

The basics of how grain is imported into the UK

The aim of this brief is to explain the process of how imported grain used within the domestic supply chain adheres to UK and international regulations through assurance schemes. This document is focussed on the movement of cereals, but similar principles apply for other combinable crops.

Domestic and international regulatory scope

Any grain that will enter the UK food and feed chain needs to adhere to food safety regulations that have been adopted from EU law into UK law post-Brexit. There is also a minimum requirement for full supply chain traceability, farm-gate to plate, to adhere to domestic, and global, food and feed safety standards.

These food standards cover a range of measures not limited to maximum residue levels (MRLs) of toxins, pesticides, heavy metals and other contaminants. For example, EU Reg 441/2012 sets the maximum residue levels of glyphosate in cereals at 20mg/kg for barley and 10mg/kg for wheat.

The purpose of these regulations and MRLs is to ensure that all food, feed and ingredients are safe and do not offer any injurious potential to consumers. As part of the food and feed industry, grain supply chains are bound by these same food safety regulations.

The [Codex Alimentarius](#), governed by the Food and Agriculture Organisation of the United Nations, sets out the global principles of international food safety that some countries adopt. The Codex is the baseline of MRLs that are then used in some countries minimum import specifications. Each country or trading bloc can set rules that are more stringent; those set in the EU for example are some of the highest in the world.

Further to the food and feed safety regulations, individual countries may require various phytosanitary restrictions for goods coming from certain destinations. Plant health phytosanitary certificates, which cover grain, provide an assurance that consignments meet the required plant health standards of the importing country. These plant health certificates usually cover such things as weed seeds, grain pest infestation and soil contamination. These are issued by government authorities and are specific to individual cargoes.

All who operate in the food and feed supply chain are responsible for the development and implementation of management procedures to ensure the safety of all food and feed that they enter into supply chains. These tend to be risk based at farm level and hazard (HACCP) based beyond the farm-gate.

How this works in practice on farm

From a domestic point of view, all grain that is traded is usually based on company terms and an AIC No 1/21 contract (for ex-farm grain) or AIC contract No 2/21 (wholesale). Both mention the assurance status of the seller of the goods. These assurance guarantees are required for the rest of the supply chain to be confident in using the raw material and on selling of the final processed product.

Farmer obligation from an AIC 1/21 contract:

“Farm Assurance: The Seller is responsible for ensuring the goods supplied against the contract meet the requirements of a recognised crop assurance scheme and membership of such scheme remains valid through the movement period.

Trade obligation from an AIC 2/21 contract:

“Assurance: The Seller must be assured at the date of delivery under TASCC or an AIC recognised equivalent assurance scheme. All Goods supplied must be from a source assured under an approved Assurance Scheme, unless otherwise agreed.”

For merchants, hauliers, storage and testing of grain, passing a TASCC assurance audit and enacting the principles of TASCC assurance on a daily basis ensures that they are meeting the requirements of food and feed regulations.

[TASCC](#) is a voluntary scheme that ensures compliance with the UK's combinable crops trade assurance standards and associated codes of practice. This trade assurance is equivalent to European and global standards such as EFISC-GTP and GMP+ and is required to trade under an AIC contract.

For farm grain, the AIC has acknowledged a set of recognised farm assurance schemes, such as Scottish Quality Crops, Red Tractor, and Northern Ireland Farm Quality etc. as meeting the minimum standards required at farm level to place product on the market at first point of sale.

By being a part of a recognised scheme, a farmer is able to display that all necessary steps are taken to ensure that the product traded is adhering to the food and feed safety regulations.

Red Tractor, as a risk-based, and TASCC, as a hazard-based, system creates an assurance golden thread that passes from raw ingredient to first consumption point of raw material processing.

Domestic grain that is traded on a farm to farm basis, destined for assured Red Tractor livestock and is sold by a non-assured arable farmer must complete a Red Tractor '[Feed Warranty Declaration](#)'. This states that the grain is safe for livestock consumption, free from any hazards and meets legal feed hygiene and animal feed regulations. This grain must only be used on the farm it is sold to and cannot be re-sold as animal feed to a third party.

How imported grain meets the regulations

Imported grain entering the UK has to meet the required food and feed safety regulations.

For the international grain trade, GAFTA (Grain and Feed Trade Association) creates a set of globally traded and recognised contracts that are used to ensure clarity between trading counterparties, with the added addition of an arbitration clause similar to that used in AIC contracts. Within these contracts are certain clauses, which stipulate the processes and standards required to take contractual samples and perform contractual analysis when loading/discharging bulk commodities.

Each contract that is written between two counterparties will have specific conditions, warranties and terms that relate to that trade, making each contract unique. These commercial terms add another level of complexity, but the aim of this document is to provide the overall scope and not engage with commercial contract setting.

The contractual liability as to who needs to ensure commodities adhere to legislation/regulations and conditions/warranties should be stated clearly in the contract. Any documents proving such conditions/warranties have been adhered to at time of loading/discharge will need to be supplied as per contract terms.

In order to prove that the goods meet the regulations, and to protect both party's commercial rights and liabilities, an independent, contractually specified superintendent is usually placed at both loading and discharge of the vessel. The independent superintendent is employed to analyse and take contractual samples and ensure that the ship is clean and fit to load as is the commodity loading equipment. An independent superintendent is employed to take samples and analyse as per contractual requirements.

International assurance standards such as [GMP+](#) and the European [EFISC-GTP](#) are acknowledged and used throughout various food and feed supply chains globally in order to provide confidence that grains comply with relevant food and feed safety regulations.

Both the above schemes recognise that the TASCSC, UFAS, and FEMAS schemes operating in the UK are accepted as equivalent assurance standards and audited under similar/same requirements that cover points such as:

- Management responsibility; including HACCP system and review, resource management within the company.
- Building maintenance, disinfecting premises and stores, sanitation, pest and waste control.
- Safe handling of goods and preventing cross-contamination
- Storage, transport and transshipment
- Traceability, inspection, sampling, analysis and auditing

These similar standards and codes of practice are key in determining the reciprocal recognition between schemes.

How do supply chain purchasers guarantee that grain is fit for purpose?

In the UK, the Red Tractor combinable crops and sugar beet assurance standards (and other schemes) annually audit farmers on a risk based/due diligence approach. This allows farmers to display to supply chains that farm grain is compliant to meet the domestic legal obligations under food and feed safety and associated codes of practice.

Due to requirements from supply chains globally, individual companies operating where there is no such farm assurance scheme have to instigate what is often called a gatekeeper protocol.

Gatekeeper protocols exist within assurance schemes that allow for bulk materials, which have not originated from an equivalent scheme to be placed within a market's supply chain either at ex-farm level or in bulk amounts.

As TASCSC recognises GMP+ and EFISC-GTP as approved schemes (and vice versa), any grain imported by a GMP+/EFISC-GTP audited company has already had gatekeeper protocols enacted upon it.

As an example, a UK importer will not need to act as a gatekeeper for a cargo of grain that is being supplied by an EFISC-GTP supplier.

However, the supplier, assuming the grain has not originated from a farm assurance scheme, will act as the gatekeeper when the ex-farm grain enters their relevant supply chain. For example, grain sold from a farm in France will have gatekeeper protocols enacted upon it by the French purchaser who is EFISC-GTP assured.

The requirements of acting as a gatekeeper at any point is detailed in the various individual assurance schemes.

For example, under EFISC-GTP, on top of the existing entry check program (see appendix 1) for certified grain, the following documentation package is needed:

- A complete and detailed contractual obligation to supply not limited to requirements for handling, storage, testing i.e. every farmer trading with a gatekeeping buyer would need to be registered with the buyer, compliant with contractual requirements and potentially audited.
- Full analysis and sampling for defined hazards and MRLs outlined as per below table.

	Cereals	Oilseeds and protein crops
Pesticides residues	Yes	Yes
Heavy metals; Arsenic, Cadmium, Lead, Mercury	Yes	Yes
Dioxins	Yes	Yes
PCBs	Yes	Yes
PAHs	Yes	Yes
Mycotoxins; Aflatoxin, Deoxynivalenol, Zearalenon, Fumonisin, Ochratoxin A, ergot of rye	Yes	No
Salmonella	No	Yes

The buyer of the grain will ensure that the grain meets all of the necessary food standards, safety and contractual requirements, thereby acting as the 'gatekeeper' and liability owner of grain into the supply chain to ensure that all imported grain meets the legal standards required.

Costs of testing and analysis

The cost of the testing of grain will depend on a number of factors such as size of vessel, commodity, contractual requirements, superintendents and end-consumer requirements.

These contractual tests will be required on both export cargoes leaving the UK as well as imported cargoes into the UK. Therefore creating an average £ per tonne cost for testing would not be representative of the potential costs.

Cost of testing individual samples

Indicative costs for an individual sample of grain are as follows:

Test	Indicative Cost Range
Organochlorine Pesticides	£130-£150
Heavy Metals	£100-£120
Dioxin/PCB	£500-£550
Aflatoxin B1	£100-£110
Salmonella	£10-£15
Protein	£10-£15
Moisture	£10-£15
Specific Weight	£10-£15

The costs of importing grain goes beyond the price of individual samples and tests. The total cost of importing will also include fees paid to superintendents, port dues, customs agents, insurance and paperwork as well as costs incurred for participation in assurance schemes.

What this all means

The comparison between domestically produced grain assurance and imported grain assurance is not an easy process due to the different nature of farm and trade assurance and the requirements of each.

Ultimately, all raw material that is used in the food and feed supply chains needs to be able to prove that it meets domestic food and feed safety regulations through the process of risk and hazard based assurance schemes or thorough and detailed analytical testing of the raw material.

The need for audited assurance is a part of the UK grain supply chain. Our market has some of the highest food and feed safety standards in the world, in order to prove that both domestic and imported grain meets these standards, a combination of farm and trade assurance is required.

Appendix

1. Entry Check Program

Under the EFISC-GTP scheme, all feed and food goods (whether from primary production, trader, storekeeper or other) needs to be documented through an entry check program when being supplied under an approved certified scheme.

For those goods arriving from a certified chain the following entry check program requirements still stand:

- Product specification
- Risk assessment
- Analytical monitoring
- Sampling and analysis
- Documented checks on compliance with corrective actions for non-compliance
- Records kept of relevant analytical and monitoring results
- Outcomes from monitoring used to review the risk assessment

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