



Ref: CSD/GAM1631/gam

17 March, 2008

Carol Robertson
Australia – India FTA Feasibility Study
Department of Foreign Affairs and Trade
RG Casey Building
John McEwen Crescent
Barton ACT 0221

SUBMISSION IN REGARD TO AN AUSTRALIA - INDIA FTA FEASIBILITY STUDY

ABB Grain Ltd is pleased to respond to your public invitation to make a submission regarding an Australia – India FTA Feasibility Study.

About ABB Grain Ltd

ABB Grain is a South Australian based company and is a leading Australian integrated agribusiness with a multi-faceted operation and international focus. The company's diverse range of services spread across the entire supply chain, including accumulation, storage, malt, processing, logistics, fertiliser, financial services, marketing, ship chartering and trading.

With a national presence ABB Grain accumulates from all grain growing regions across Australia. Providing a range of grower friendly marketing options to over 21,000 growers throughout the Australian broadacre cropping regions, the company trades in all grain commodities and is now one of the nation's largest wheat traders.

ABB Grain's operations in New Zealand, located in Auckland and Christchurch, are focused on the trading and distribution of grains, proteins and feed ingredients.

The company's network of 111 country silos extends throughout South Australia and also includes two sites in Victoria and seven export shipping terminals with a capacity of more than 10 million tonnes. In addition, ABB jointly owns with Japanese trading company Sumitomo, Australian Bulk Alliance (ABA), a grain storage and handling company based in the eastern states. The ABA network covers seven grain storage sites in Victoria and New South Wales, and a 50% ownership of the Port of Melbourne grain terminal.

ABB has extensive experience in servicing the international and domestic barley and wheat markets, built over 50 years of developing marketing relationships. While exporting to over 40 countries across a range of commodities, our key trading partners in world barley trade are based in Saudi Arabia, China, Japan, United Arab Emirates, Taiwan, South Korea and South America.

ABB Grain's malting division, Joe White Maltings, is one of the world's largest producers and exporters of malt with the capacity to produce 500,000 tonnes per annum. The eight malting plants strategically positioned across Australia include the largest malthouse in the southern hemisphere, situated in Perth (WA). Over 75% of Joe White's production is exported, primarily to the major breweries in Japan, Korea, Philippines and other south east Asia breweries.

The company's Professional Grain Services subsidiary specialises in packing bulk and bagged grain in shipping containers for export, as well as providing a full range of storage, grain cleaning, grading and bagging facilities.

An Australia – India FTA

ABB believes there are significant opportunities and benefits for both Australia and India from the development of an Australia – India Free Trade Agreement, particularly in the area of agriculture. There are however a number of significant impediments to the realization of these benefits, including restrictive import tariffs on grains and equipment, as well as a number of extremely stringent and onerous sanitary and phytosanitary requirements. We believe that the elimination of these impediments will allow Australian companies to export more products and services to India, which will help the Indian economy grow and develop.

Barley and Malt

ABB Grain Ltd believes that there are significant benefits for the Indian Government to consider the removal of the existing restrictions on barley and malt imports.

As highlighted in the Australia - India FTA Background Paper, "India's rapid growth in recent years has produced an expanding middle class. This middle class has significant disposable income by Indian standards and is increasingly open to the purchase of discretionary and/or imported products". One particular area that is seeing growth as a result of this expansion is beer consumption. ABB believes it has much to offer in the provision of both products and services to this industry.

Barley production & consumer demand

Malt is manufactured from barley and is a key ingredient in the production of beer. Typically the higher the quality of barley, the better the malt and therefore the better the beer. In respect to the Indian market today, the majority of the barley used for malt production is currently from domestic production. Indian barley however typically has lower malt quality and malt extraction rates when compared to Australian barley.

	Malt Extract %
Australian Malting Barley	80
Australian Feed Barley	75
Indian Malting Barley	70

The Indian Barley Crop has averaged around 1.3 million tonnes pa over the last 5 years, but has been steadily declining at a compound rate of 1.5% p.a. since in 1990. This decline is due to number of domestic policies which have resulted in a decrease in the area sown. There has also been a steady decrease in yields.

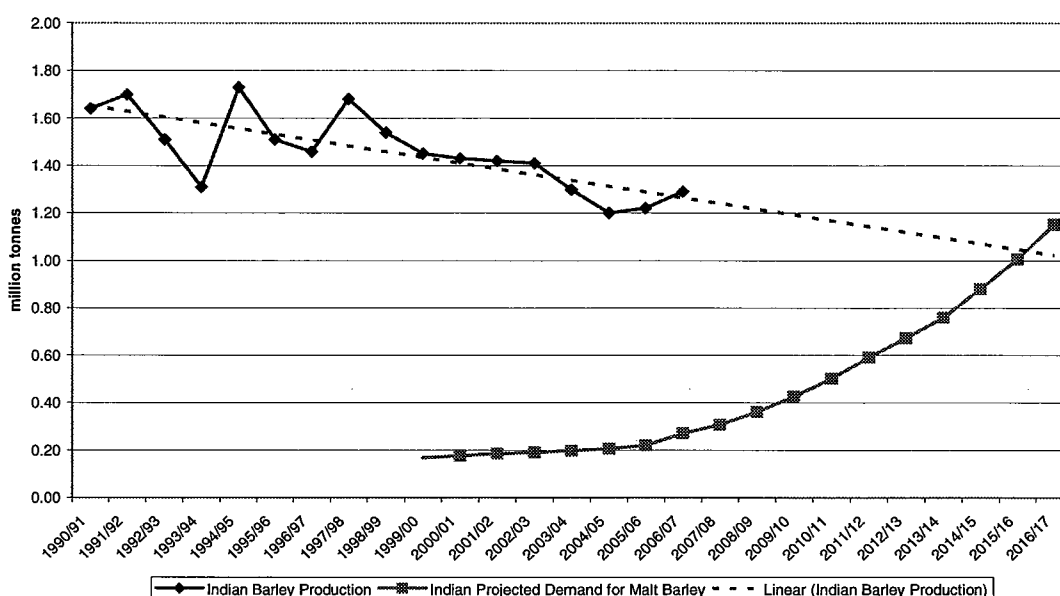
Over the same time the Indian beer market has been increasing at approximately 7% p.a. since 2000, with the International Brewing Industry Magazine, "Brewers Guardian",

reporting that the Indian beer market grew by over 24% in 2006.

The Indian malt industry is now consuming approximately 307,000 tonnes of barley annually, or 24% of the total Indian barley crop.

Current projections are that domestic barley production will continue to decline and beer consumption will continue to increase. It is expected that by 2017, approximately 1.15 million tonnes of barley will be required to meet India's demands for malt. If barley is not able to be sourced from other origins, this would theoretically require approximately 89% of the domestic Indian barley production to be used for Indian malt production. We believe this is unachievable as it would severely limit the availability of barley for other domestic uses, such as stockfeed. As a comparison, only 12% of Australia's barley crop is currently used for malt production.

Indian Historic & Projected Barley Production against Projected Malting Barley Demand



Estimated Indian barley & malt tonnages 2008 - 2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beer Industry Malt Demand ('000 tonnes)	193	231	277	331	395	454	522	600	690	794
Food Industry Malt Demand ('000 tonnes)	50	55	61	67	73	80	88	97	107	118
Indian Malt Demand – Total ('000 tonnes)	243	286	338	398	468	534	602	697	797	912
Indian Barley Demand ('000 tonnes)	307	361	427	503	591	674	760	880	1,006	1,152
% of 5 Year Average Indian Barley Crop	24%	28%	33%	39%	45%	52%	58%	68%	77%	89%

As the population of India grows there is expected to be considerable pressure to use all available land to provide food to sustain the population. India is so concerned about feeding its population that it currently subsidises food production (e.g. rice, wheat, etc). However, because of the regulated and highly taxed nature of the beer industry, there is little opportunity for farmers to extract a higher price for barley. Instead, barley farming returns drop relative to “subsidised food production” industries (e.g. wheat and rice), which shifts land from barley production to other more economically attractive crops. From the Indian government’s point of view, land currently producing barley can be better utilised growing crops that feed its population.

Constraints on Malt production in India

Potential growth restrictions imposed by supply issues are compounded by geographical constraints on the production of barley and malt in India. The majority of malt production is situated in the north of the country, just south of New Delhi, as the Indian barley crop is mainly produced in nearby states of Rajasthan, Punjab & Haryana. Climatic conditions in the northern parts of India also suit the process of converting barley into malt. The malt is then transported to breweries around the country.

Despite the fact that 75% of Indian beer consumption takes place in the southern latitudes (50%) or middle latitudes (25%), it is economically difficult to make malt in those environments due to the high temperature and humidity imposts on malt production costs. There are also impediments to expansion of the existing malt industry in India due to high tariffs (approximately 34%) on imported machinery, infrastructure constraints such as water and electricity, and domestic sales tax excises on malt.

The northernmost ports (e.g. Kolkata, Mumbai) through which barley could be imported are still not far enough north to evade the humidity to enable malt to be manufactured economically. Hence, barley imported through these ports would need to be transported an additional 1,500 - 2,000 kms further north to the existing malthouses near New Delhi.

Once malted, 50% of this malt would be transported to breweries in the south of the country and another 25% transported to the central states.

In absence of increased Indian barley production, to maintain growth in this industry the only alternative is to import, either barley or malt. From the Indian brewing industry’s point of view, imports could provide immediate relief to pressing quantity and quality issues that may hinder the growth of their business.

Barley

As we understand the current situation, there are no tariff issue for imported barley. India does however have very stringent quarantine requirements that make it difficult to import malt barley to India (refer attachment A).

The Indian Plant Quarantine (Regulation of Import into India) Order, 2003, updated in January 2008, states that barley grains for malting must be either fumigated with Methyl Bromide @ 32g/cu. Metre at 21 degree Celsius OR Fumigation with Aluminium Phosphide @ 9g / metric tonne for 21 days.

Methyl Bromide is phyto-toxic to the germ (ie it kills the germ). As malt is produced through a process of germinating the grain (which converts starches into sugars suitable for brewing), the killing of the germ makes the barley completely unsuitable for malt production. From an environmental perspective, Methyl Bromide is also an ozone

depleting substance and is progressively being banned from use under the Montreal Protocol on Substances that deplete the Ozone Layer. While the use of Methyl Bromide is still permitted under the protocol for Quarantine and Pre-Shipment (QPS), its ongoing use is not sustainable.

In respect to Aluminium Phosphide (AIP), while the decision by the India government to specify an AIP rate for barley does give Australian exporters an alternative treatment to Methyl Bromide, AIP is the solid product that through a chemical reaction produces phosphine gas (PH₃). Phosphine is the actual active ingredient. Typically 3 gms of AIP will produce 1 gm PH₃, so the rate specified by the Indian authorities of 9 g/t AIP = 3 g/t PH₃ for 21 days.

There are two significant issues with the India regulation as it currently stands.

- 1) The application rate specified by the Indian authorities for AIP is up to 3 times higher than the standard Australian label. It should also be noted that the application rate specified is a starting rate for the solid formulation. These rates are designed to provide the complete dose in one initial application that allows for a progressive loss in gas (concentration) over the treatment period. These rates are very basic and typically do not include any mention of either an average or minimum concentration of gas over the treatment period.
- 2) The larger Australian Grain Handling Companies are moving away from solid AIP formulations for Phosphine fumigations, opting rather for methods whereby the Phosphine is directly applied (injected) into the grain. The application rates for these direct applications are normally at rates much lower the initial application rates specified for solid formulations. The main reason for this is that the phosphine gas is being continually injected into the grain bulk to maintain a specified concentration. This makes it difficult to provide a declaration in respect to an application rate based on AIP, although an "equivalent" AIP rate could be calculated, providing this is acceptable to the Indian government. An example of such a calculation may be to divide the specified phosphine rate (3g/t) by the number of days (21 days) to provide an average daily application rate (0.15g/t/d).

India also has a requirement for freedom from ergot, which is caused by the fungus Claviceps purpurea. This fungus causes not only ergot in barley (and wheat) it is also causes ergot in ryegrass (a weed seed). While it is extremely unlikely to ever find ergot in Australian barley, it is possible to find ergot in ryegrass at very low levels. Ryegrass can be present in barley, again at very low levels so there is a risk ergot affect ryegrass could be detected in barley shipments at very, very low levels.

India also has published a list of prohibited weed seeds. Again while unlikely, it is possible that a very small number of these seeds may be present in barley from time to time.

We note that in 2006 the Indian government issued an exemption under its Quarantine Act that allowed very low levels of ergot and the prohibited weed seeds in shipments of wheat (refer attachment B). The exemption has been extended from time to time, however it is our understanding that there is no current exemption in force.

To allow barley to be imported into India with confidence, these quarantine restrictions would need to be reviewed and acceptable alternatives put in place.

In a related issue, the Australian Quarantine and Inspection Service (AQIS) has an obligation to ensure that the quarantine conditions as prescribed by the Indian government are complied with.

This not only includes the inspection of export grain for the presence of insects, but also prohibited weed seeds and any other import restrictions. In respect to the condition that grain is fumigated with Methyl Bromide or Phosphine, AQIS will verify that the grain has been fumigated with the prescribed treatment. In addition to this, they have also ruled that if an insect is detected during loading in any grain that has been treated in accordance with the Indian requirements, in addition to the standard rejection protocols applicable to grain exports, AQIS will deem that the treatment was not effective and they will not endorse the Phytosanitary Certificate with the treatment details. The effect of this is that the Indian authorities will not accept the cargo, effectively rejecting all grain on board the vessel from that origin.

The economic consequences of this occurring would be devastating for many exporters and it is therefore a risk exporters cannot afford to take, particularly in respect to bulk cargos.

While we recognise India's right to establish appropriate quarantine restrictions, these restrictions do, whether as a result of regulations imposed by the Indian government or as a result of AQIS interpretation, impose significant risks on Australian exporters. Exporters must have confidence that they can ship grain without undue risks if trade with India is to be developed.

Malt

At the moment it is unclear if there are any specific quarantine restrictions for malt imports into India. This is because malt is not mentioned in the current Indian quarantine regulations and it is difficult to determine from the regulations if malt, as a processed product, is exempt from the regulations. The Indian regulations define;

“plant product” means an un-manufactured material of plant origin including grain and those manufactured products that, by their nature or that of their processing, may create risk for the introduction and spread of a pest”, and

“No import permit shall be permitted for the consignment other than those listed in Schedule – V, VI and VII unless the Pest Risk Analysis (PRA) is carried out “

Either malt is exempt under the definition of plant products (this is not clear), or if it is not exempt, then because malt is not listed in the defined Schedules, and it isn't listed as a commodity “not requiring clearance”, then it is likely a PRA will need to be completed to determine if there are any specific quarantine restrictions on malt.

A major impediment though to the import of malt is the current import tariff on malt, which is currently at 64% (tariff line 11071000 – Malt, not roasted). The removal of this tariff would allow Indian Brewer's the opportunity to more economically import higher quality malt into India, thereby allowing expansion of the current brewing industry in India.

Malt tariffs

HS Code	Item description	Effective from	Custom Duty	Rate
11071000	Malt – Not Roasted	01-Mar-2008	Customs basic Duty:	40
			Basic Duty Pref:	
			Addl Duty (CVD):	14
			Spl Addl Duty (Spl.CVD):	3
			Excise CESS	3
			Customs CESS	3
			Total	64

Impacts of removal of the malt tariff

The need to ensure the supply of food for its population is a critical issue for the Indian government. Its current policy of subsidies for other food crops is seeing a decline in the production of barley, which is in turn going to limit the development of the Indian brewing industry.

It is difficult to see India meeting the extra demand for malt from their current domestic barley production. The current proportion of the crop used for malt production (24%) is already extremely high and it will be difficult for even more of this production to be diverted in malt production without there being severe impacts on other domestic users of barley.

Given the already tight barley situation in India, where a significant proportion of the Indian barley crop is consumed by the malting industry (24% rising to a potentially unrealistic 89%), it makes sense for India to facilitate the import of malt and barley as beer growth consumes an increasing proportion of the Indian barley crop.

In the event that the malt import tariff was removed, we believe it would see malt imports serving the southern and central parts of India (75% of Indian brewing sales). The area serviced by imported malt would of course be limited by production in northern India and the demand by consumers for beer.

The removal of tariffs will allow more malt to be directly imported into India. Allowing brewers to produce and sell more beer (which delivers significant taxes) is more beneficial than levying a trade distorting tariff on malt imports, which currently would deliver very little in taxes to the Indian Government.

In respect to existing malthouses in India, it is believed that as the local malting capacity is at full production, and due to increasing demand, importing malt or barley would not adversely affect the local maltsters. It may in fact stimulate a higher malt price as such imports would have to more closely reflect international malt pricing.

As stated above, we believe there are a number of very positive benefits for India to consider the removal of import tariffs and regulation on malt and barley.

Key points

There is decreasing barley production,

There is increasing demand for beer,

This combining with population growth to limit food availability,

The existing tariffs provide little revenue to the Indian Government.

The removal of tariffs will;

- Allowing India to focus on food production
- Increase investment in brewing capacity, resulting in increased revenue to Indian Government

- Have little impact on domestic maltsers (may even improve domestic malt prices)

Indian quarantine regulations would need to be reviewed in respect to barley imports

In respect to malt imports, ABB would be exporting Malt Unroasted (line no. 1107 10 00), which currently attracts a 64% import tariff.

Wheat

ABB believes there is the potential for Australia to export significant tonnage of wheat to India. As India's population continues to grow it is going to increasingly difficult for India to source its food requirements from domestic production.

As with barley, ABB understands that there are no import duties on wheat for human consumption. However, as is the case for barley, there are strict sanitary and phytosanitary restrictions for wheat that make it extremely difficult to import wheat to India (refer attachment C).

Again, these include a requirement that all wheat is fumigated with Methyl Bromide and that the treatment is recorded on the Phytosanitary Certificate. As is the situation with barley, because of the procedures that AQIS are adopting when required to certify that a treatment has occurred, many exporters are unwilling to risk exporting wheat to India. Alternatives that give exporters confidence that their shipments are going to be acceptable to the Indian Quarantine Authorities is essential if this trade is to be developed.

The Indian Quarantine Authorities also apply stringent restrictions on certain weed seeds, many of which are common in Australian grain. As discussed earlier, the Indian Government has previously issued exemptions (refer attachment B) that allowed low levels of these restricted weed seeds. Again, alternatives that give exporters confidence that their shipments are going to be acceptable to the Indian Quarantine Authorities is essential if this trade is to be developed.

Pulses

The issues relating to fumigation and weed seeds in barley and wheat are also applicable to the export of pulses, including Field Peas, Chick peas and Lentils (refer attachment D). In the case of these crops though, there are also import duties applicable.

HS Code	Item description	Effective from	Custom Duty	Rate
07081000	Peas (<i>Pisium sativum</i>)	01-Mar-2008	Customs basic Duty: Basic Duty Pref: Addl Duty (CVD): Spl Addl Duty (Spl.CVD): Excise CESS <u>Customs CESS</u> Total	30 <u>3</u> 33

HS Code	Item description	Effective from	Custom Duty	Rate
07082000	Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.)	01-Mar-2008	Customs basic Duty: Basic Duty Pref: Addl Duty (CVD): Spl Addl Duty (Spl.CVD): Excise CESS <u>Customs CESS</u> Total	30 <u>3</u> 33

HS Code	Item description	Effective from	Custom Duty	Rate
07089000	Other leguminous vegetables	01-Mar-2008	Customs basic Duty: Basic Duty Pref: Addl Duty (CVD): Spl Addl Duty (Spl.CVD): Excise CESS <u>Customs CESS</u> Total	30 <u>3</u> 33

ABB believes a reduction, or even elimination, of these restrictions and import duties would contribute towards the development of a strong and reliable trade between Australia and India.

I trust this information is of assistance to you in your discussions into the feasibility of an Australia – India Free Trade Agreement. If you require any further information or would like to discuss any of the issues raised, please contact Mr Geoff Masters (08 8304 5104).

Yours sincerely



Geoff Masters
Quality & Technical Services Manager

Attachment A

168	<i>Heuchera</i> spp.	Tissue cultured plants	Any Country	Certified that the tissue cultured plants were obtained from mother stock tested and maintained free from virus	Nil
169	<i>Hibiscus</i> spp. (Hibiscus)	(i) Seeds for sowing	(i) Dominican Republic (ii) China	Free from <i>Ascochyta abelmoschi</i> (Leaf spot)	Free from quarantine weed seeds.
		(ii) Plants for propagation	(i) Asia	Free from <i>Colletotrichum hibisci</i> (Anthracnose)	Free from quarantine weed seeds.
			(ii) Australia	Nil	Post entry quarantine for a period of 45 days.
			(iii) USA	Free from Hibiscus chlorotic ring spot virus	Post entry quarantine for a period of 45 days.
170	<i>Hoardia</i> spp.	Tissue cultured plants	Any Country	Free from: (a) <i>Parabemisia myricae</i> (Bayberry whitefly) (b) <i>Paracoccus marginatus</i> (Papaya mealybug) (c) <i>Pectinophora scutigera</i> (Pink spotted bollworm) (d) <i>Phenacoccus madeirensis</i> (Cassava mealybug) (e) <i>Pseudococcus calceolariae</i> (Citrophilus mealybug) (f) <i>Pseudococcus jackbeardsleyi</i> (Jack Beardsley mealybug) (g) <i>Spodoptera frugiperda</i> (Fall armyworm) (h) <i>Steirastoma breve</i> (Cacao beetle) (i) <i>Armilaria tabescens</i> (Armilaria root rot) (j) <i>Rhizobium rhizogenes</i> (Bacterial gall) (k) Hibiscus chlorotic ring spot virus	Post entry quarantine for a period of 45 days.
171	<i>Hordeum</i> spp. (Barley)	(i) Seeds for sowing	Any Country	Certified that the tissue cultured plants were obtained from mother stock tested and maintained free from virus	Nil
			Any Country	Free from: (a) Glume rot (<i>Pseudomonas syringae</i> pv. <i>atrofaciens</i>) (b) Barley Stripe mosaic (Hordeivirus) (c) Ergot (<i>Claviceps purpurea</i>) (d) Granary weevil (<i>Sitophilus granarius</i>)	(i) Free from quarantine weeds. (ii) Import subject to prior approval of Department of Agriculture and Cooperation in the Ministry of Agriculture.

		(ii) Grains for consumption	Any Country	Free from : (a) Ergot (<i>Claviceps purpurea</i>) (b) Granary weevil (<i>Sitophilus granarius</i>)	Fumigation with Methyl bromide @ 32 g/cubic metre @ 21°C and above for 24 hrs. under NAP and the treatment to be endorsed on phytosanitary certificate or by any other fumigant/substance in the manner approved by the Plant Protection Adviser.
		(iii) Grains for malting	Any Country	Free from: (c) Ergot (<i>Claviceps purpurea</i>) (d) Granary weevil (<i>Sitophilus granarius</i>)	Fumigation with Methyl Bromide @ 32g/cu. Metre at 21 degree Celsius or above under NA; OR Fumigation with Aluminum Phosphide @ 9g/metric tonne (in case of import in bulk) with an exposure period of 21 days and either of the above treatment is to be endorsed on the PSC.
172	<i>Hosta</i> spp.	Tissue cultured plants	(i) USA (ii) Any country except USA	Certified that the tissue cultured plants were obtained from mother stock tested and maintained free from : (a) Impatiens necrotic spot virus (b) Tomato ring spot virus (c) Hosta virus X Certified that the tissue cultured plants were obtained from mother stock tested and maintained free from hosta virus X	Nil Nil
173	<i>Humulus</i> spp. (Hops)	(i) Cuttings (rooted/ un-rooted)/saplings (ii) Dried flower cones (hops) in bales for industrial processing	Any Country Any Country	Free from: (a) Downy mildew (<i>Pseudoperonospora humuli</i>) (b) Hops cyst nematode (<i>Heterodera humuli</i>) (c) Hop viruses As above at (b)	(i) Post-entry quarantine for a period of 6 months. (ii) Free from soil. (i) Heat treatment at 63°C for 6 hrs (ii) The refuse collected from the Mill and the jute bags that are used for packing should be destroyed by incineration.

F.No.18-7/2006-PP.II
Government of India
Ministry of Agriculture
Department of Agriculture & Cooperation
(Plant Protection Division)

Krishi Bhavan, New Delhi
3rd July 2006

ORDER

I The Central Government, in exercise of the powers under Clause 14(1) of the Plant Quarantine (Regulation of Import into India) Order 2003, as amended, hereby relaxes, in the public interest, the conditions of the Order pertaining to the import of *Triticum* spp (Wheat) – grains for consumption or processing.

Wheat grains for consumption and processing shall be allowed to be imported into India up to 31.12.2006 in accordance with the following conditions:-

- (i) The wheat consignment would be required to be certified to be free from Granary weevil (*Sitophilus granaries*).
- (ii) The wheat consignment would be required to be certified to contain less than 0.01% Ergot (*Claviceps purpurea*) w/w.
- (iii) The wheat consignment would be required to be certified to contain less than 0.005% Dwarf bunt (*Tilletia contraversa*)
- (iv) The wheat consignment would be required to be certified to contain less than average of 100 quarantine weed seeds, as per Schedule VIII of this Order, per 200 kg of samples drawn as per the prescribed procedure.
- (v) The wheat consignment would be required to be fumigated with Methyl Bromide @32 g/cu m at 21°C and above for 24 hours under Normal Atmospheric Pressure and the treatment endorsed on the Phytosanitary Certificate OR the wheat consignment would be required to be fumigated with Aluminium Phosphide @ 40g/1000 cu ft for a period of at least 21 days prior to arrival into India provided the ship hold has provision for post re-circulation of phosphine gas during the period of transit.

The wheat consignment would be required to be accompanied by a valid Phytosanitary Certificate (PSC) in conformity with the accepted International Convention, issued by the concerned NPPO for each shipment. Such certificate may also be issued by the NPPO on the basis of inspection done by an agency accredited to the said NPPO.

II Inspection of the wheat grain shall be carried out prior to loading on to the vessel by an authorized officer or accredited agency of the National Plant Protection Organization (NPPO) of the exporting country. Such inspection shall be carried out as

per the guidelines prescribed under ISPM-12 (Guidelines for Phytosanitary Certificates-IPPC) to ensure that the wheat grain shipped to India has less than the permissible limit of quarantine pests / weeds. The following scale of statistically valid sampling programme should be applied to the entire shipment during loading. A sample of one kilogram of wheat should be drawn for every 20 Metric Tonnes of wheat grain loaded on to the vessel from the export lot of wheat grain and the entire quantity would be subjected to inspection to ensure that it is within the specified limit of quarantine pests and weeds. The sampling should be carried out either through a slotted grain sampler or nobbe sampler if it is bagged cargo or through an automatic sampling system attached to a grain elevator, which samples the grain at periodical intervals. The frequency of sampling and the size of sample will be set to facilitate drawal of the required sample as indicated above. Alternatively the samples may be drawn using deep bin probes (thermo sampler) from the ship holds/grain bins. Alternatively, the exporting country may adopt an appropriate statistical sampling intensity so as to give 95% confidence for detecting the prescribed tolerance levels for the quarantine pests and weed seeds specified in the tender. The samples shall be inspected by an authorized officer or accredited agency of the NPPO of the exporting country for grain contaminants such as bunt balls, ergots, weevil grain and weed seeds. For this purpose, the samples have to be inspected visually to detect bunt balls, ergots, weevil grain and weed seeds. If presence of any quarantine pests or weeds is detected above the limit specified in this tender, the officer of the NPPO / Agency should stop loading the wheat grain. In case any bunted grains are noticed shall be subjected to microscopic examination to characterize the species. The phytosanitary certificate for ergot, dwarf bunt, granary weevil and quarantine weeds may be issued on such sampling and inspection system.

This order comes into force with immediate effect in respect of all wheat shipments made on or before 31.12.2006 and is being issued in the public interest.

(Ashish Bahuguna)
Joint Secretary to the government of India

Copy to:

- i. Secretary, Department of Food & Public Distribution, with reference to D.O.No.3-10/2006-Impex dated 3.7.2006
- ii. Shri Gautam Ray, Joint Secretary (TRU), Department of Revenue, Ministry of Finance.
- iii. Dr. P S Chandurkar, Plant Protection Adviser, Dte. of PPQ&S with a request to apprise all Plant Quarantine Stations of the contents of the above order and to also publish it on the website of the Directorate.

(Amand Shah)
Director (PP)

Attachment C

308	<i>Trifolium alexandrinum</i> (Berseem and Clovers)	Seeds for sowing	Any Country	Free from: (a) Northern anthracnose (<i>Kabatella caulivora</i>) (b) Stem and bulb nematode (<i>Ditylenchus dipsaci</i>) (c) Sclerotinia wilt (<i>Sclerotinia trifoliorum</i>)	(i) Import subject to prior approval of Department of Agriculture and Cooperation in the Ministry of Agriculture. (ii) Free from soil. (iii) Free from quarantine weed seeds.
309	<i>Trifolium pretense</i> (Red clover)	Seeds for sowing	USA	Free from: (a) <i>Ditylenchus dipsaci</i> (Brown ring disease of hyacinth) (b) <i>Phomopsis longicolla</i> (Phomopsis seed decay) (c) <i>Sclerotinia borealis</i> (Snow blight of grass) (d) <i>Burkholderia andropogonis</i> (Bacterial leaf stripe of sorghum and corn) (e) <i>Pseudomonas viridiflava</i> (Bacterial leaf blight of tomato (USA)) (f) Peanut stunt virus	(i) Imports permitted subject to prior approval of Department of Agriculture and Cooperation. (ii) Free from soil and quarantine weed seeds. (iii) Crop inspection and certification for Free from (e) & (f)
310	<i>Triticum</i> spp. (Wheat)	Grains for consumption or processing	Any Country	Free from: (a) Granary weevil (<i>Sitophilus granarius</i>) (b) Ergot (<i>Claviceps purpurea</i>) (c) Dwarf bunt (<i>Tilletia contraversa</i>)	Fumigation with Methyl bromide @ 32 g/cu. m at 21°C and above for 24 hrs under NAP and the treatment shall be endorsed on phytosanitary certificate or by any other fumigant/substance in the manner approved by the Plant Protection Adviser for this purpose.
311	<i>Tropaeolum majus</i> (Nasturtium)	Seeds for sowing	(i) Netherlands (ii) France (iii) Germany (iv) U.K. (v) Spain (vi) Italy	Free from <i>Pseudomonas viridiflava</i>	(i) Free from quarantine weed seeds. (ii) Crop inspection and certification for <i>Pseudomonas viridiflava</i>
312	<i>Verbena</i> spp. (Verbena)	(i) Seeds for sowing (ii) Plants/cuttings for propagation	(i) Asia (ii) France (iii) Germany (iv) Netherlands (v) Denmark (vi) UK (vii) USA (i) Asia (ii) USA	Free from: (a) <i>Peridroma saucia</i> (b) <i>Pseudomonas viridiflava</i> Nil	Freedom from quarantine weeds seeds Free from quarantine weed seeds. Free from quarantine weed seeds. Post entry quarantine for a period of 45 days.

Attachment D

255	<i>Pisum</i> spp. (Pea)	(i) Seeds for sowing	Any Country	Free from: (a) Pod and stem blight (<i>Phomopsis logicolla</i>) (b) Stem and bulb nematode (<i>Ditylenchus dipsaci</i>) (c) Pea cyst nematode (<i>Heterodera goettingiana</i>) (d) Bruchids (<i>Bruchidius</i> spp. <i>Specularis impressithorax</i>) (e) Pea viruses viz. early-browning, enation mosaic and green mottle.	(j) Free from soil. (ii) Free from quarantine weed seeds (iii) Seed shall be appropriately treated with suitable fungicide and treatment shall be endorsed on the phytosanitary certificate.
256	<i>Plumeria rubra</i>	(ii) Seeds for consumption or processing	Any Country	Free from: (a) Stem and bulb nematode (<i>Ditylenchus dipsaci</i>) (b) Pea cyst nematode (<i>Heterodera goettingiana</i>) (c) Bruchids (<i>Bruchidius</i> spp. <i>Specularis impressithorax</i>)	Fumigation with Methyl bromide @ 32 g/cu. m at @ 21°C and above under NAP and the treatment to be endorsed on phytosanitary certificate or by any other fumigant/substance in the manner approved by the Plant Protection Adviser for this purpose.
		(i) Plants for propagation	(i) USA	Free from: (a) <i>Aspidiotus nerii</i> (acuba scale) (b) <i>Selenaspis arbutus</i> (west Indian red scale)	Post-entry quarantine growing for a period of 45 days.
		(ii) Tissue cultured plants	(ii) Australia	Free from <i>Aspidiotus nerii</i> (acuba scale)	Post-entry quarantine growing for a period of 45 days.
			(iii) Thailand (iv) Singapore Any Country	Nil Nil	Post-entry quarantine growing for a period of 45 days. Post-entry quarantine growing for a period of 45 days.
257	<i>Poa pratensis</i> (Kentucky blue grass)	Seeds for sowing	USA	Free from: (a) <i>Anguina agrostis</i> (Bentgrass nematode) (b) <i>Claviceps purpurea</i> (ergot) (c) <i>Monographella nivalis</i> (foot rot: cereals) (d) <i>Sclerotinia homoeocarpa</i> (dollar spot: grasses) (e) <i>Pantoea stewartii</i> (Bacterial leaf blight of maize)	(i) Imports permitted subject to prior approval of Department of Agriculture and Cooperation. (ii) Free from soil and quarantine weed seeds.
258	<i>Polypodium</i> spp. (Polypodium)	Plants for propagation	Any Country	Nil	Post entry quarantine for a period of 45 days.
259	<i>Polyscias</i> spp. (Polyscias)	Plants for propagation	Any Country	Nil	Post entry quarantine for a period of 45 days.