



Frequently Asked Questions

New segregation for pre-harvest application of glyphosate on feed barley

Why has CBH introduced this new segregation now in the middle of the growing season?

CBH has a responsibility to assist growers in maintaining market access for barley and continue to facilitate Western Australia's strong reputation as a provider of clean and safe grain.

To ensure CBH can manage the risk and protect your markets, we are taking action now by introducing the new barley segregation (BFDEC) for the 2018/19 harvest separate to standard feed and malt barley segregations.

We appreciate the timing will have some impact on growers, however we have endeavoured to inform growers of the change as soon as possible and in advance of crop maturity.

Australia has an MRL for glyphosate on feed barley, so why does CBH need to take this action?

Whilst the current Australian MRL for glyphosate on feed barley is 10.00 parts per million (ppm), not all countries have a set MRL for glyphosate.

The vast majority of Western Australia's feed barley is exported to countries that **do not have a set MRL**. This means that if glyphosate was detected at any level there is a risk that the market could reject the shipment and ban further exports of feed barley.

Why don't all export markets have the same MRLs for glyphosate as Australia?

Each country has the right to establish their own MRLs and it is up to the importing country to decide what they will and won't allow into their country. Internationally, CODEX is generally considered the main standard for food safety but there is no requirement for any country to strictly adhere to CODEX standards.

If not all markets have an MRL for glyphosate on feed barley, why is there a permit that allows it's use?

If there is no permitted use for a chemical then the APVMA is not able to maintain an MRL for that chemical. This would mean that there would be no approved use, and therefore an MRL of zero.

As glyphosate is a commonly used agricultural chemical it would be impractical to have an MRL of zero as it would mean any trace residues of glyphosate in barley stocks would render those stocks as unusable for anything.

Notwithstanding this, each country has the right to establish their own MRLs and decide what they will and won't allow into their country.

FAQ: New BFDEC segregation for 2018-19 season

I'll be using glyphosate on my feed barley crop, what will I need to do at harvest?

The pre-harvest application of glyphosate on feed barley will need to be declared on your Carters Delivery Form (CDF) when you deliver your load to CBH. This is the same process as last harvest but the difference is that we will be segregating that load from normal feed and malt segregations.

Not all sites will have both a feed (BFED1) and new glyphosate (BFDEC) segregation so we recommend advising your local Area Manager of your intentions and confirm which sites the segregation will be available at before you deliver.

Will CBH Marketing & Trading be adding the new grade to existing contracts?

Yes. There will be two options available depending on if you have a **fixed** or **multi-grade** contract with CBH Marketing & Trading.

Existing fixed grade feed barley contracts - CBH will add the new grade (payment grade BDEC) to your existing contract at the same price as feed barley (BFD1) so you will be able to deliver either grades and receive the same price. You do not need to take any action and you will not be impacted by any pricing differentials on these existing contracts.

Existing multi-grade barley contracts - we note that while there is no allowable limit for glyphosate in malting segregations, there is still a decision point where this chemical application may be executed and therefore you will have the option to add the new BDEC grade to your contract under the following conditions:

- You must request to add the new BDEC grade in writing by email to CBHMarketingWA@cbh.com.au by **5pm on Friday, 28 September 2018**. It is important that any requests are in writing to ensure efficient processing of the amendment;
- The BDEC grade spread on the day of your request will be applied to the feed price on your existing multi-grade contract. Any requests received after 5pm will have the next business day's spread applied;
 - *For example, if you have a Scope Multigrade contract with SCP1 at \$300 and BFD1 at \$260 per tonne and there is a spread of -\$10 from BFD1 to BDEC, your contract will have the BDEC grade added at \$250*
- After the cut-off date BDEC will no longer be an option to add to an existing multi-grade contract; and
- An existing contract is any 2018-19 season contract that has been entered into prior to CBH publishing a price for the new BDEC grade on 27 July 2018.

Why can't CBH just add the new grade to my existing multi-grade contract at the same price as feed barley?

The APVMA permit allows the pre-harvest use of glyphosate on **feed and food barley only**, it is not permitted for use on malting barley. CBH Marketing & Trading views that growers who have entered into a malting barley multi-grade contract have the intention to deliver malt. The feed option on multi-grade contracts are primarily used in the event the grain does not meet the malt specification and in those cases, may then be delivered to the standard feed barley segregation and achieve the price that was contracted.

Won't marketers just sell the feed barley as is and pocket the difference anyway?

Marketers who purchase the new grade (BFDEC) will not be approved to ship the grade from the CBH supply chain to markets that have no set MRL as per the National Residue Survey (NRS) or other appropriately defined formal MRL.

This position will be reviewed if these countries introduce an MRL for barley at any time.

FAQ: New BFDEC segregation for 2018-19 season

How will CBH be testing for this?

CBH has a rigorous chemical residue monitoring regime for grain delivered to its receival sites. Secure samples are collected from delivered loads at specific rates. Samples are bagged and recorded with the relevant grower details, signed by the grower and/or representative at the time of collection, enabling full traceability.

CBH also monitors stack quality and is able to trace back detections to a grower level if required.

The Department of Agriculture and Water Resources through the National Residue Survey conducts chemical residue testing on every shipment of grain exported from Western Australia. In addition, grain buyers conduct independent chemical residue testing on some export shipments from Western Australia.

What will happen if I get a detection of glyphosate in my sample?

Growers who do not declare pre-harvest application of glyphosate on barley in their CDF and who subsequently have a detection may be found to be in breach of CBH's Contaminated Load Three-Strike approach. The penalty for growers who do not correctly declare will be to pay for the cost recovery charges as set out below:

- **Strike One** - level one contaminated load fee of \$5,400 charged for each load delivered in breach and the new mandatory load testing fee of \$1.00 per tonne will be charged on all deliveries in the following year – charges will be invoiced post-harvest.
- **Strike Two** – a contaminated load fee for every load delivered in breach, a pre-delivery residue testing fee of \$1.25 per tonne to permit deliveries to CBH and the new mandatory load testing fee of \$1.00 per tonne to test every load delivered the following year.
- **Strike Three** – a level one contaminated load fee of \$5,400 charged for each load delivered in breach and the grower will be banned from delivering to the CBH supply chain.