Reference Booklets for Other Cereals

Industry agreed that the production of further Reference Booklets for the remainder of the cereals was useful. The Committee will develop the remainder either in 2011/12 or the following year.

1.20 Proposed Change beyond 2010/11: Weed Seed Review – All Cereals

The majority of submissions on this topic agreed with the intent of the Committee to simplify the Standards. Industry will be consulted with proposed changes for adoption over time as they are developed by the Committee over the ensuing period.

1.21 Proposed Change beyond 2010/11: Sticks, Unmillable & Foreign Material – All Cereals

As per responses to 1.20 above, industry agreed Standards should be simplified in the area of assessment of contaminants. The Committee discussed the implication of the weed seed review on this topic and both items will be addressed concurrently.

In the interim the Committee agreed to clarify the definition of Sticks to include a “less than or equal sign” as follows for All Cereals:

- Sticks are defined as >1cm in length and/or >0.5cm in diameter
- Smaller material (≤ 1 cm in length and/or ≤ 0.5 cm in diameter) are not included as Sticks but are included as other contaminants depending on the commodity type

1.22 Noted: Variations in Standards Across Australia

In general industry agreed with the Committee that while it is desirable to have national Standards regional variations may be required for various reasons. The Committee re-iterates its previous advice that Industry is encouraged to reference GTA Standards using the appropriate GTA Standard code (CSG number) in their contracts etc where required and clearly note any differences that may be applied.

1.23 Proposed Change beyond 2010/11: Reference Method for Screenings – All Cereals

The majority of industry submissions agreed there is a need to develop specifications for reference screens to be used in situations such as an official dispute. While it is desirable to develop these specifications as soon as possible, the Committee has developed a list of research issues that require addressing in the coming years, of which this topic is included.

All research issues will be prioritised and the Committee will advise industry of the priority and potential timeframe for resolution during the development of the 2011/12 Standards.

In the interim, industry is encouraged to provide any topics where they consider research is required and a suggested method of addressing that research.

1.24 Proposed Change 2013/14: Test Weight increase in all Milling Wheat Grades

The Committee received a number of submissions both for and against an increase, with a range of timeframes for a change from immediate to “changes in future with sufficient advance notice”. While industry provided some new issues to be considered under this topic, the majority of issues raised in submissions had been previously noted by GTA in the paper provided to industry as part of the Standards review process entitled “Test Weight of Australian Wheat – 2010 and Beyond”.

The Committee deliberated on all feedback recently received and received in previous seasons.

Following recommendations from the Standards Committee, the GTA Board resolved that:

- *the implementation date of the GTA Board Policy for an increase in test weight in milling grades of wheat be extended to no later than 2013/2014. Test weight will be reviewed annually with the intention to implement the 76 kg/hl test weight in milling grades at an earlier date if justified.*
- *Plant breeders (including AGT, Intergrain and Longreach) are contacted to determine realistic timelines for the availability of varieties with a propensity for higher Test Weight to determine the potential for existing and new varieties to meet this requirement. This discussion and analysis would involve interactions with the WCC and the National Variety Trials. NVT data would need to be analysed upon receipt.*
- *The Wheat Classification Council be approached to include a Test Weight Standard in their process of assessing and classifying varieties.*
- *Individual Grades be reviewed with a view to increasing Test Weight in the most appropriate grades first rather than a blanket all milling grades.*
- *An annual review of this decision is conducted to analyse all relevant data re: availability of varieties, current crop quality, market opportunities / requirements.*
- *GTA produce a paper for distribution across Industry to outline the outcomes from the GTA Board decision with regard to changes in Test Weight limits.*
- *A proforma for industry submissions be developed that outlines the minimum information required in submissions.*

2. Additional Issues Raised by Industry in Submissions

The following section highlights issues raised by industry in submissions that were not previously considered by the Committee.

2.1 Agreed Change: For 2010/11 introduce APWN grade - Wheat

A submission proposed the introduction of a new grade APWN with a revised varietal list that would make the existing grade APWT obsolete.

The submission was based on the recent decision of the Wheat Classification Council (WCC) to alter the classification requirements of AH and APW in Western Australia by removing the high starch paste viscosity target quality. This decision was made on the basis of bringing the requirements for WA in line with the classification requirements in other regions of Australia thereby, making it more efficient for wheat breeders in WA and potentially giving WA wheat growers access to higher yielding varieties that previously may not have been classified due to the high starch paste viscosity requirement.

As a result of the removal of the starch paste viscosity target, the previous APWT class should be replaced by a new Class APWN in order to capture approx 1 million tonnes per annum of high starch paste viscosity hard wheat to be used in the Japanese and Korean noodle markets.

While sufficient advance notice had not been provided to industry in order to remove the APWT grade this season, it was recognised APWN would be segregated this season in Western Australia and APWT would be segregated if required. APWT could be removed in future seasons, potentially 2011/12.

The Standards for APWN would be as per the existing APWT grade except for the following:

- The protein limits would alter as follows:
APWT – 9.5% to 11.5%
APWN – 10.0% to 11.5%
- The existing APWT varieties would be permitted to be received into APWN. It would also be expected that an additional 2-4 varieties not currently permitted into APWT would be approved for receipt into APWT
- Cascading rules for varieties with dual classification would vary to reflect the importance of AH/APWN varieties being captured into the APWN grade and current APW/APWN varieties being captured to fulfil the quantity of grain required to meet the market demand. The cascading rules would apply as follows:

AH varieties -
H1/H2/APWN/APW2/ASW1/AUH2/AGP1/AUW1/FED1

APW varieties -
APW2/APWN/ASW1/AGP1/AUW1/FED1

The Committee therefore agreed to its introduction with the variations as outlined above.

2.2 *Noted:* Rejection due to Pink Stained grain - Durum

The Committee received notice from industry that pink stained grains were detected in durum loads tendered for delivery in South Australia in 2009/10. The potential existed for mycotoxins to be present on that grain and based on commercial implications some of that grain tendered for delivery was rejected. The Committee acknowledged that each receipt agent was free to choose how they implemented the Standards when issues of food safety were involved based on their perceived risk.

The committee agreed there was the potential for inclusion of how to address this and similar issues in the Standards in the Section on Best Practice as outlined in point 1.13.

2.3 *Agreed Change:* For 2010/11 alter definition of Shot/Sprouted and use of Falling Number & RVA unit - Barley

The definition and wording for Sprouted/Shot and the applicability of the FN/RVA versus visual tolerance was unclear and it was agreed that the interpretation and use of methods such as the Falling Number and RVA should be altered in barley as per wheat.

Currently the barley standards do not permit the RVA/FN to override the visual shot/sprouted assessment. The recommendation was agreed to allow this to occur commencing for the 2010/2011 season.

2.4 *Agreed Change:* For 2010/11 include a Definition for MRL, NRS and alter wording relating to chemicals – All Cereals

Changes to the wording relating to Objectionable Material - Chemicals to highlight the need for compliance with regulations were proposed. Specifically, the changes related to inclusion of the words “Chemicals in excess of MRLs” reflecting the nil tolerance that applies in this instance.

Two new definitions will be included in all Standards as follows:

Maximum Residue Limits – MRLs

MRLs are the maximum amount of a chemical residue or its metabolite that is legally permitted on or in agricultural commodity. The Australian Pesticides and Veterinary Medicines Authority (APVMA) sets MRLs. These MRLs are set at levels which are not likely to be exceeded if the agricultural or veterinary chemicals are used in accordance with approved label instructions and can be found at <http://www.apvma.gov.au/residues/standard.php>

Australian MRLs may differ significantly from those prescribed by foreign countries and the International Codex Alimentarius Commission. Consequently grain exporters must be aware of MRLs of importing countries and which countries accept Codex MRLs. Foreign country MRLs may be accessed directly from foreign government websites or the NRS grains database at <http://www.daff.gov.au/agriculture-food/nrs/industry-info/mrl> (Industry should always confirm the accuracy of these MRL listings through their own means).

National Residue Survey – NRS

The NRS gathers information and supplies chemical residue results on domestic and export grain commodities. The NRS results show Australian grain is of a high quality with respect to residues and contaminants. All grain exporters and container packers are encouraged to actively participate in the NRS grains residue monitoring program. Contravention of an overseas MRL may cause the rejection of cargoes resulting in severe financial cost being incurred and potentially jeopardising Australian grain into that market. Information about the NRS is located: www.daff.gov.au/nrs

2.5 Agreed Change: For 2010/11 include Standards for Dried Distillers Grain

Various sectors of the stockfeed industry have jointly proposed ethanol co-product standards.

For both Sorghum Distillers Co-products and Wheat Distillers Co-products, the following standards were proposed and agreed by the Committee for inclusion in the By-products section of the standards (Section 9):

- Wet Distillers Grains
- Wet Distillers Grains With Solubles
- Condensed Distillers Solubles
- Dried Distillers Grain

If industry requires a copy of these Standards for providing comments prior to their publication, please contact GTA at admin@graintrade.org.au

2.6 Noted: For 2010/11 Master List - Wheat

The Committee noted that the Wheat Classification Council would provide its deliberations on varietal classification changes by 26 July 2010, for presentation at the annual Common Interest Forum.