



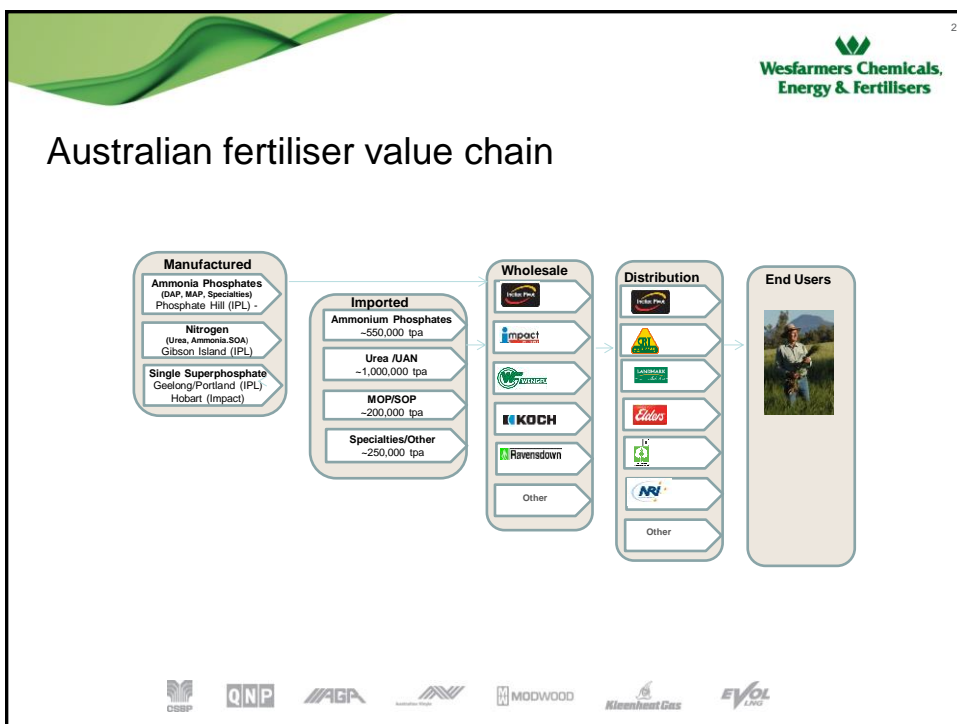
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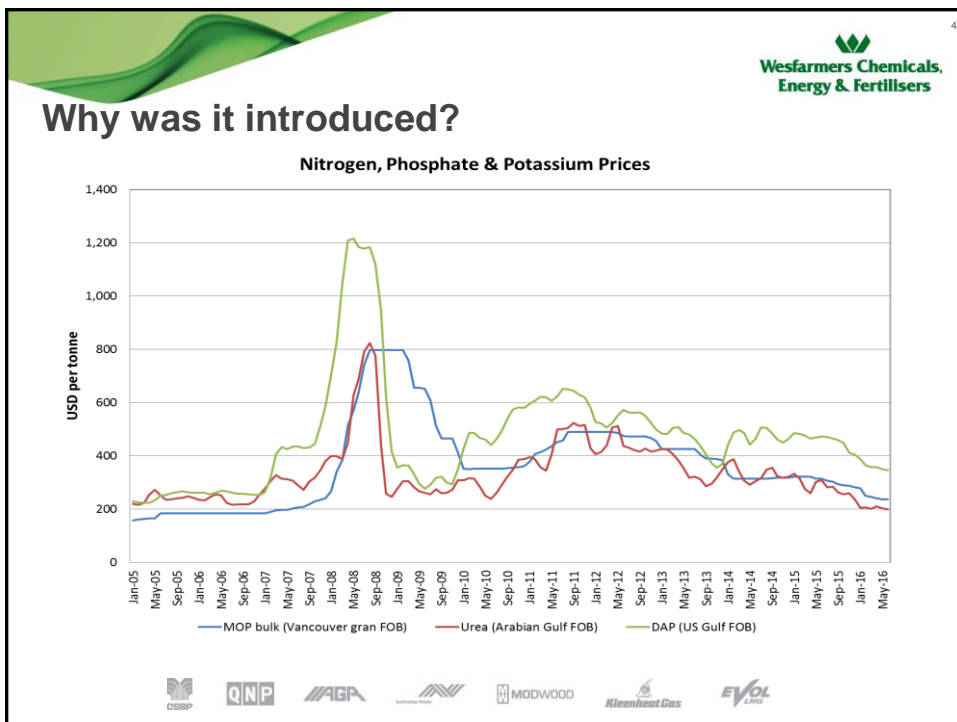
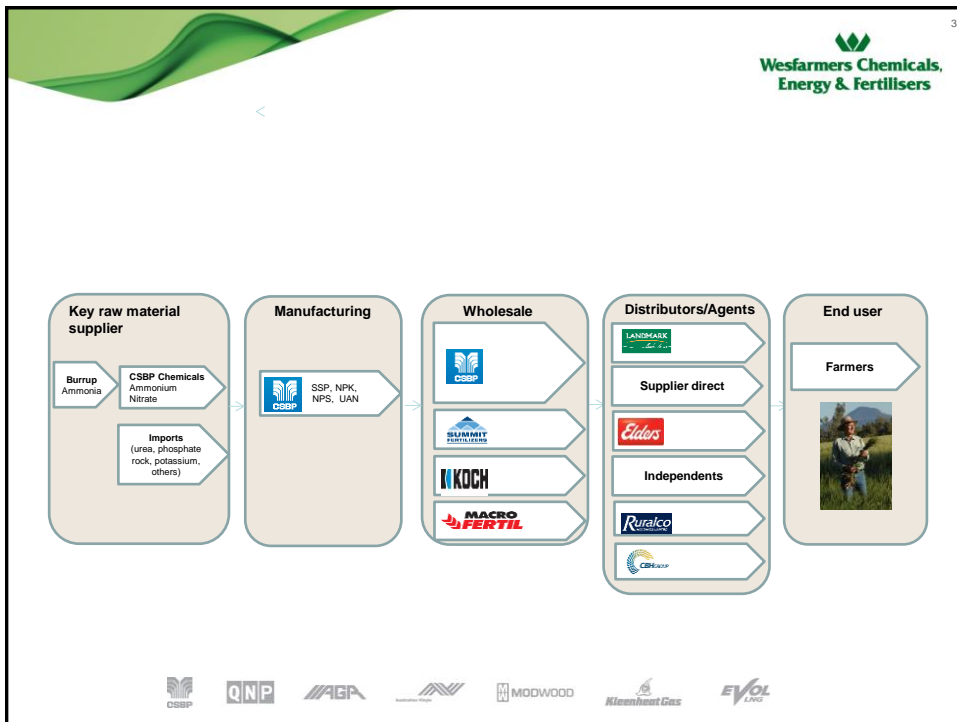


Fertiliser Industrial Standard Contract October 2016


Charlie Perkins
CSBP, Australia











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Wesfarmers Chemicals,
Energy & Fertilisers

What is it?

- The Standard Contract provides protection to both the buyer and seller of fertiliser.
- Clear statements of obligation and rights should mean that most contractual defaults can be resolved.
- Where amicable resolution is not possible, either party can refer a dispute to arbitration.
- The Standard Contract form is freely available to anyone who wishes to use them

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Wesfarmers Chemicals,
Energy & Fertilisers

Why was implementation successful?

- Grain trading industry had already established a standard contract in response to similar issues that arose following deregulation of grain trading in Australia.
- Growers had experience with a standard contract for grain, modelled the fertilizer contract along similar lines.
- Allowed unlimited variation from the standard clauses, as long as these were clearly stated, and it allowed nomination of any mediator. Coupled with the voluntary nature of the contract this meant no one had a reason to oppose it.
- Sought high level legal advice to ensure not at risk of contravening the Trade Practices Act.








Summary

- All stakeholders consulted before introduction and has not been controversial
- Has grown such that majority of CSBP sales are via Standard Contract
- CSBP has had one customer dispute in the past three years
- CSBP technology now developed such that customers can now accept Standard Contract on-line and don't need paper versions.
- Adhering to collection windows as stipulated in Standard Contracts assists management of logistics



SECOND SESSION

Fertilizer Trade and Logistic Facilitation

Session Chair: Anthony WILL, CF Industries, USA
and Chairman of the IFA Production & International Trade Committee

- **Charlie PERKINS**
CSBP Ltd, Australia
- **Henk van DALFSEN**, Trammo Inc., USA
and **Monica BENAVENTE**, Keytrade AG, Switzerland
- **Dirk PERGOOT**
Euroports, Bulgaria



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