

# Trends and Experience Importing Organic Grain from Eastern Europe and Turkey



“Improving Integrity of Organic Supply Chains”

Odessa, Ukraine on 21 Sept 2017

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# Perspective

- Merchant – Est 1974
- Supply corn & soy segregated by market distinction (IdP)
- Contract with farmers before planting to secure suitable supplies
- Ship by container, truck, rail, barge, ship, entire Panamax;
- Do not import grain due to customer demand





# Market Drivers of Organic Grain Consumption

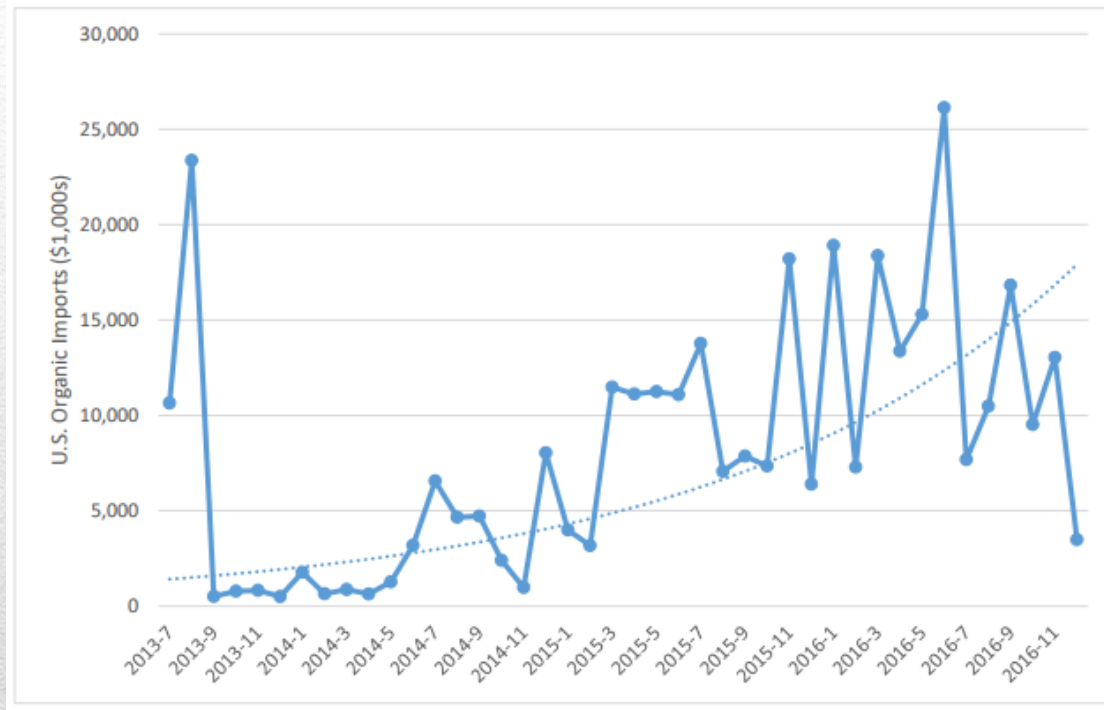
## Livestock and Poultry, US, 2014 and 2015

	2014	2015	Growth
Operations	1401	2001	42.8%
Total animals, poultry	16,509,520	22,389,214	35.6%
Cattle	233,133	334,514	43.5%
Hogs	2,956	4,740	60.4%
Sheep	4,625	5,345	15.6%
Goats	1,007	1,313	30.4%
Other livestock	3,143	4,103	30.5%
Chickens	<b>15,375,993</b>	<b>20,826,831</b>	<b>35.5%</b>
Turkeys	<b>606,138</b>	<b>968,402</b>	<b>59.8%</b>
Other poultry	282,545	243,966	-13.7%

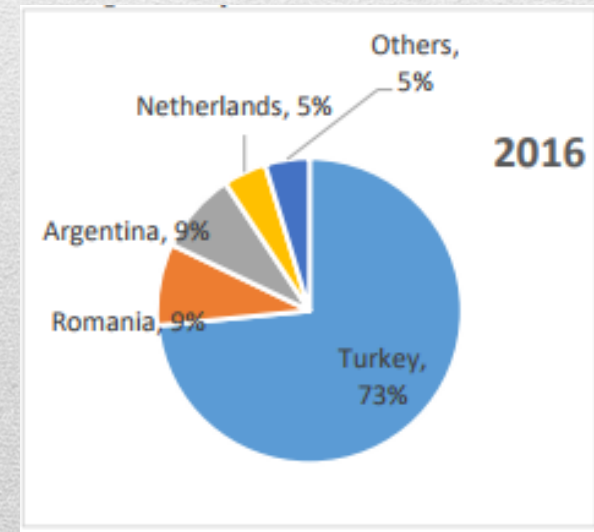
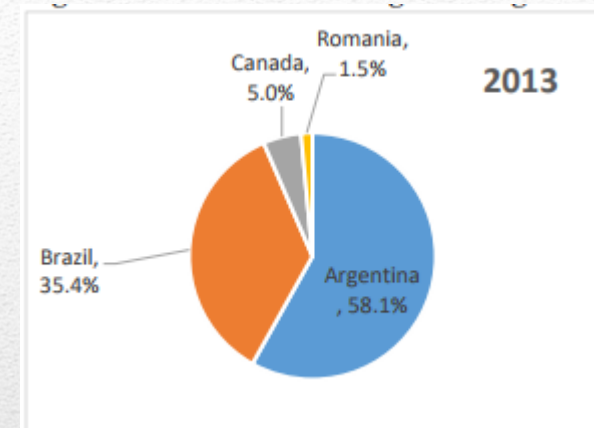


# Organic Corn Import Trend

Figure I.5.a: Monthly Organic Corn Imports, with Exponential Trend Line



## Rising Volume and New Origins

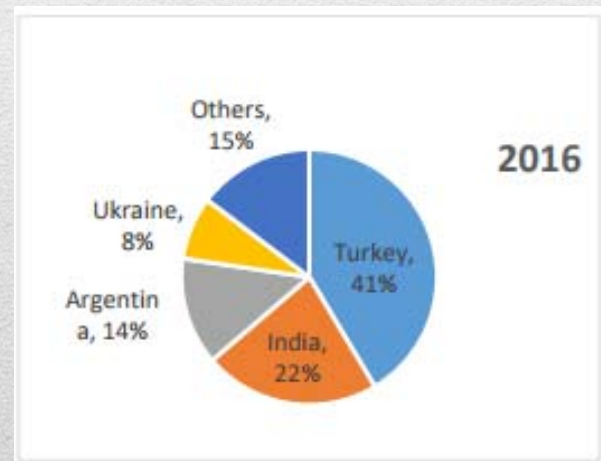
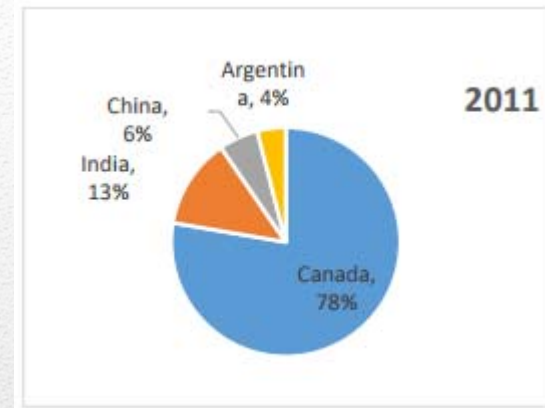
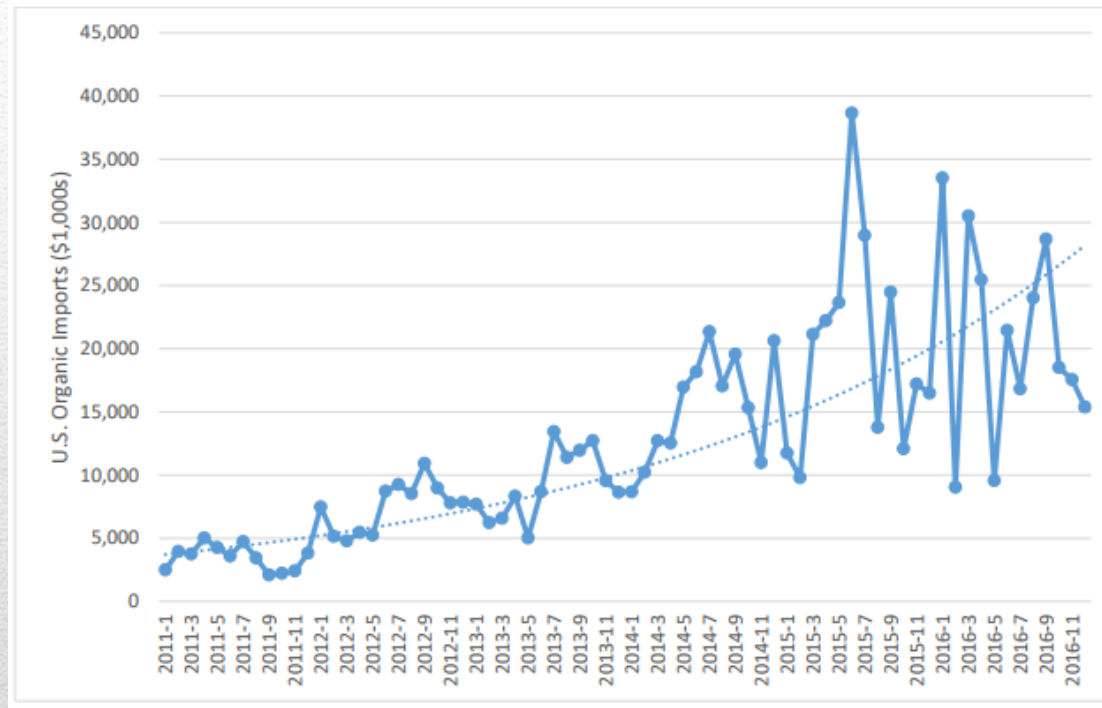


Source: Report to the Organic Trade Association: US Organic Trade Data 2011 to 2016. 12May2017



# Organic Soybean Import Trend

Figure 1.2.a: Monthly Organic Soybean Imports, with Exponential Trend Line



Rising Volume and New Origins

Source: Report to the Organic Trade Association: US Organic Trade Data 2011 to 2016. 12May2017

# Imported Organic Fraud Risk

*Why your 'organic' milk may not be organic.*

The Washington Post. 1 May 2017



*The labels said 'organic.' But these massive imports of corn and soybeans weren't.*

The Washington Post. 12 May 2017



USDA NOP added scrutiny to shipments from Turkey, Ukraine, Russia, Kazakhstan, Moldova, and Romania



# Working Together to Reduce the Risk and Improve Trade

- Consolidate eligible ports for organic grain embarking for US to one per country.
  - USDA concentration
  - No more than 2 per country
- Remote sensing to predict grain yield in a country and region.
- Increase transparency through high-tech / low-tech solutions. Support block-chain trace and tracking of shipments.
- Enforce accountability throughout the supply chain including the buyer.
  - Aggregator
  - Shipper
  - US Buyer
  - Product recall





Any Question or Suggestions?

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