



United States Department of Agriculture



Agricultural Marketing Service

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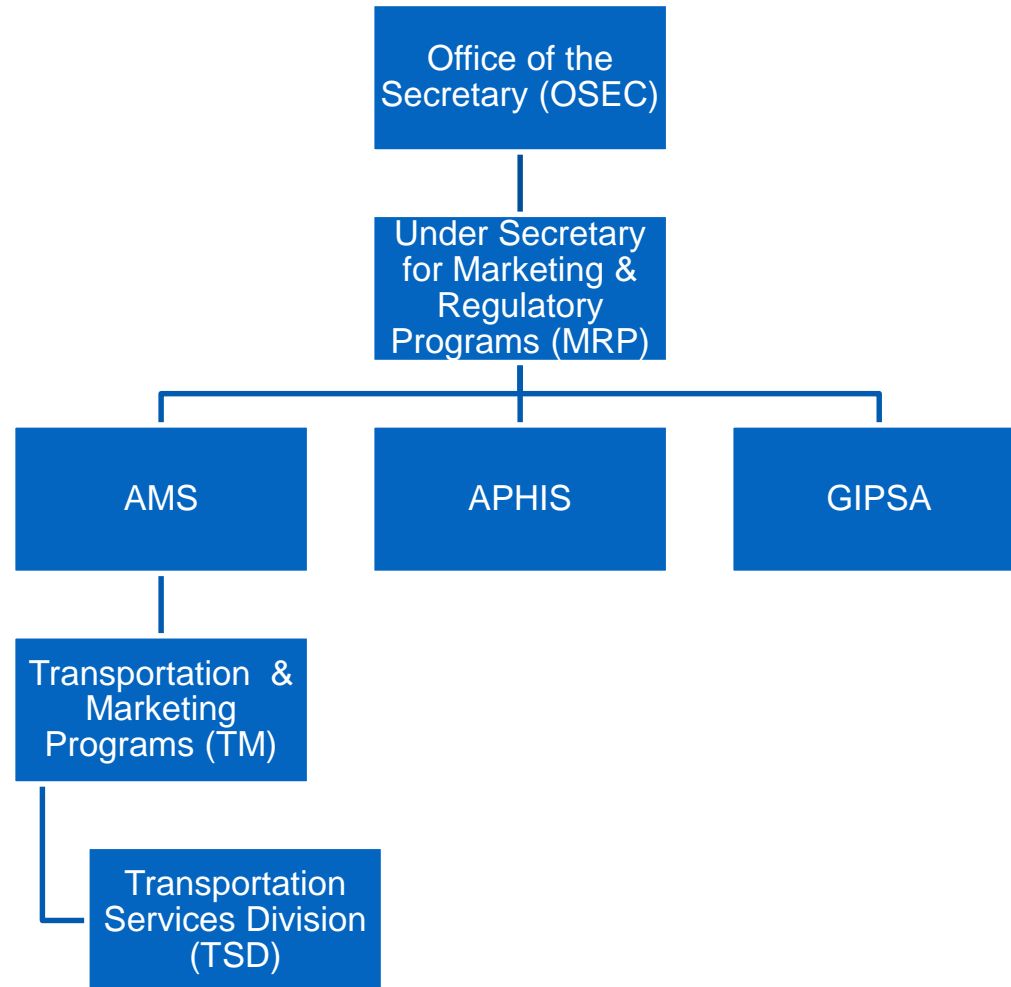
Inland Waterways Users Board
Meeting #81
December 13, 2016



Agricultural Marketing Service

- Waterways issues are important to American agriculture
- AMS has represented USDA at IWUB since 1991
- Before 1991, USDA's Office of Transportation (OT) attended IWUB
- In 1991, USDA dissolved OT, scaled down its functions, and delegated the remaining responsibilities to AMS

Agricultural Marketing Service



AMS Mission

Facilitate the Orderly Marketing of Agricultural Products

- Grades & Standards
- Market News
- Market Research & Promotion Programs
- National Organic Program
- Transportation & Marketing
 - Transportation, Grants, Marketing

AMS Transportation Mission

Provide Insight on Ag Transportation for Stakeholders & USDA Policymakers through:

- Market Reports
- Economic Analysis
- Regulatory Representation
- Transportation Disruption Reports (internal)
- Outreach to Stakeholders



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Statutory Authority for Regulatory Representation

- Agricultural Adjustment Act of 1938
- Agricultural Marketing Act of 1946
- International Carriage of Perishable Foodstuffs Act of 1982.
 - Delegated by Secretary to MRP
 - MRP Relies on AMS to Cover Transportation Issues

Regulatory Representation

- IWUB (barge)
- STB Filings (rail)
- FMC (ocean)
- DOT's FMCSA (truck)
- Perishable Foodstuffs Act (cold chain)

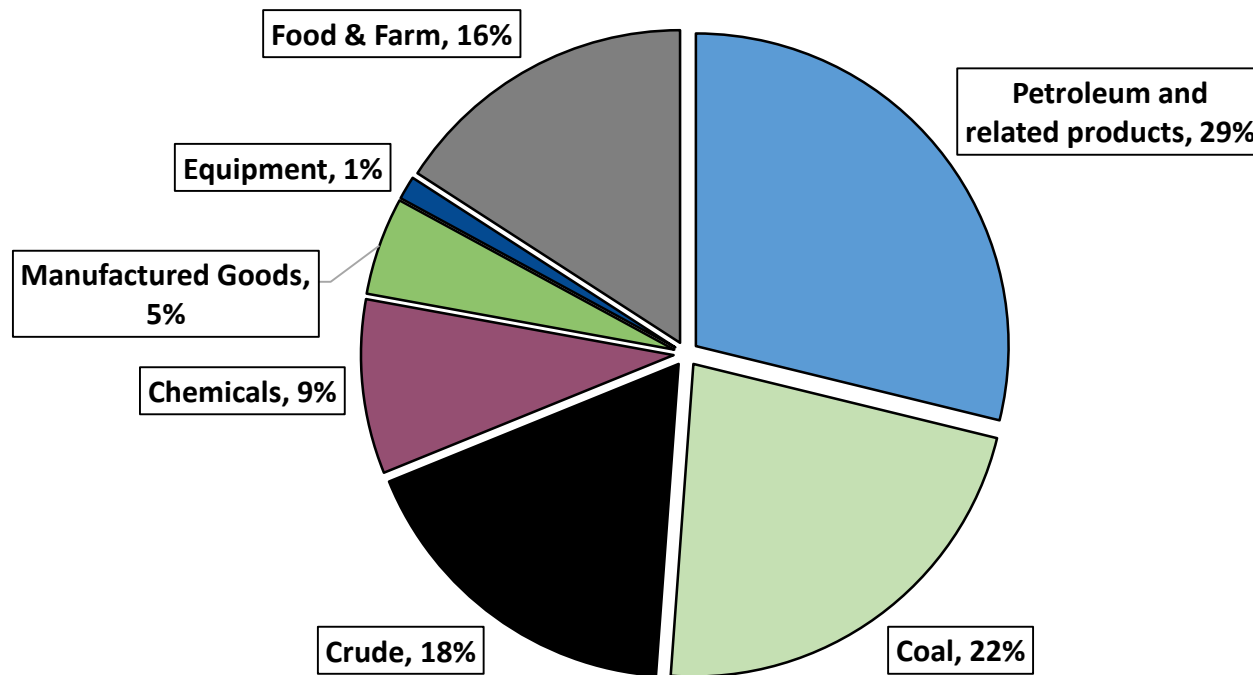
Transportation Services Division

The screenshot shows the USDA Agricultural Marketing Service website. The header includes the USDA logo, the text "United States Department of Agriculture Agricultural Marketing Service", and navigation links for "About AMS", "News & Announcements", "Careers", and "Contact Us". A search bar is present with a "Search" button. Below the header is a navigation menu with tabs for "Market News", "Rules & Regulations", "Grades & Standards", "Services", "Resources", and "Selling Food to USDA". The "Services" tab is selected. Below the navigation is a "Stay connected" section with social media icons for Facebook, Twitter, YouTube, RSS, and a mail icon. The main content area is titled "Transportation Research & Analysis" and features a large image of a port facility. Below the image is a sub-header "Transportation Research & Analysis" and a paragraph describing the division's role as the definitive source for economic analysis of agricultural transportation. To the right of the text are three featured reports: "SPOTLIGHT ON: Transportation of U.S. Grains: A Modal Share Analysis", "Study of Rural Transportation Issues", and "Grain Transportation Report". Below the text is a "Reports of Interest" section listing two reports: "10-2015: Constrained Market Pricing and Revenue Adequacy: Regulatory Implications for Shippers and Class 1 U.S. Freight Railroads (Summary) (pdf)" and "06-2015: Transportation of U.S. Grains: A Modal Share Analysis, 1978-2013 Update pdf". At the bottom of the main content area are three sub-sections: "Grain Transportation", "Containers, Ports and Non-Grain Agricultural Products", and "International Transportation Analysis". A left sidebar contains a "Home > Services" breadcrumb and a "Transportation Research & Analysis" section with a list of links: Overview, Grain Transportation, Containers, Ports and Non-Grain Agricultural Products, International Transportation Analysis, Agricultural Transportation Research and Information Center, Regulatory Representation, Data, Contacts, Reports, Grain Transportation Report, Ocean Shipping Container Availability Report, Agricultural Refrigerated Truck Quarterly, A Reliable Waterway System Is Important to Agriculture, Brazil Soybean Transportation, Soybean Transportation Guide: Brazil, and Mexico Transport Cost Indicator Reports.

Transportation Analysis and Market Reports:

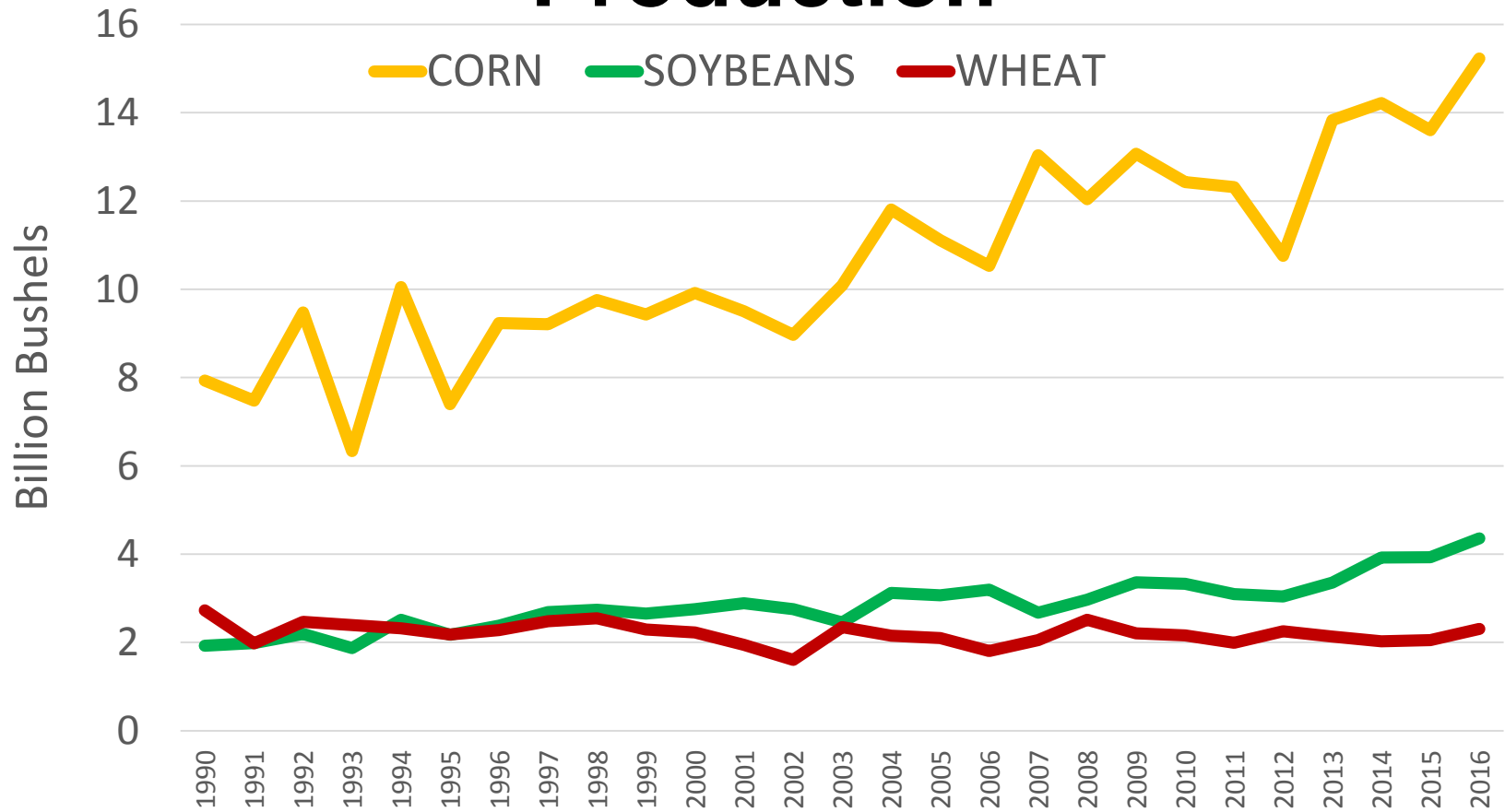
- U.S. Grain
- Other Commodities
- Brazil & Mexico Grain Analysis
- Modal Share Analysis
- Commodity Profiles
- Rail Studies
- Study of Rural Transportation Issues
- STB Filings
- Co-op Research Agreements
- Data

2015 Barge Tonnage by Commodity Group

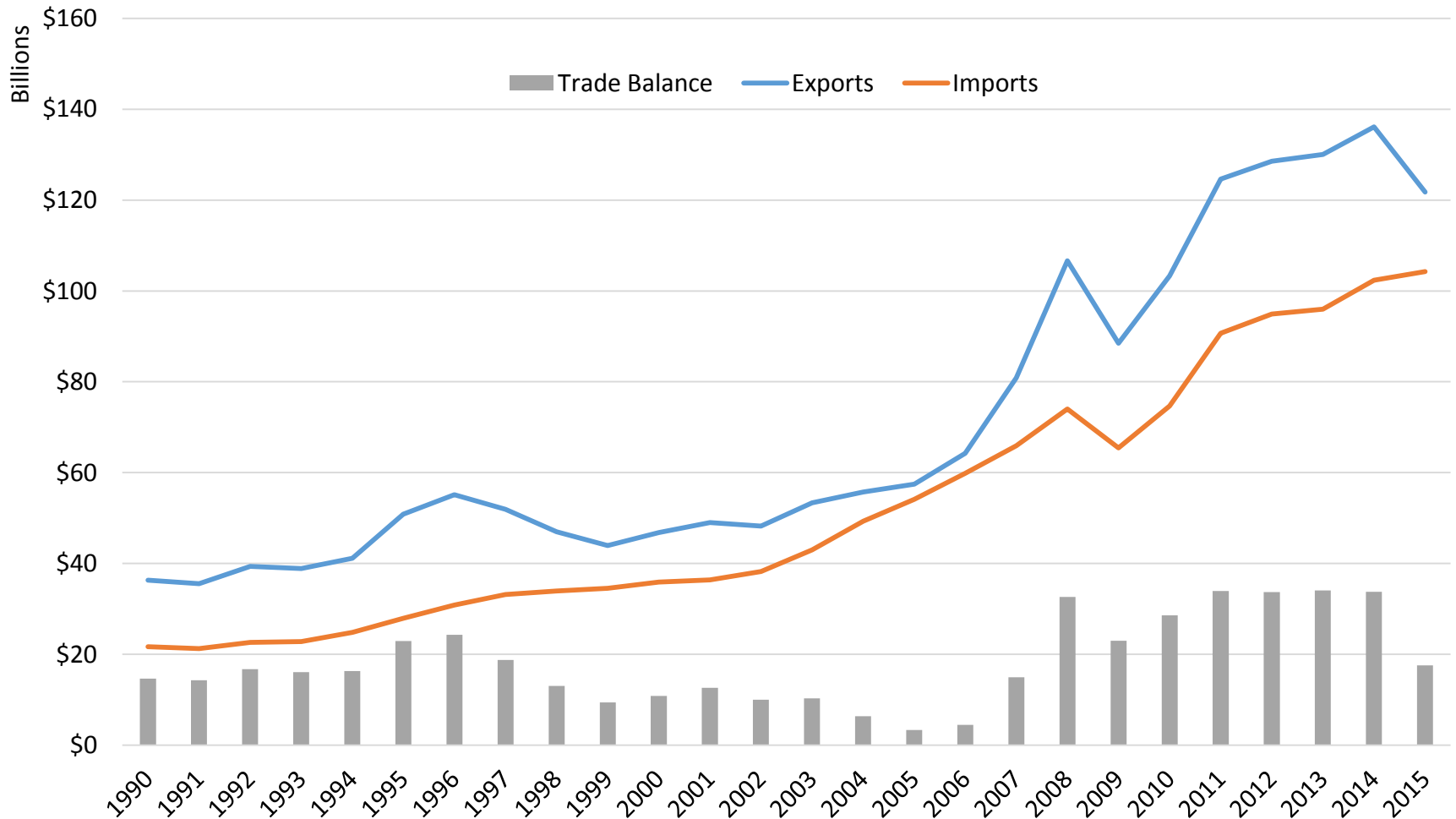


Source: U.S. Army Corps of Engineers

Corn, Soybean and Wheat Production



U.S. Agricultural Trade



Percent by Mode of Export Grains

	ALL GRAINS	CORN	SOYBEANS	WHEAT
RAIL	45%	36%	38%	66%
BARGE	45%	54%	49%	29%
TRUCK	10%	10%	13%	6%

Average - 2009, 2010, 2011, 2012 and 2013,

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Economic Impacts Analysis of Inland Waterways Disruptions on the Transport of Corn and Soybeans (Summary)

Nick Marathon

This is a summary of Staff Report #AE16-08, "Economic Impacts Analysis of Inland Waterways Disruptions on the Transport of Corn and Soybeans" by T.E. Yu, B.C. English, and R.J. Menard, Department of Agricultural and Resource Economics, University of Tennessee. This paper was developed with funding from USDA's Agricultural Marketing Service (AMS) through cooperative agreement number 15-TMXXX-TN-0004. The opinions and conclusions expressed are the authors and do not necessarily represent the views of the USDA or AMS. The full report is available at <http://economics.ag.utk.edu/publications/logistics/EconomicImpactsInlandWaterwaysDisruptions092016.pdf>.

What is the Issue?

The Upper Mississippi River-Illinois River (UMR-IR) is a primary corridor for U.S. grain and oilseeds to Gulf of Mexico export ports. The U.S. Army Corps of Engineers (USACE or Corps) maintains a 9-foot-deep navigation channel for barge transportation on a total of 36 locks and dams, including 28 on the UMR and 8 on the IR. Built in the 1930s, most of these locks have surpassed their designed lifespan. However, maintenance and rehabilitative efforts by the Corps have extended the life cycle of many of the projects. Nevertheless, the U.S. grain and oilseed industry has frequently raised concerns about the navigational efficiency of these aging and constrained waterways. Congress authorized the Navigation and Ecosystem Sustainability Program (NESP) in 2007 to address the capacity constraints on the most congested segments of the UMR-IR. However, the implementation of NESP has been delayed due to a lack of pre-construction and construction appropriations from Congress.

Farm Bill Study

- Required by 2014 Farm Bill (unfunded mandate)
 - Major Modes for Agriculture (Rail, Barge, Truck, Ocean)
 - Energy (Coal & Biofuels)
 - Importance to Ag & Rural Economy
 - Rail Performance & Issues
 - Barge Performance & Issues
 - Infrastructure Planning & Finance

Stakeholder Outreach

Agricultural Transportation Summit

- Every 2-3 years (2013, 2015, 2017 or 2018)
- Jointly hosted by National Grain and Feed Association (NGFA), Soy Transportation Coalition (STC) and USDA's AMS

Ag Shippers Workshops

- Annual workshops in 6-7 locations for agricultural exporters
- Sponsored by USDA's AMS in cooperation with Ag Transportation Coalition (AgTC)

Strategic Vision

- USDA is a voice for American Agriculture in many venues and issues, including waterway issues
- USDA does not have jurisdiction or funding for waterway infrastructure
- Being a Cabinet Level Department of Gov't, USDA must adhere to the policies of the White House and OMB on waterway infrastructure issues
- USDA is often put in a difficult position between the desires of its stakeholders with regard to waterway issues and funding and the policies of the Administration



Agricultural Marketing Service

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