Colorado corn at a glance

- About 150 million bushels per year
  - Ranks 13th-17th in the U.S.
  - Between $500 million-$1 billion in value

- Colorado is net IMPORTER of corn
  - Robust local livestock industry that consumes it

- 2016 corn exports valued at $9.6 million
  - 99% going to Mexico
So, why care so much about trade?

- International trade is responsible for **33% of U.S. gross farm income**
  - Colorado’s ag exports generate $1.7 billion

- In an era of low commodity prices, that can easily translate to the difference between a profit and loss for corn farmers.
Top Corn Producers

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*Net Exporter
Top Corn Exporters
Where is U.S. corn going?
Top trade issues right now

- Examining renegotiations of North American Free Trade Agreement (NAFTA)

- Proposed budget cuts to USDA’s Market Access Program (MAP) and Foreign Market Development (FMD) programs
NAFTA

- Since 1994, U.S. corn exports to NAFTA partners have increased more than seven-fold.
  - From a value of $236 million in corn exports to Mexico and Canada in the 1993/1994 marketing year
  - To a value of $2.68 billion in 2015/2016 marketing year

- Ongoing examination of NAFTA
  - Maintain and expand upon current market access
  - Improve regulatory coherence and cooperation
Top Corn Importers

![Bar chart showing top corn importers by country and year]
Potential elimination of MAP and FMD programs

- We’re asking MAP and FMD be funded at $200 million and $34.5 million, respectively, for the 2018 Fiscal Year.
  - These amounts were authorized in 2014 Farm Bill.

- Studies show the MAP and FMD programs return $28 for every $1 invested.
  - Contribute to more than 15% of export revenue.
Other ongoing trade issues

- **Moving forward with TPP partners**
  - President ordered withdraw from Trans-Pacific Partnership
  - 11 countries are still discussing how to move forward
  - TPP would ensure that corn and corn products remain duty-free with TPP partner countries and
  - It would have locked in other preferences going forward
  - Under TPP, meat exports were forecast to increase by more than $1 billion

- **Continually following the beef industry**
  - Colorado’s No. 1 ag export commodity
  - Red meat exports add about 45 cents to the price of corn
  - U.S. beef export volume increased 11 percent in 2016
    - Valued at $6.34 billion
  - U.S. beef recently became eligible for export to China
Other ongoing trade issues

- **China and biotechnology**
  - Evaluating eight pending U.S. biotechnology products

- **Cuba trade relationships**
  - President to announce his Cuba policy Friday, but many are not sure what that will be
  - Many stressing how important normalizing trade with Cuba would be to agriculture
Work of our organizations

- **Colorado Corn Growers Association (CCGA)**
  - Weighing in policy issues related to trade
  - Submitted comments this week on NAFTA negotiations and the potential eliminations of MAP and FMD programs

- **Colorado Corn Administrative Committee (CCAC)**
  - Support of the U.S. Grains Council
    - Trade missions this year with USGC to Mexico and Panama
  - Support of the U.S. Meat Export Federation
    - Nearly $100,000 in recent years to support USMEF projects
    - Targeted at chef and consumer education and promotion in developing counties
The Colorado Corn Administrative Committee (CCAC) & the Colorado Corn Growers Association (CCGA)

Learn more at www.colorado Corn.com