

# Australian Grain Industry Code of Practice for the Management of Grain



**2014 Agribusiness Crop Updates - Perth**

**24 February 2014**







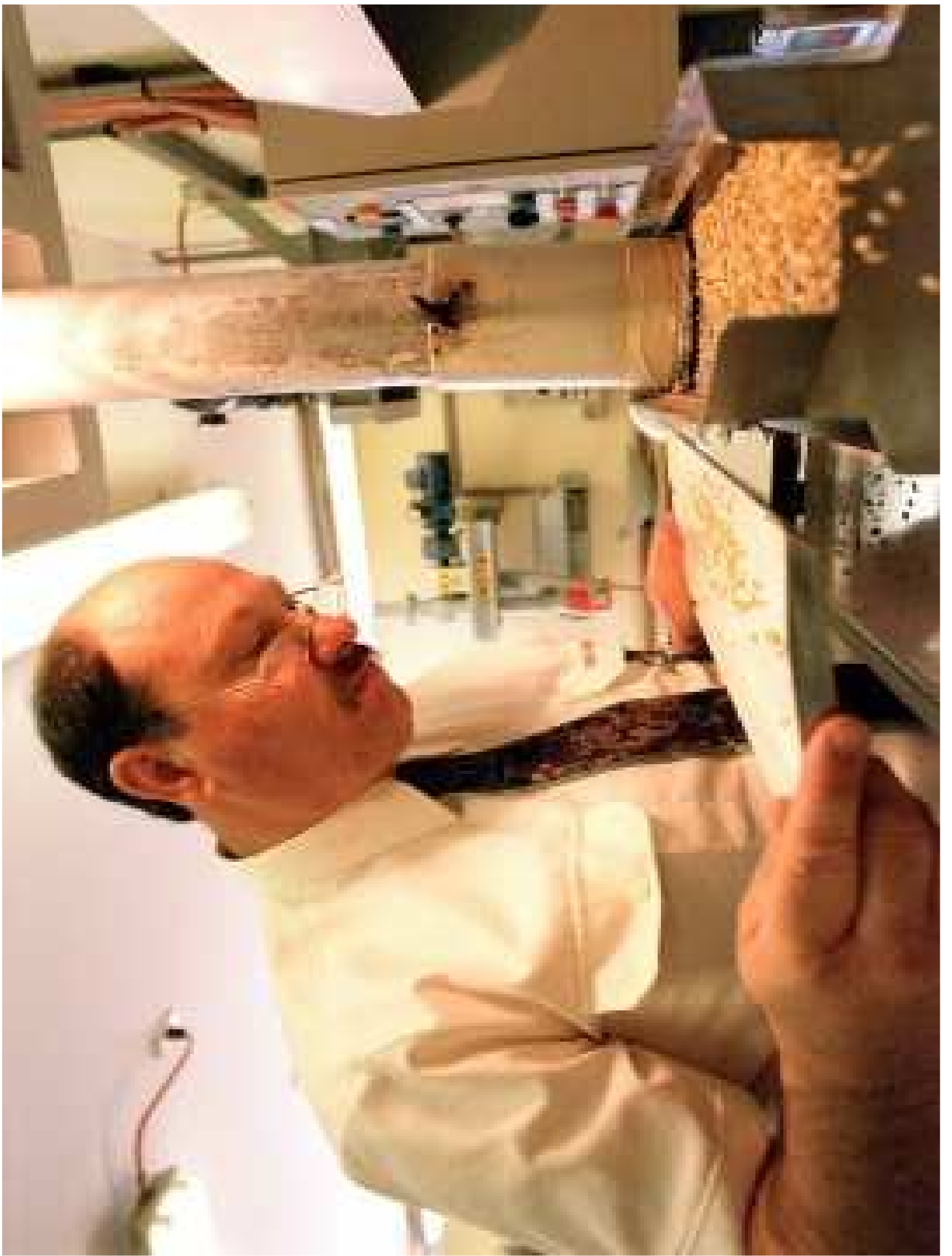




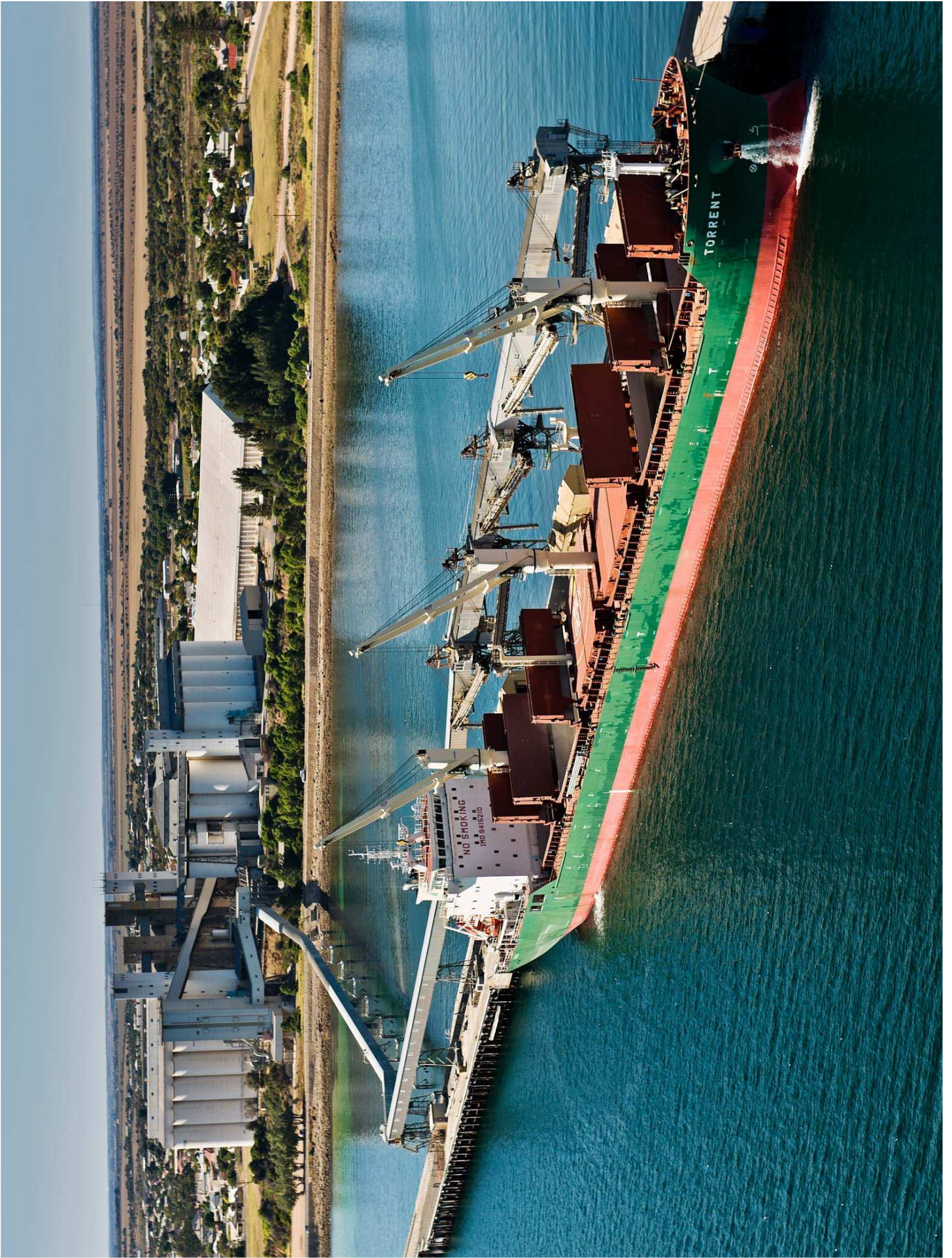














# The Australian Grain Industry Code of Practice

- The Code details best practice used across the Australian grain industry.
- The Code details in one document the:
  - quality systems embedded in the Australian grain supply chain; ensuring that
  - customers of Australian grain receive a quality product.
- Will be mandatory for GTA members from 1 July 2014.
- Vast majority of GTA members are already conducting their operations according to Code requirements.





# Why a Code of Practice?

1. Desire by industry to self-regulate and:
  - ✓ Implement and promote best management practice
  - ✓ Show compliance with all laws and regulations
  - ✓ Comply with industry trading standards, processes and procedures where contractual obligations dictate
  - ✓ Improve the standards of service within the industry
2. Demonstrates to customers (domestic and export) a whole of industry approach to deliver a quality product.





# References to the Australian Grain Industry Code of Practice

Productivity Commission Report - October 2010

***Wheat Export Marketing Arrangements***

Wheat Industry Advisory Task Force – current

***Inquiry into wheat quality***

***Inquiry into grain pools***

***Hon. Julie Bishop 24 Sept 2012:***

*“And so I set out our position and that is to establish a code of conduct to govern port access, we want that put in place, and secondly an Australian grain industry code of practice to govern supply chains.”*

*We're working with Grain Trade Australia to draft these codes, get industry wide cooperation and then we can deregulate.”*





# Timelines

- 2009 – GTA developed the Australian Grain Industry Code of Conduct on request from Aust. Gov. as part of export wheat deregulation process.
- 2010 – Code revised
- 2013 – Code of Practice released following 18 months industry consultation
- 1 July 2014 – adherence to the Code mandatory for GTA members for 2014/2015 membership year
- Reviewed annually





# What it covers

1. On-farm activities
  2. Sampling and Testing Grain
  3. Storage Facilities
  4. Chemical Use
  5. Grain Quality Management
  6. Transport
  7. Marketing
  8. Training
  9. Compliance with Code
- Contains Reference Material:
    - Links to Reference documents
    - Technical Guideline documents





# On-Farm Activities

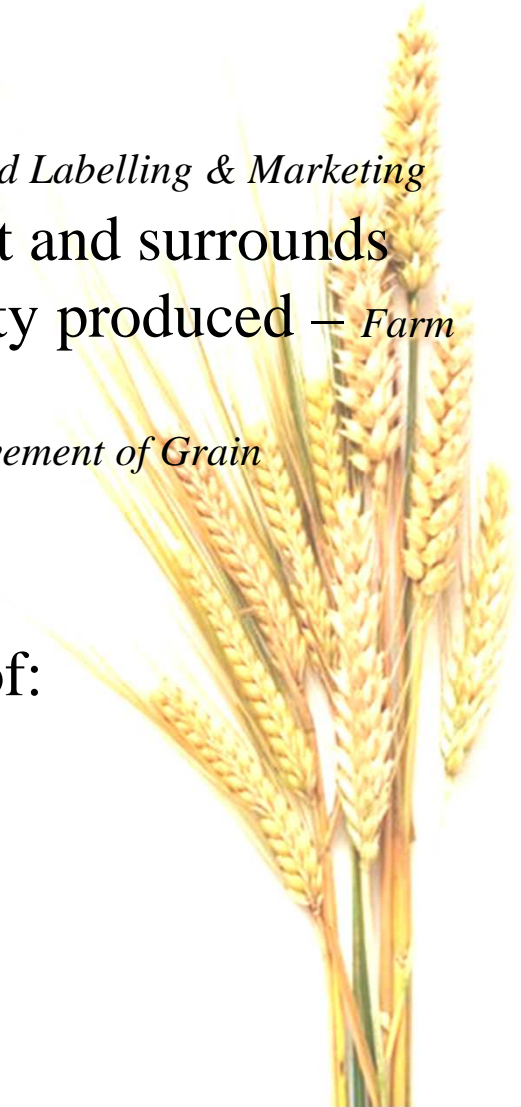
## Focus on:

- Varietal purity — *ASF National Code of Practice for Seed Labelling & Marketing*
- Maintaining hygiene of storages, equipment and surrounds
- Minimising contamination of the commodity produced — *Farm Biosecurity Manual for the Grains Industry*
- Transport hygiene — *Code of Conduct for the Bulk Movement of Grain*

## Outputs

Records of above, enable correct completion of:

- Chemical declaration
- Varietal declarations
- GM declarations
- Transport declarations



# Sampling and Testing

Equipment – preference for

- Automated versus manual probes
- A grain divider to obtain a sub-sample
- Objective technology unless specified otherwise
- Reference material where available.

Equipment is monitored, calibrated and checked, suited to purpose, prior to its use - *GTA Reference Methods*

Procedures outlined in company Sampling & Operational Manual

Trade certification of equipment - comply with National Measurement Institute.





# Storage Facilities

## Construction and maintenance to manage grain quality

- Preference is sealed storages - *AS2628 Sealed grain storage silos*

## Grain pest & hygiene management

- system is documented
- follows principles of IPM
- grain stored insect free
- regular sampling and inspection
- chemical used as per industry guidelines, meet regulatory requirements and customer specifications
- only legal treatments for grain, storages and structures are to be used

# Chemical Use

## Regulations

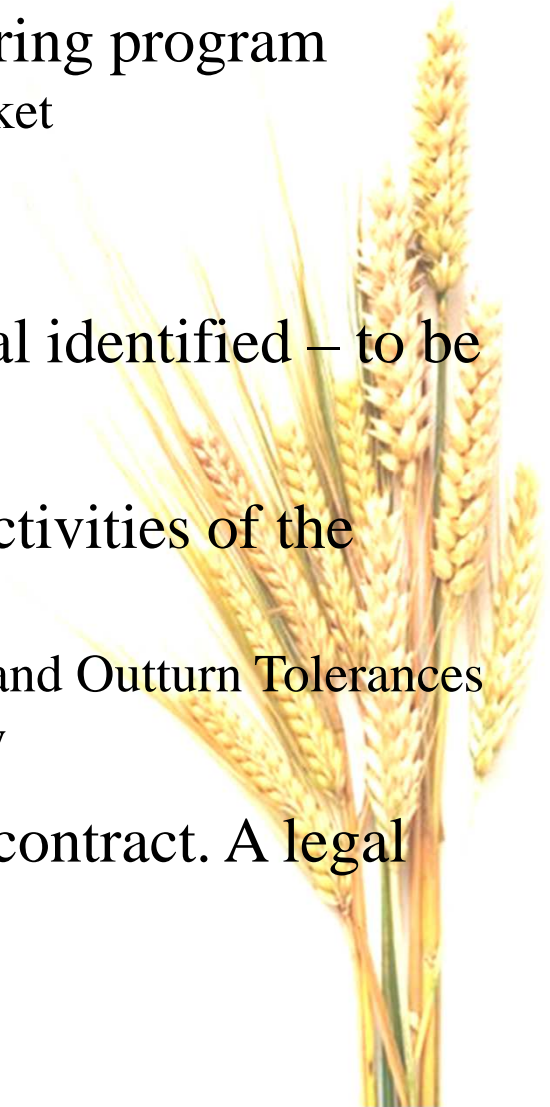
- Industry committed to complying with all Australian and International regulations
- A whole-of-chain approach applies to food safety and chemical residue management and the provision of grain according to customer requirements through a combination of:
  - Australian Government legislation
  - Australian Pesticides and Veterinary Medicines Authority (APVMA),
  - Food Standards Australia New Zealand (FSANZ) ,
  - DA Biosecurity (previous AQIS)
  - Industry quality assurance systems underlying the legislation



# Chemical Use

## Participation in National Residue Survey monitoring program

- organisations out turning on the domestic market
  - bulk grain exporters
  - container exporters
- If violation of an MRL or mis-use of a chemical identified – to be reported to the relevant authority
  - Abide with outcomes, recommendations and activities of the National Working Party on Grain Protection .
    - Post Harvest Chemical Usage Recommendations and Outturn Tolerances
    - Apply Phosphine Resistance Management Strategy
  - Commodity Vendor Declarations – part of the contract. A legal document.



# Grain Quality Management

## Grain receival

- Apply industry sampling and testing protocols – GTA reference methods
- Documented processes including dispute and rejection procedures

## Segregations

- Created according to market requirements and based on the industry standard for that commodity and grade.
- grain of differing grade classification is not blended unless:
  - Procedures are documented;
  - The outcome is known; and
  - Appropriate approval has been obtained.

## Out turn (domestic & export)

- During outturn samples are taken and grain physically inspected
- Grain not loaded unless the quality is known.





# Transport

Comply with transport industry best management practices (*Bulk Freight of Goods Code of Practice*) to:

- Maintain the quality and integrity of the grain;
- Prevent contamination – prior loads; and
- Transport grain to their designated markets quickly, safely and within the relevant laws.



# Transport

Documented systems to show compliance - with regulations/staff & contractors are trained

Involve inspection prior to loading

- comply with “prior load” requirements
- fertiliser

Where non-compliance has been detected:

- Actions must be taken to remedy the situation as soon as possible; and
- Where required, such incidents must be reported to the relevant authority.





# Marketing

## GTA commercial resources

- Preference is for the use of industry contracts and published grade standards

## Grade standards (CSG, CSP, CSO)

- will only be used where the final grain out-turned meets all specifications of that standard.

## Domestic & Export grain complies with:

- APVMA & FSANZ
- National MRLs
- Codex MRLs/ country of import MRLs
- DA Biosecurity phytosanitary certification requirements.



# Marketing – pool operators

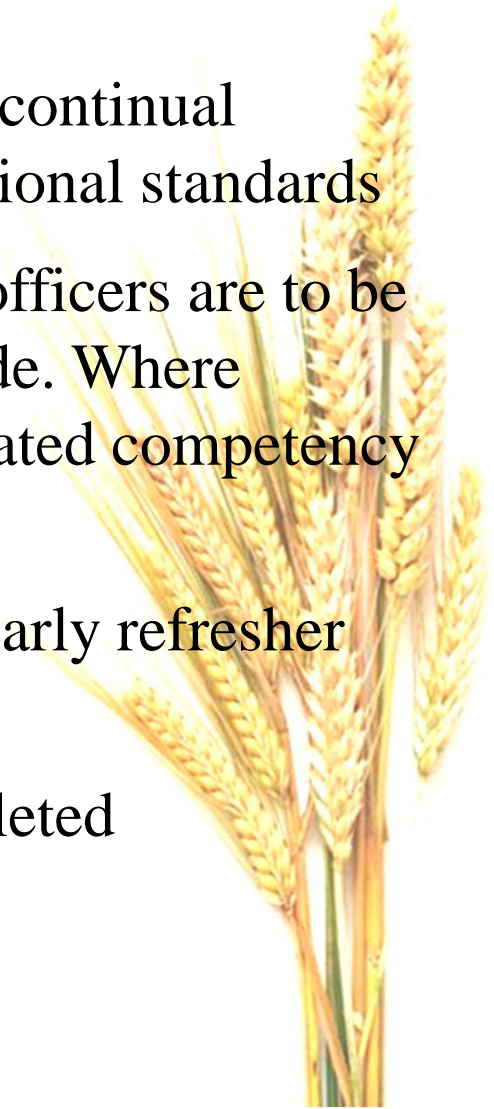
- Separation of pool assets and liabilities
- Pool provider able to justify the estimated pool return to pool participants
- An adverse material change to the estimated pool return of more than 5% needs to be notified to pool participants immediately
- Following closure of a pool the pool provider will engage an independent auditor
- Finding of Wheat Industry Advisory Task Force pool enquiry





# Training

- Encourage professional development through the continual development of training to maintain high professional standards
- All staff including contractors and/or registered officers are to be adequately trained in the requirements of the Code. Where required, all suppliers are audited against their stated competency and records kept
- Keep skills and accreditations up to date (e.g., yearly refresher training on application of grain standards)
- Maintain documented evidence of training completed



# Complaints

Industry participants will have in place a procedure for dealing appropriately with any customer complaints

1. Any complaint about the conduct of a Code Signatory should be referred to that Code Signatory (in writing) who should be allowed a reasonable time to address or resolve the complaint (in writing).
2. If the complaint is not resolved to the complainant's satisfaction the complainant should contact the GTA [CEO – the Code Compliance Officer] who can advise whether the complaint falls under the jurisdiction of this Code and the GTA Board of Directors.
3. Any complaint will be dealt with in accordance with the Complaint Handling Guidelines.



# Technical Guideline Documents

- Technical guideline documents have been requested by industry as a supplement to the Code. These documents will provide industry with more detailed information to assist implementation of each listed activity as outlined in this Code.
- Industry is encouraged to participate/lead development of these documents



## Example of Technical Guideline Documents (39 developed/under development)

Reference in Code	Document Name
2.2.1 Testing Equipment to be Used	Falling Number use
2.2.1 Testing Equipment to be Used	Test Weight assessment
2.5 Grain Quality Management	Blending of grain relating to variety
2.5.1 Grain Receival	Dispute Resolution and Rejection Procedures at the point of tendering a load for delivery
2.7.3 Contract Documentation	Requirements for the operation of Pools and reporting on performance
2.9.2 Complaints Handling	Complaints handling Guidelines' that cross references GTA, WQA, Barley Australia, Pulse Australia, GRDC or whatever is the relevant authority on the nature of the complaint



# In conclusion

## The Australian Grain Industry Code of Practice

- was developed as a result of a call from GTA members, the broader grains industry and government;
- is a detailed description of the activities across the Australian grain supply chain that ensure the Australian grain industry delivers a quality product.
- enables end users, domestic and export, to buy with confidence understanding the quality systems in behind the Australian industry; and
- will encourage all industry participants to continually improve their processes.

Resulting in a more profitable grain industry for all participants who have invested, time, hard work and financial resources.



## Australian Government

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### Department of Agriculture

DEVELOPMENT OF THE CODE, IN 2009, WAS FUNDED BY THE AUSTRALIAN GOVERNMENT DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY (NOW DEPARTMENT OF AGRICULTURE) AS PART OF THE WHEAT MARKETING TRANSITIONAL FUNDING ASSISTANCE MEASURES.



*The development of the Australian Grain Industry Code of Practice has been facilitated by Grain Trade Australia on behalf of the Australian grain industry.*

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