

BRIEFING NOTE

Canola standards

April 2009

Canola standards

- There has been recent discussion about canola standards. This is not a new direction but was part of the market choice framework on which the industry based its support for commercial production of GM canola and the standards were established in 2008.
- The two standards will ensure that there is a “non-GM” supply chain in place for the canola crop for 2009.
- Industry supports the canola and non-GM canola standards operating in 2009 in order to meet customer requirements for canola and non-GM canola in both domestic and export markets.
- These standards are consistent with how trade operates in the global market.
- The market will determine the demand for each segregation. Discussions in relation to the 2009 season and requirements are underway. The outcome will be determined by customers and the profile of the Australian crop (and it is entirely possible that the non-GM segregation will remain the dominant segregation this year and in future years).
- The requirement for testing will be determined by the individual members in the supply chain and the need to meet customer requirements.
- AOF has developed a range of supporting protocols and guidelines to enable market choice to be delivered effectively.
- **Further information:** Nick Goddard, AOF, 02 8007 7553

GrainCorp comments

- Industry sets standards (in this case the Australian Oilseed Federation [AOF]) and GrainCorp receives canola in line with those standards.
- Traders, processors and storage and handling providers have contributed to the standard setting process. GrainCorp is a member of Grain Trade Australia (GTA – formerly NACMA) and follows the standards set by the broad industry group that participates in the standards committee.
- The CSO1 standard allows all varieties to be binned together regardless of the technology employed (that is, the standard doesn't exclude Roundup Ready/GM canola). We will offer binning for this 'grade' at most, if not all canola receival sites.
- The CSO1-A standard does exclude Roundup Ready/GM canola varieties (with a relevant AP tolerance). As a result we will have to implement additional measures to ensure that any canola delivered under the CSO1-A standard conforms with it. Thus there will be additional surveillance measures required. These come at a cost which will be directly applied to deliveries made under that standard. We will not cross subsidise between CSO1 and CSO1-A, as this is iniquitous for those delivering under the CSO1 standard.
- We will offer CSO1-A binning at sites based on demand, with the location of these sites yet to be determined. In making the decision about which sites will receive CSO1-A, GrainCorp will consult with the relevant customers to ensure we can match anticipated production, demand and site segregation capability factors. We are still some way from making these determinations, as the area planted to canola in total is as yet far from known. At this time, we also have no knowledge of the likely distribution of Roundup Ready/GM canola varieties.
- Last year GrainCorp provided storage and handling for RR canola in accord with industry wishes. This season GrainCorp will once again act in a manner that is in accord with industry wishes by adopting and making provision for the standards set by the industry.
- **Further information:** David Ginns, GrainCorp, 02 9325 9132.

The canola standards

At as 1 August 2008:

- CSO1: canola, being either GM or non-GM canola at any level of admixture of OGTR approved events - all other parameters are as previously listed
- CSO1-A: non-GM canola is developed as a new Standard. All parameters are to be as per CSO1, except in the description reference is made to GM events approved by the OGTR at levels below 0.9%.