



National Grain and Feed Association

www.ngfa.org

Continuing to grow agricultural trade matters!

...It's vital for U.S. farmers, agribusinesses, rural communities and U.S. economic growth and job creation.

The National Grain and Feed Association is committed to the bedrock principles of open markets, free enterprise and competition. U.S. food and agricultural exports have produced a trade surplus for nearly 50 years, supporting more than 17 million U.S. jobs and enhancing U.S. economic growth.

In 2015 alone, U.S. agricultural export value exceeded \$130 billion and created \$423 billion in U.S. economic activity.

NGFA asks Congress to work with the new administration to preserve the gains achieved in the North American market and strengthen our global competitiveness by engaging anew in the Asia-Pacific region.

North American Free Trade Agreement (NAFTA)

The North American market has been a bonanza for U.S. farmers and ranchers. Total U.S. agricultural exports to Canada and Mexico have more than quadrupled since the early 1990s, growing from \$8.9 billion in 1993 to \$38.6 billion in 2015.

Corn: Under NAFTA, Mexico dropped its strict price controls for duty-free trade and the U.S. now exports an average of \$3.7 billion of corn and corn products to Canada and Mexico.

Soybeans: NAFTA reduced tariffs, improving market access for soy exports. In 2015, the U.S. exported \$438 million to Canada and \$2.44 billion to Mexico.

Wheat: Wheat exports were 500% higher in the 10 years following NAFTA than the 10 years preceding. Mexico is the second largest market for U.S. wheat, importing \$1 billion/year.

What's at Stake: The U.S. food and agricultural sector is seeking to engage with the new administration and our North American trading partners in modernizing and updating NAFTA to preserve and expand upon the gains previously achieved.

Trans-Pacific Trade Approach

While the U.S. has formally withdrawn from the Trans-Pacific Partnership, the Asia Pacific region remains the world's largest, rapidly growing market for food and agriculture products.

Countries in the Trans-Pacific Partnership currently account for up to 42 percent of all U.S. agricultural exports, totaling \$63 billion. NGFA will work with the new administration to deepen U.S. economic engagement in the vitally important Asia-Pacific region while responding to the Asia-only regional trade agreements being negotiated by foreign competitors to ensure that America's farmers, ranchers, agribusinesses and food companies do not fall behind foreign competitors.

"Our industry – indeed all of us in agriculture – knows better than anyone about the economic growth and jobs made possible by trade agreements that reduce tariffs and eliminate trade barriers."

- NGFA Chairman (2014-2016) Gary Beachner, president and CEO of Beachner Grain Inc. in Parsons, Kan., at NGFA's 2016 annual convention.

NGFA Contacts:

Bobby Frederick, Director of Legislative Affairs: bfrederick@ngfa.org 202-888-1093

Max Fisher, Director of Economics: mfisher@ngfa.org

NGFA Membership Profile

- Country elevators that provide storage, merchandising and farm supply services to farmer-customers.
- Feed mills that manufacture premixes and complete feeds for the livestock, poultry, aquaculture and pet food industries.
- Export elevators that merchandise and ship U.S. grains, oilseeds and processed commodities to foreign customers.
- Cash grain and feed merchandisers who buy and sell grains, oilseeds and grain products.
- Commodity futures brokers and commission merchants who provide hedging services to grain buyers and sellers through the use of futures markets.
- End users of grain and grain products, such as:
 - grain processors and millers who process raw grain into myriad products – such as flour, corn meal and syrup, and soybean oil and meal – for human and animal consumption, and industrial uses;
 - livestock and poultry integrators; and
 - biofuels producers, who manufacture fuel ethanol and soy diesel, as well as coproduct ingredients for animal feed.
- Allied industries, such as banks; railroads; barge lines; grain exchanges; biotechnology providers; engineering and design/construction firms; insurance companies; computer/software firms; and other companies that supply goods and services to the industry.