



Australian
Competition &
Consumer
Commission

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NEWS RELEASE

ACCC ISSUES DRAFT DECISION ON GRAINCORP'S PROPOSED WHEAT PORT ACCESS ARRANGEMENTS

The Australian Competition and Consumer Commission today issued a draft decision on GrainCorp's proposed wheat port access arrangements for October 2011 to September 2014.

The proposed arrangements would replace GrainCorp's current undertaking, which was accepted by the ACCC on 29 September 2009.

GrainCorp's proposed undertaking relates to the provision of access to services for the export of bulk wheat at seven grain terminals operated by GrainCorp in Queensland, New South Wales and Victoria. These terminals are:

- Queensland: Fisherman Islands, Gladstone and Mackay;
- New South Wales: Carrington and Port Kembla; and
- Victoria: Geelong and Portland.

GrainCorp must have access arrangements in place by 1 October 2011 in order to retain accreditation to export bulk wheat under the Wheat Export Marketing Act 2008.

The ACCC considers that GrainCorp's current access arrangements have successfully allowed access to GrainCorp's port terminal services by wheat exporters and that it is appropriate for the existing arrangements largely to continue. These arrangements are a publish-negotiate-arbitrate approach to access provision with capacity allocated between users on a first come, first served basis.

However, the ACCC identified some areas of the existing arrangements for improvement. These include that the ACCC have the ability to intervene if there is a material change to GrainCorp's port loading protocols, information gathering powers for the ACCC and a requirement for GrainCorp to provide to the ACCC a copy of the access provision terms to its own trading division.

GrainCorp has provided suggested amendments to its proposed wheat port access arrangements to address these issues. An issue on which the ACCC is also seeking comments concerns capacity management arrangements and whether improved capacity management outcomes may be achieved if shipping slots are transferable between wheat exporters.

The ACCC draft decision and GrainCorp's proposed amended undertaking will be available on the ACCC website
<http://www.accc.gov.au/content/index.phtml?itemId=868801>

The ACCC is seeking comments on its draft decision from interested parties by 22 April 2011.

Media inquiries

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