



IGTC
International Grain Trade Coalition



International Grains Council

Dynamics in Policy and Commerce for Grains, Oilseeds and other Agri-bulks

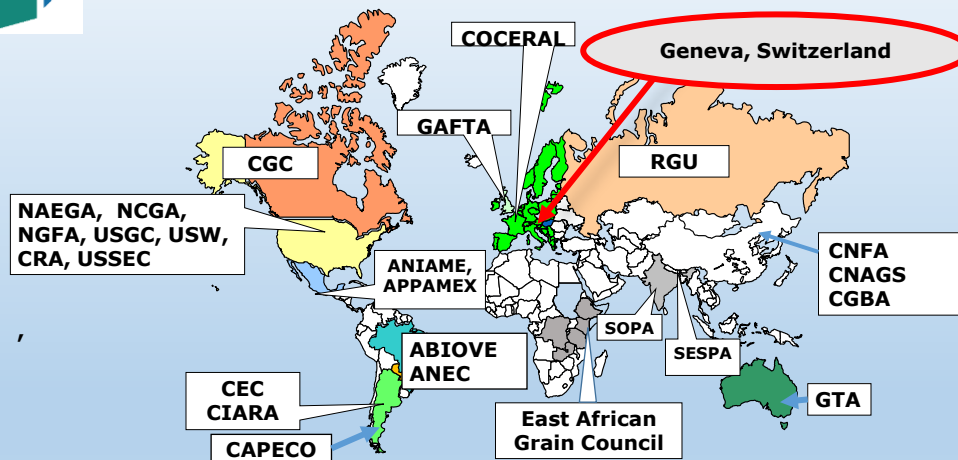
Gary C. Martin June 14 2016

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IGTC - 25 Trade Associations 8000 Businesses / 85 Countries



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IN MEMORIAM GEOFF HONEY



"The secret of joy in work is contained in one word -- excellence. To know how to do something well is to enjoy it."

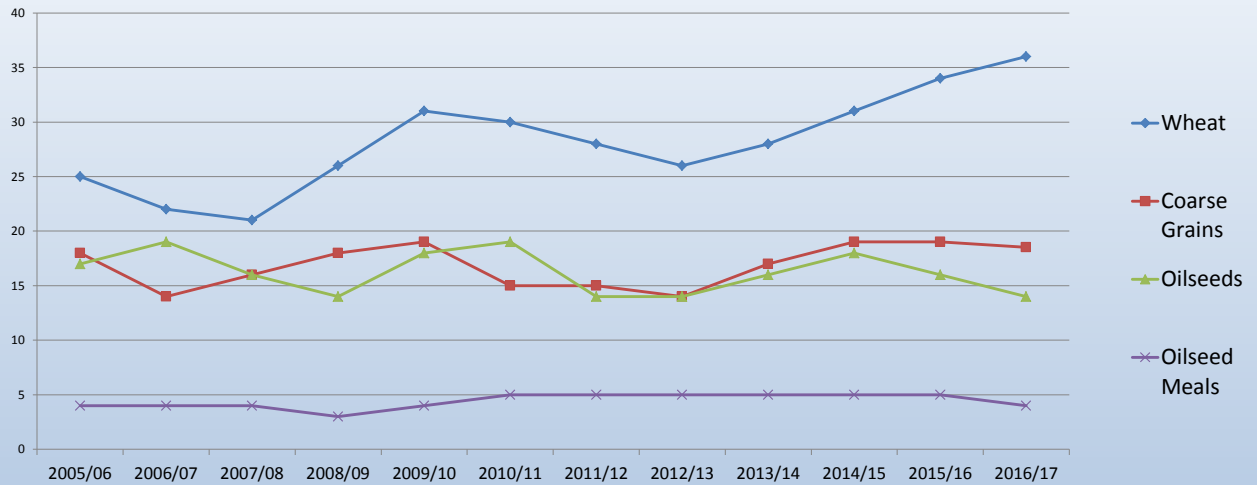
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KEY INDUSTRY OBJECTIVES

***Benefitting all from Producer to Consumer
More Trade, Increased Demand for Safety, Sustainability and
System Reliability, Responsibility and Resilience
BEST COMMERCIAL and OFFICIAL PRACTICES***

- ✓ System Integrity, Predictability, Responsiveness, and Reliability
- ✓ Consistent and notified requirements that enable markets to trade products and provide for proportionate and effective risk mitigation and management.
- ✓ Appropriate measures that allow grain systems to *maximize the value* of the grain product and *minimize cost inefficiencies and handling costs* associated with the supply chain, while meeting regulatory and customer needs.

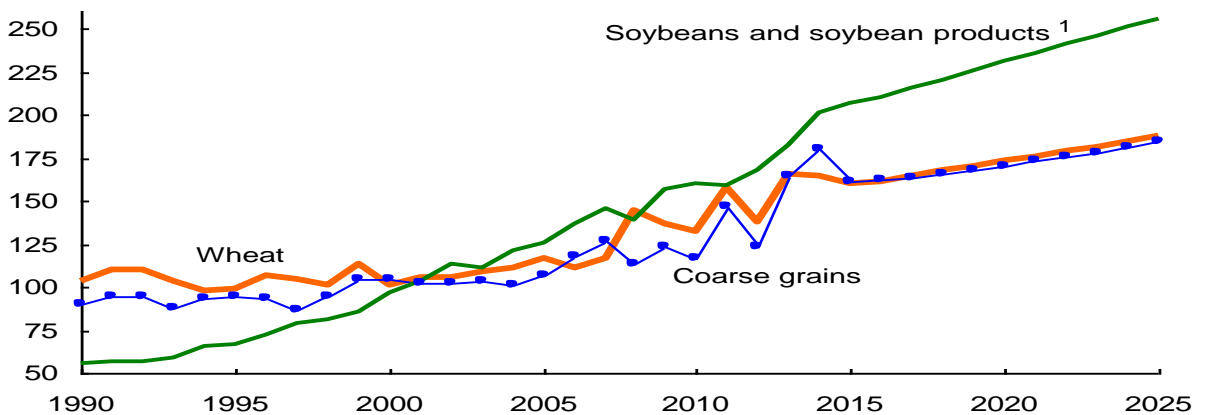
GLOBAL ENDING STOCKS AS A PERCENTAGE OF CONSUMPTION



GLOBAL TRADE OF MAJOR GRAINS AND SOYBEANS AND PRODUCTS

Global trade: Wheat, coarse grains, and soybeans and soybean products

Million metric tons



¹ Total of soybeans, soybean meal, and soybean oil.

Evaluating Opportunity

Social & Environmental Issues as Market Forces

- Global Population Stress
- Consumption Patterns / Diet improvements
- Water and Land Use policy
- Climate Change
- National Interests
- Growth/Impact of Civil Society

+ Global Trends and Market Forces =

- Global Sourcing / Markets
- **Role of Government / Regulation**
- Information Explosion
- **Fungibility of Supply**
- Production Methods and Technology
- Logistics – Transportation

Operating Conditions and Business Plans



Business Value ?

- **Find Opportunity in Supply, Consumption and Political Circumstances.**
- **Integrate Trends into Business Strategy & Other Decisions.**
- **Seek Level Playing Field**
- **Provide for Compliance**



Fungibility

A good or asset's interchangeability with other individual goods/assets of the same type. Simplifies the exchange/trade process, as interchangeability assumes that everyone values all goods of that class as the same

- In the supply and use of grain, fungibility refers to grain in the system being adequately interchangeable to provide for sustainable supply and price discovery – Hence to a degree functionally the same
- Example: No.2 Corn does not matter where Corn was grown or where it is delivered -worth the same amount.



Fungibility

- *Farmers have widely embraced growing a generic product, with clear specifications.*
- *For those who originate and handle grain fungibility has been a key attribute to enable efficient supply chains.*
- *For both domestic and international customers have access to a safe, low cost and predictable food supply chain.*



A goal: ENABLE Fungibility



TPP and Regulatory Coherence

TPP provides for the use of the most trade enabling and least trade distortive measures, while improving trade and official by addressing regulatory:

- Pre-Export Actions
- Actions at Import
- Science and Risk Analysis
- Audit and Transparency





IGTC Purpose

To convene significant expertise and representation to provide advice on the commercial requirements and economics of the world's food, feed and processing industries from a global perspective.

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IGTC Focus

Encourage policy and commercial practices that support global trade in grain, oilseeds, pulses and derived products



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Priority Files

- **International Plant Protection Convention (IPPC) development of a new International Standard for Phytosanitary Measures (ISPM) for Grain.**
- **Innovation in Electronic Document Management**
- **Accommodating Production Technology (CBP, GMO LLP, Innovative Plant Breeding, Pesticide Residues)**
- **International Labelling mandates and guidance for agri-bulks**
- **'Enabling the Business of Agriculture' project with the World Bank**

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IGTC

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Thank You!



IGTC seeks partnerships with governmental bodies.

Likewise we work with other international interest groups and academic institutions.

For-profit entities supporting IGTC are welcome to be identified as IGTC Corporate Stakeholders and help guide our work.

Trade Associations and Councils working to support international trade of grains, oilseeds, pulses and other agri-bulks are welcome to apply for IGTC Membership



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