

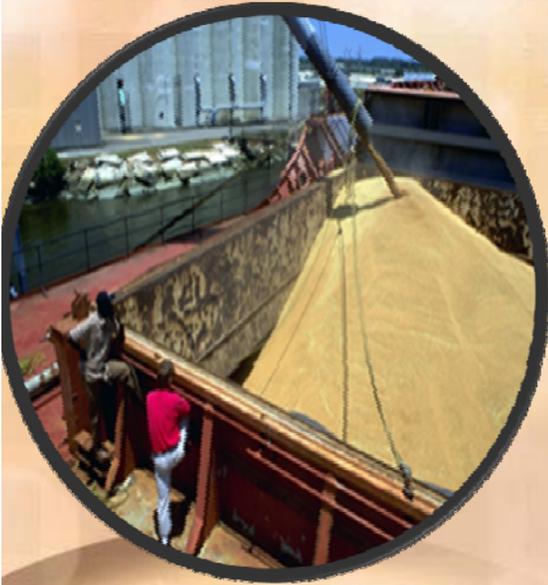
# GLOBAL GRAIN AND OILSEED TRADE

## International Plant Protection Convention Open-ended Workshop on International Movement of Grain

North American Export Grain Association, W. Kirk Miller, Senior Advisor,  
In Cooperation with:

- ❖ Associação Brasileira das Indústrias de Óleos Vegetais (ABIOVE)
- ❖ Australian Grain Exporters Association (AGEA)
- ❖ Associação Nacional Dos Exportadores De Cereais (ANEC)
- ❖ Cámara de la Industria Aceitera de la República Argentina - Centro de Exportadores de Cereales (CIARA-CEC)
- ❖ Canada Grains Council (CGC)
- ❖ Canadian Wheat Board (CWB)
- ❖ Canola Council of Canada
- ❖ Grain Trade Australia (GTA)
- ❖ Pulse Canada
- ❖ U.S. Wheat Associates (USW)
- ❖ U.S. Grains Council (UGC)
- ❖ U.S. Soybean Export Council (USSEC)
- ❖ U.S.A. Rice Federation (USRF)

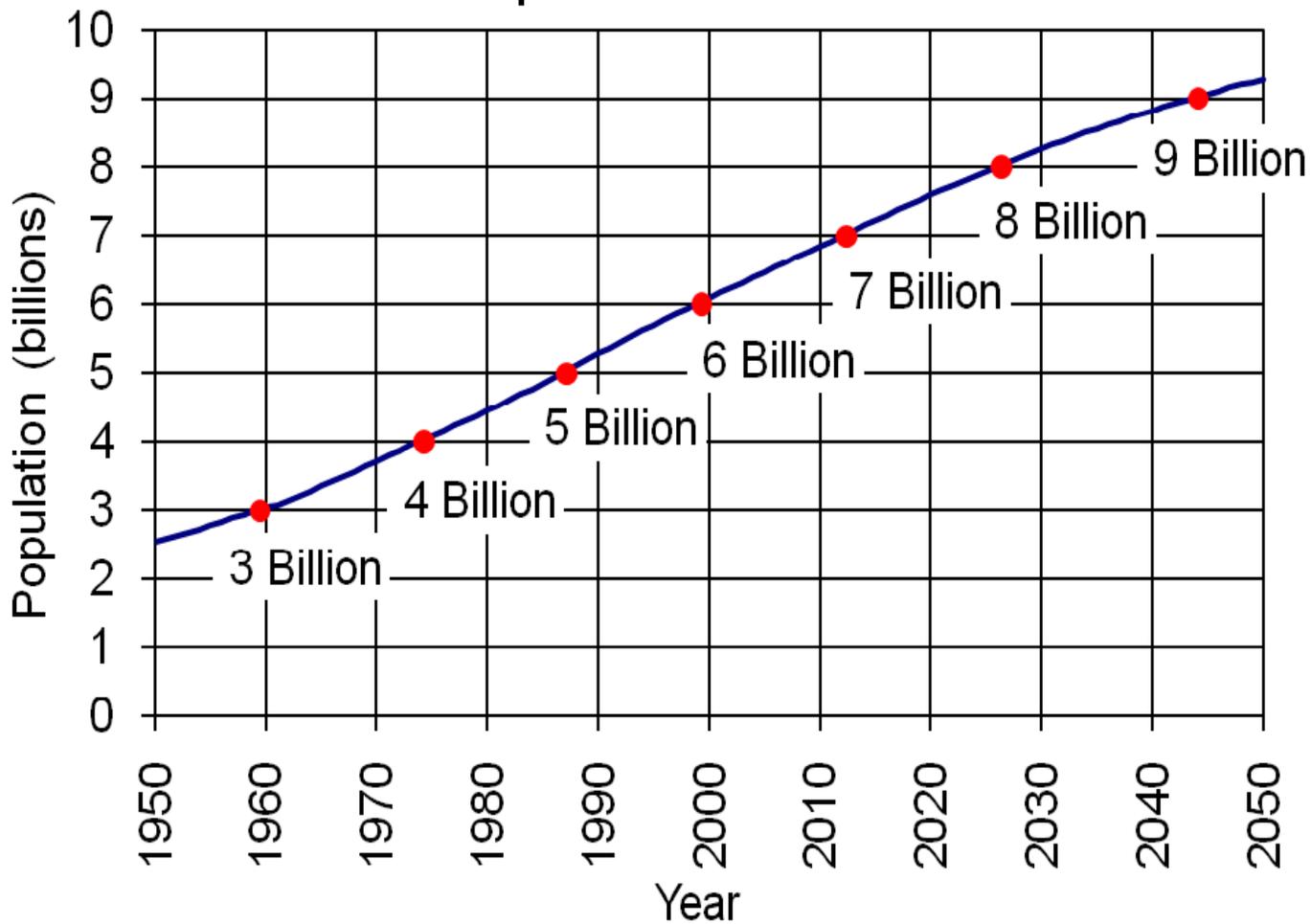
# PRESENTATION OUTLINE



- Why the grain, oilseed and other agribulk trade is important to the World's consumers.
- Scope and magnitude of the international grain and oilseed trade.
- How the "Trade" works.
- Why plant protection regulations and regulators are important to the grain trade.
- What the trade needs from you.



## World Population: 1950-2050



Source: U.S. Census Bureau, International Data Base, June 2010 Update.

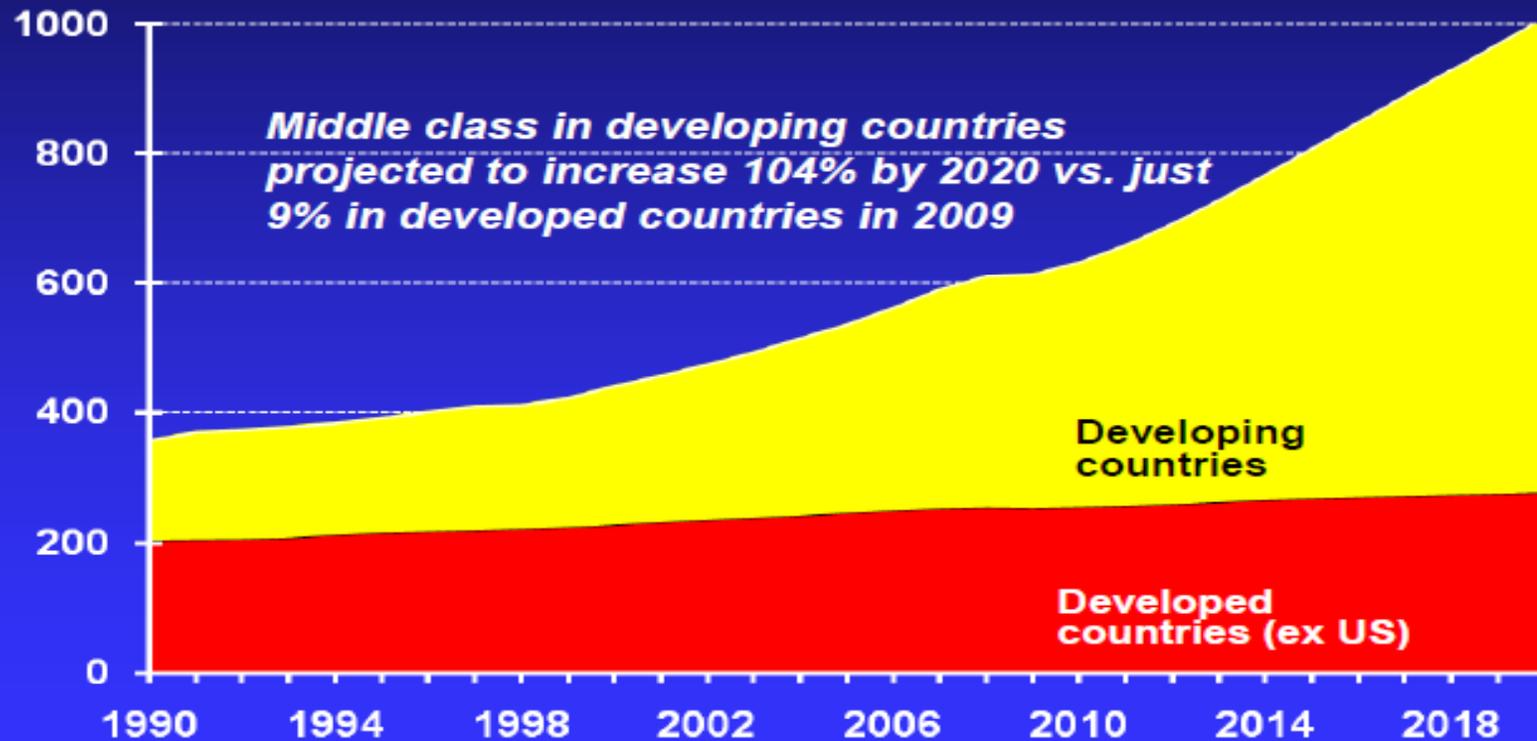


# Middle Class Income

## **“Middle Class” Outside the U.S. Expected to Double By 2020 – To 1 Billion Households**

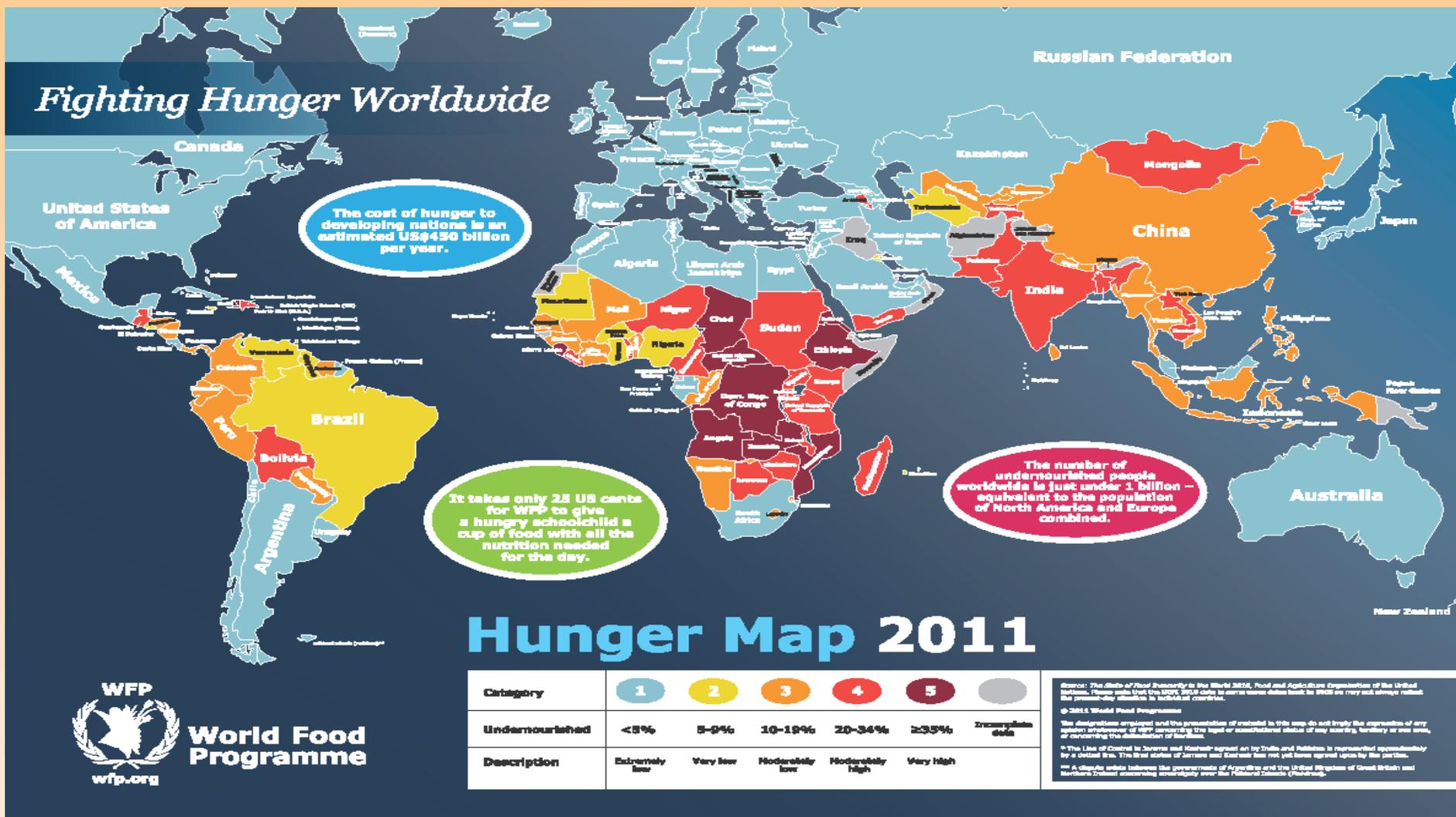
*Worldwide food consumption will be impacted*

*Foreign households w/real PPP incomes greater than \$20,000 a year  
(in millions of households)*



Source: Global Insight's Consumer Markets as analyzed by USDA's Office of Global Analysis

# World Food Programme --- Hunger Map



# FOOD INSECURITY



Exists when people lack access to sufficient amounts of safe and nutritious food, and therefore are not consuming enough for an active and healthy life. This may be due to the unavailability of food, inadequate purchasing power, or inappropriate utilization at household level.

(Source: United Nations FAO)



**Hunger is the world's No.1 health risk.**  
It kills more people every year than **AIDS, malaria and tuberculosis** combined.

**HUNGER**

**AIDS,  
MALARIA  
AND TB**



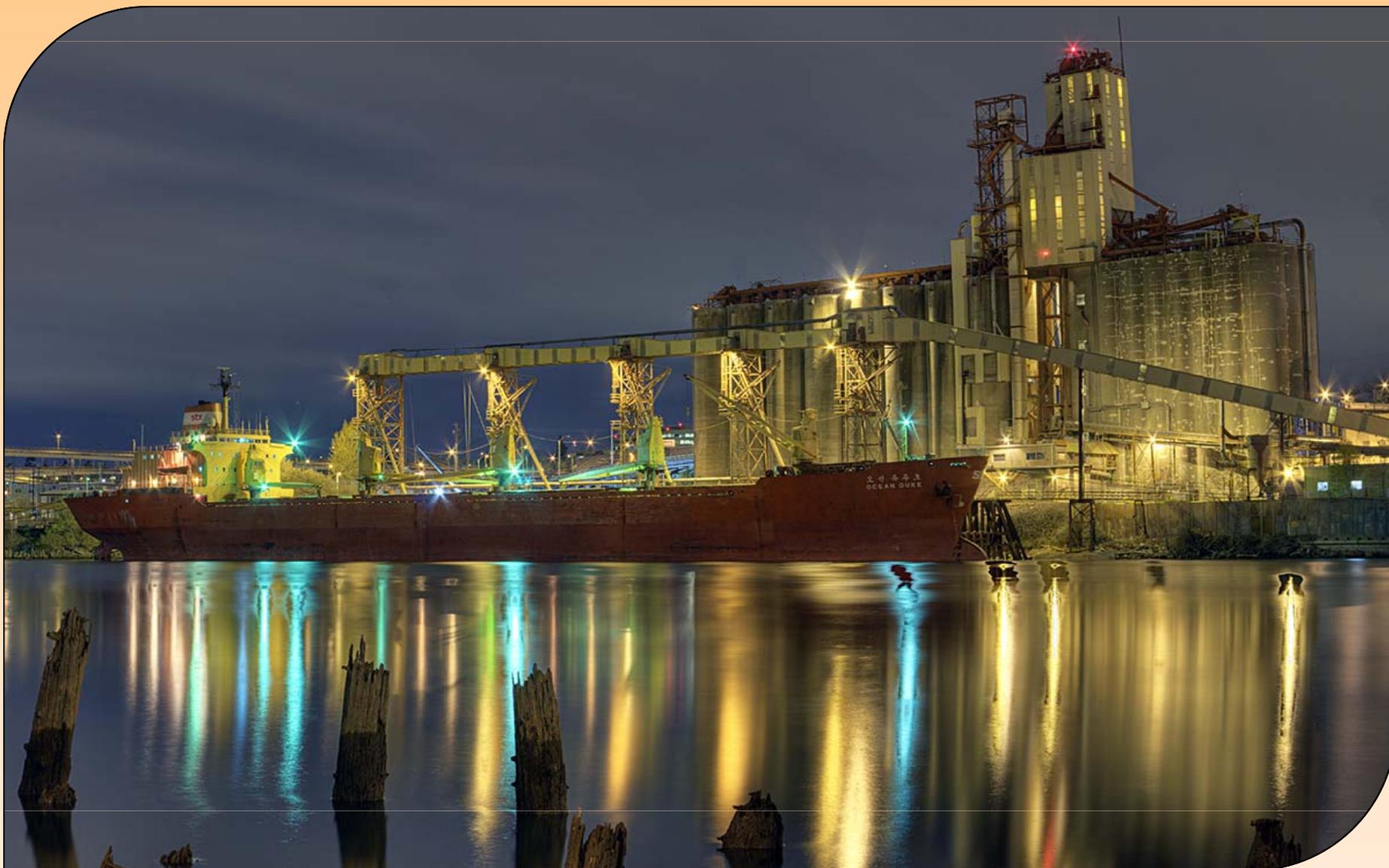
# ***FOOD SECURITY***

**Exists when all people at all times have both physical and economic access to sufficient, safe and nutritious food that meets their dietary needs for an active and healthy life.**

**(Source: United Nations Organizations)**



# IMPORTANCE OF AGRI BULK TRADE



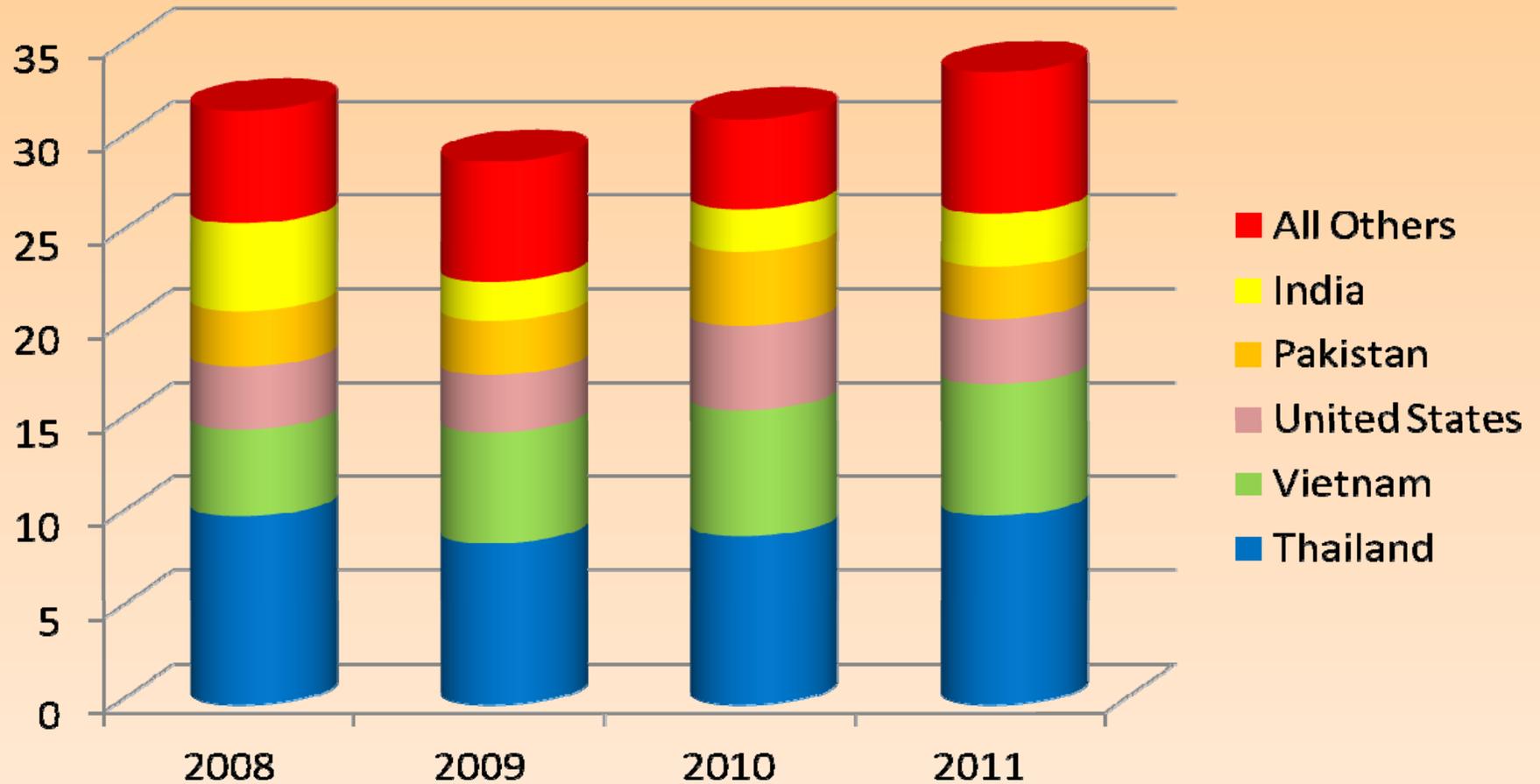
# 2011/2012 WORLD GRAIN AND OILSEED USE AND TRADE (MMT)

<u>Crop</u>	<u>Use</u>	<u>Trade</u>	<u>Percent</u>
• Rice	458	33	7 %
• Wheat	677	137	20 %
• Coarse Grain	1149	119	10 %
• Oilseeds	389	113	29 %
• Oilmeals	260	80	31 %
• Veg oils	150	62	41 %

<b>Total</b>	<b>3,083</b>	<b>544</b>	<b>18 %</b>
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November 2011, USDA WASDE

# Global Rice Exports (Milled Rice Basis)

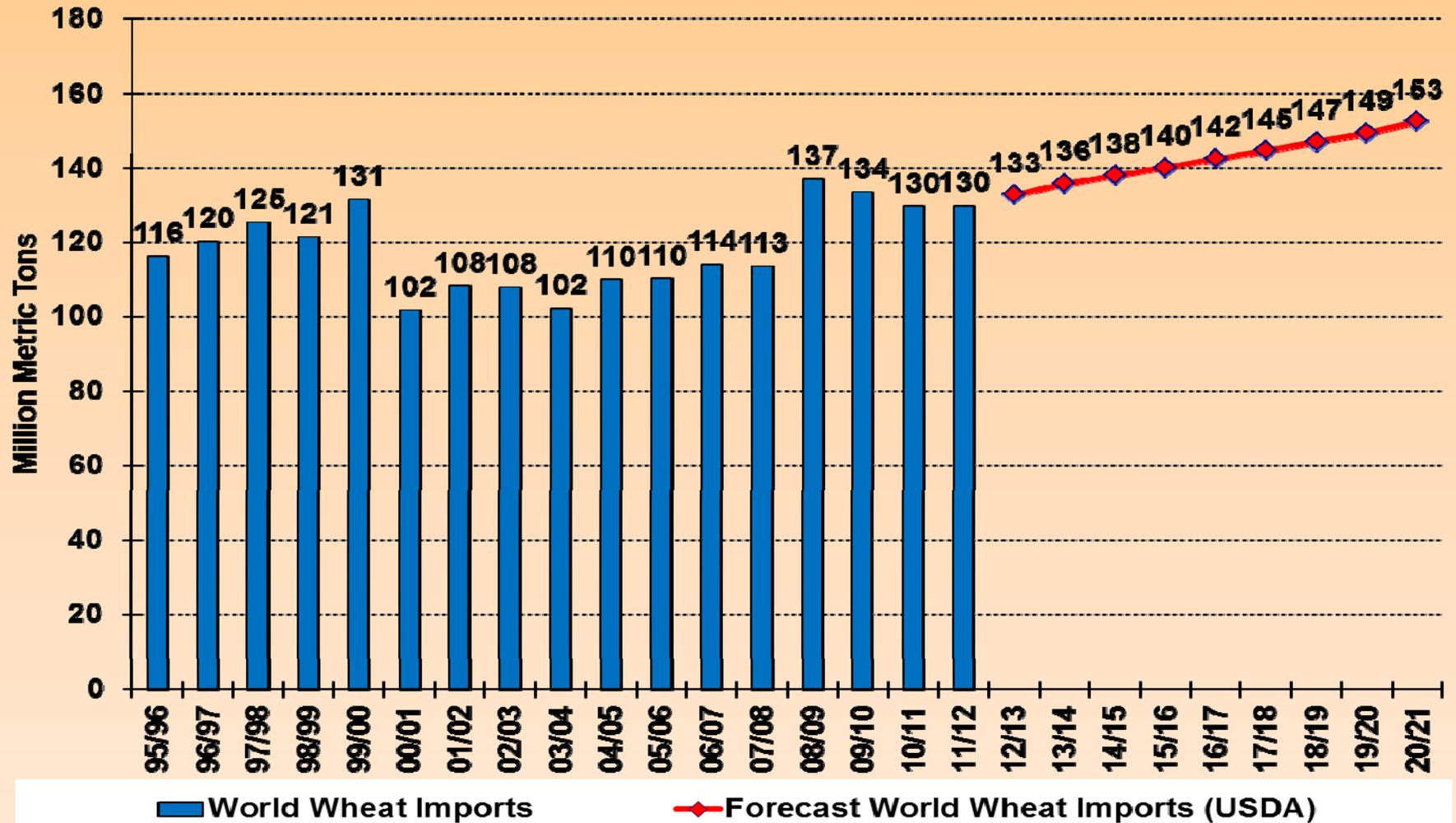


IPPC - Grain overview - December 6, 2011

# World Trade in Rice

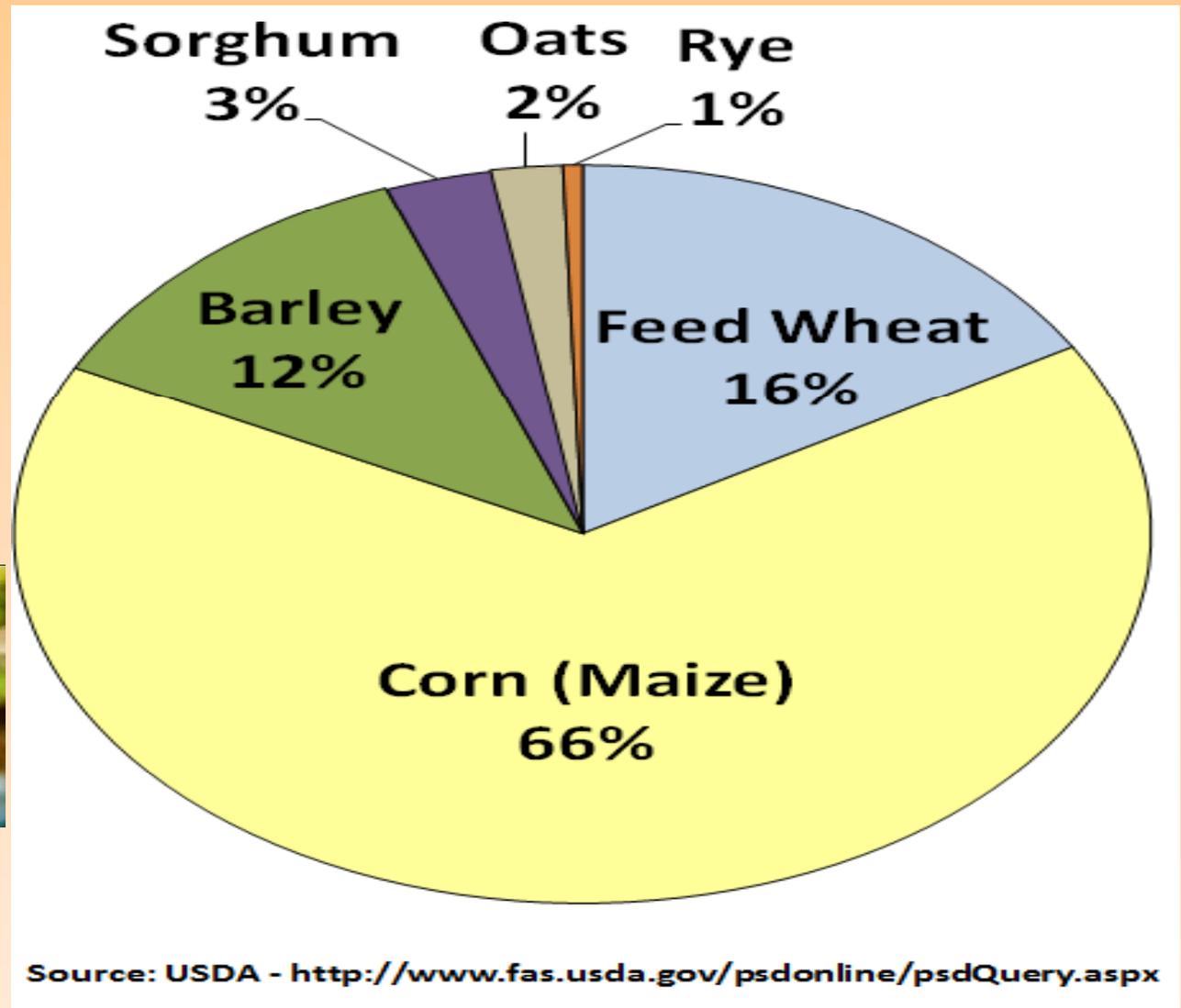
IMPORTS	2009	2010 (est.)	2011 (est.)	2012 (f'cast)	
				22.09.11	27.10.11
EUROPE	1.3	1.5	1.5	1.4	1.3
N & C AMERICA	2.9	3.1	3.3	3.2	3.3
SOUTH AMERICA	1.1	1.4	1.2	1.1	1.1
NEAR EAST ASIA	6.2	6.7	6.6	6.8	6.7
FAR EAST ASIA	7.4	9.1	10.2	9.4	9.6
AFRICA	10.6	9.9	10.3	10.3	10.4
OCEANIA	0.5	0.5	0.4	0.4	0.4
<b>WORLD TOTAL</b>	<b>29.2</b>	<b>31.4</b>	<b>33.2</b>	<b>32.0</b>	<b>32.3</b>

# World Wheat Imports

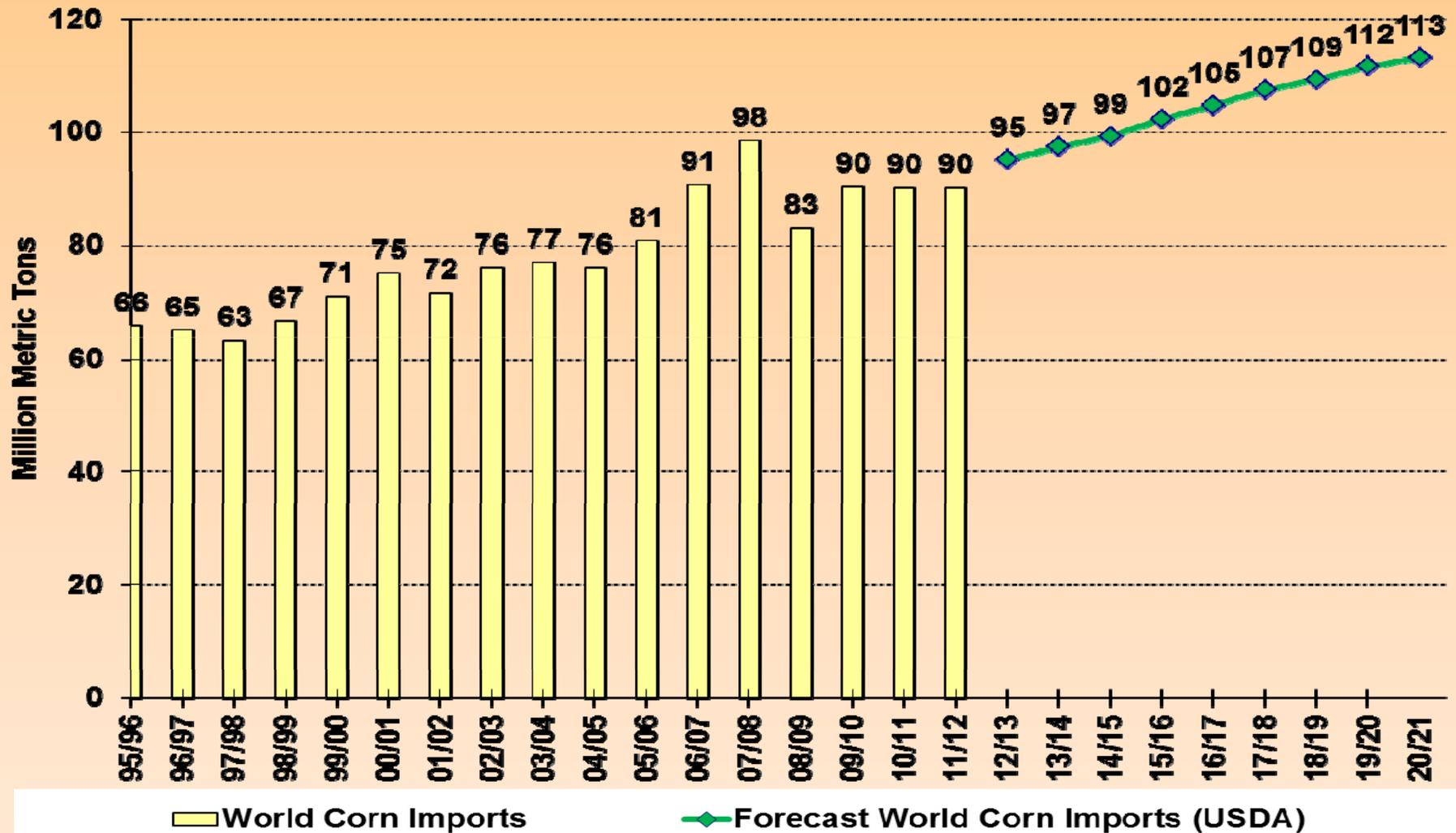




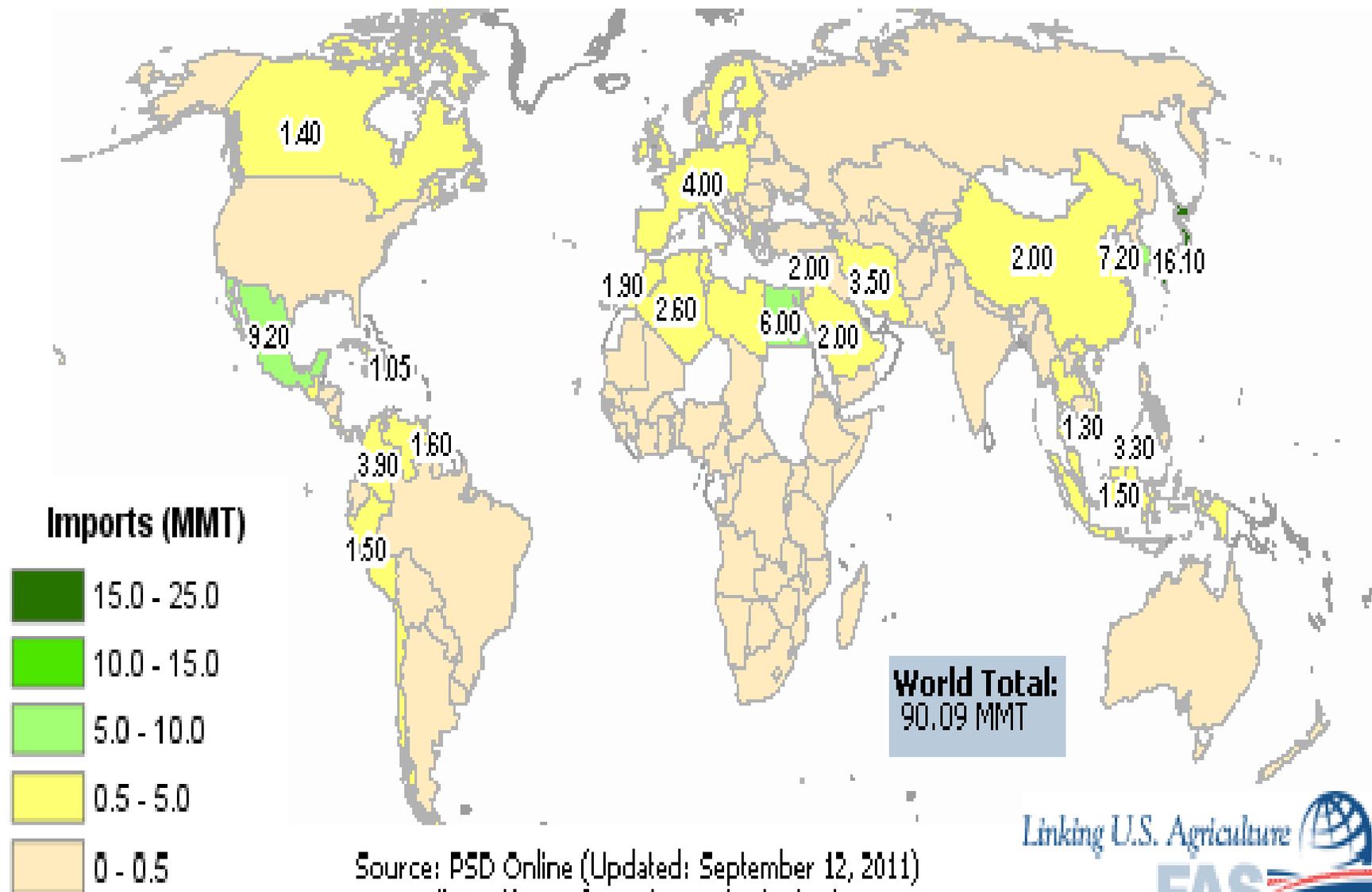
# Global Animal Feed Use



# World Corn Imports



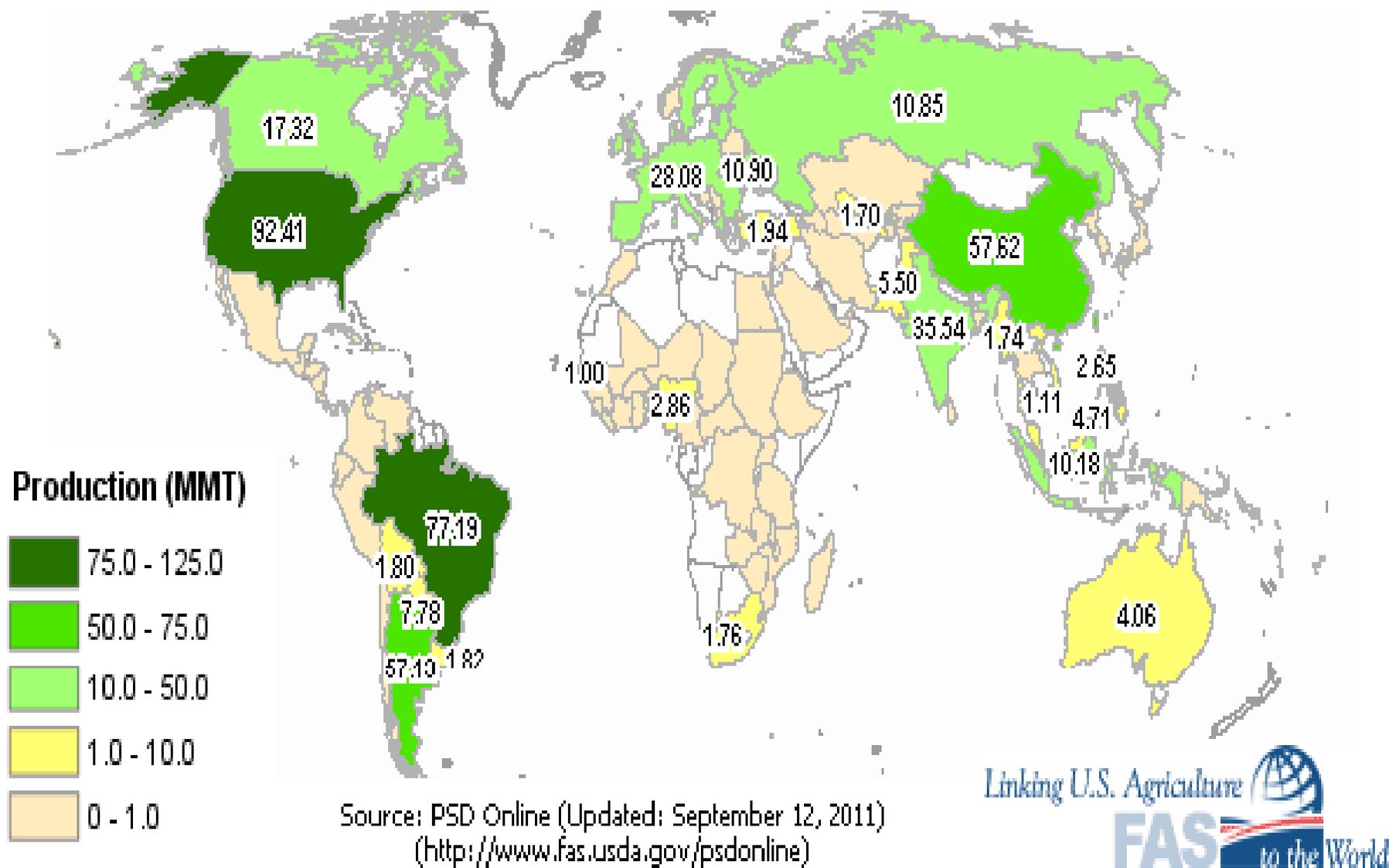
# 2011/2012 Corn Imports



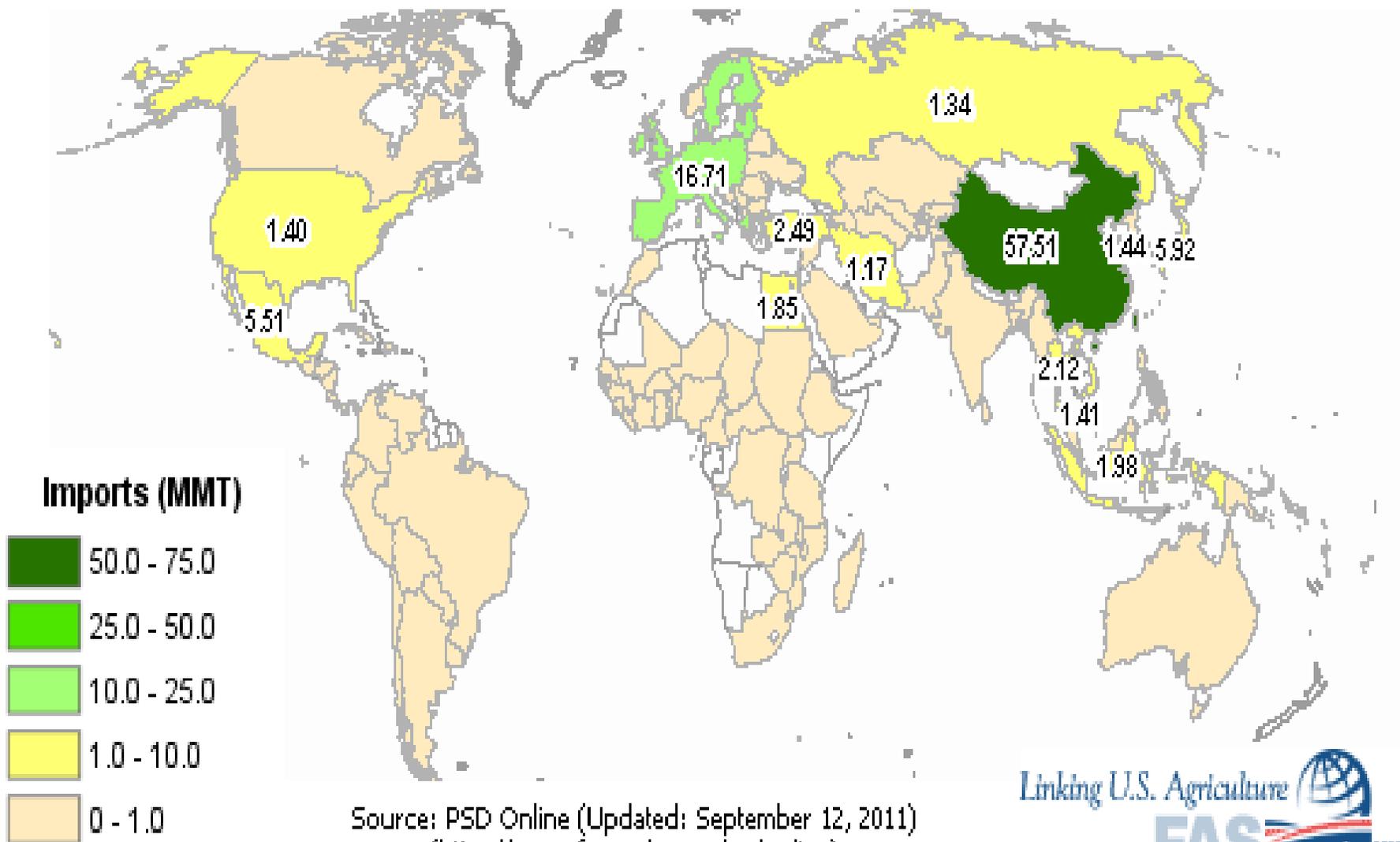
Source: PSD Online (Updated: September 12, 2011)  
<http://www.fas.usda.gov/psdonline>



## 2011/2012 Oilseed, Total Production



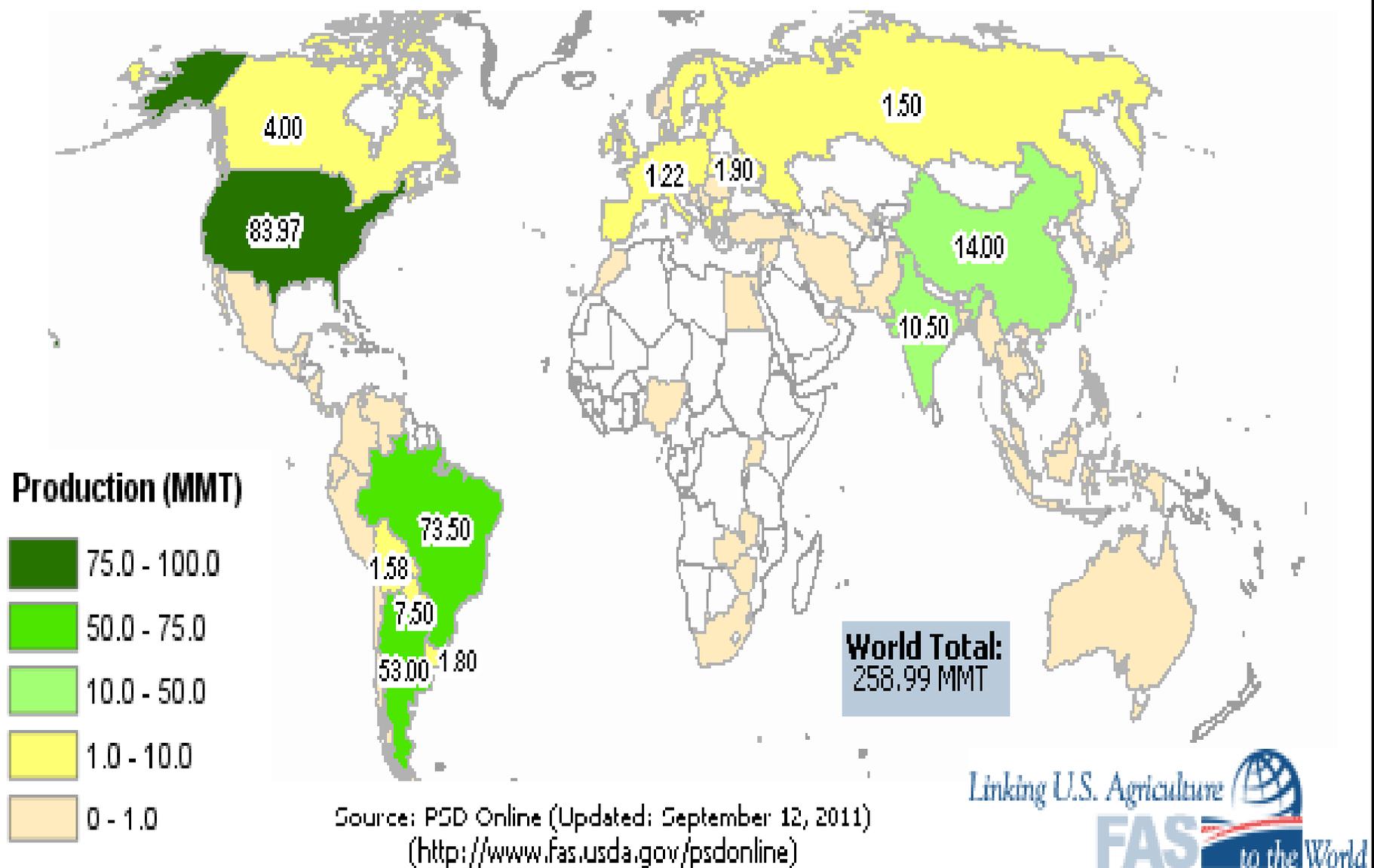
## 2011/2012 Oilseed, Total Imports



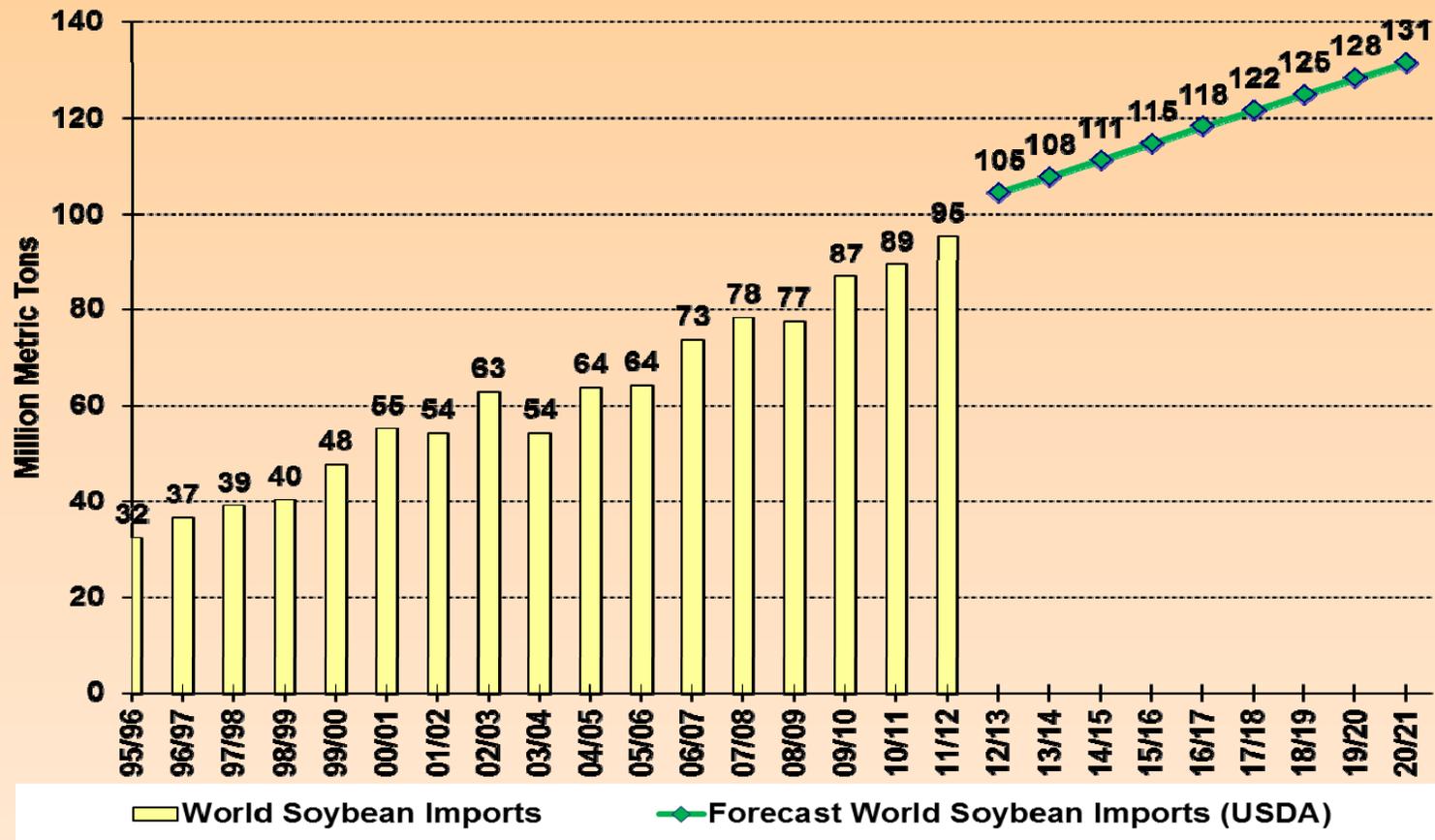
Source: PSD Online (Updated: September 12, 2011)  
 (<http://www.fas.usda.gov/psdonline>)



# 2011/2012 Soybean Oilseed Production



# World Soybean Imports





IPPC - Grain overview - December 6, 2011



IPPC - Grain overview -  
December 6, 2011



IPPC - Grain overview - December 6, 2011



IPPC - Grain overview - December 6, 2011

# Interior Logistics – Efficient and Timely



# Transport from Interior to Export



# Another International Trade Shipment to Feed Hungry People



# BASIS FOR TRADE

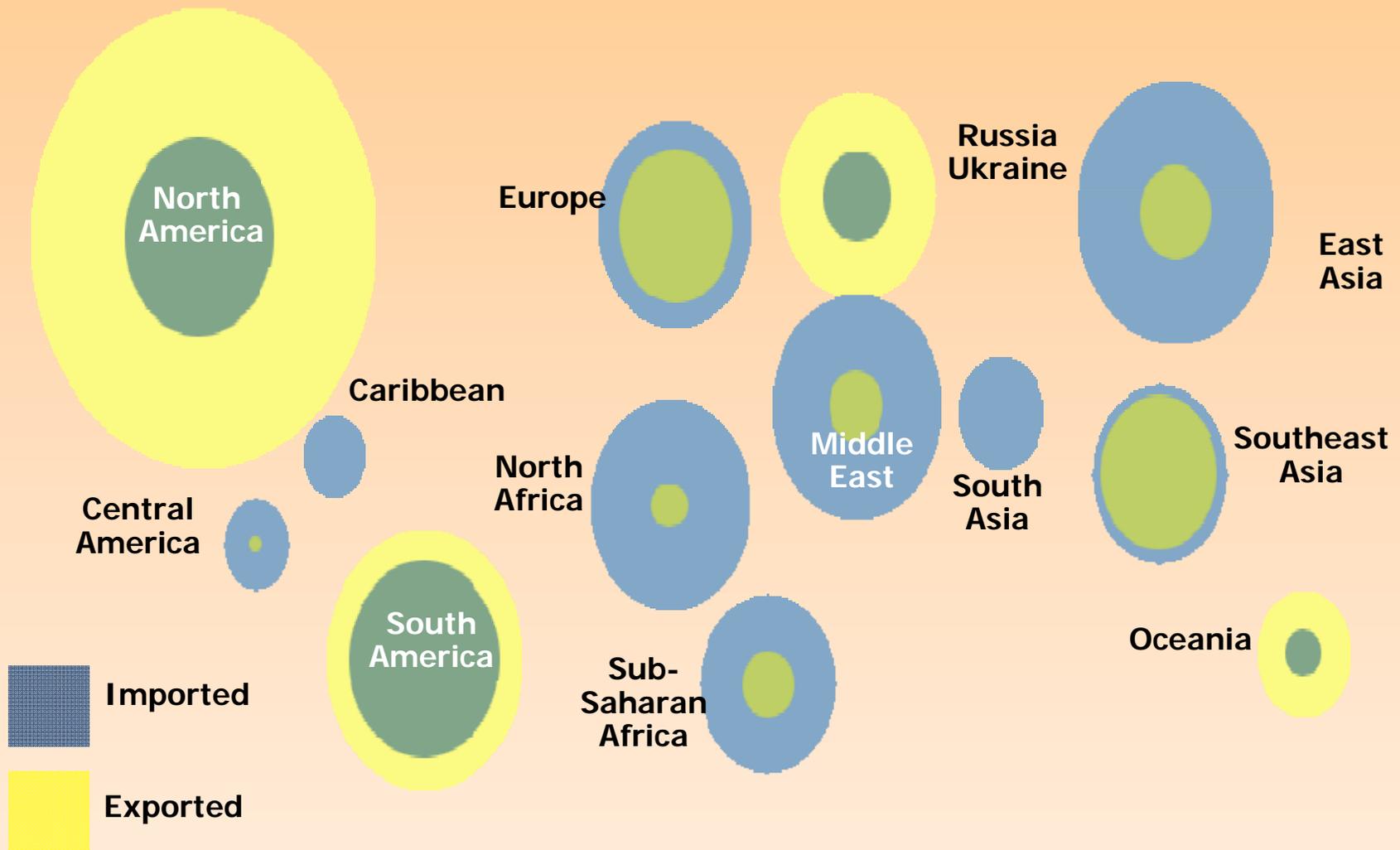
## 1. Mutual Benefit

- ✓ **Comparative Advantage – Sound Economics**
- ✓ **Sustainable Supply – Resources Optimized**
- ✓ **Well Being - Health and Economic**

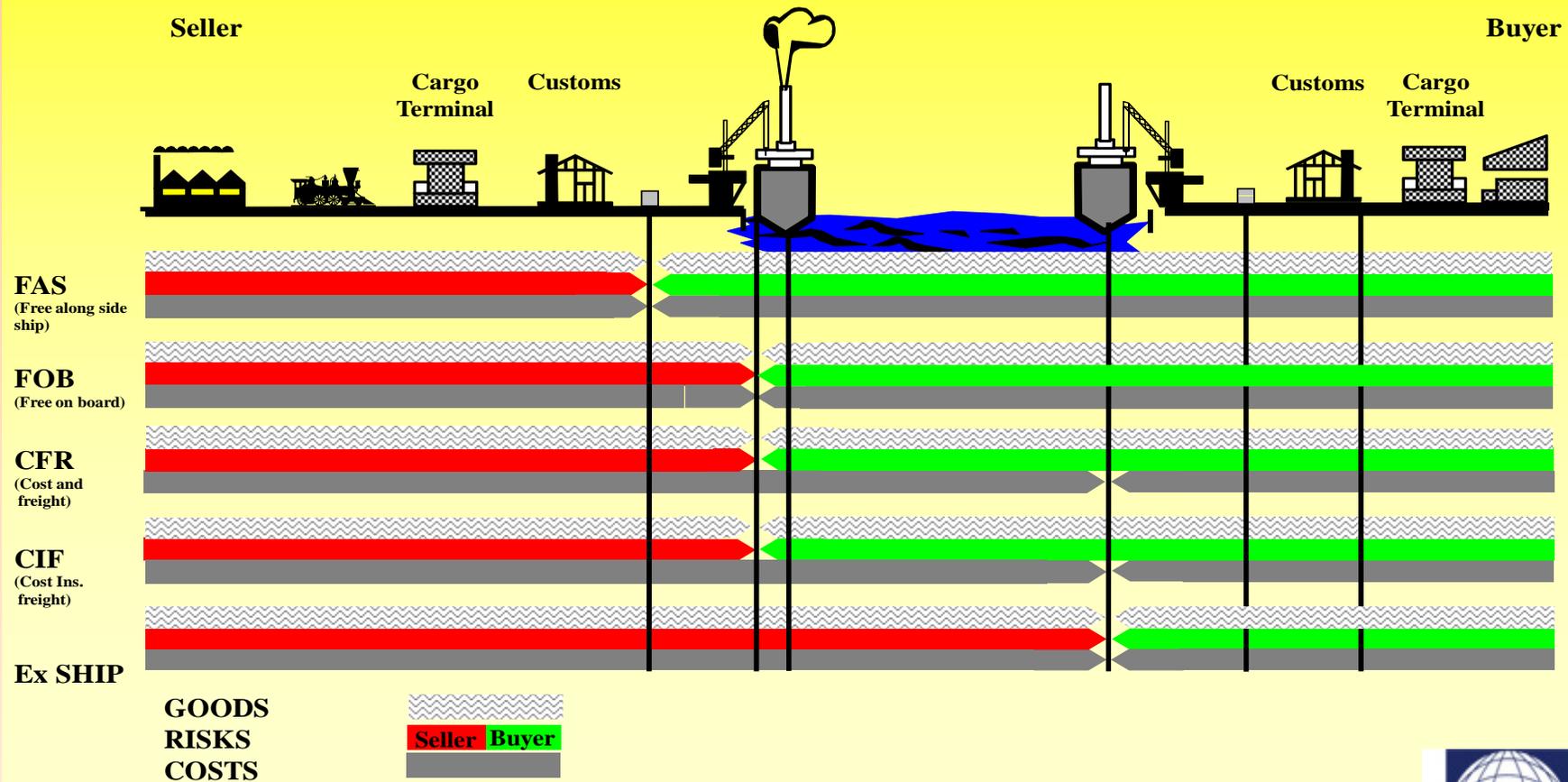
## 2. Sound Practice

- » **Fair and enforceable contracts**
- » **Uniform grades and standards**
- » **Reliable weights and measures**
- » **Science based risk management**
- » **Consistent and predictable official policy**
- » **Corruption free market space**

# Global grain trade today – buyers and sellers



# Delivery Terms and Transfer of Risks





# **Role of Governments in International Grain Movements**

- **Fair and equitable market access**
- **Consistent monitoring and oversight of trade**
- **Assurance of security and sanctity of contracts**
- **Enforcement of anti-corruption measures**
- **Fair, transparent and science based phytosanitary measures**

# “COHERENT TRADE AND AGRICULTURE POLICIES CRUCIAL FOR DEVELOPMENT OF POORER STATES”

UNCTAD Secretary-General, Supachai Panitchpakdi 9/14/2011



UNCTAD Secretary-General Supachai Panitchpakdi

# ***PLANT QUARANTINE MEASURES AND TRADE***

- Risk assessments need to be completed for all trade restricting measures and need to be based on sound science.
- Plant quarantine measures need to be transparent, properly noticed and practiced in the country imposing the restrictions.
- Unwarranted or overly restrictive measures will adversely impact food security.



# Conclusion

The global grain industry is very appreciative of this opportunity to participate in the open-ended workshop to share some background perspectives on how the grain trade works and why trade is so important to consumers around the world.

*We hope to work with you to adopt and implement appropriate risk management measures facilitative to Trade.*



# Thank You!

*Please Join Us at the Welcome Reception  
This Evening on the 19<sup>th</sup> floor in the Vista 360  
Lounge. 18:00 – 20:00 (6-8 PM)*

