



Agricultural Marketing Service
U.S. DEPARTMENT OF AGRICULTURE



Grain Inspection Advisory Committee

FGIS Field Management Division Updates



Field Management Division Updates

- Market Update
- Prior GIAC Recommendations
 - Stowage exams using drones
 - Consolidation of instructions
- Staffing
- COVID/Continuity of Service
- Grand Forks Closure
- Portland Office Status

2022, The Year of Black Swan Events

- Ukraine/Russia Conflict
- Drought in Brazil
- China COVID-19 Lockdown
- Planting Delays Due to Flooding in Northern Corn Belt
- Drought in U.S. Wheat Belt
- France Drought
- Commodity and Consumer Price inflation



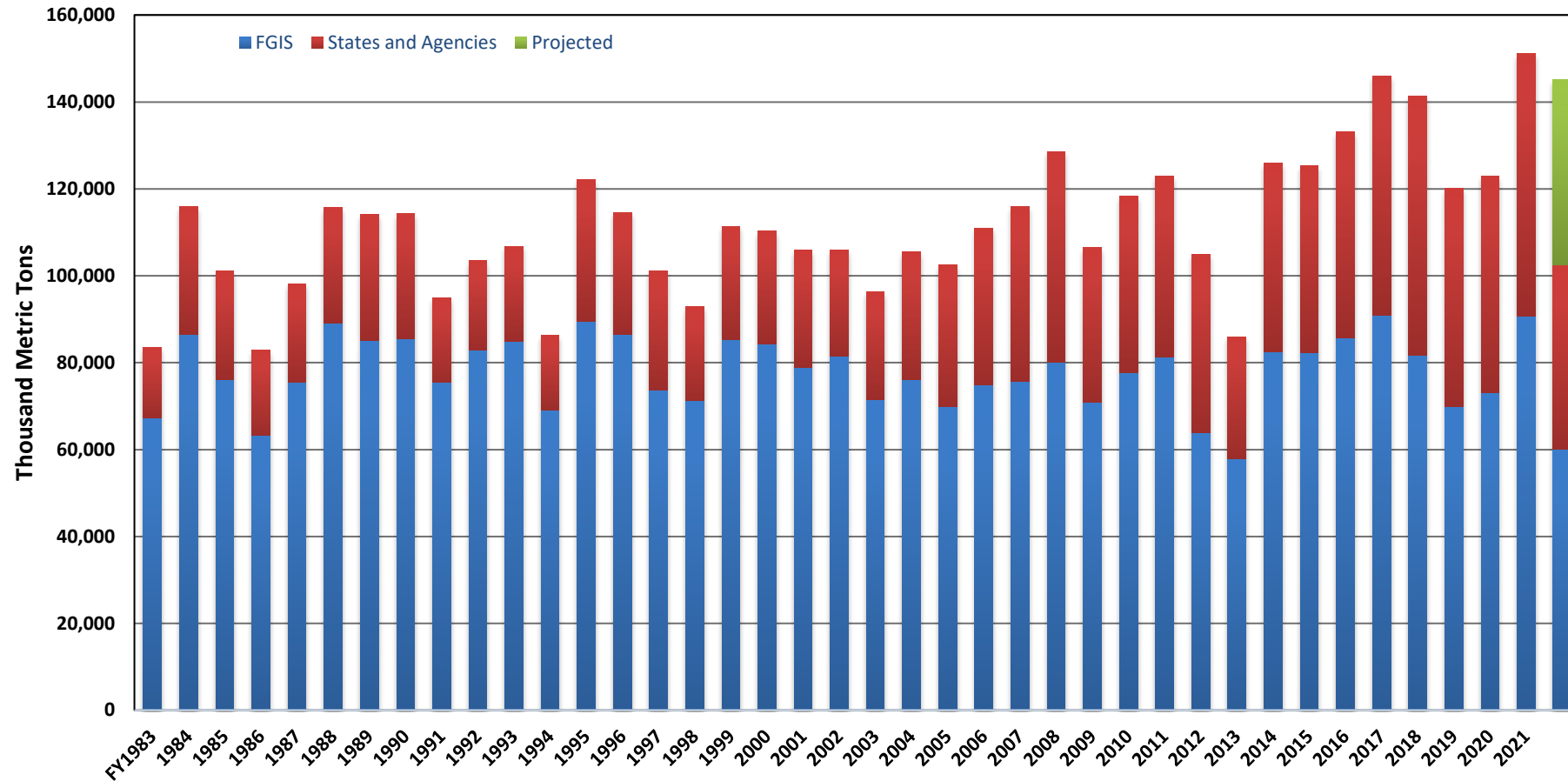


Have these impacted U.S. Grain Exports?

- Thus far we haven't seen measurable impacts on export grain inspection tonnage.
- However...
 - USDA increased 2021/22 soybean export sales estimates in June WASDE due to 'reduced export forecast for Brazil'.
 - Ukraine/Russia conflict created port closures and shipping channel disruption in the Black Sea region.
 - Global grain buyers are starting to source its grain purchases from other reliable suppliers.
 - Many analysts believes that if Ukraine doesn't have grain export capabilities back by fall, the U.S. will increasingly be sought after as the residual supplier of grain.



Fiscal Year Total Export Grain Inspections

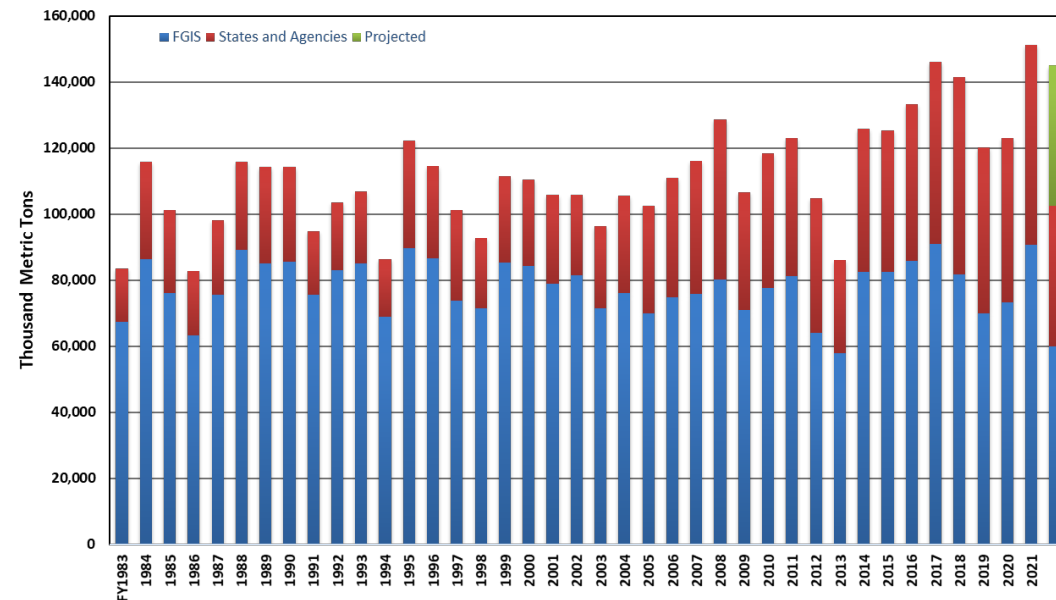




Fiscal Year Total Export Grain Inspections

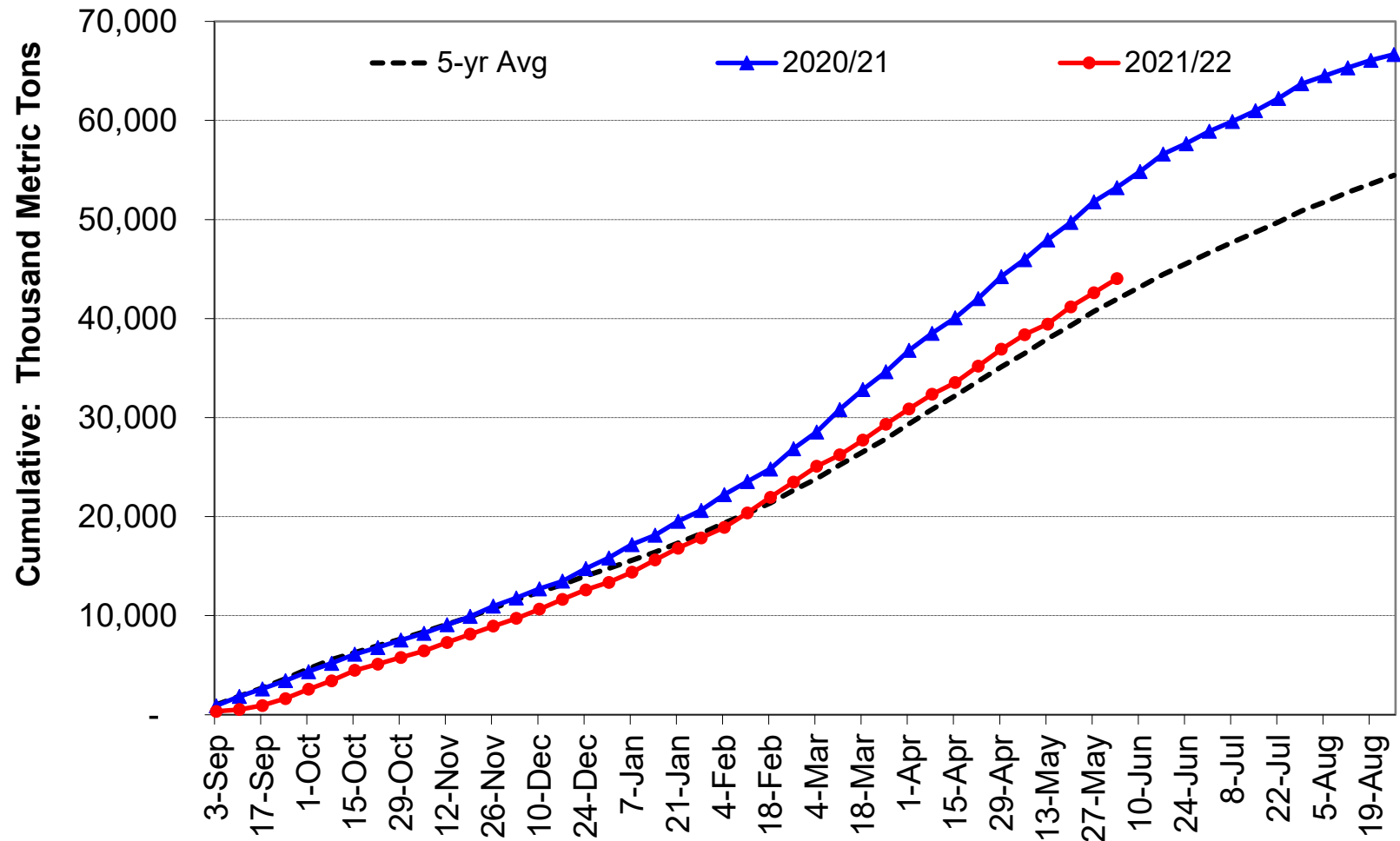
-Overall export grain inspection tonnage for FY 2022 is 11.5% below last year's record year.

-However, if we stay on the current trajectory, we could wind up ranking 3rd in all time tonnage!





Export Corn: FGIS, States & Agencies



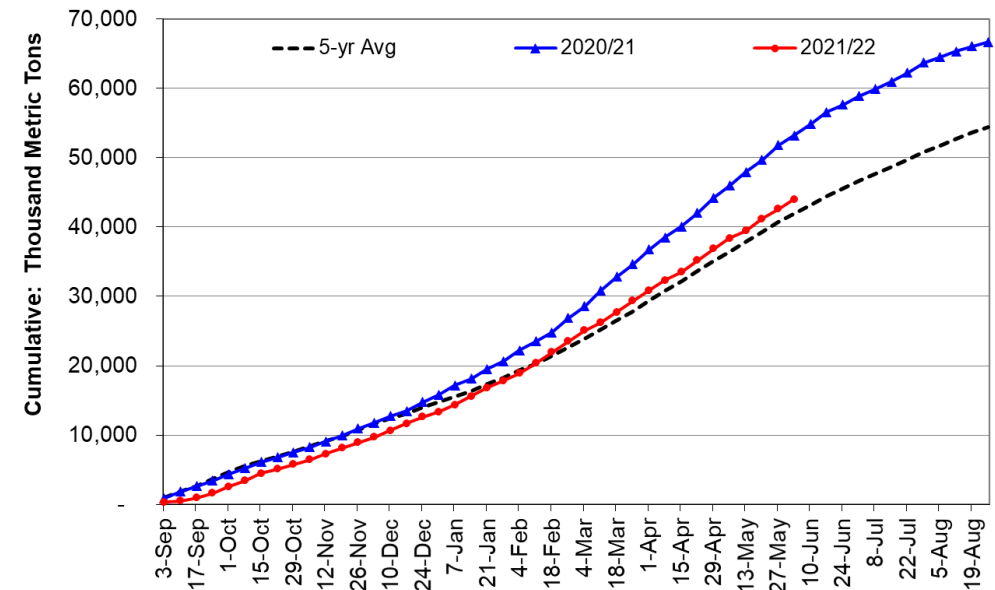


Export Corn: FGIS, States & Agencies

-Corn exports are currently down 17% compared to last year however they are up 5% compared to the 5-year average.

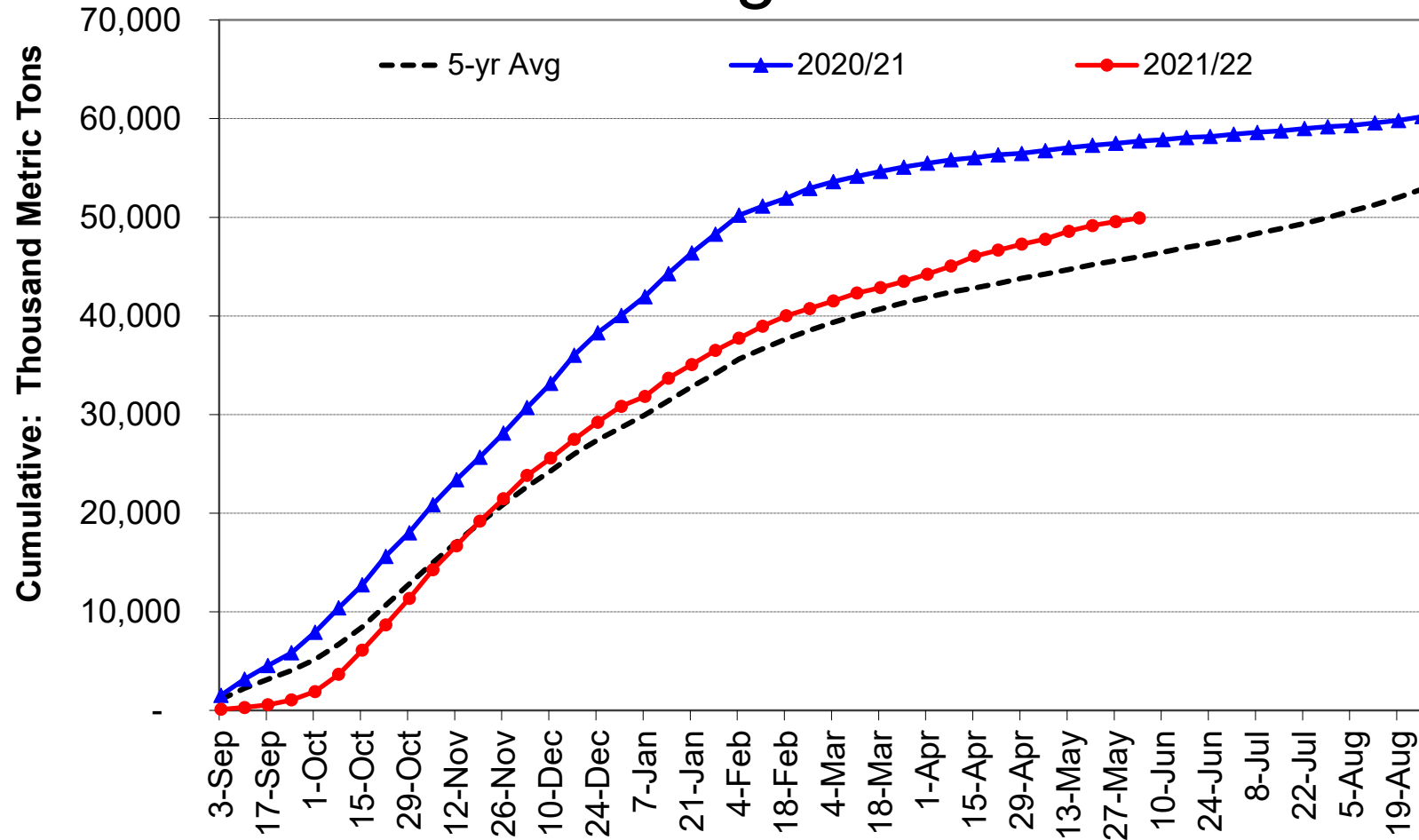
-Mexico is the number one destination totaling 28% of all corn exports with China at 24% and Japan at 18%.

-U.S. corn exports to Mexico is at an all-time record pace.





Export Soybean: FGIS, States & Agencies



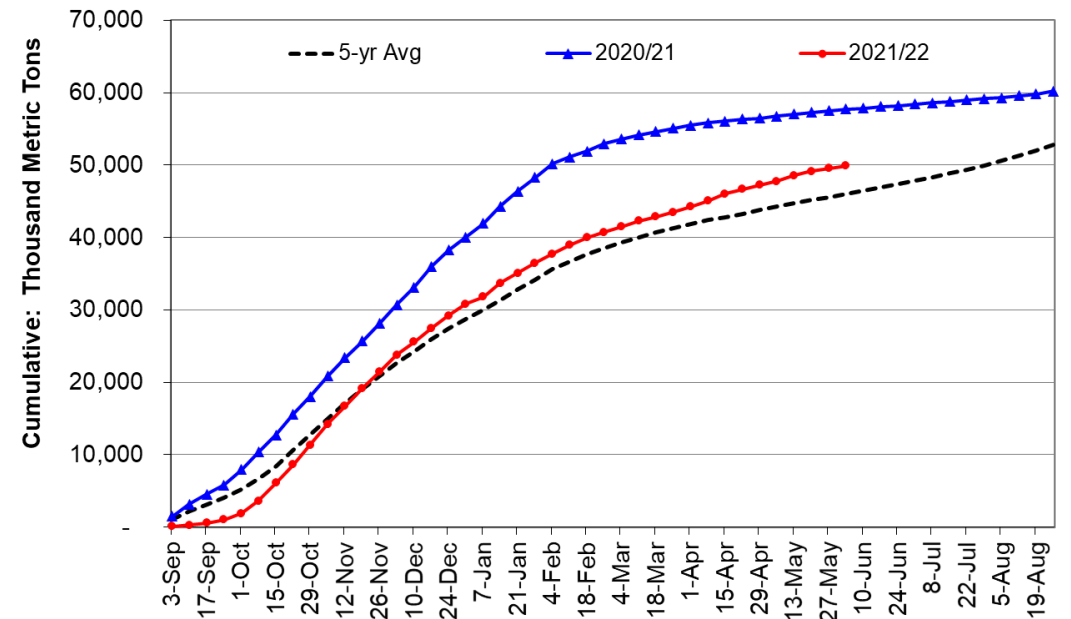


Export Soybean: FGIS, States & Agencies

-Soybean exports are currently down 14% compared to last year however they are up 9% compared to the 5-year average.

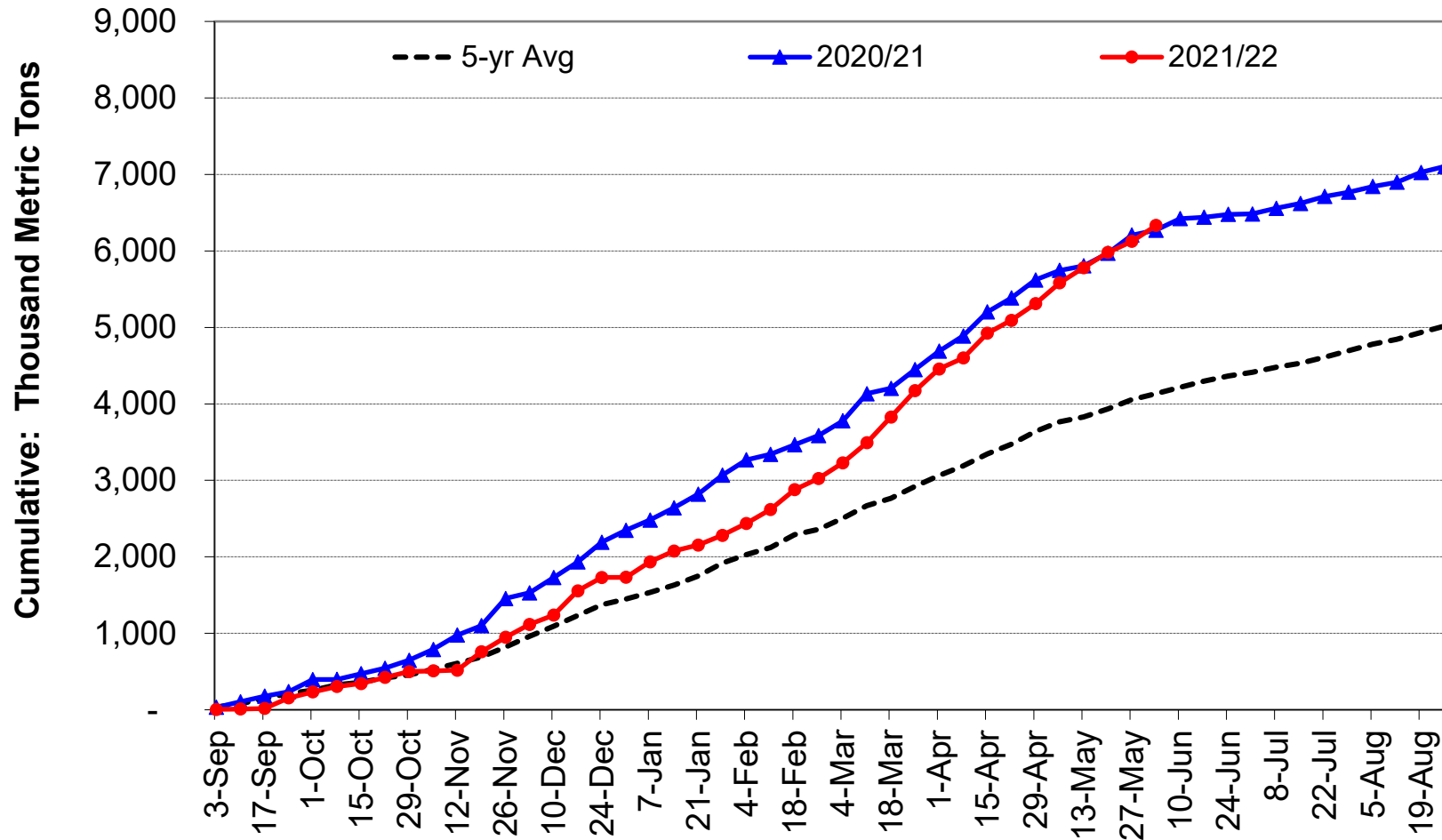
-China is the number one destination totaling 56% of all soybean exports with Mexico at 8% and Egypt at 7%.

-U.S. soybeans exports to Mexico are also at an all-time record pace.





Export Sorghum: FGIS, States & Agencies

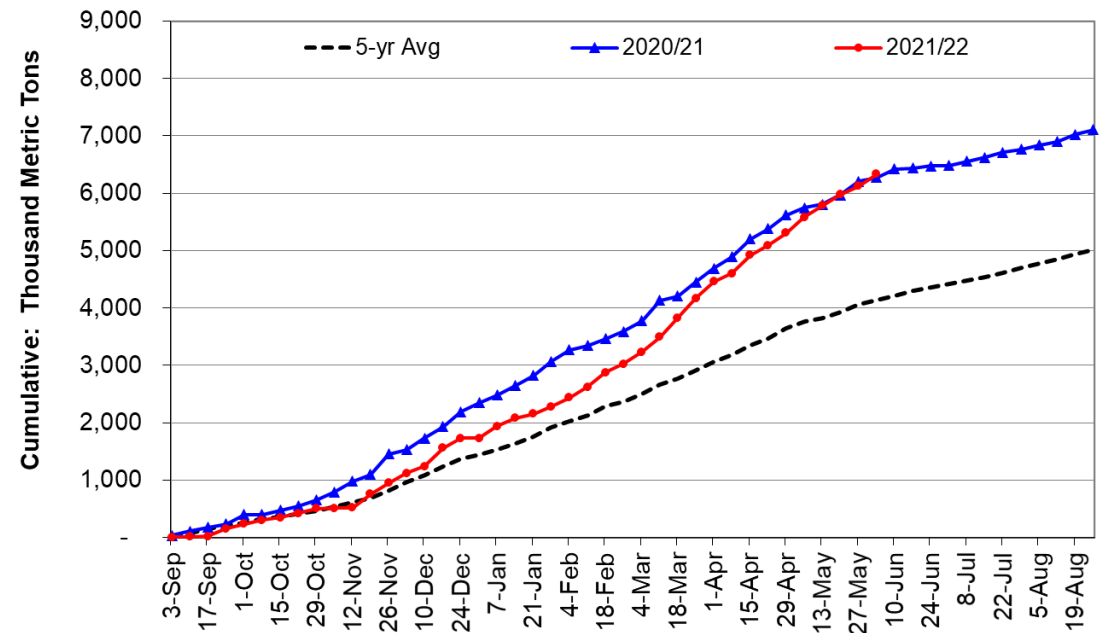


Export Sorghum: FGIS, States & Agencies

-Sorghum exports are currently 1% higher than last year and they are up 53% compared to the 5-year average.

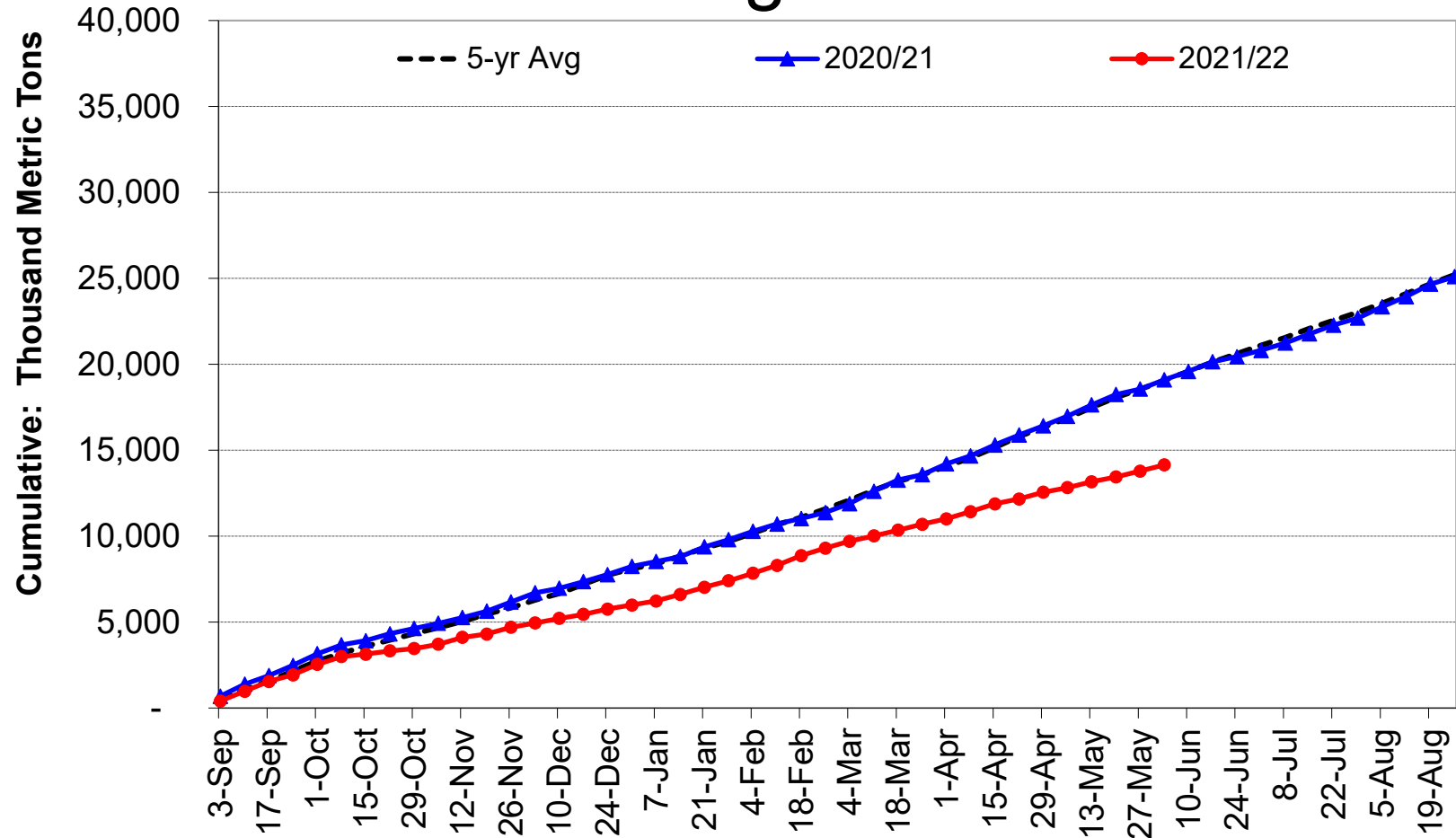
-China is the number one destination totaling 90% of all sorghum exports with Mexico at 3% and Spain at 2%.

-March of 2022 was an all-time record for the most amount of sorghum exported to China in a single month at 1.2 million metric tons. To put that in perspective the historical monthly average of Sorghum to China is 460,000 metric tons.





Export Wheat: FGIS, States & Agencies

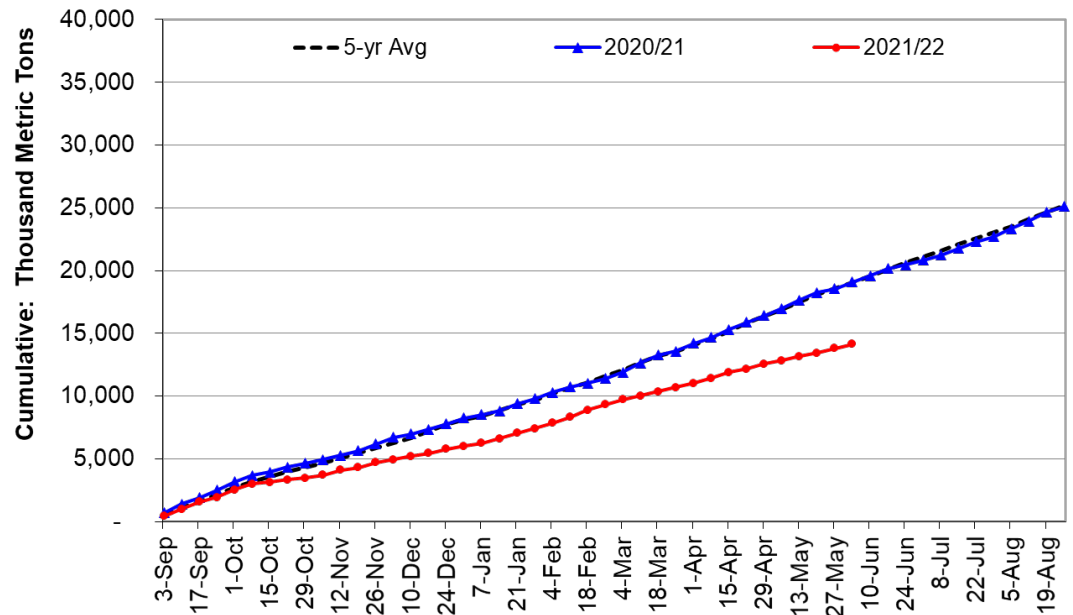




Export Wheat: FGIS, States & Agencies

-Wheat exports are currently down 26% compared to last year and down 25% compared to the 5-year average.

-Mexico is the number one destination totaling 18% of all wheat exports with Philippines at 13% and Japan at 12%.





Stowage Exams via Remote Cameras

- Project to review current market and regulations
 - Considering how we can leverage technology
 - Costs technology vs. Injuries/OWCP claims
 - Fixed cameras (railcars, barges)
 - Drones
- Regulatory requirements
 - Line of sight
 - Pilot licenses
 - Port restrictions
- Use of cameras in railcars and barges
- Looking to engage with industry to determine interest



Consolidation

Create one webpage with links to all handbooks, program directives & notices, policy bulletins, Bar Q&A, PPMAB Q&A, container school presentations, container Q&A, et al.

- Incorporated or removed 9 Program Notices; 2 will expire this FY
- Policy notices: ~30 to public web, ~5-10 behind firewall; ~30 to archive
- Factor-only Inspection of Non-Standardized Grains and Commodities
 - Consolidates 14 directives into one single handbook source



Handbooks

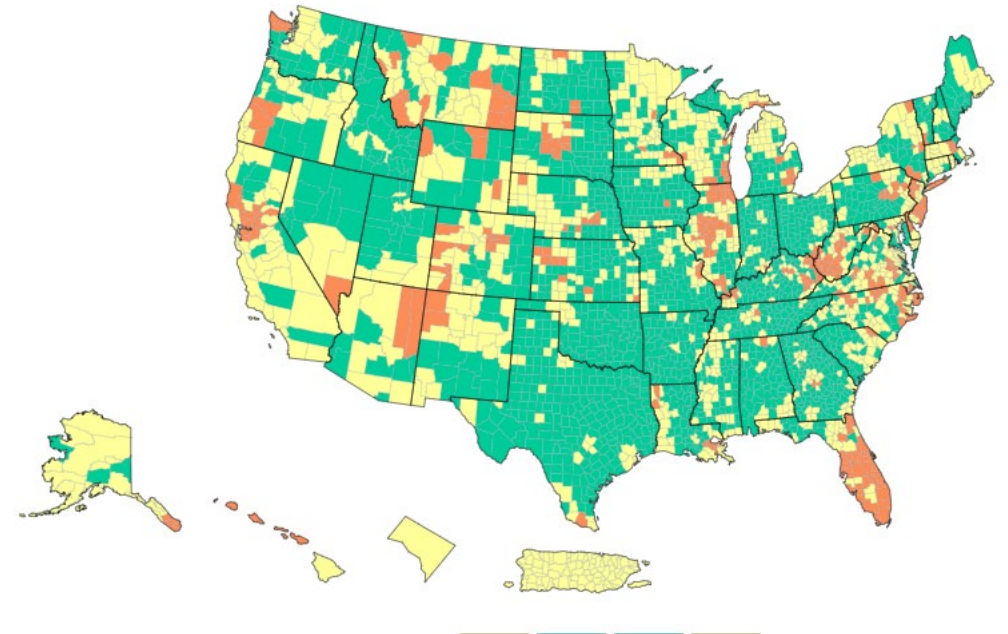
- Handbooks posted in FY22:
 - Near Infrared Transmittance
 - Moisture
- Revised handbooks in final review:
 - Hops
 - Processed Commodities
- Revised existing handbooks in draft stage:
 - Mycotoxin
 - NMR
 - Weighing
 - Equipment*
- New handbooks in draft stage:
 - Licensing
 - Certification
 - Factor-only Inspection of Non-Standardized Grains and Commodities

*Equipment handbook revised FY22 to include LED lighting



COVID/Continuity of Service

- Testing Programs
 - Areas of Medium or High CDC County Community Levels
- Hurricane Recovery



Staffing & Office Updates

- **Field Office Managers**
- **Quality Assurance Specialists**
- **Onboarding technicians**
 - Licensing
 - Industry Perspectives
- **Grader Position announcement closes today**

- **PNW Field Office**
 - Portland, Olympia, Moscow
- **Grand Forks closure**
 - Most functions here to National Grain Center in KC

