



# Market Choice in the Canola Industry 2008

## Stakeholders Report Summary

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This summary outlines how the market choice framework performed for the 2008 GM canola crop in New South Wales and Victoria. The market choice framework was developed to ensure there were effective coexistence arrangements throughout the supply chain for different canola product types, including GM and conventional canola. For a more detailed review of the framework and how it operated in 2008, refer to the GTA/AOF GM Market Choice Stakeholders Report available on the AOF website (<http://www.australianoilseeds.com/>).

### The Framework

The Australian grains industry has a policy on industry market choice, which the canola industry adopted as the basis in developing a suitable framework to ensure effective coexistence across the range of products the industry produces.

Historically, the industry had no need for a coexistence framework, as there was only one type of canola (CS01). With the emergence of new products such as canola quality mustards, canola with specific fatty acid profiles and certain industrial mustards, a suitable market choice framework was developed. This framework was then expanded to apply to the introduction of GM canola with the introduction of additional trading standards for non-GM canola to ensure market requirements are able to be met.

Prior to the 2008 season commencing, criteria was agreed across all industry and government stakeholders by which the delivery of market choice framework for GM Canola could be effectively assessed. Table 1 lists these criteria, and details the performance measures that were achieved.

**Table 1: Criteria for assessing delivery of market choice**

Outcome	Performance Measures
Identity preservation	<ul style="list-style-type: none"><li>▪ Protocols adhered to</li><li>▪ Customer specifications met</li></ul>
Trade facilitation	<ul style="list-style-type: none"><li>▪ Industry agreed standards and supporting methodologies</li><li>▪ Through chain commodity/product declarations</li><li>▪ Effective dispute resolution process</li><li>▪ International harmonisation of trade processes</li></ul>
Regulatory compliance	<ul style="list-style-type: none"><li>▪ Regulatory requirements met</li></ul>

## The 2008 Canola Supply Chain

Commercial production of GM canola commenced in NSW and Victoria in 2008. This saw a limited area of Roundup Ready® canola grown, harvested and marketed in southern NSW and Victoria through a segregated system which meant the crop was grown by a small number of accredited farmers, delivered to dedicated delivery sites and sold only to domestic processors.

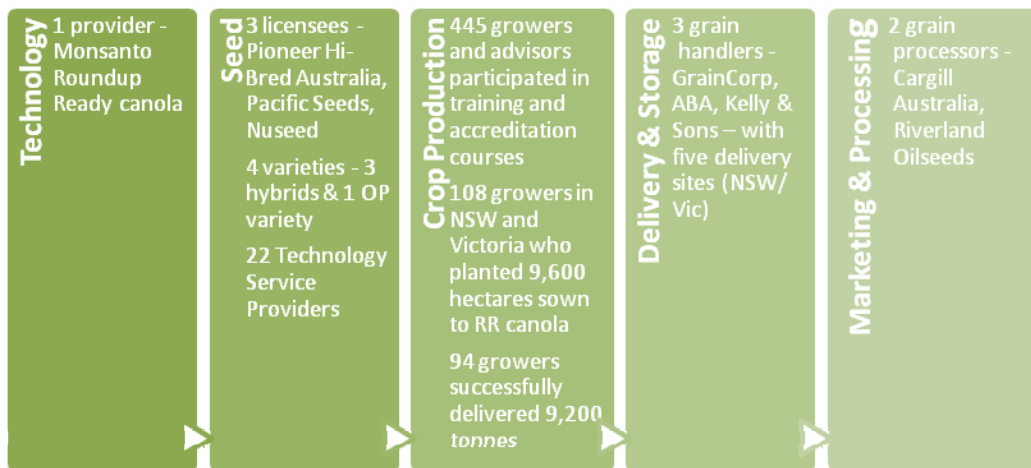
In total, 108 growers planted approximately 9,600 hectares of canola, yielding around 9,200 tonnes of grain. In addition, due to the poor season, a small number of the GM canola crops were cut for hay.

The harvested grain was delivered to, and stored at the nominated receival sites. Currently (March 2009) it is awaiting transport to the nominated crushing companies for processing and the end products will then be marketed according to the market choice principles.

Where crops were cut for hay, Monsanto worked with the dairy, fodder and stockfeed industry to develop and agree a process for growers who intended to cut their Roundup Ready canola for hay.

Appropriate control points documentation were used through out the supply chain to ensure the integrity and identity of the GM canola was preserved from pre-planting through to delivery to customers. Table 2 summarises the players in the 2008 GM canola supply chain.

**Table 2: 2008 GM canola supply chain participants**



The complete report (GTA/AOF Market Choice Stakeholders Report) details the supply chain control points and associated documentation in detail.

Table 3 outlines the performance checklist and the evidence used to demonstrate that the market choice framework has operated effectively and in accordance with the protocols.

**Table 3: Identity preservation protocol performance checklist**

Flow chain step	Compliance measure	Achieved	Evidence
Access to technology	All farmers growing Roundup Ready canola accredited	✓	Monsanto records of attendance and successful completion of exit quiz
	All TSP's accredited	✓	Monsanto records of attendance and successful completion of exit quiz
On farm production	All farmers growing Roundup Ready canola signed license agreement to adhere to CMP	✓	Monsanto records of signed grower agreements
	Adherence to CMP	✓	Monsanto (including TSPs) in crop checks. Growers delivered all tonnes against contract/s
	Grower declaration at delivery	✓	GrainCorp, Kelly & Sons and ABA records of grower delivery cards
Storage and handling	Receival documentation	✓	GrainCorp, Kelly & Sons and ABA records of grower receival documentation
	All tonnes delivered as per specifications	✓	GrainCorp, Kelly & Sons and ABA records of grower receival samples

## Embedding Market Choice in the Supply Chain

The grains industry, through GTA and AOF, has initiated a number of processes and protocols to ensure the success of delivering market choice in 2008 is replicated for future seasons. This includes the development of trading standards for Non GM Canola; supporting documentation outlining a Code of Practice for harvesting equipment clean down as well as a Roundup Ready<sup>®</sup> Canola Lateral Flow Test Strip Kit Method; updated product declarations for the complete supply chain; ensuring an effective dispute resolution system is in place (through existing GTA processes); and aligning Australian processes with international standards.

## Conclusion

The effectiveness of the market choice protocols for the 2008 season has been validated, and there is no need to revise the protocols that were developed.

For 2009, it is envisaged that the two canola standards (CSO1 and CSO1-A) will operate and that the protocols will be applied to enable market choice against these two segregations.