



7th September 2009

Ms Sarah Sheppard
Australian Competition & Consumer Commission
Level 35
360 Elizabeth Street
Melbourne
Victoria 3000
Australia

Dear Ms Sheppard,

Superintendence, sampling, weighing and supervision at load ports

This Association, Gafta, is an international body representing the trade in grain, pulses and feed materials transacted world wide. We have about 1200 members in 85 countries, and among our services is the provision of standard forms of contract, used for about 80% of the world's transboundary movement of these commodities, together with supporting rules for sampling, analysis tests and weighing methods.

It has been drawn to our attention by some of our Members in Australia that they, as shippers/sellers or their agents, have been precluded from attending the port loading operations, in particular for the purpose of drawing samples to verify that the consignments are representative of the guarantees they have given with regard to quality and condition in their individual contract terms.

This has very serious implications for the export of grain from Australia.

From a commercial view it also puts the grain exporter in breach of their contract terms when in accordance with the custom the quality specifications are certified by an independent superintendent of the parties choice, against samples they have drawn and sealed representative of the goods at the time and place of loading. This certificate is a vital contractual document. It is the document used to guarantee the quality of the goods, it becomes final and binding on the buyers and against which payment is made.

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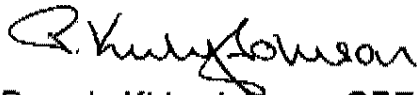
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The Grain and Feed Trade Association

If the parties or their agents cannot attend these load port operations for sampling purposes, importers will not be able to rely on the certificates provided and their alternative will be to insist that all Australian Grain consignments are sampled at the ports of discharge, for two superintendents to be appointed for each of the parties and the quality guarantees to apply at discharge. This is not the custom of the trade and will add to the cost and time.

I should be pleased therefore if you would give this your consideration and let me know what steps can be taken to prevent the current bad practice of precluding parties from complying with the commercial norms for transboundary movement of goods worldwide.

Yours sincerely,

A handwritten signature in black ink, appearing to read "P. Kirby Johnson".

Pamela Kirby Johnson OBE
Director General