

# What Do Tariffs and Trade Tensions Mean for Exports?

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# Where Is U.S. Corn Going?

## Dollar amount\*

1	MEXICO	\$2.51 BILLION
2	JAPAN	\$2.36 BILLION
3	SOUTH KOREA	\$987 MILLION
4	COLOMBIA	\$796 MILLION
5	TAIWAN	\$511 MILLION
	Peru	\$490 million
	Saudi Arabia	\$366 million
	Guatemala	\$169 million
	Morocco	\$144 million
	China	\$142 million

## Metric tons

1	MEXICO	13,899,894
2	JAPAN	13,526,627
3	SOUTH KOREA	5,600,101
4	COLOMBIA	4,729,755
5	PERU	2,986,153
	Taiwan	2,940,732
	Saudi Arabia	2,137,415
	Guatemala	993,308
	Morocco	871,196
	Costa Rica	819,163

Source: USDA Foreign Agriculture Service's Global Agriculture Trading System report for marketing year Sept. 1, 2016 to Aug. 31, 2017.

\*Corn is sold based on contract and at varying rates, therefore, top rankings for tonnage do not align with rankings for value.



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# Where Is U.S. Ethanol Going?

## Dollar amount\*

1	<b>BRAZIL</b>	<b>\$832 MILLION</b>
2	<b>CANADA</b>	<b>\$628 MILLION</b>
3	<b>INDIA</b>	<b>\$216 MILLION</b>
4	<b>PHILIPPINES</b>	<b>\$114 MILLION</b>
5	<b>CHINA</b>	<b>\$80 MILLION</b>
	South Korea	\$79 million
	Peru	\$72 million
	United Arab Emirates	\$66 million
	Mexico	\$52 million
	Colombia	\$48 million

## Gallons

1	<b>BRAZIL</b>	<b>499,301,528</b>
2	<b>CANADA</b>	<b>331,737,401</b>
3	<b>INDIA</b>	<b>134,791,457</b>
4	<b>PHILIPPINES</b>	<b>69,140,443</b>
5	<b>CHINA</b>	<b>49,037,976</b>
	United Arab Emirates	45,519,374
	Peru	43,690,085
	South Korea	43,003,735
	Nigeria	27,856,268
	Mexico	27,738,205

Source: USDA Foreign Agriculture Service's Global Agriculture Trading System report for marketing year Sept. 1, 2016 to Aug. 31, 2017.

\*Ethanol is sold based on contract and at varying rates, therefore, top rankings for tonnage do not align with rankings for value.

# Trade in the Trump Era

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- Pulled out of TPP
- Renegotiating NAFTA, modifying KORUS
- No new FTAs
- Trade War with China
- Tariffs on allies



# The Impact

- Uncertainty and volatility in the market
- Retaliation
- Diminished commodity prices and farm income
  - Economic analysis commissioned by NCGA finds trade disputes have lowered prices by \$.44 per bushel, or \$6.3 billion total for crop produced in 2018.
- Damaged reputation and market share
- Blocks our proactive trade agenda



# Trade Aid Plan

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- USDA authorized up to \$12 billion in assistance to farmers impacted by tariffs and trade uncertainty
  - Market Facilitation Program (payment program)
  - Commodity Purchase Program
  - Trade Promotion Program (MAP/FMD-like)
- While we didn't ask for this assistance plan, NCGA is working to inform the process to make sure it works for growers.

# NCGA Action

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- Boots on the Ground
- Grass Tops Stakeholder Development and Mobilization
  - Americans for Farmers and Families, Farmers for Free Trade, Scarlet Oak
- Joint NCGA-USGC Trade School and webinars
- Partner with ethanol industry to fight off RINs export proposal and pursue RVP waiver





# What Can YOU Do?

- Work with your state and national associations to get up to speed on the issues
- Make your voice heard
- Ask U.S. Congressional leadership, Governors to weigh in with the White House
- Not just in Capitol buildings – at the state fair, the coffee shop and town halls
- Tell your story: press, social media



Let every oil company and politician know, whether they wish us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of corn ethanol.



# Thank You

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- Questions??

