



Grain & Oilseed Market Access Indexes GOMAI 10 - Soybean Report

A Report for:

North American Export Grain Association

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1. EXECUTIVE SUMMARY

The Grain & Oilseed Market Access Indexes (GOMAI) report is a collaborative effort among the North American Export Grain Association and the U.S. Soybean Export Council to document and quantify barriers to US grain and oilseed products in international markets.

This report updates similar analyses performed from 2004 to 2015 and highlights some of the changes that have taken place. It reflects market access conditions for US grains and oilseeds in 36 countries as of the end of 2016. The earlier reports reflected conditions in varying numbers of countries as of the end of 2003, 2004, 2005, 2007, 2008, 2009, 2011, 2012, and 2014. The resulting database and market access indexes from these studies are used to:

- focus attention on the most egregious market access barriers,
- allow one to measure progress over time in improving market access,
- facilitate comparisons among countries and among commodities, and
- provide the information in a form conducive to its most effective use.

Market access is a necessary condition but not a sufficient one for generating US grain and oilseed exports to a particular country. There may also be a general lack of import demand, or economic disruption due to wars, uprisings or recessions, or an importing country may have a very open market but its buyers choose to purchase supplies from a competing exporter due to lower transportation costs or other factors.

US cooperators therefore focus their efforts on a range of objectives that include expanding or maintaining demand in target markets (a bigger pie), expanding US market share (a bigger slice of that pie), and achieving greater market access (a seat at the table).

This year we added Bangladesh, Cuba, the Dominican Republic, and Sri Lanka to the coverage but deleted Libya, Romania, Syria, and Yemen, for a total of 36 countries. Six commodities are covered: wheat, corn, sorghum, soybeans, soybean oil, and soybean meal. In 2015, we covered eleven commodities; commodities were excluded as USGC did not participate in this project as it did in the last iteration. Durum and common wheat are treated as a single category for scoring purposes, as are crude and refined soybean oil. However, in the accompanying Excel file we maintain separate sets of information for those commodities.

The Excel database that accompanies this report organizes market access barriers into three broad categories: tariffs and other price measures, quotas and other quantity measures, and technical or procedural measures. Each barrier is scored on a scale of one to seven, where one means imports are prevented, and seven indicates that imports are unrestricted. We surveyed USSEC staff and NAECA consultants to get scores that might serve as a reality check on scores derived from our market access database. We updated the database from secondary sources and insights gained from survey results. From analysis of the revised database, we updated the set of market access indexes

1.1 The big picture

Overall, access to foreign markets for US grains and oilseeds was largely the same at the end of 2016 as two years earlier. Scores dropped the sharpest in Russia, Egypt, and Venezuela, primarily a reflection of protectionism and unrest. The biggest gain in access was in Brazil, but this was largely a consequence of an unusually poor corn crop.

Formal tariff barriers were mostly unchanged or less onerous. As countries shift away from the traditional trade barriers of tariffs and quotas (due to free trade arrangements and WTO accessions), they have tended to re-exert barriers through sanitary/phytosanitary barriers and import procedures.

World economic growth dipped to a 3.1% annual rate in 2015 and 2016 according to the IMF, down from the 3.3% rate of 2013 and 2014. The latest forecast is for growth to pick up to 3.5% for 2017, and further to 3.6% for 2018. An improving world economy should set the stage for gains in market access for US agricultural products over the next couple of years.

1.2 Summary of database results

The average ratings from the database using the 1-7 scale are shown in the table below. A score of one means no access, whereas seven means open access. The higher the score, the more open the market.

At GOMAI's inception, price measures were the most serious barrier, quantity measures the least serious, and technical and procedural somewhere in between. Since then, the price and quantity barriers have dropped, leading to rising scores / better access. The average score for technical measures continues to fall, however, as more countries resort to this type of barrier to limit imports. Quantitative barriers (mainly in the form of TRQs) are the least used barriers to entry; the average score for quantitative barriers has risen significantly since GOMAI 1.

The average GOMAI 10 scores by barrier type are shown below. Compared with GOMAI 9 (i.e., 2016 vs. 2014 barriers), price scores increased while quantitative and technical and procedural scores dropped slightly. In other words, price measures were less of a problem, while quantitative and technical barriers increased.

2016	Database
Price measures	5.6
Quantity measures	6.5
Technical measures	4.5

Through GOMAI 9, initial market access scoring was done on a 0-6 scale. We therefore need to add 1 to the average GOMAI 9 scores to compare them with the values above. Thus adjusted, a comparison shows the price measure score rising from 5.4 to 5.6 (i.e., more access), while the quantitative score dropped from 6.6 to 6.5 (more barriers, on average) and the technical/procedural score dropped from 4.6 to 4.5 (more T/P barriers).

These comparisons are rough, however, because the product mix upon which they are based is quite different this time around: this year's GOMAI includes only six products, compared with eleven last time.

Agralytica analysts' scoring of the database, as well as survey scores, were converted to the 100-point scale we use for the market access indexes. Although some of the scores have changed since two years ago, the same countries again ranked at the bottom of the list. Brazil and Russia again received the lowest scores, at 20.0 and 18.6, respectively.

Fifteen countries had scores of 70 or higher, a dozen were in the 50-69 range, five in the 30-49 range, and Brazil, Venezuela, India and Russia remained below 30, just as last time. Though the U.S. continues to sell grains and oilseeds to Venezuela, Venezuela's assigned scores have dropped, given the political and economic chaos in that market. The government exerts aggressive interference in commerce, importing commodities out of self-preservation. Russia entered the WTO at the end of 2012 but access for US exports, rather than improve, has deteriorated.

The table below compares the current market access indexes for the end of 2016 to the scoring done for the end of 2014. Average scores for wheat and corn fell, scores for sorghum and soybeans fell slightly, soybean meal access was largely unchanged, and soybean oil access improved significantly.

Product	Index Dec 2014	Index Dec 2016	Change
Wheat	54.0	51.0	-3.0
Corn	41.3	37.0	-4.3
Sorghum	59.9	58.9	-1.0
Soybeans	28.9	26.9	-2.0
Soybean oil	30.7	41.4	10.7
Soybean meal	52.6	52.8	0.3

Of the GOMAI commodities, the least restricted were sorghum, soybean meal, and wheat; the most restricted, soybeans, corn, and soybean oil.

Almost one-third of countries had no change in market access scores, and close to half had only modest changes (+/- 5 points). Three countries had scores fall by more than 10 points: Egypt, Russia, and Venezuela.

I.3 Summary of survey results

We had approximately the same number of survey participants this time as two years ago. Each of the 36 countries was scored by representatives from NAEGA and USSEC field staff. Not all country-commodity combinations were scored so the missing ones are marked “NR” in Table 3. For all the surveys we received, the average unweighted ratings across all the responses for the three classes of market access barrier were as follows:

	Survey
Price measures	5.2
Quantity measures	5.3
Technical measures	4.2

Through GOMAI 9, initial market access scoring was done on a 0-6 scale. We therefore need to add 1 to the average GOMAI 9 scores to compare them with the values above. Thus adjusted, a comparison shows the price measure score rising from 5.0 to 5.2 (i.e., more access), while the quantitative score dropped from 5.5 to 5.3 (more barriers, on average) and the technical/procedural score dropped from 4.8 to 4.2 (more T/P barriers).

The averages are unweighted by the importance of consumption in or trade with different countries or by the relative importance of the different commodities in US or world trade. However, the decline in the average score for technical and procedural measures in both the survey and the database scoring provides a general indication that these measures have become a bit more of a market access barrier.

The survey results on the 100-point index scale illustrate the diversity in market access among countries. Fourteen countries have scores of 70 or above and these include major trading partners like Canada and Japan. There are eight countries in the 50-69 range, including major trading partners such as Mexico and South Korea, and six countries have index scores in the 30-49 range. Seven countries have scores below 30, including major markets such as China, the EU, and Russia.

In terms of the individual commodities, the weighted average index scores from the survey vary substantially, from 10.9 for wheat to 53.7 for soybeans. This is due in part to the heavy weight on the low scores for the EU, Russia and Turkey.

Product	Index Dec 2014	Index Dec 2016	Change
Wheat	40.9	10.9	-30.0
Corn	48.0	20.0	-28.0
Sorghum	15.1	13.3	-1.8
Soybeans	67.3	53.7	-13.7
Soybean oil	48.8	45.4	-3.5
Soybean meal	55.6	37.1	-18.5

I.4 Comparison of survey and database results

The broad similarities between the average results of the two approaches disguise some larger differences in assessing market access barriers at the level of country-commodity combinations. This was probably inevitable given the different resources that each group brought to the task. Agralytica analysts applied specific rules, working from a broad set of information including what had been highlighted by the survey respondents. The latter group was asked for a more subjective assessment of the relative importance of the three types of access barriers: the scoring range was 1-7, with score definitions not granular. Their responses were necessarily and appropriately influenced by their own experiences working in the trenches of market development.

Figures A-1 through A-6 show how each commodity was scored in the database for each of the 36 countries, ranked from most protectionist at the bottom of the chart to most open at the top.

Both Agralytica’s scoring and the survey of experts yielded similar results: price barriers are less of a problem, and quantitative and technical barriers are increasing.

For each country, we provide a two-page discussion including a figure showing both the survey and database indexes on a commodity-by-commodity basis, adjusted to a 0-100 scale. The most protected commodity is shown at the bottom of the chart; those for which the US has better market access, at the top. The adjusted survey score is shown as the upper, lighter (light blue) bar of each pair. An “NR” indicates that there was no survey response for that commodity-country pairing. If there is no bar at all and no “NR”, the index is zero, implying virtually no access to that market for the US product.

Each chart is accompanied by brief commentary on the market access picture and the grain-oilseed situation in the country, with the relevant supply-demand balance data, if available, from USDA’s PSD online database.

2. METHODOLOGY

This section reviews the methodology for the different parts of the project: the survey of experts, analysis of the survey results, desk research for constructing the database, scoring of the database, and preparation of the final market access indexes. We used the same methodology for database scoring as in the reports prepared from 2004-2015. The survey and database cover the 36 countries listed below. This year we added Bangladesh, Cuba, the Dominican Republic, and Sri Lanka, and deleted Libya, Romania, Syria, and Yemen.

Algeria	India	Saudi Arabia
Brazil	Indonesia	South Korea
Bangladesh	Iraq	Sri Lanka
Canada	Japan	Sudan
China	Lebanon	Taiwan
Colombia	Malaysia	Thailand
Costa Rica	Mexico	Trinidad
Cuba	Morocco	Turkey
Dominican Republic	Nigeria	Venezuela
Ecuador	Pakistan	Vietnam
Egypt	Peru	
EU	Philippines	
Guatemala	Russia	

Six commodities in the wheat, coarse grain, and soybean sectors are included:

Wheat	Soybeans
Corn	Soybean oil
Sorghum	Soybean meal

1.5 Survey methodology

The survey for soy products was emailed to the country directors of the U.S. Soybean Export Council in April 2017. In addition, one NAEGA trade consultant and NAEGA staff completed surveys on wheat, corn, sorghum, and soybeans. Along with the surveys we sent Excel files providing the prior survey scores for purposes of comparison.

The survey asked respondents to rate the three categories of market access barriers on a scale of “1 to “7” where “1” was virtually no access and “7” was unfettered access.

The three categories were the following:

- **Price measures** such as tariffs, import fees, excessive taxes, etc.
- **Quantity measures** including quotas, import licenses, monopoly purchasers, etc., and

- **Technical or procedural measures** that make trade more difficult, expensive, or risky such as customs procedures, sanitary and phytosanitary regulations, and corruption, among others.

1.6 Database scoring and aggregation

We group trade barriers in five categories in the database:

- **Tariffs**
- **Other price measures** like import fees, customs charges, taxes, etc.
- **Quotas**
- **Other quantity measures** like import licensing, monopoly purchasers, etc., and
- **Technical or procedural measures** that make trade more difficult, expensive, or risky like customs procedures, sanitary and phytosanitary regulations, corruption, etc.

We score the database on a 1-7 scale and convert those results to a 0-100 scale by the method described in Section 2.3. For purposes of summarizing and analyzing the results, one has to weight the responses for each country-commodity pair, for each commodity across all countries, and for each country across all the commodities. The procedures used are reviewed below.

Weights for commodity-country pairs. We again simply weighted the three measures - price, quantity, and technical - equally in calculating the average index for a commodity in a particular country, in the absence of a rationale for any alternative set of unequal weights.

Weights for a commodity across all countries. Quantities of production, consumption, or trade are the obvious alternative weighting factors for coming up with a single market access index for US exports of a commodity to this set of 36 countries. Using trade data would underweight countries that successfully block or limit imports from the United States. Therefore, where possible, we again used total domestic disappearance in 2016/17 from USDA's PS&D database.

Weights for a country across all commodities. Since some of these commodities have markedly different unit values, using quantities as weights is less appropriate. Yet the value of domestic use is generally not available. We therefore use a simple average of the indexes for each commodity.

1.7 Database research methodology

In constructing the database, we drew on the same wide range of materials we have used in the past. For the bulk of the information, we relied on the following sources: USDA's Foreign Agriculture Service (FAS), the US Trade Representative (USTR), the Department of Commerce (DOC), the Animal and Plant Health Inspection Service (APHIS), the Global Tariff database, Transparency International, and a multitude of additional tariff sources. Where available, we also relied on specific country government or regional trade association websites. Finally, the NAEGA and USSEC field staff surveys served as a backup and cross check of trade issues.

I.7.1 FAS

Where available, we used the 2015 and 2016 Grain and Oilseed attache reports, the most recent FAIRS report, and any other relevant reports. In general, the attaches provided useful information regarding tariffs and other trade policy issues. FAIRS reports sometimes provided useful technical information as well. All reports can be found at the following web link:

<http://gain.fas.usda.gov/Lists/Advanced%20Search/AllItems.aspx> .

I.7.2 USTR

The USTR's 2016 National Trade Estimate Report on Foreign Trade Barriers provided general trade barrier information by country. USTR supplemented this with separate 2014 reports on Sanitary and Phytosanitary Measures and Technical Barriers to Trade. The three reports provided coverage for many countries, but there was no information for some countries, again, mainly because there are no significant trade barriers.

The reports included the most restrictive measures in place that affect US market access. Such measures included tariff and non-tariff price measures, quantitative measures (quotas, licenses, and import bans), and technical measures (SPS, biotechnology regulation, customs procedures, and corruption).

In addition to other sectors, the reports addressed general agriculture issues. However, there was a commodity focus if significant commodity-specific barriers existed. They can be accessed at:

<https://ustr.gov/sites/default/files/2016-NTE-Report-FINAL.pdf>

<https://ustr.gov/sites/default/files/FINAL-2014-SPS-Report-Compiled.pdf>

<https://ustr.gov/sites/default/files/2014%20TBT%20Report.pdf>

I.7.3 DOC

The Commerce Department's export.gov site provides some overview information related to trade. The information from export.gov is useful to see overall trade patterns and where exports are going by HS chapter. While the information provided is excellent, it is not detailed enough to analyze more than one chapter at a time, or compare HS chapters.

<http://tse.export.gov/tse/tsehome.aspx>

The more useful tool is the Customs Info Database, which is free if accessed through the export.gov site at the following link:

<http://export.customsinfo.com/Default.aspx>

1.7.4 APHIS

APHIS and Plant Protection and Quarantine (PPQ) operate the Phytosanitary Certificate Issuance and Tracking System (PCIT), which maintains the Phytosanitary Export database (PEXD). This database (PEXD) covers the most recent sanitary and phytosanitary requirements for imported plants by country. Registration is required.

<https://pcit.aphis.usda.gov/pcit/>

1.7.5 Tariff Information

Tariff information is the most challenging to compile. In earlier reports we used a combination of the centralized tariff databases, USDA reports, the Canadian Tariff repository and the country tariff websites. Over the years, some of these sources have either gone out of business, or converted to subscription services. Unfortunately, these subscriptions cost many thousands of dollars, and several would have to be used for a complete dataset. The costs are prohibitive.

We used the International Customs Tariff Bureau extensively in the past, as it provided PDFs of the official published tariff schedule of many countries. These are no longer available.

A newer database we have used is the Global Tariffs database, operated by CUSTOMS.info. It grants free access to users of export.gov, the US export website. It is relatively easy to use and contains information on taxes and other import fees. It can be accessed at:

<http://export.customsinfo.com/Default.aspx> However, this database also is sometimes out of date, and it reflects only tariffs and taxes faced by US exports (i.e., it does not reflect the preferential tariffs other countries may enjoy).

The most reliable and source of tariff rates is each country's current tariff schedule. These can be buried deep under layers of many pages and may be in different languages. However, over the last several reports we have compiled a list of country websites that lead to the tariff schedules published online. Fortunately, many are available in English, or are decipherable, given the context of the data (e.g., HTS codes and the associated duty rates are generally visible since numbers rarely need be translated).

1.8 Protocols for scoring the database

First, it is important to remember that we were trying to assess conditions as of the end of 2016. We note any changes scheduled to take place in early 2017, but the scores are based on rules and practices in effect in December 2016.

In each of the three classes of barrier, every country started as a "7"; we then applied a series of deductions, as outlined below, based on the particular market access barriers identified in the database.

While traders might view a particular measure as simply a cost of doing business rather than an effective market access barrier, e.g. a 10% tariff that applies to imports from all countries, we

treated all measures that discourage imports of US products to one degree or another as market access barriers.

1.8.1 Price measures

Tariffs are the most common barrier and in most cases, are specified in percentage terms. However, there are also tariffs of fixed amounts per unit, and variable tariffs such as those under the Andean Price Band system. Other price-related measures considered include high taxes (VAT, excise, sales, etc.), advance payment requirements, foreign exchange controls, and tariff preferences for competitors. We used the following rules of thumb in scoring the price measures in the database:

For tariffs, the deductions were as follows:

Tariff (%)	Penalty
0	0
1-10	-1
11-20	-2
21-30	-3
31-40	-4
41-50	-5
> 50	-6

For absolute rather than percentage tariffs, we converted to a percentage basis using representative recent market prices (average US export values for 2016 plus estimated transportation costs).

For variable tariffs like the Andean Price Band system, we deducted an additional one point beyond those called for by the base tariff level because this type of system tends to keep prices stable in the country using it while forcing all the market adjustment onto other importers and exporters. In addition, if there were tariff preferences for significant competing suppliers, we deducted one.

For VAT and other taxes that are applied to both domestic and imported products, we deduct nothing if the tax is 15% or less and 0.5 if more than 15%. If they applied only to imports, we treated them as an additional tariff.

For advance payment requirements or foreign exchange controls, we deducted 0.5.

1.8.2 Quantity measures

The basic quantity barriers are tariff rate quotas, which may or may not be restrictive. In addition, various countries have import licensing, local purchase requirements, monopoly purchasers, or other measures that potentially limit trade.

If there is an import ban, we deducted 6. If there is a TRQ, we deducted at least one, and as much as 5 depending on the degree of restrictiveness.

For import licensing, import permits, pre-shipment authorization, a monopoly purchaser, or a domestic purchase requirement, we deducted one in each instance.

1.8.3 Technical and procedural measures

For the countries under study, the measures most frequently mentioned were SPS barriers (inspections, quarantine, testing), GMO labeling or sensitivity, and corruption.

To score corruption, we deducted one if the country's score on the Transparency International list was below 20. We deducted 0.5 if the score was between 20 and 44. (Transparency International changed its scoring methodology with its 2013 report, to a 0-100 scale; we adjusted our methodology accordingly at that time).

For GMO labeling requirements, we deducted one if there is a 5% or more threshold, 3 if there is a 1% or less threshold, and 2 if between 1% and 5%. For bans on varieties approved in the United States that tend to preclude trade, we deducted up to 6 depending on impact. If customs procedures were mentioned, we deducted one. For SPS barriers (inspections, quarantine, testing) we deducted 1-3 depending on severity.

We viewed these as rules of thumb. In some cases, the deductions added up to more than six but our rating scale constrained us to a rating no less than "1". In other cases, where we ended up with a rating of "1" but there was still a significant level of US exports to the country, we adjusted the rating upwards to a "2" or "3".

2.3. Conversion to a 100-point scale

In converting the **ratings** to an **index**, we decided in 2004 to ensure that in cases where imports were effectively blocked by some access measure and the rating was a "1" on the one-to-seven scale, that the index would be zero.

To do this, we take the **natural logarithm** of each of the average scores, and multiply the three natural logs together to get a **converted average survey score**. Since the natural log of one is zero, this ensured that a closed market received a zero score.

A perfect rating of three sevens would translate into 7.368 when the three natural logs of 1.946 are multiplied together. To convert this and all other combinations to a 100-point scale, we divided 100 by 7.368, getting 13.572 and then multiplied this factor times all the converted average survey scores.

The resulting scale is slightly non-linear, giving a downward bias to the scores. For example, three "4" scores, which one can think of as the midpoint of a 1 to 7 scale, translate into a rounded score of 36. Three fours yield a score of 57.

Another result is that the more dispersed the three ratings are, the lower the index. A 5, 4 and 3 will yield an index of 54 while a 6, 4 and 2 result in a 47. Yet the average of the three ratings in both cases is 5. This has the effect of giving a heavier weight to a low rating.

2.4. Preparation of the final indexes

The ratings that we gave each country for the three types of market access barrier are preserved in an Excel file provided separately to study sponsors. After conversion to a 100-point scale as described above, the resulting market access indexes based on our analysis of the database are presented in tables and charts in the following discussion of the results.

3. REVIEW OF RESULTS

3.1. Database results

The average ratings from the database using the 1-7 scale are shown in the table below. The higher the score, the more the access. One indicates no access; seven, no barriers.

The average GOMAI 10 scores by barrier type are shown below. Compared with GOMAI 9 (i.e., 2016 vs. 2014 barriers), price scores increased while quantitative and technical and procedural scores dropped slightly. In other words, price measures were less of a problem, while quantitative and technical barriers increased.

	Database
Price measures	5.6
Quantity measures	6.5
Technical measures	4.5

At GOMAI's inception, price measures were the most serious barrier, quantity measures the least serious, and technical and procedural somewhere in between. Since then, price and quantity barriers have dropped, leading to rising scores, i.e., better access. Quantitative barriers (mainly in the form of TRQs) are now the least used barriers to entry, hence the quantity score shown in the table above is the now the largest. The average score for technical measures continues to fall, however, as more countries resort to this type of barrier to limit imports.

In GOMAI 9, initial market access scoring was done on a 0-6 scale. We therefore need to add 1 to the average GOMAI 9 scores to compare them with the values above. Thus adjusted, a comparison shows the price measure score rising from 5.4 to 5.6 (i.e., more access), while the quantitative score dropped from 6.6 to 6.5 (more barriers, on average) and the technical/procedural score dropped from 4.6 to 4.5 (more T/P barriers).

Although the methodology for GOMAI market access scoring remains consistent, the list of commodities and countries varies from one update to the next, making comparisons difficult. One cannot read a lot into the comparison of average raw scores.

Agralytica analysts' scoring of the market access database, as well as survey market access scores, were converted to the 100-point scale we use for the market access indexes. Although some of the scores have changed since two years ago, the same countries again ranked at the bottom of the list. Brazil and Russia again received the lowest scores, at 20.0 and 18.6, respectively.

Fifteen countries had scores of 70 or higher, twelve were in the 50-69 range, five in the 30-49 range, and Brazil, Venezuela, India and Russia remained below 30, just as last time. Though the U.S. continues to sell grains and oilseeds to Venezuela, Venezuela's assigned scores have dropped, given the political and economic chaos in that market. The government exerts aggressive interference in commerce, importing commodities out of self-preservation. Russia entered the WTO at the end of 2012 but access for US exports, rather than improve, has deteriorated.

The table below compares the current market access indexes for the end of 2016 to the scoring done for the end of 2014. Average scores for wheat and corn fell, scores for sorghum and soybeans fell slightly, soybean meal access was largely unchanged, and soybean oil access improved significantly.

Product	Index 2014	Index 2016	Change
Wheat	54.0	51.0	-3.0
Corn	41.3	37.0	-4.3
Sorghum	59.9	58.9	-1.0
Soybeans	28.9	26.9	-2.0
Soybean oil	30.7	41.4	10.7
Soybean meal	52.6	52.8	0.2

Almost one-third of countries had no change in market access scores, and close to half had only modest changes (+/- 5 points). Three countries had scores fall by more than 10 points: Egypt, Russia, and Venezuela. Two countries had scores increase by more than 10 points: Brazil and Trinidad.

3.2. Survey results

We had approximately the same number of survey participants this time as two years ago. Each of the 36 countries was scored by representatives from NAEGA and USSEC field staff. Not all country-commodity combinations were scored so the missing ones are marked “NR” in Table 3. For all the surveys we received, the average unweighted ratings across all the responses for the three classes of market access barrier were as follows:

	Survey
Price measures	5.2
Quantity measures	5.3
Technical measures	4.2

Through GOMAI 9, initial market access scoring was done on a 0-6 scale. We therefore need to add 1 to the average GOMAI 9 scores to compare them with the values above. Thus adjusted, a comparison shows the price measure score rising from 5.0 to 5.2 (i.e., more access), while the quantitative score dropped from 5.5 to 5.3 (more barriers, on average) and the technical/procedural score dropped from 4.8 to 4.2 (more T/P barriers).

The averages are unweighted by the importance of consumption in or trade with different countries or by the relative importance of the different commodities in US or world trade. However, the decline in the average score for technical and procedural measures in both the survey and the database scoring provides a general indication that these measures have become a bit more of a market access barrier.

The survey results on the 100-point index scale illustrate the diversity in market access among countries. Fourteen countries have scores of 70 or above and these include major trading partners like Canada and Japan. There are eight countries in the 50-69 range, including other key trading partners such as Mexico and South Korea, and six countries have index scores in the 30-49 range. Seven countries have scores below 30, including major markets such as China, the EU, and Russia.

In terms of the individual commodities, the weighted average index scores from the survey vary substantially, from 10.9 for wheat to 53.7 for soybeans. This is due in part to the heavy weight on the low scores for the EU, Russia and Turkey.

Product	Index 2014	Index 2016	Change
Wheat	40.9	10.9	-30.0
Corn	48.0	20.0	-28.0
Sorghum	15.1	13.3	-1.8
Soybeans	67.3	53.7	-13.7
Soybean oil	48.8	45.4	-3.5
Soybean meal	55.6	37.1	-18.5

3.3. Comparison of survey and database results

The broad similarities between the average results of the two approaches disguise some larger differences in assessing market access barriers at the level of country-commodity combinations. This was probably inevitable given the different resources that each group brought to the task. Agralytica analysts applied specific rules, working from a broad set of information sources, including what had been highlighted by the survey respondents. NAEGA and USSEC contractors and staff were asked for a more subjective assessment of the relative importance of the three types of access barriers: the scoring range was 1-7, without granular scoring definitions. Their responses were necessarily and appropriately influenced by their own experiences working in the trenches of market development.

Figures A-1 through A-6 show how each commodity was scored in the database for each of the 36 countries, ranked from most protectionist at the bottom of the chart to most open at the top.

Both Agralytica's scoring and the survey of experts yielded similar results: price barriers are less of a problem, and quantitative and technical barriers are increasing.

For each country, we provide a two-page discussion including a figure showing both the survey and database indexes on a commodity-by-commodity basis, adjusted to a 0-100 scale. The most protected commodity is shown at the bottom of the chart; those for which the US has better market access, at the top. The adjusted survey score is shown as the upper, lighter (light blue) bar of each pair. An "NR" indicates that there was no survey response for that commodity-country pairing. If there is no bar at all and no "NR", the index is zero, implying virtually no access to that market for the US product.

Each chart is accompanied by brief commentary on the market access picture and the grain-oilseed situation in the country, with the relevant supply-demand balance data, if available, from USDA's PSD online database.

Table 1: Average market access rating - database for end of 2016

Average rating	Wheat	Corn	Sorghum	Soybeans	SBO	SBM	Average
Algeria	49.5	58.9	58.9	50.8	46.7	58.9	53.9
Bangladesh	62.4	62.4	62.4	62.4	62.4	62.4	62.4
Brazil	30.3	13.4	30.3	0.0	36.4	9.8	20.0
Canada	68.5	88.6	96.2	96.2	96.2	96.2	90.3
China	62.4	28.7	72.5	27.5	25.4	45.3	43.6
Colombia	80.7	74.3	74.3	80.7	81.6	88.6	80.0
Costa Rica	92.1	88.6	84.8	92.1	96.2	88.6	90.4
Cuba	60.4	60.4	65.6	60.4	66.7	60.4	62.3
Dominican Republic	87.6	80.7	84.3	87.6	84.3	87.6	85.3
Ecuador	68.4	40.2	62.4	43.6	49.5	72.5	56.1
Egypt	52.0	59.3	59.3	59.3	59.3	56.4	57.6
EU	65.6	32.8	32.8	35.6	34.3	56.5	42.9
Guatemala	82.7	70.1	82.7	82.7	76.2	82.7	79.5
India	13.4	0.0	16.1	0.0	59.3	43.6	22.1
Indonesia	51.9	49.4	62.4	49.4	51.9	62.4	54.6
Iraq	66.7	57.5	72.5	65.6	68.5	65.6	66.1
Japan	56.7	54.3	88.6	71.2	58.9	92.1	70.3
Lebanon	87.6	87.6	84.3	87.6	87.6	87.6	87.1
Malaysia	82.7	82.7	92.1	92.1	84.8	100.0	89.1
Mexico	77.3	77.3	77.3	77.3	82.7	82.7	79.1
Morocco	77.6	34.3	84.3	34.3	84.3	84.3	66.5
Nigeria	65.8	63.9	63.9	63.9	0.0	58.9	52.8
Pakistan	36.2	27.1	71.2	25.4	59.3	76.2	49.2
Peru	84.3	65.5	84.3	77.3	84.3	84.3	80.0
Philippines	76.2	33.3	70.1	70.1	70.1	81.6	66.9
Russia	29.5	0.0	29.5	0.0	20.1	32.8	18.6
Saudi Arabia	92.1	92.1	84.8	92.1	92.1	92.1	90.9
South Korea	65.6	65.6	92.1	65.6	63.1	82.7	72.4
Sri Lanka	88.6	79.6	68.5	68.5	54.3	79.6	73.2
Sudan	31.9	31.9	31.9	26.6	41.3	33.5	32.8
Taiwan	68.4	62.4	76.2	62.4	68.4	65.6	67.2
Thailand	71.2	36.2	71.2	60.4	42.0	60.4	56.9
Trinidad	87.6	87.6	49.5	72.5	49.5	87.6	72.4
Turkey	48.7	14.3	30.9	63.1	0.0	47.9	34.1
Venezuela	25.4	25.4	27.1	27.1	27.1	27.1	26.5
Vietnam	68.5	71.2	79.6	79.6	72.5	79.6	75.2
Weighted average	51.0	37.0	58.9	26.9	41.4	52.8	

Table 2: Change in database scores from end of 2014 to 2016

Database	Wheat	Corn	Sorghum	Soybeans	SBO	SBM	Average
Algeria	0.0	-9.5	0.0	-8.2	0.0	0.0	-2.9
Brazil	2.8	13.4	30.3	0.0	36.4	2.4	14.2
Canada	0.0	0.0	0.0	0.0	0.0	0.0	0.0
China	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Colombia	-6.9	0.0	-13.3	-6.9	-11.0	-7.6	-7.6
Costa Rica	0.0	0.0	-3.8	0.0	0.0	0.0	-0.6
Ecuador	4.5	6.7	12.7	10.1	0.0	16.1	8.3
Egypt	-19.2	-11.9	-11.9	-11.9	-11.9	-11.3	-13.0
EU	-10.6	-32.8	0.0	-20.8	34.3	0.0	-5.0
Guatemala	2.0	-4.2	2.0	2.0	-4.5	-5.9	-1.4
India	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indonesia	-4.5	-7.0	-5.4	-7.0	-4.5	-5.4	-5.6
Iraq	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lebanon	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Malaysia	-9.4	-9.4	0.0	0.0	0.0	0.0	-3.1
Mexico	0.0	0.0	0.0	-5.4	0.0	0.0	-0.9
Morocco	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nigeria	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pakistan	-10.6	0.0	0.0	-4.1	-6.3	0.0	-3.5
Peru	0.0	-8.7	0.0	-7.0	-8.3	0.0	-4.0
Philippines	0.0	0.0	0.0	0.0	0.0	8.3	1.4
Russia	0.0	-29.5	0.0	-32.8	0.0	0.0	-10.4
Saudi Arabia	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Korea	0.0	0.0	-7.9	0.0	0.0	0.0	-1.3
Sudan	0.0	0.0	0.0	0.0	4.9	7.0	2.0
Taiwan	0.0	-3.2	0.0	-3.2	0.0	0.0	-1.1
Thailand	0.0	0.0	0.0	0.0	42.0	0.0	7.0
Trinidad	31.2	31.2	17.6	25.8	17.6	31.2	25.7
Turkey	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Venezuela	-23.4	-23.4	-23.6	-18.4	-35.9	-30.3	-25.8
Vietnam	-11.0	-11.5	0.0	0.0	0.0	0.0	-3.7

Table 3: Average market access rating - survey for end of 2016

Average rating	Wheat	Corn	Sorghum	Soybeans	SBO	SBM	Average
Algeria	45.5	49.4	42.0	42.0	NR	NR	44.7
Bangladesh	NR	NR	NR	78.1	42.0	48.7	56.3
Brazil	22.7	48.7	22.7	48.7	NR	NR	35.7
Canada	42.0	78.1	78.1	83.5	96.2	92.5	78.4
China	7.2	1.5	0.0	59.6	70.7	0.0	23.2
Colombia	78.1	70.1	78.1	89.0	48.8	100.0	77.3
Costa Rica	NR	NR	NR	78.1	78.1	78.1	78.1
Cuba	47.9	47.9	NR	NR	NR	NR	47.9
Dominican Republic	NR	NR	NR	85.2	78.1	85.2	82.8
Ecuador	NR	NR	NR	NR	NR	78.1	78.1
Egypt	12.4	21.3	24.4	32.8	30.1	30.1	25.2
EU	0.0	0.0	0.0	46.0	12.7	71.2	21.7
Guatemala	NR	NR	NR	78.1	80.7	78.1	78.9
India	4.5	4.5	4.5	0.9	23.4	0.0	6.3
Indonesia	47.9	47.9	47.9	76.5	60.4	78.1	59.8
Iraq	8.4	NR	NR	NR	NR	NR	8.4
Japan	60.4	78.1	78.1	89.0	71.2	100.0	79.5
Lebanon	NR	NR	NR	72.5	49.5	62.4	61.4
Malaysia	43.0	43.0	NR	78.1	68.4	65.6	59.6
Mexico	54.6	52.2	52.2	56.5	96.2	88.6	66.7
Morocco	NR	NR	NR	100.0	87.6	100.0	95.9
Nigeria	NR	NR	NR	NR	NR	NR	NR
Pakistan	4.5	4.5	NR	52.7	50.8	68.4	36.2
Peru	NR	NR	NR	NR	73.3	100.0	86.6
Philippines	70.1	60.4	NR	81.1	76.2	100.0	77.6
Russia	18.0	0.0	18.0	0.0	0.0	0.0	6.0
Saudi Arabia	NR	NR	NR	92.1	92.1	92.1	92.1
South Korea	47.9	47.9	47.9	60.4	76.2	76.2	59.4
Sri Lanka	NR	NR	NR	33.3	76.2	92.1	67.2
Sudan	0.0	NR	NR	NR	NR	NR	0.0
Taiwan	65.6	65.6	65.6	74.4	56.5	82.7	68.4
Thailand	82.7	82.7	82.7	85.2	84.8	92.1	85.0
Trinidad	NR	NR	NR	NR	92.1	89.0	90.5
Turkey	0.0	0.0	NR	22.1	0.0	56.4	15.7
Venezuela	11.4	11.4	11.4	23.4	36.2	36.2	21.6
Vietnam	47.9	47.9	NR	79.6	100.0	100.0	75.1
Weighted average	10.9	20.0	13.3	53.7	45.4	37.1	

Figure A-1: Wheat

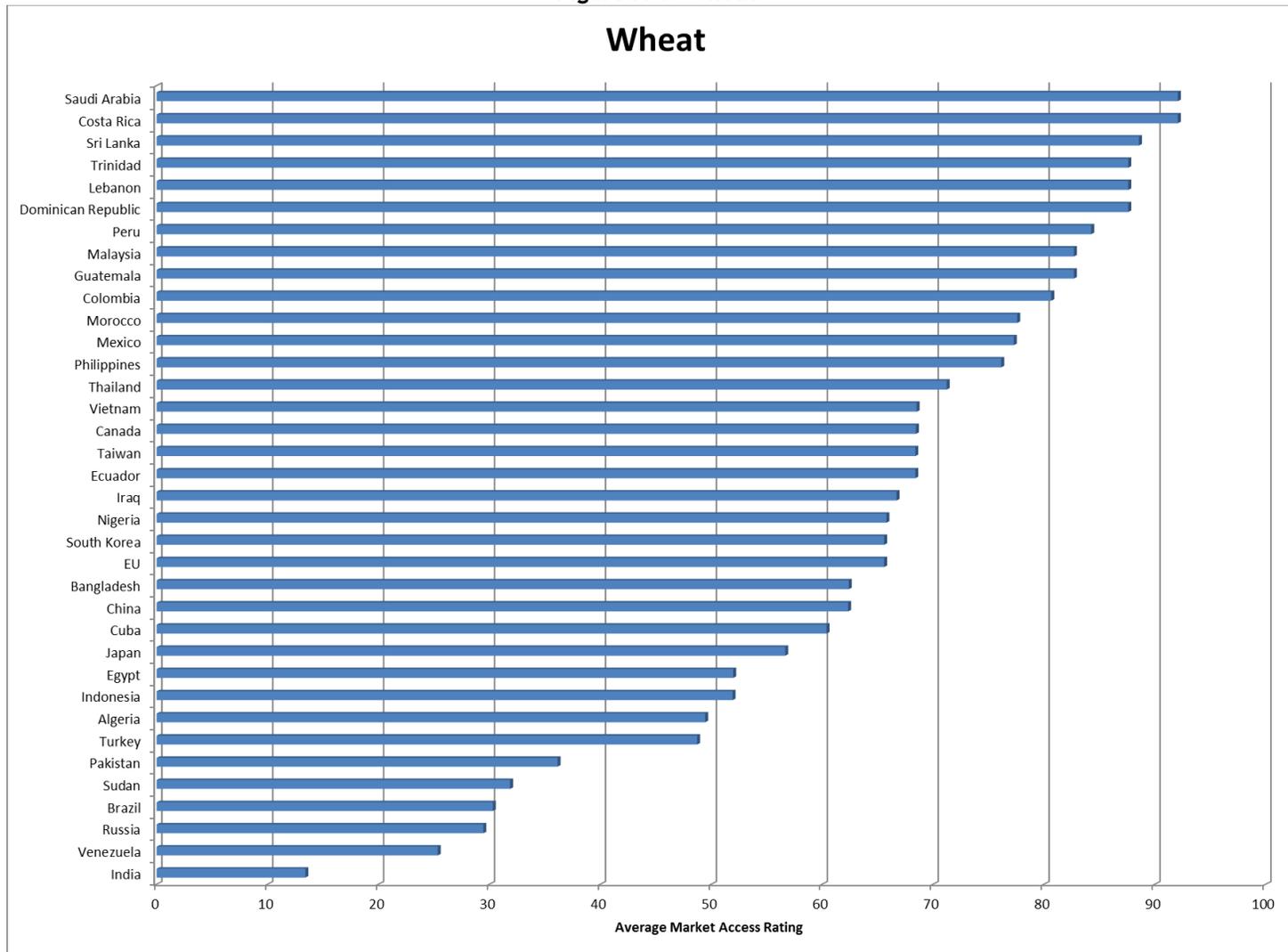


Figure A-2: Corn

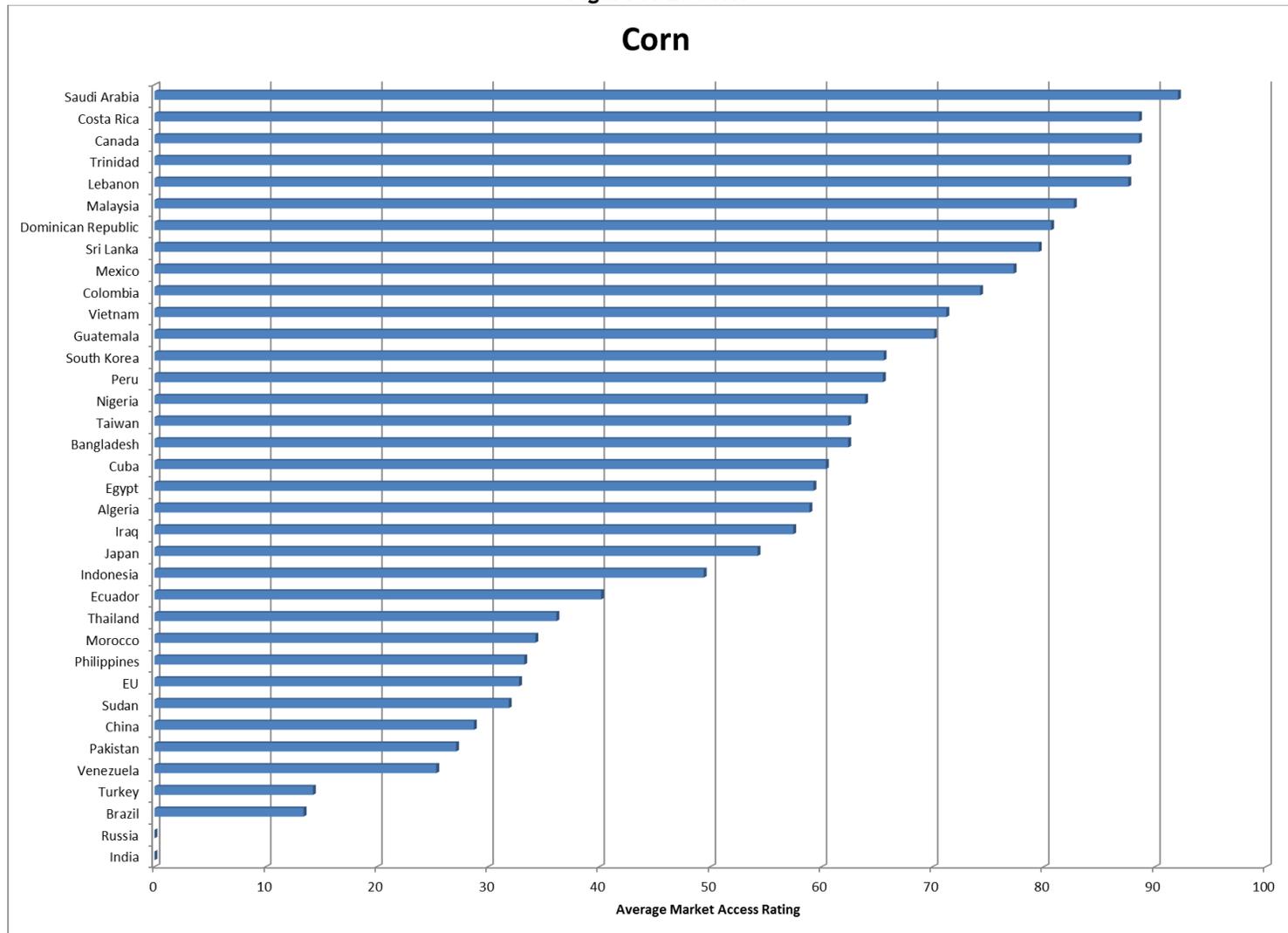


Figure A-3: Sorghum

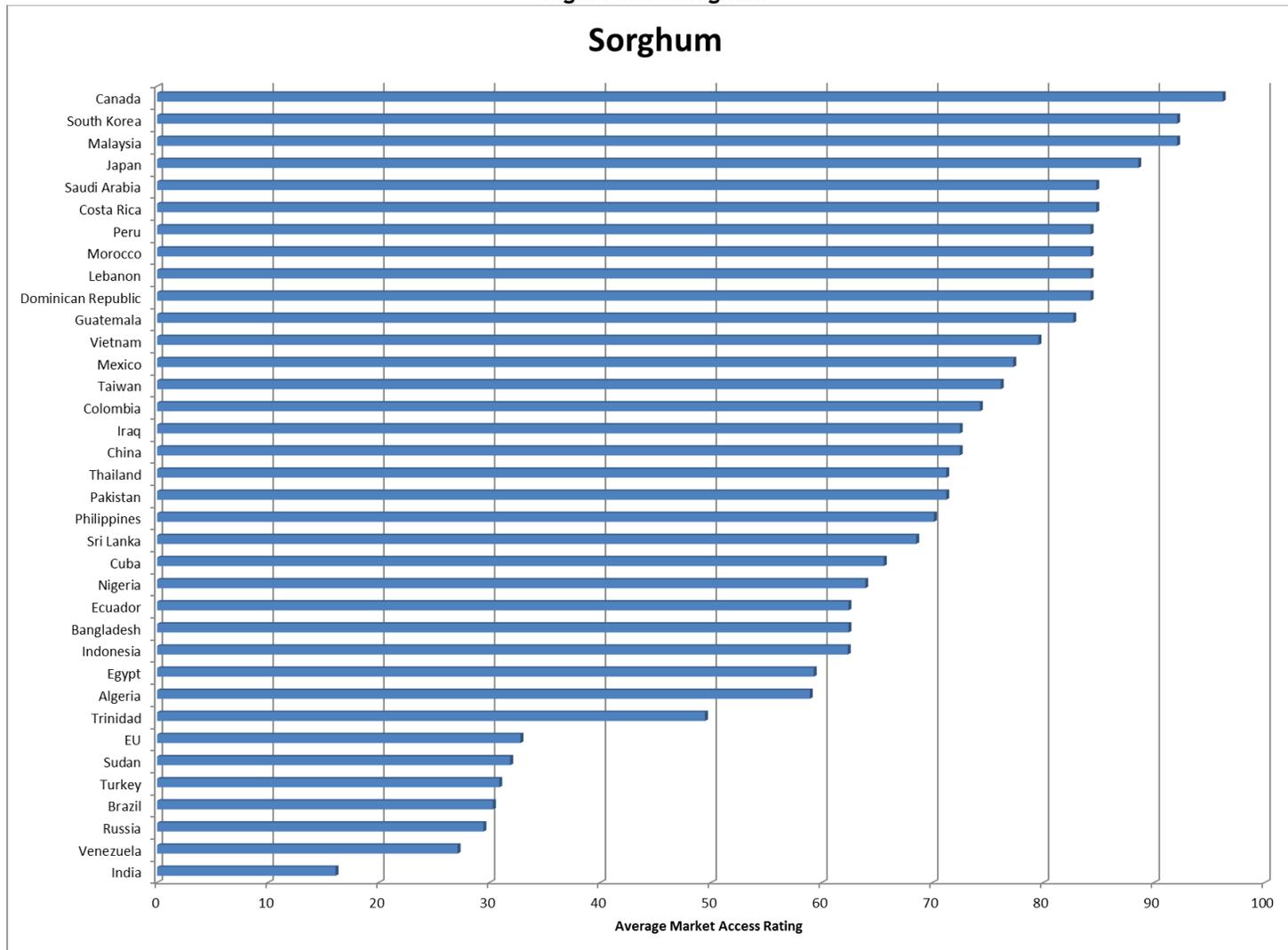


Figure A-4: Soybeans

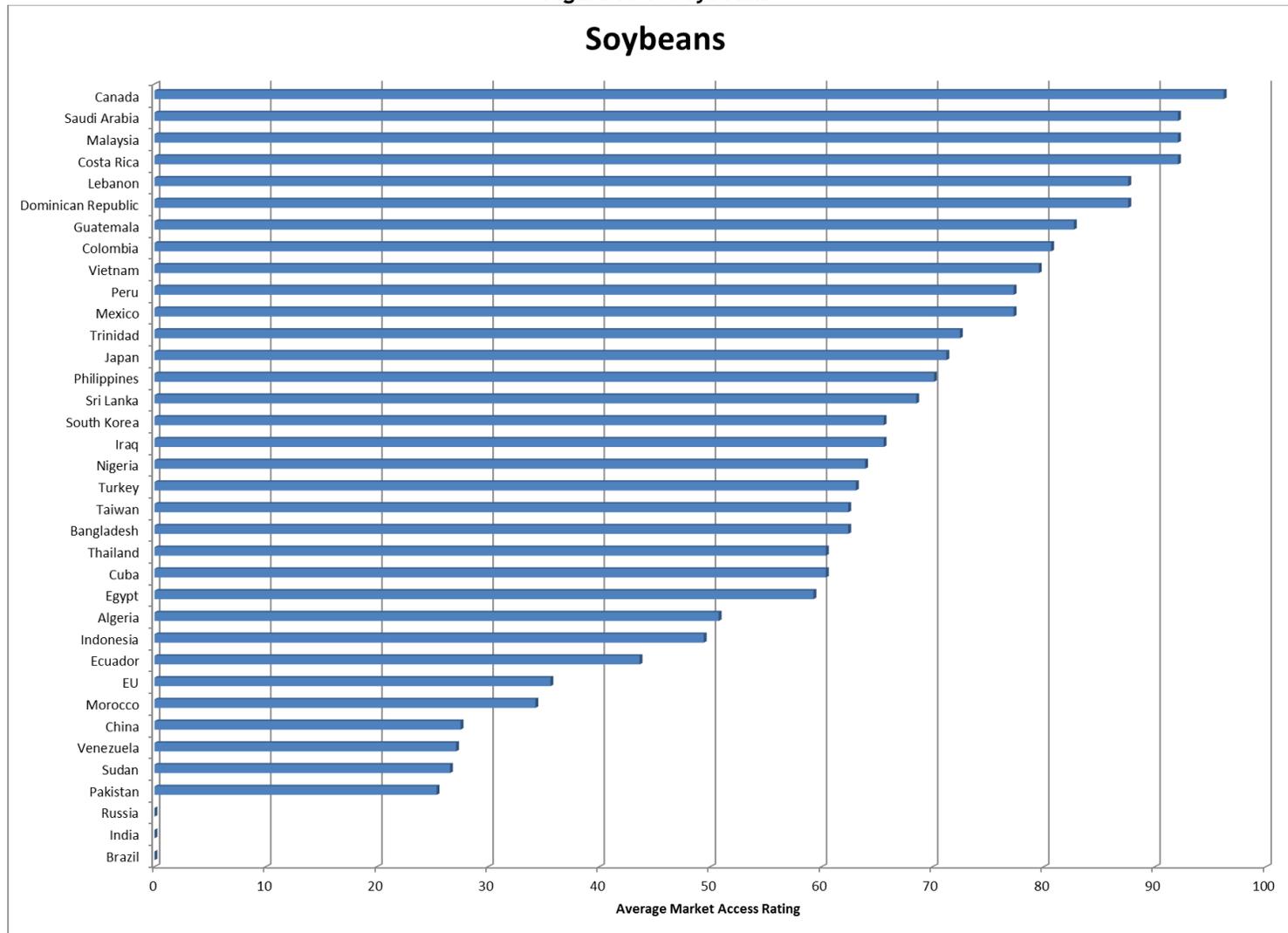


Figure A-5: SBO

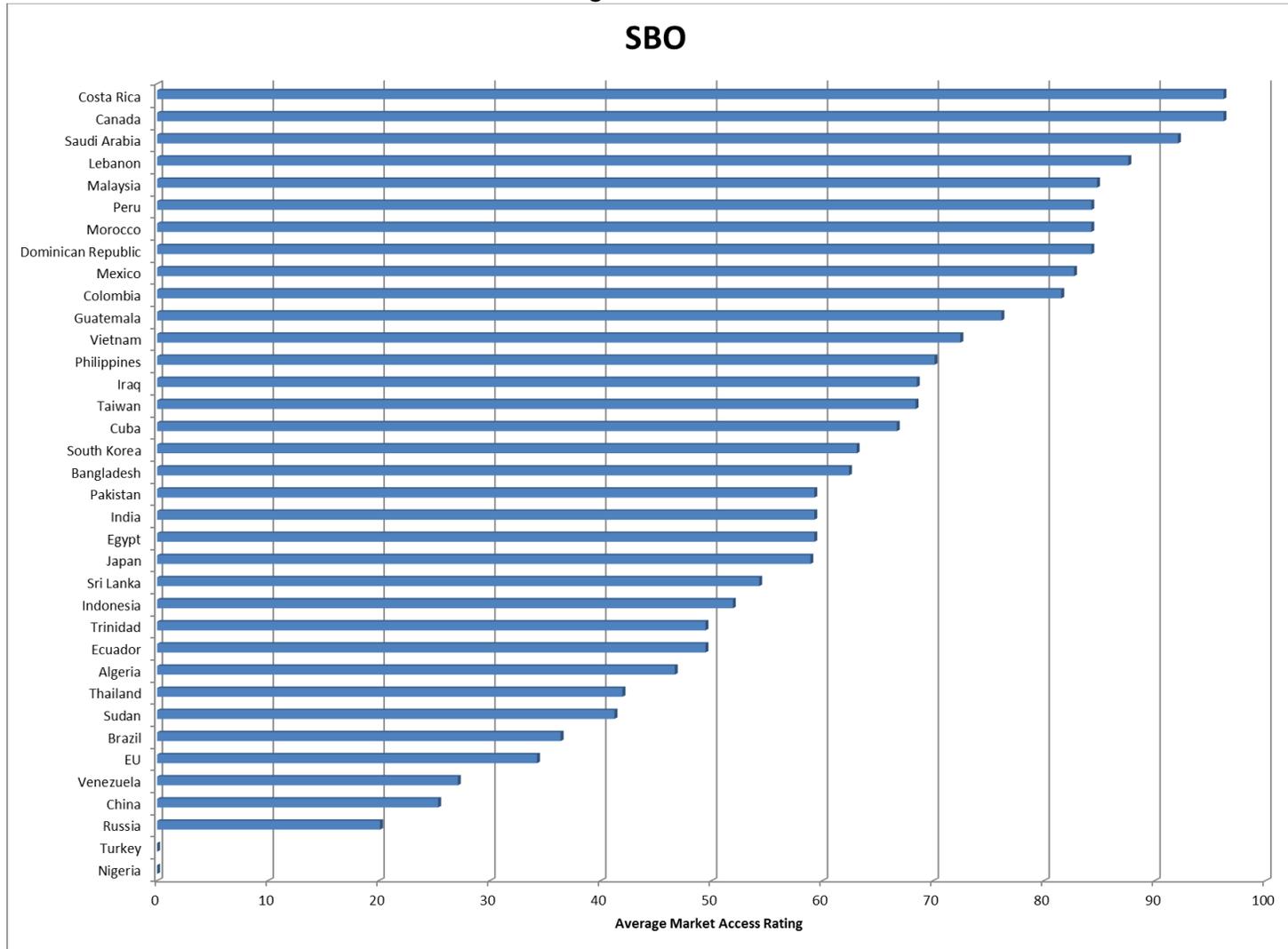
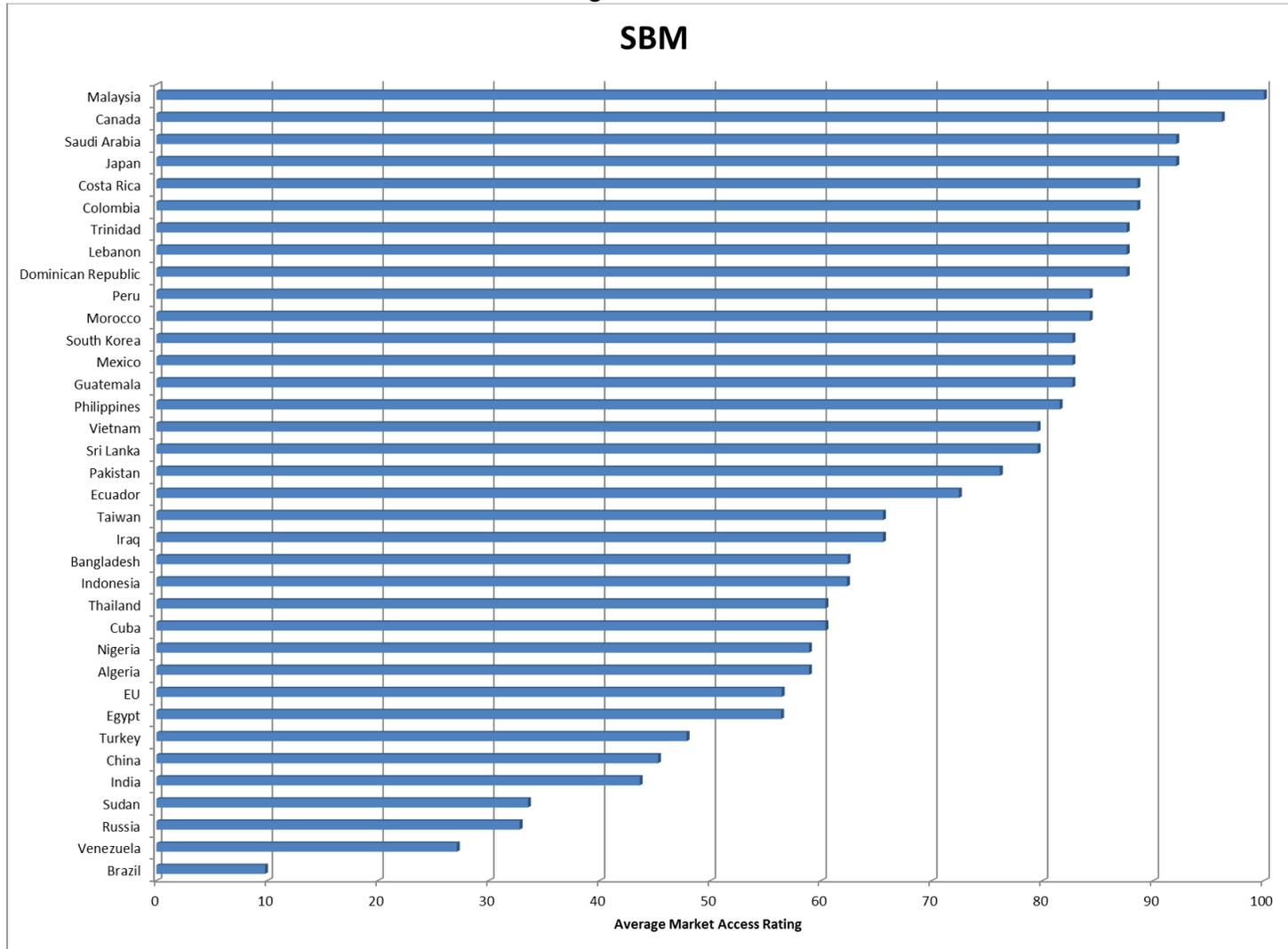
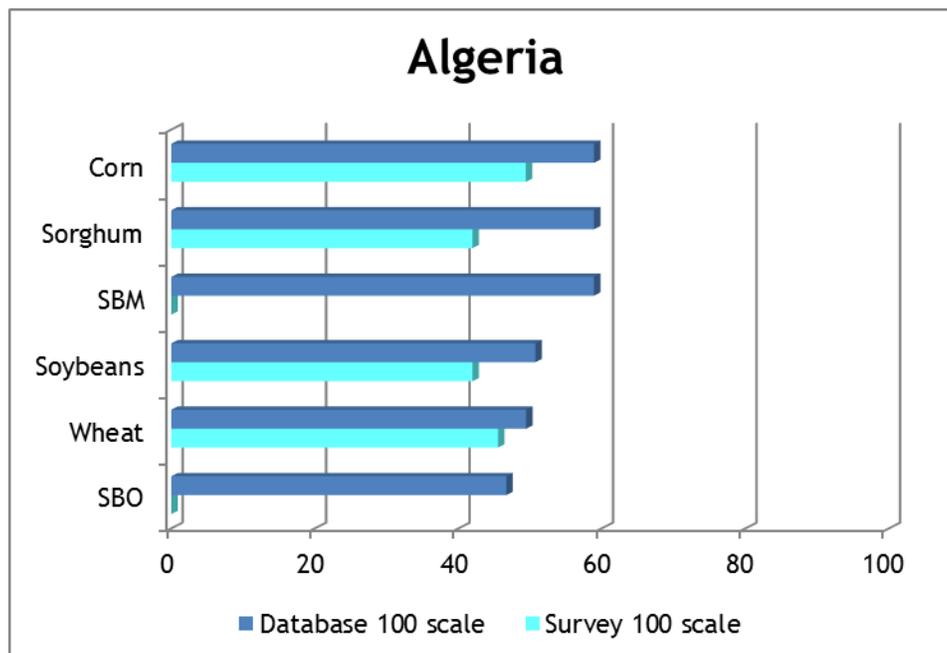


Figure A-6: SBM



ALGERIA



Market access

Algeria imports most of its agricultural commodity needs; its rainfall is unreliable. Both the Algerian Office of Grains and private sector companies import grains.

Algerian tariffs and taxes on US grains and oilseeds are generally low, and there are no quantitative restrictions. Algeria does apply preferential duties to imports from the European Union. Nominal tariffs are higher (30%) for value added products such refined SBO.

There is a VAT of 19% (up from 17% in 2014) for most goods but agricultural commodities are generally lower or even exempt; wheat, for instance, is VAT exempt. Where the VAT applies, agricultural commodities are taxed at the 9% rate (up from 7%). Occasionally, when domestic production is high, additional taxes are levied to prevent imports. However, currently domestic production cannot meet demand and the government has frequently reduced or suspended import duties and VAT taxes on animal feed and co-products.

There are preferential duties between Algeria and the European Union (EU), as well as with the four other countries of the Arab Maghreb Union. The US faces stiff competition from the EU and countries bordering the Black Sea on price and shipping flexibility.

Algeria has relatively few technical and procedural barriers to importing, though plant health inspections and phytosanitary certificates are routinely required. Corruption remains a problem, however; Algeria scored a 34 on Transparency International's Corruption Perceptions Index, placing it in the bottom third of the countries reviewed.

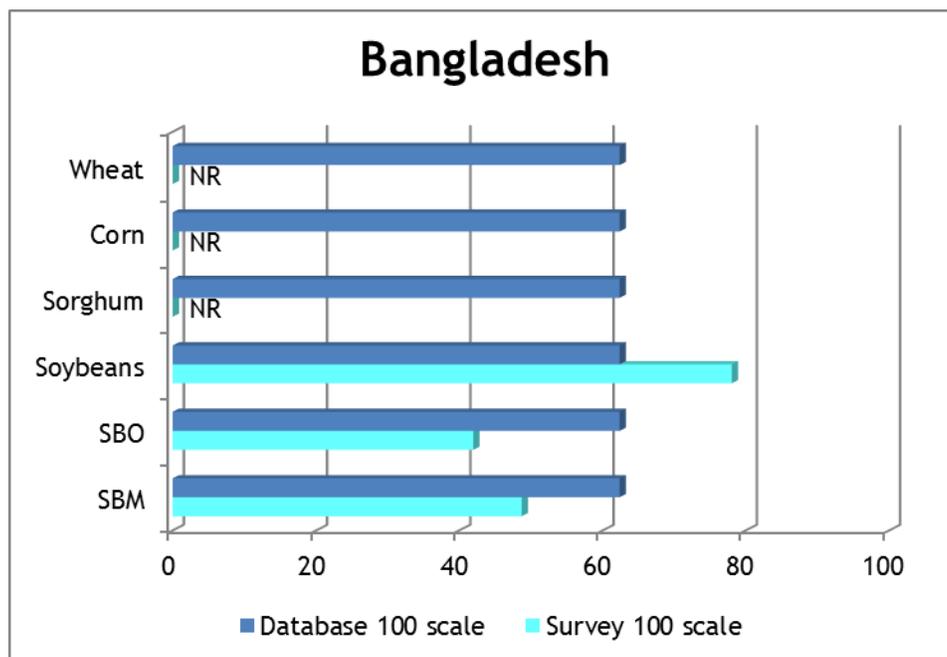
Grain-oilseed situation

Algeria imports two-thirds of its wheat needs. It is one of the world's largest grain importers, despite government incentives to encourage wheat production. Imports from the US were over 399,000 MT in 2016.

Argentina has been the main supplier of corn to Algeria since 2008, supplying over half of imports. US wheat exports to Algeria began growing in 2013 after an extended absence from the market. In 2016, they reached 679,000 MT.

Soybean demand is driven by the poultry feed manufacturing sector. There is no crush capacity in Algeria so it imports all its soybean meal, approximately 1.4 million metric tons per year. Argentina is the country's main supplier, with a 90% market share. In 2016 Algeria imported 27,000 MT from the US.

BANGLADESH



Market access

Although Bangladesh tariffs on agricultural commodities are generally low, 0%-5%, there are several taxes. Imports are subject to VAT taxes of 15%, a regulatory duty of 5%, an Advance Income Tax of 5%, and a Supplementary Duty. These taxes also apply to domestically produced goods. There are no quantitative restrictions on imports. The market is generally open despite the high tax rates.

Bangladesh has relatively few technical and procedural barriers to importing, though plant health inspections and phytosanitary certificates are routinely required. Corruption is a very serious problem in Bangladesh. Bangladesh scored a 26 on Transparency International's Corruption Perceptions Index, placing near the bottom of all countries.

Grain-oilseed situation

Bangladesh imports approximately 4 million metric tons of wheat each year, more than half of its needs. Its imports are diversified, coming from over a dozen countries, though the bulk of shipments come from Canada, Ukraine, India, and Russia. Imports from the US were 71,000 MT.

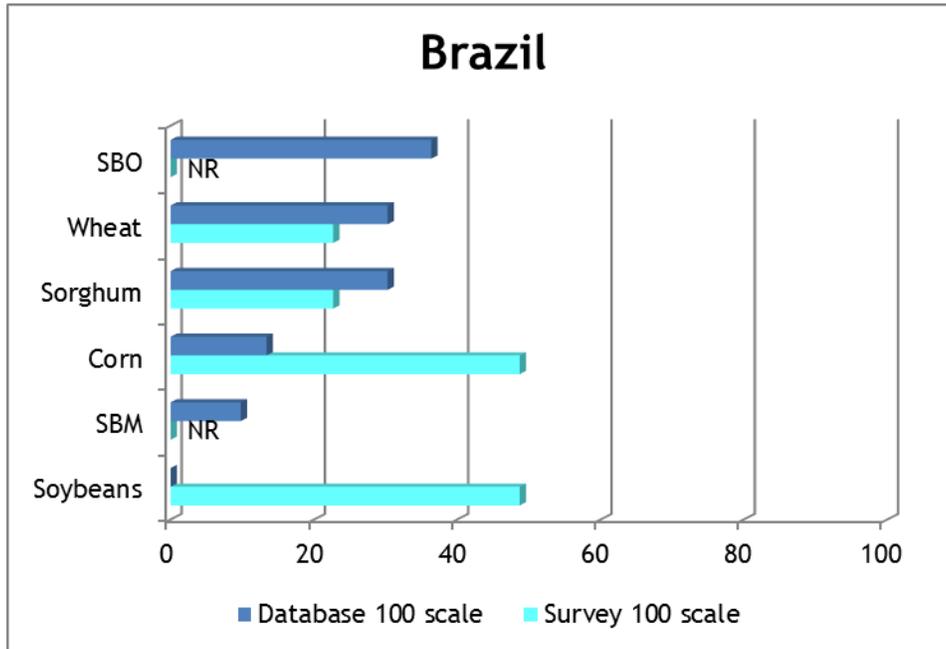
Bangladesh does not import much corn, only about 400,000 MT, with the US supplying about one-quarter of the total. Brazil is the leading corn supplier, followed by India.

Soybean imports were over 1 million MT in 2015, with the US supplying one-third and Canada and Argentina most of the rest. Soymeal imports were 284,000 MT in 2015, with Brazil supplying 188,000 MT and the US, 42,000 MT.

Bangladesh: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	-	-	-	-	-
Beginning Stocks	30	45	84	21	135
Production	-	-	-	-	-
MY Imports	398	572	696	1,123	1,200
Total Supply	428	617	780	1,144	1,335
MY Exports	-	-	-	-	-
Crush	375	525	750	1,000	1,250
Food Use Dom. Cons.	5	5	5	5	5
Feed Waste Dom. Cons.	3	3	4	4	4
Total Dom. Cons.	383	533	759	1,009	1,259
Ending Stocks	45	84	21	135	76

Source: USDA PS&D, 2017

BRAZIL



Market access

Brazil is a member of the Mercosur common market and maintains common external tariffs on feed grains, oilseeds, and byproducts of grains and oilseeds. Tariffs are mostly in the 6-10% range. That does not mean that the market is relatively open to imports, however. In 2007, Brazil reinstated stiff Merchant Marine Taxes (25%) on bulk grain imports in addition to preferential treatment for domestic producers on taxes and phytosanitary regulations.

From October-December 2016, Brazil imported 659,000 MT of wheat from the US, representing approximately 10% of the country’s import needs. Phytosanitary restrictions limit US wheat exports to red varieties shipped through Gulf of Mexico or Atlantic ports.

In 2016, Brazil temporarily suspended its non-Mercosur corn tariff, allowing for imports of biotech corn from the US, resulting in imports of over 500,000 MT from the US. The tariff was set to be reinstated in 2017.

Brazil is a major soy products exporter and thus does not import them. Moreover, non-GMO soybeans and soybean products for human and animal food must contain less than 1% GMO soy. Any products with more than 1% GMO soy must be labeled as such. This requirement is difficult to enforce on domestic production, but it is easily imposed on imports.

Brazil has problems with corruption. It scored a 40 on the 2016 Corruption Perceptions Index. This score places it near the middle of the scoring range.

Grain-oilseed situation

Brazil is a major US competitor in grain and oilseed markets. It typically produces 5 million MT of wheat, 80 MMT of corn, and 100 MMT of soybeans. The government provides price support to farmers for several grain and oilseed commodities.

Despite significant production, Brazil remains a major wheat importer, with net imports approaching 6 MMT in 2015/16.

In 2015/2016, Brazil registered an uncharacteristically poor corn crop and had to import corn; this required that the country approve select varieties of US GM corn.

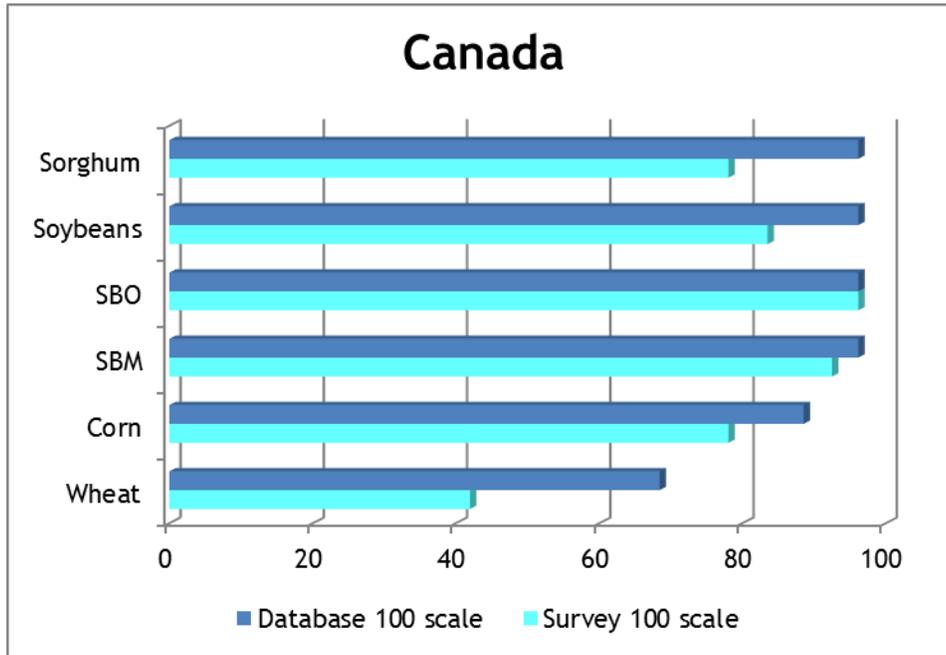
Soy production, by contrast, was strong, allowing for exports of almost 55 MMT in 2015/16.

Sorghum acreage and production have been in decline, registering only 580,000 ha producing 1.08 MMT in 2015/2016. Almost all sorghum is included in animal feed.

Brazil: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	27,700	30,100	32,100	33,300	33,900
Beginning Stocks	13,024	15,355	15,820	18,925	18,050
Production	82,000	86,700	97,200	96,500	108,000
MY Imports	395	605	305	410	350
Total Supply	95,419	102,660	113,325	115,835	126,400
MY Exports	41,904	46,829	50,612	54,383	61,000
Crush	35,235	36,861	40,435	39,901	41,000
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	2,925	3,150	3,353	3,501	3,600
Total Dom. Cons.	38,160	40,011	43,788	43,402	44,600
Ending Stocks	15,355	15,820	18,925	18,050	20,800

Source: USDA PS&D, 2017

CANADA



Market access

Canada is the most accessible market to US exporters for GOMAI commodities, second in size only to Mexico.

The market is largely open. Foreign grain, however, cannot be issued a grade by the Canadian Grain Commission. Consequently, US wheat can only be sold as feed grade or according to a specification and price agreed to by buyer and seller.

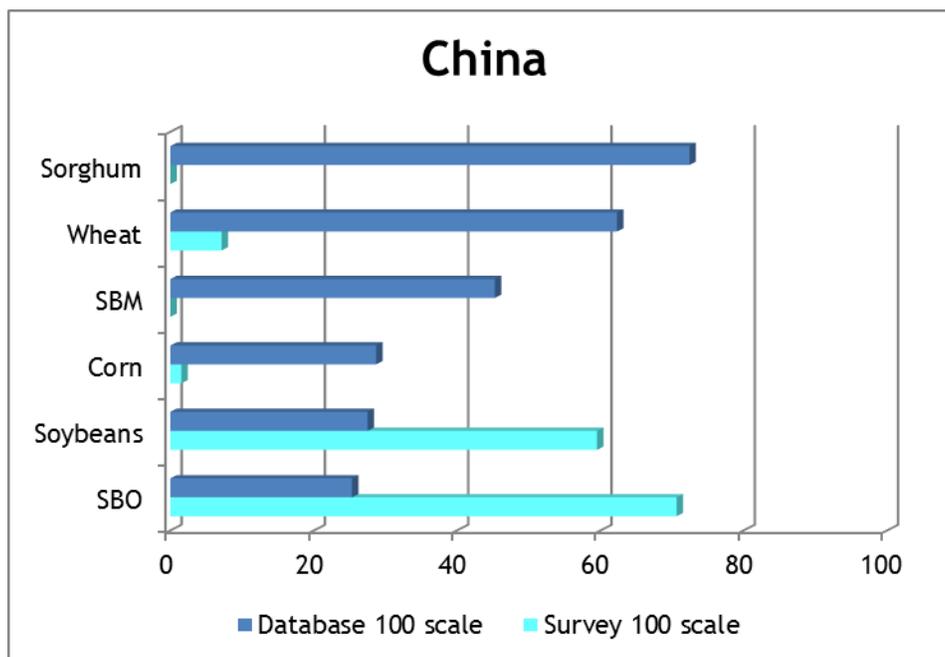
Grain-oilseed situation

Canada is a major wheat, barley, and canola exporter but imports both corn and soybean meal, mainly from the US. Annual production of corn has fluctuated around 11-14 MMT since 2010. Soybean production has grown from 4.4 MMT in 2010/11 to almost 6.4 MMT in 2015/16. For 2015/16, imports of wheat, corn, and soybeans were 491,000 MT, 1.37 MMT, and 308,000 MT, respectively.

Canada: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	1,679	1,860	2,235	2,197	2,180
Beginning Stocks	231	158	246	466	301
Production	5,086	5,359	6,049	6,371	6,450
MY Imports	270	340	339	308	350
Total Supply	5,587	5,857	6,634	7,145	7,101
MY Exports	3,470	3,469	3,854	4,258	4,400
Crush	1,541	1,525	1,787	2,000	2,000
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	418	617	527	586	414
Total Dom. Cons.	1,959	2,142	2,314	2,586	2,414
Ending Stocks	158	246	466	301	287

Source: USDA PS&D, 2017

CHINA



Market access

China currently produces about 130 MMT of wheat and imports only 3% of its needs. There is a 9.6 mmt TRQ for private industry, of which 10% is typically used. The Chinese government (GOC) has a state TRQ, typically used for feed wheat. Out of quota, wheat and corn tariffs are 65%; this means no wheat or corn is imported unless it is in quota.

The corn TRQ for 2016 was 7.2 MMT; 40% of that is reserved for private enterprises. Tariff rate quotas do not fill. Soybean oil tariffs are very high, over 100%. SBM tariffs are 30%. Preferential treatment is given to border countries including Russia, a major grain and oilseed producer. In addition to tariffs, China's VAT (either 13% or 17% depending on the product) does not apply to many domestic or border nation crops, so the VAT has the same effect as an additional tariff.

Additional market barriers include transparency issues, opaque regulatory regimes, import licenses, and SPS measures with questionable scientific bases. Domestic agricultural products are often fully or partially exempt from the VAT, making imported products less competitive. The AQSIQ (General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China) regularly restricts trade. The AQSIQ requires importers to obtain a Quarantine Inspection Permit (QIP), a cumbersome process, particularly since AQSIQ slows down or even suspends the issuance of QIPs at its discretion.

In 2014, implementation of new biotechnology laws severely disrupted trade in corn, particularly DDGS, with a complete ban for several months due to the presence of unapproved biotech events. Although the ban was lifted, importers were concerned about future shipments. Chinese officials recognized these deficiencies and are working toward solutions. Several more events have been

approved and the Chinese are working to improve the process. However, there are still some issues with the biotech approvals process.

On April 25, 2015, The Chinese National People's Congress enacted its Food Safety Law for public comments. This law establishes new registration requirements and reinforces the AQSIQ authority to inspect imports. Implementation of the law is ongoing. Potential adverse trade issues may arise as the process continues.

On March 28, 2016, the GOC enacted legislation that abandoned price support policies for all commodities except wheat and rice.

Finally, corruption is a significant problem in China. China scored a 40 out of a possible 100 points (with 100 being the least corrupt) on Transparency International's 2016 Corruption Perceptions Index.

Grain-oilseed situation

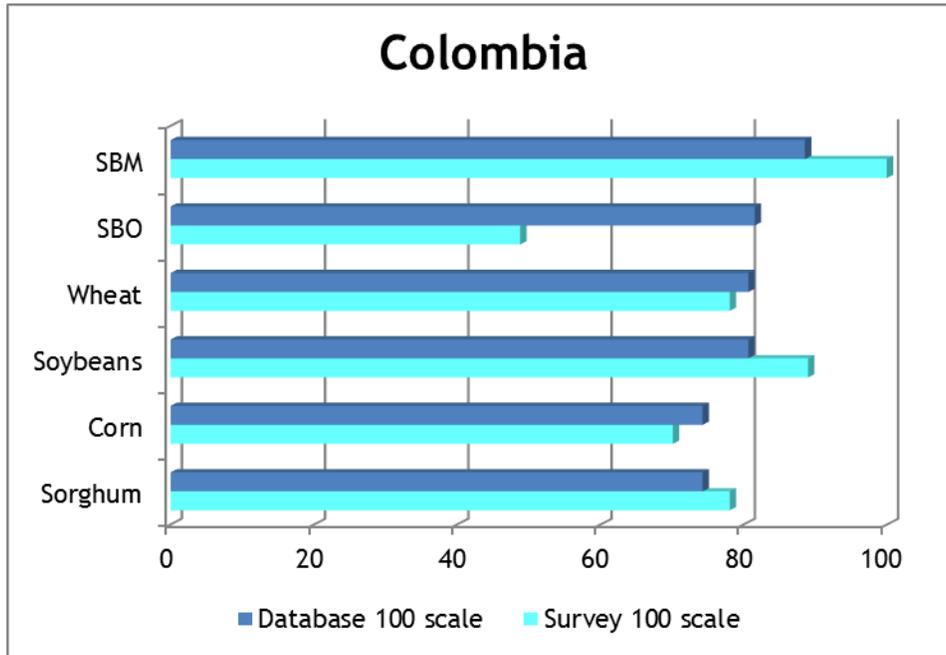
As a matter of basic food security policy, China has reiterated its dedication to pursuing grain self-sufficiency. However, price supports for all commodities except wheat and rice were dropped. As affluence spreads and diets improve, animal protein production has increased dramatically. Grain self-sufficiency is becoming harder and harder to achieve due to increased animal feeding requirements. Moreover, increased grain production comes at the expense of oilseed self-sufficiency.

Increased demand for animal proteins has resulted in corn supplies being tight, as demand for feed corn has risen. This in turn has resulted in more feed quality wheat, soybean meal, and DDGS being used in feed formulas. However, domestic soy production is physically and politically limited. China relies heavily on imports to feed its animals, importing 75% of the world's total soybean exports in 2016.

China: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	7,172	6,791	6,800	6,506	7,200
Beginning Stocks	15,918	12,348	13,848	17,009	16,910
Production	13,011	11,951	12,154	11,785	12,900
MY Imports	59,865	70,364	78,350	83,230	87,000
Total Supply	88,794	94,663	104,352	112,024	116,810
MY Exports	266	215	143	114	150
Crush	64,950	68,850	74,500	81,300	86,500
Food Use Dom. Cons.	9,450	9,850	10,200	10,800	11,300
Feed Waste Dom. Cons.	1,780	1,900	2,500	2,900	3,300
Total Dom. Cons.	76,180	80,600	87,200	95,000	101,100
Ending Stocks	12,348	13,848	17,009	16,910	15,560

Source: USDA PS&D, 2017

COLOMBIA



Market access

Colombia is a significant market for grain and oilseed products, and with the signing of the US-Colombia Trade Promotion Agreement (CTPA), the market became more open for US products. Tariffs on many products were reduced to 0%. Corn, sorghum, animal feeds, and soybean oil all have duty-free TRQs that grow each year. The corn quota fills quickly and additional volumes are imported with tariffs. The out-of-quota tariff for corn will be phased out over the next decade.

The CTPA has helped the US displace other wheat regional suppliers; US exports are second only to Canada’s in the market. US corn preferences and tariffs applied on competitor corn have given the US domination of the corn market: the US shipped approximately 99% of imports in 2016.

Wheat, corn, sorghum, and soybeans require phytosanitary certificates and import permits. Corruption is still a problem in Colombia: it scored a 37 out of a possible 100 points (with 100 being the least corrupt) on Transparency International’s Corruption Perceptions Index.

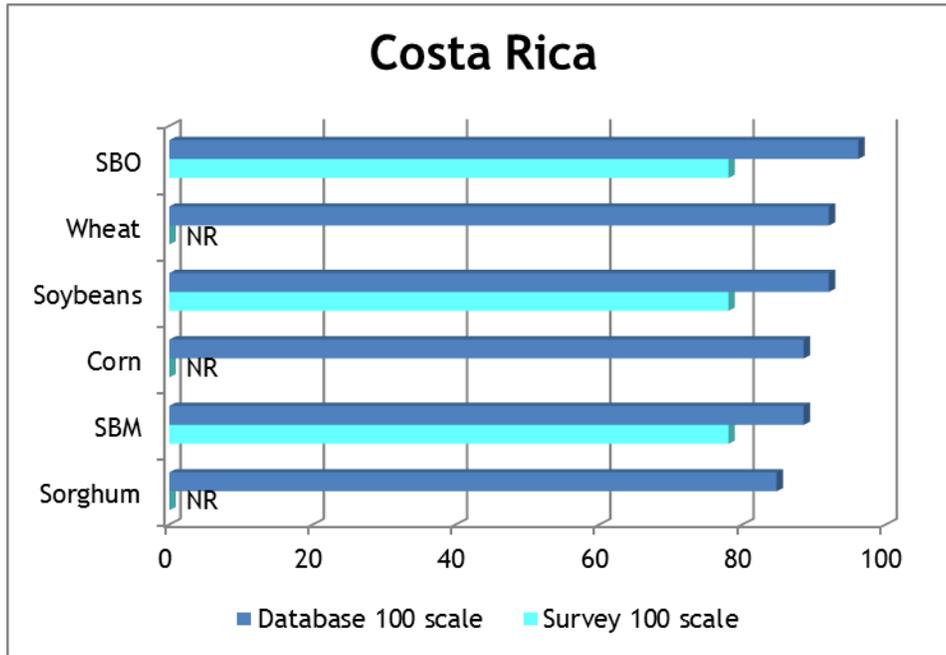
Grain-oilseed situation

Colombia became an even more important trading partner for the US following the approval of the CTPA. Since then, Colombian producers have shifted mostly to producing white corn for food, ceding much of the yellow corn market to imports, so Colombia is a significant corn importer. The country also buys virtually all its wheat and most of its soybeans from abroad. Imports of these three crops have risen over the last several years. Imports of sorghum, by contrast, have dropped sharply.

Colombia: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	27	32	33	34	35
Beginning Stocks	10	20	46	83	60
Production	67	68	70	73	75
MY Imports	328	436	552	544	550
Total Supply	405	524	668	700	685
MY Exports	-	-	-	-	-
Crush	280	350	450	500	500
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	105	128	135	140	145
Total Dom. Cons.	385	478	585	640	645
Ending Stocks	20	46	83	60	40

Source: USDA PS&D, 2017

COSTA RICA



Market access

Costa Rica has very few barriers to US imports; however, there have been minor changes to the tariffs imposed on US goods. The US-Central America Free Trade Agreement (CAFTA) was signed into law in August 2005 (and went into force in Costa Rica in 2009). The tariffs faced by US wheat, yellow corn, and soybeans remain zero. The rate for crude SBO is now 0% and for refined SBO, 5.4%. SBM faces a 1% tariff. Additionally, sorghum has a tariff rate of 4%.

The primary remaining barriers are technical/procedural (e.g., a reportedly cumbersome and lengthy procedure for obtaining standard phytosanitary documentation).

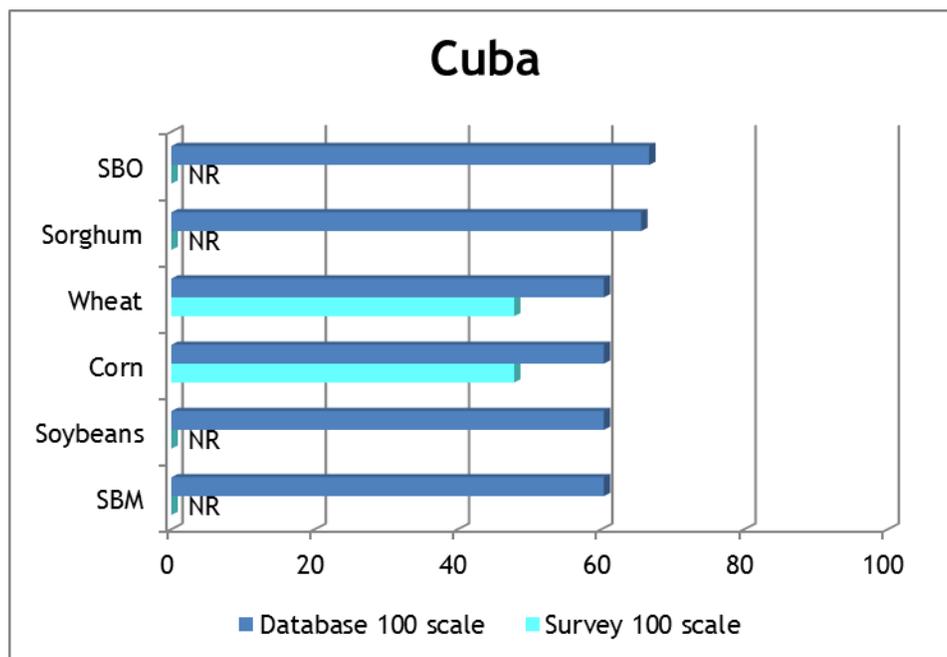
Grain-oilseed situation

Costa Rica is not a significant commodity producer, so it is heavily dependent on imports of basic grains and oilseeds, almost all of which it sources from the United States. Cost Rica imported 279,000 MT of wheat, 776,000 MT of corn, and 285,000 MT of soybeans in 2015/16.

Costa Rica: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	-	-	-	-	-
Beginning Stocks	4	-	-	-	5
Production	-	-	-	-	-
MY Imports	251	225	265	285	315
Total Supply	255	225	265	285	320
MY Exports	-	-	-	-	-
Crush	250	220	260	275	310
Food Use Dom. Cons.	5	5	5	5	5
Feed Waste Dom. Cons.	-	-	-	-	-
Total Dom. Cons.	255	225	265	280	315
Ending Stocks	-	-	-	5	5

Source: USDA PS&D, 2017

CUBA



Market access

US trade with Cuba remains limited, with some agricultural commodities as rare exceptions. The US provides no trade assistance, and official US entities in many cases limit or do not publish information regarding Cuba.

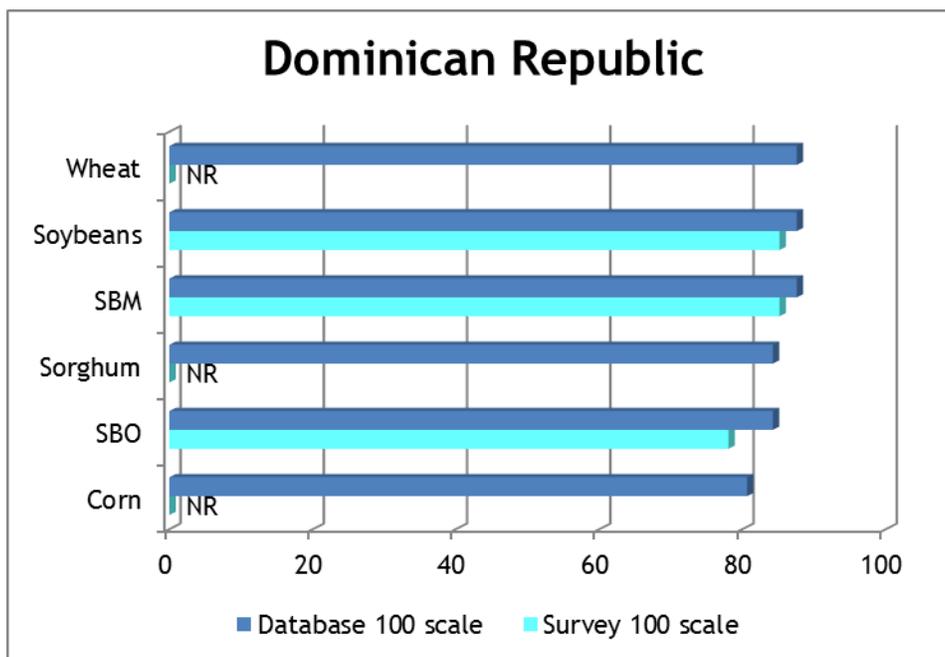
Cuba has modest tariffs on agricultural commodities, in the 0-5% range for grains and oilseeds, slightly higher for value-added oilseed products (i.e., 5%/20% for crude/refined SBO, and 10% for SBM).

Corruption is not noted as a substantial problem in Cuba; the country scored a 47 on the Transparency International's Corruption Perceptions Index, which puts it ahead of most of the other Latin American markets under review.

Grain-oilseed situation

The US exported corn and soybean products to Cuba in 2016, over a third of a million MT in all. Product volumes were 221,000 MT of corn, 48,000 MT of soybeans, 15,200 of soybean oil, and 98,000 MT of soybean meal. The US has not reported any exports of wheat or sorghum.

DOMINICAN REPUBLIC



Market access

The Dominican Republic is member of the CAFTA-DR which also includes the United States. For most products under review, except refined soybean oil, US exports face no tariff in the DR.

The country's double-digit value added tax, ITBIS, doesn't apply to many agricultural commodities, but it is applied to sorghum and soybean oil.

Import permits are required for agricultural products. Importers also need to obtain a certificate to benefit from the duty-free preference allowed under trade agreements.

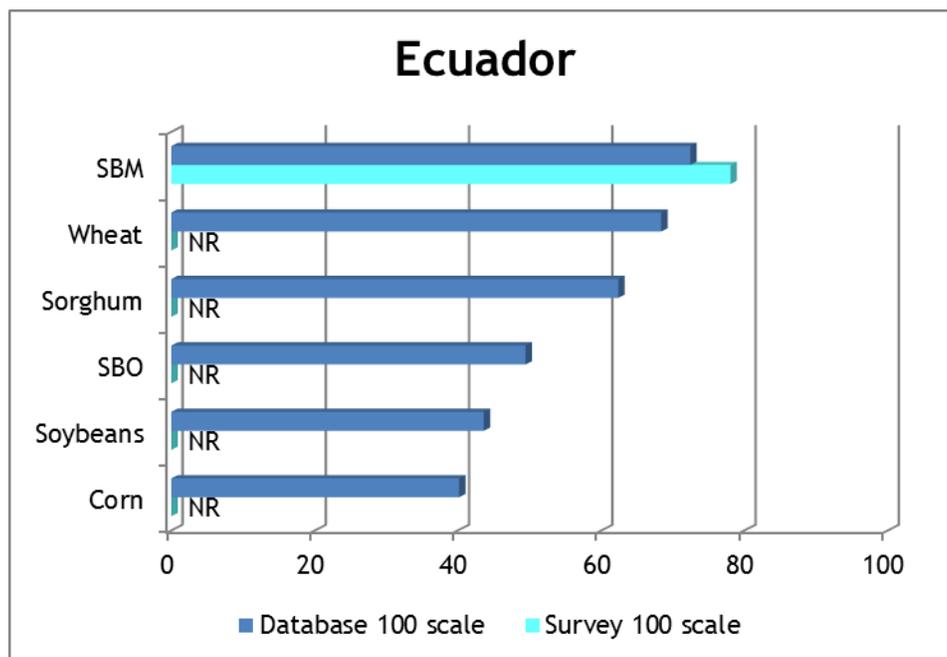
Corruption can be a serious problem in the Dominican Republic, with the country scoring only 31 out of 100 on Transparency International's Corruption Perceptions Index.

Grain-oilseed situation

The Dominican Republic imports large volumes of wheat (550,000 MT) and corn (1.3 million MT). The US supplies most of the wheat, followed by Canada. Substantial volumes of wheat and wheat products move from the Dominican Republic to Haiti. In the corn market, the US competes primarily with Brazil for market share.

The country does not import soybeans but does import soybean oil and soybean meal.

ECUADOR



Market access

Ecuador is a member of the Andean Community (CAN) and applies the common tariff rates (0% to 20% for most of the commodities under review in the GOMAI). These rates are adjusted, based on world prices, according to the Andean Price Band System (APBS), which increases tariffs when world prices drop below a threshold value, and lowers tariffs when world prices are high.

As a CAN member, Ecuador maintains preferential treatment for Uruguay, Paraguay, Argentina, and Brazil, in the form percentage discounts off base tariff rates plus APBS adjustment. Preferential treatment is applied to all the products under review, and tariff discounts were 75%-80% in 2016, with tariffs set to phase out completely by 2018.

For 2016, both tariffs and APBS duties were suspended for both durum wheat and soybean meal. This suspension has been extended through 2019.

Corruption can be a serious problem in Ecuador, with the country scoring only 31 out of 100 on Transparency International's Corruption Perceptions Index. Prior authorization is required to import grains and oilseeds. In addition, anti-GMO legislation is on the books but remains unenforced.

Grain-oilseed situation

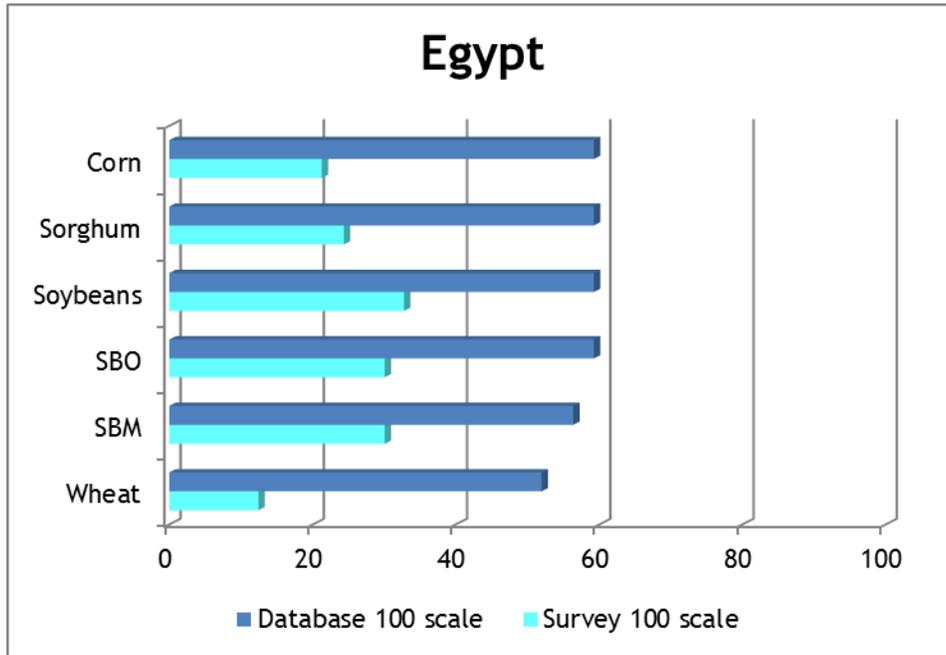
Ecuador is not a major producer of most grains and oilseeds. Wheat imports have been approaching one million tons, supplied mostly by Canada, the US, and Argentina. However, under policies encouraging domestic production, corn imports are minimal. No sorghum at all was imported in 2016.

Ecuador produces and imports only small volumes of soybeans, though it does import SBM in large volumes: imports grew to 918,000 MT in 2016. The US was the largest supplier (383,000 MT), followed by Bolivia and Argentina.

Ecuador: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	50	50	50	50	50
Beginning Stocks	2	1	-	-	-
Production	70	70	70	70	70
MY Imports	-	-	-	-	-
Total Supply	72	71	70	70	70
MY Exports	-	-	-	-	-
Crush	44	44	43	43	43
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	27	27	27	27	27
Total Dom. Cons.	71	71	70	70	70
Ending Stocks	1	-	-	-	-

Source: USDA PS&D, 2017

EGYPT



Market access

Egypt ranks among the world’s largest grain importers, importing about half its wheat and corn and almost all its soybeans. Due to preferential treatment, most US agricultural commodities enter duty free. However, there is a tax of 10% on wheat, barley, corn, sorghum, and soybeans to encourage domestic production. Duties on other commodities are usually very low, with 2% tariffs on crude SBO and a 5% tariff on soybean meal. Egypt generally purchases grains based on price and quality assessments.

Testing procedures for agricultural commodities remain opaque and unevenly applied, causing delays and confusion. The Egyptian Government requires imported corn, soybean, wheat, rice, soymeal and DDGs to be pre-inspected, involving six inspectors in the exporting country, even though the wheat will be re-inspected at the port of entry. Special measures are in place for wheat by the General Authority for Supply Commodities (GASC) which requires imports of wheat to also be pre-inspected by an Egyptian Government agency prior to export. Import permits and phytosanitary certificates are also required for all commodities covered in this study.

Corruption also remains a problem in Egypt. In 2014, it received a score of 34 on Transparency International’s 2016 Corruption Perceptions Index.

Grain-oilseed situation

Egypt is the world's largest wheat importer. Egypt's wheat and corn imports in 2015/16 were 11.9 MMT and 8.8 MMT, respectively. The US import share of these products is low or nonexistent. Egypt does not import US wheat at all some years.

In 2016, the Government of Egypt temporarily banned the presence of ergot in wheat imports. Traders, however, immediately boycotted Egypt's wheat tenders. After just 3 failed tenders, Egypt reversed its decision and agreed to follow international standard for ergot of .05%.

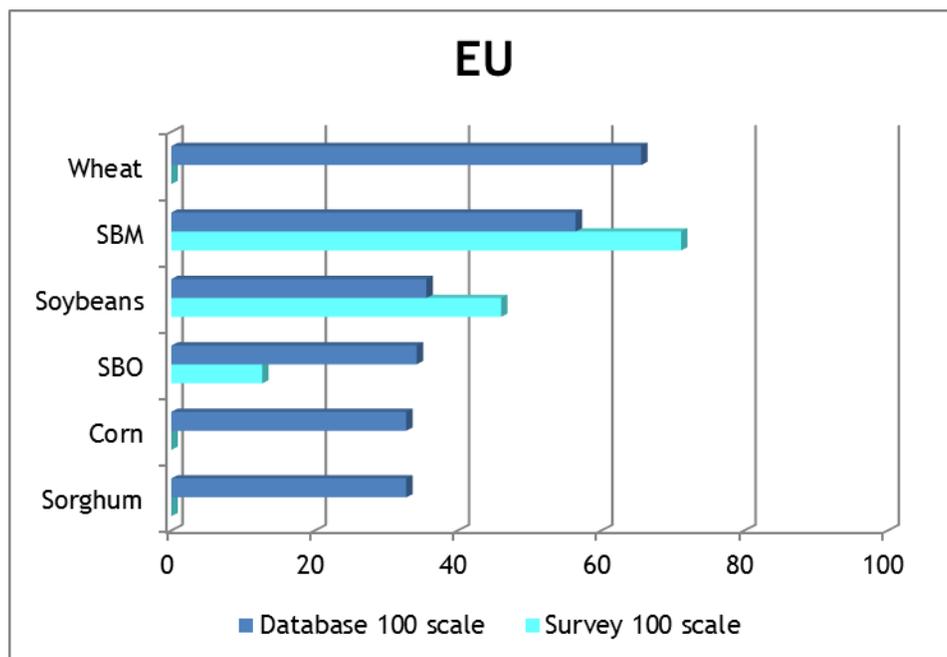
In the oilseed complex, domestic production of soybeans is negligible. Egypt's soy imports dropped from the usual more than one million MT to 531,000 MT in 2016. Half was supplied by Ukraine, with the US and Argentina splitting the rest of the imports.

Egypt's consumption of soybean meal has expanded in recent years as the country has built up its crushing capacity. However, import volumes are quite variable. Egypt imported 1.4 MMT of soymeal in 2016, almost all from Argentina. The US shipped 114,000 MT.

Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	7	9	9	9	9
Beginning Stocks	57	60	65	45	128
Production	26	33	25	25	25
MY Imports	1,730	1,694	1,947	1,300	2,400
Total Supply	1,813	1,787	2,037	1,370	2,553
MY Exports	1	-	-	-	-
Crush	1,710	1,680	1,950	1,200	2,400
Food Use Dom. Cons.	17	17	17	17	17
Feed Waste Dom. Cons.	25	25	25	25	25
Total Dom. Cons.	1,752	1,722	1,992	1,242	2,442
Ending Stocks	60	65	45	128	111

Source: USDA PS&D, 2017

EU-28



Market access

The EU is a closed market for the grains under review. Although durum, high quality soft wheat, corn, sorghum, and soybeans are all duty free, the EU has strict technical barriers that amount to a virtual ban on the wheat, corn, and sorghum. The EU restricts the import of low priced grains from non-EU members with import duties and quotas.

The EU has strict SPS criteria managed by the industry. The strongest barrier is the EU limitation on GM crops, both for import and cultivation. There is a backlog of applications for GMO trait approvals. This backlog is effectively blocking US exports of GM crops. The EU has only approved a few biotech events, with the approval process usually taking several years. GMO labeling rules in the EU limits soybean oil use in the market. The EU is dependent on corn and soybean imports for its feed ingredients, so the EU policy on imports of GM products is less restrictive than that on GM crops.

On March 11, 2015, the European Commission proposal on the renationalization of Genetically Modified (GM) food and feed (EU Directive 2015/412) was adopted despite opposition by the European Union (EU) Food Feed Chain. Each EU member state now has the power to ban the cultivation of GMOs within their territory. The outcome has been described as a patchwork of GMO laws. There will be a likely improvement in access for GMO in some countries. Of the 28 EU countries, 19 are opposed to GMOS, just five are in favor, and four have not stated a position.

Corruption is not generally a concern in the EU, except for some of the newer member countries and even then, it is less of a concern than in many other export markets around the world.

Grain-oilseed situation

The EU is a significant wheat net exporter, but relies on imports of corn, coarse grains, soybeans, and soybean meal.

Wheat production in 2015/16 was 160 MMT, of which almost 35 MMT were exported. Net corn imports were 12 MMT.

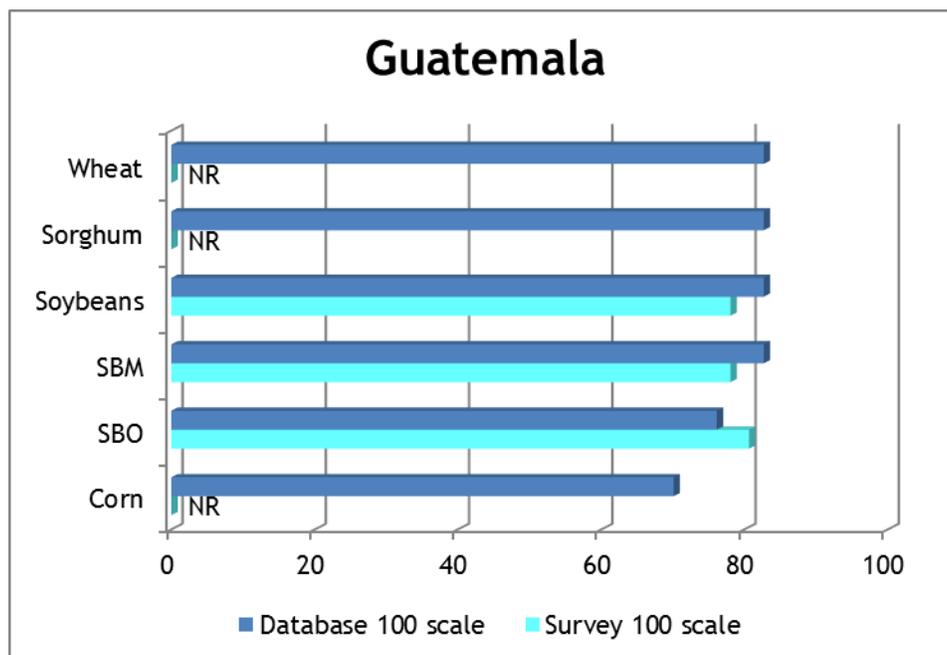
Soybean meal consumption in the EU has continued to grow with demand higher than ever, at over 30 MMT. In 2015/16, production was 12 MMT and imports, 19 MMT. Brazil generally supplies just under half the total, the US 20-30%, and Paraguay and Canada supply the rest. The EU also imported 15 MMT for crushing in 2015/16, roughly one-third from the US.

The US once supplied significant volumes of sorghum to the EU, but those volumes have since dropped. The EU imported only 117,000 MT in 2015/16.

European Union: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	422	472	571	849	892
Beginning Stocks	922	736	623	682	1,120
Production	948	1,211	1,831	2,256	2,385
MY Imports	12,538	13,293	13,914	15,006	13,800
Total Supply	14,408	15,240	16,368	17,944	17,305
MY Exports	92	57	116	144	150
Crush	12,500	13,400	14,000	15,100	14,700
Food Use Dom. Cons.	130	160	170	180	190
Feed Waste Dom. Cons.	950	1,000	1,400	1,400	1,400
Total Dom. Cons.	13,580	14,560	15,570	16,680	16,290
Ending Stocks	736	623	682	1,120	865

Source: USDA PS&D, 2017

GUATEMALA



Market access

Guatemala is one of the Central American nations that have ratified the Dominican Republic-Central America Free Trade Agreement with the United States. It went into force in 2006. Under the agreement, tariffs and non-tariff barriers on a variety of products have been either eliminated, or in some cases are being gradually eliminated over a 15 to 20-year period. For most products under review, the tariff faced by US exports is 0%, other than out-of-quota yellow/white corn (15%/20%), and refined soybean oil (3%).

Price and quantity restrictions for sensitive products such as white corn remain high, but are being phased out over time. Phytosanitary certificates and import permits remain an issue. In addition, corruption is a pretty significant problem: Guatemala's score on Transparency International's 2016 Corruption Perceptions Index was 28.

Grain-oilseed situation

Guatemala does not produce a significant amount of wheat or soybeans. The country relies primarily on the US for its import needs. Wheat imports were 620,000 MT in 2015/16. Corn production was 1.7 MMT in 2015/16, primarily white corn. Imports that year were just over 1 million MT, most of which come in under the duty-free quota.

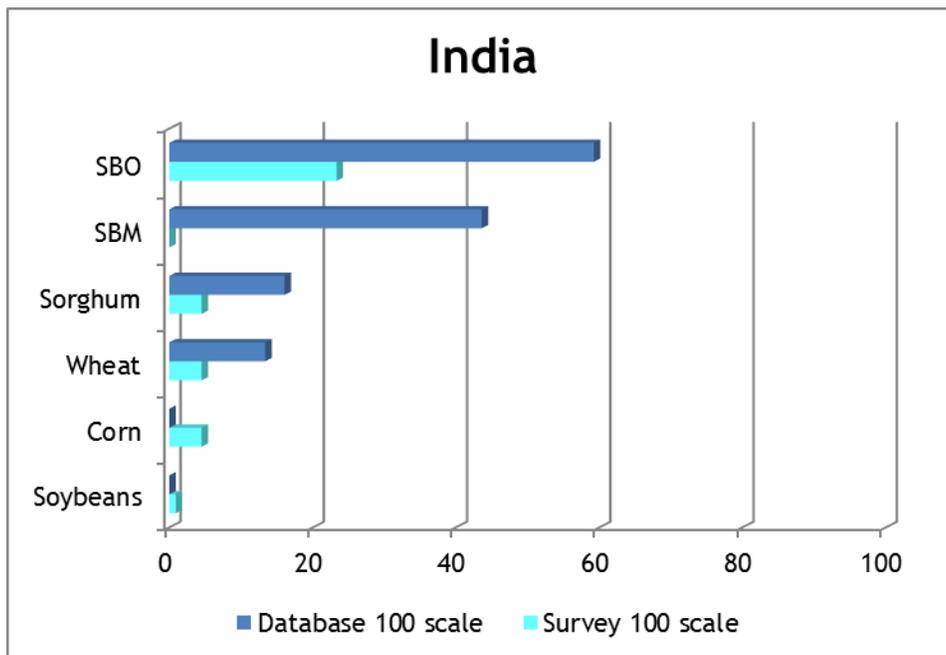
Guatemala's limited sorghum production (2015/16: 45,000 MT) is used mostly for animal feed.

Guatemala does not have significant soybean crushing capacity and therefore imports soybean meal (153,000 MT in 2016) and oil (35,000 MT).

Guatemala: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	14	14	14	14	14
Beginning Stocks	7	4	2	3	2
Production	36	36	36	36	36
MY Imports	15	26	21	15	20
Total Supply	58	66	59	54	58
MY Exports	-	-	-	-	-
Crush	-	-	-	-	-
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	54	64	56	52	56
Total Dom. Cons.	54	64	56	52	56
Ending Stocks	4	2	3	2	2

Source: USDA PS&D, 2017

INDIA



Market access

India maintains its reputation for being one of the most difficult markets for US grain exporters to penetrate. With minor exceptions, the country effectively blocks imports of wheat, corn, soybeans, and sorghum.

Most products face tariffs from 30%-50%, although the wheat import duty is zero and soybean oil has faced lower rates as the government has moved to satisfy strong domestic demand. Nevertheless, tariffs are compounded by taxes levied by the city, state, and central authorities, with total impacts much higher than the effective applied rate. Also, India has previously raised tariff rates to WTO bound levels (as high as 100%) to manage prices and supply.

India has a 500,000 MT TRQ for corn, for which the duty is 15%, though the TRQ procedures are onerous and restrictive. Outside of the quota, the duty is 50%. All oils imported into India face one of two tariffs. Crude oils are taxed at rate of 12.5% while refined oils are taxed at a rate of 20%.

Many non-tariff barriers also exist. SPS requirements are particularly restrictive. India wheat tenders frequently include SPS requirements that the US cannot certify. In addition, tender specifications remain all but impossible to meet because of prohibitive wheat disease requirements and unnecessary fumigation requirements. India's SPS requirements have kept US wheat imports out of the country.

To these SPS restrictions can be added opaque customs procedures and import licensing - i.e., the requirement to obtain prior approval from India's Genetic Engineering Approval Committee

and mandatory labeling to import genetically modified goods. The government specifies technical requirements on all grains, but applies them to exclude specific commodities. In addition, documentation procedures frequently are met with delays.

Corruption remains an issue, as India scored a 40 out of a possible 100 points (with 100 being the least corrupt) on Transparency International's Corruption Perceptions Index.

Grain-oilseed situation

India is a sizeable producer of wheat, corn, and soybeans, in any given year producing approximately 90 MMT, 25 MMT, and 10 MMT of each crop, respectively. The country effectively blocks imports of these three commodities, with few exceptions.

Demand for imported oils exceeds domestic production, however. Most imports are of palm oil, though India imported almost 4 MMT of soybean oil in 2016, up sharply from around 1 MMT in 2012 and 2013. Argentina supplied three-quarters of this total, and Brazil most of the rest.

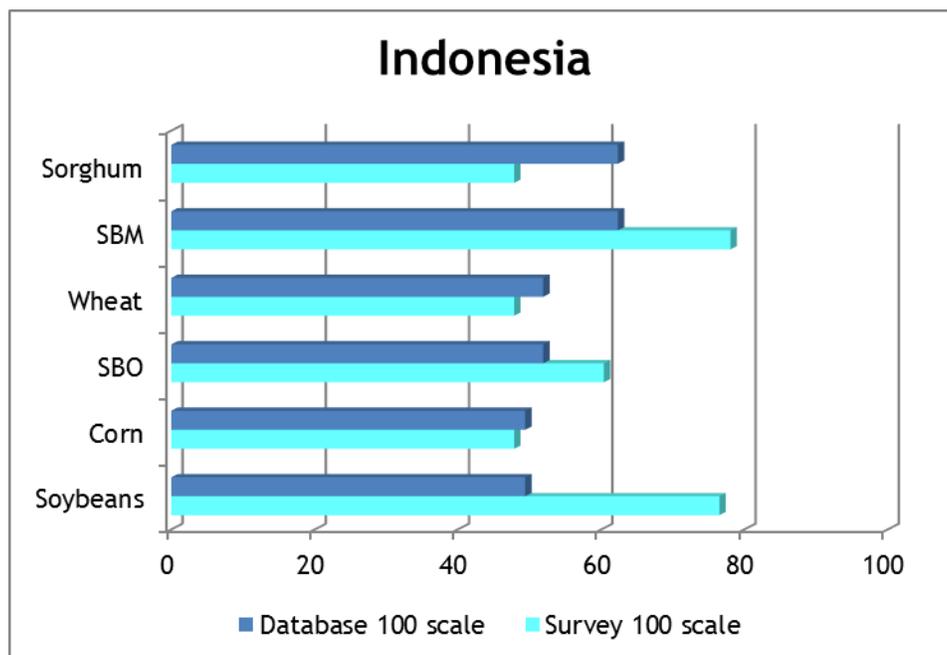
Historically, India has exported excess soybean meal, over 4 MMT in 2012 and 2013. By 2016, however, exports were down to 618,000 MT. The drop has been due to growing internal demand for feed.

In the name of food security, the Indian government allows for the stockpiling of food grains through extensive government procurement. Much of the stockpile is purchased from Indian farmers. The stock piles are often dumped onto international markets, distorting trade. In addition, a broad range of assistance, including subsidies for inputs, debt forgiveness and minimum support prices distorts the market for which imports seek to compete.

India: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	10,841	11,716	10,911	11,600	11,400
Beginning Stocks	1,235	1,210	600	200	234
Production	12,186	9,477	8,711	7,125	11,500
MY Imports	-	4	11	53	20
Total Supply	13,421	10,691	9,322	7,378	11,754
MY Exports	115	183	234	134	150
Crush	10,800	8,700	7,700	5,800	9,000
Food Use Dom. Cons.	450	420	340	360	400
Feed Waste Dom. Cons.	846	788	848	850	904
Total Dom. Cons.	12,096	9,908	8,888	7,010	10,304
Ending Stocks	1,210	600	200	234	1,300

Source: USDA PS&D, 2017

INDONESIA



Market access

Indonesian tariffs are relatively low for GOMAI products: wheat, sorghum, and soy products are all 0%. Corn faces a 5% tariff. Indonesia has preferential tariffs for ASEAN trading partners. Most products other than corn also face a 10% VAT.

The government requires import licenses for grains and oilseeds, as well as phytosanitary certificates. In addition, there are product label requirements, pre-shipment inspection requirements, local content and domestic manufacturing requirements, and quantitative restrictions that impede imports of US products. Restrictions on GM products are not enforced.

A lack of transparency and widespread corruption are significant problems for companies doing business in Indonesia. The country scored a 37 of a possible 100 points (with 100 being the least corrupt) on Transparency International's 2016 Corruption Perceptions Index.

Grain-oilseed situation

Indonesia is a major wheat importer and imports all its wheat, 10.1 MMT in MY 2015/16. The US share was under 10% at approximately 1 million MT.

Corn production has also been growing steadily, from 6.9 MMT in 2009/10 to 10.5 MMT in 2015/16. Corn imports were 1.8 MMT in 2015/16. Mills prefer US corn due to consistency in specifications and supply. US corn exports to Indonesia grew from 21,000 MT in 2012 to 315,000 MT in 2016.

Indonesia produces only 580,000 MT of soybeans and must import most of its needs, typically 2 MMT. Almost all of Indonesia's imports come from the US.

Indonesia: Wheat (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	-	-	-	-	-
Beginning Stocks	1,600	1,560	1,485	1,316	2,057
Yield (mt/ha)	-	-	-	-	-
Production	-	-	-	-	-
MY Imports	7,146	7,391	7,478	10,116	9,000
Total Supply	8,746	8,951	8,963	11,432	11,057
Exports	236	301	282	275	300
Feed Dom. Consumption	150	165	165	1,600	1,200
FSI Consumption	6,800	7,000	7,200	7,500	8,100
Domestic Consumption	6,950	7,165	7,365	9,100	9,300
Ending Stocks	1,560	1,485	1,316	2,057	1,457

Source: USDA PS&D, 2017

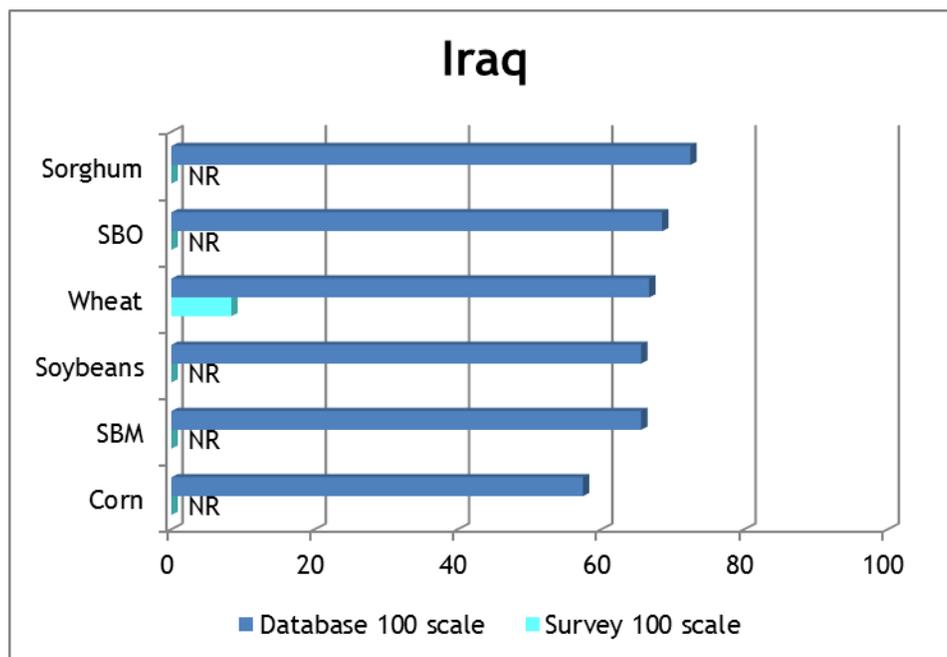
Indonesia: Corn (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	3,000	3,120	3,100	3,500	3,450
Beginning Stocks	732	1,040	1,741	1,666	1,824
Yield (mt/ha)	3	3	3	3	3
Production	8,500	9,100	9,000	10,500	10,200
MY Imports	-	-	-	-	-
Imports	2,719	3,513	3,381	1,778	1,000
Total Supply	11,951	13,653	14,122	13,944	13,024
Exports	11	12	256	20	20
Feed Dom. Consumption	6,400	7,400	8,000	8,000	8,300
FSI Consumption	4,500	4,500	4,200	4,100	4,000
Domestic Consumption	10,900	11,900	12,200	12,100	12,300
Ending Stocks	1,040	1,741	1,666	1,824	704

Source: USDA PS&D, 2017

Indonesia: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	450	450	450	440	430
Beginning Stocks	51	15	182	65	64
Production	600	650	630	580	565
MY Imports	1,795	2,241	2,006	2,250	2,400
Total Supply	2,446	2,906	2,818	2,895	3,029
MY Exports	2	39	3	1	1
Crush	-	-	-	-	-
Food Use Dom. Cons.	2,400	2,645	2,720	2,800	2,935
Feed Waste Dom. Cons.	29	40	30	30	30
Total Dom. Cons.	2,429	2,685	2,750	2,830	2,965
Ending Stocks	15	182	65	64	63

Source: USDA PS&D, 2017

IRAQ



Market access

Import demand has dropped significantly in the last couple years. Political instability is near an all-time high as well. The ISIS threat has displaced many residents and caused a deterioration of basic services and logistics. Iraq continues to operate the state-run Iraqi Grain Board (GBI) to ration grain to industrial users and households. With basic service and logistics compromised, the government is not able to effectively distribute the rations.

FAS personnel report that the state tender process is “unprofessional”. The GBI began implementing new procedures in 2016. Foreign exporters are concerned that these new procedures will cause trade disruptions.

Wheat, and corn price supports can be above the world price. Wheat imported by neighboring countries is smuggled across the border when the price supports are higher than the world price. The Government of Iraq imposes seasonal bans on wheat and corn imports to combat the smuggling.

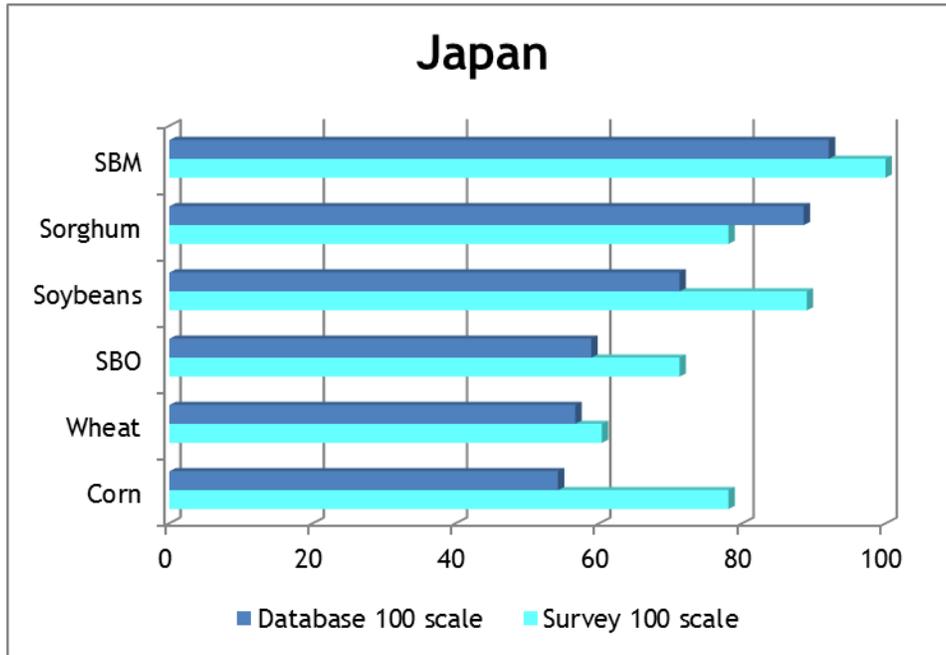
Generally, tariff rates are low, in the 5%-10% range and TRQ's are not used in Iraq. However, market access for grains and oilseeds to Iraq remains limited due to inconsistent application of laws and regulations, corruption, poor infrastructure, limited working capital, and competition from informal markets. Complex feed test processes and seasonal bans on many imports and requirements for sampling prior to arrival further hinder trade. GMOs are banned in Iraq; this currently affects US corn exports only.

Corruption is systemic and widespread in Iraq. Transparency International scores the country 17 out of 100 on its 2016 Corruption Perceptions Index, one of the lowest scores given.

Grain-oilseed situation

The GBI (Grain Board Iraq) is a single desk monopoly for the purchase and import of wheat into Iraq. Wheat production for 2015/16 was estimated at 3.3 MMT. Wheat is one of five basic commodities distributed through the Iraqi Public Distribution System (PDS), which generally keeps wheat imports in the 3-4 MMT range. However, the recent political strife in the region has severely hampered the internal distribution channels, forced migration of residents, and disrupted the government revenues affecting its ability to tender more purchases. As a result, imports have fallen about a million metric tons for the last two market years. Corn production and imports are modest; total supply is approximately 500,000 MT per year. Most domestic and international trade reporting services do not provide recent grain and oilseed trade figures for Iraq.

JAPAN



Market access

Japan is a critical destination for US agricultural exports and the US is the key grain and oilseed supplier for Japan. State trading is the rule for wheat and the Ministry of Agriculture, Food, and Fisheries controls all imports through its Simultaneous-Buy-Sell (SBS) system and maintains significant market access barriers to support farm prices and incomes. The Japanese government revises the domestic price of wheat twice annually.

Official tariffs are mostly zero on GOMAI products, though sorghum is 5% and Japan places high unit tariffs on soy and rapeseed oils, thus imports of soy oil are minimal.

Japan’s plant quarantine system frequently bans all imported products when the home country imposes a quarantine of any kind (narrow though it may be).

Grain-oilseed situation

Japan is heavily import-dependent when it comes to grains (other than rice), oilseeds, and oilseed products. Japan is a large and reliable importer of US agricultural commodities and US imports usually have a very high market share - typically 80% for corn, 50% for wheat, and 70% for soybeans.

Animal agriculture consumes most of the corn, soybean meal, and sorghum. Japan’s feed price subsidy programs have absorbed the increasing feed prices, especially for corn.

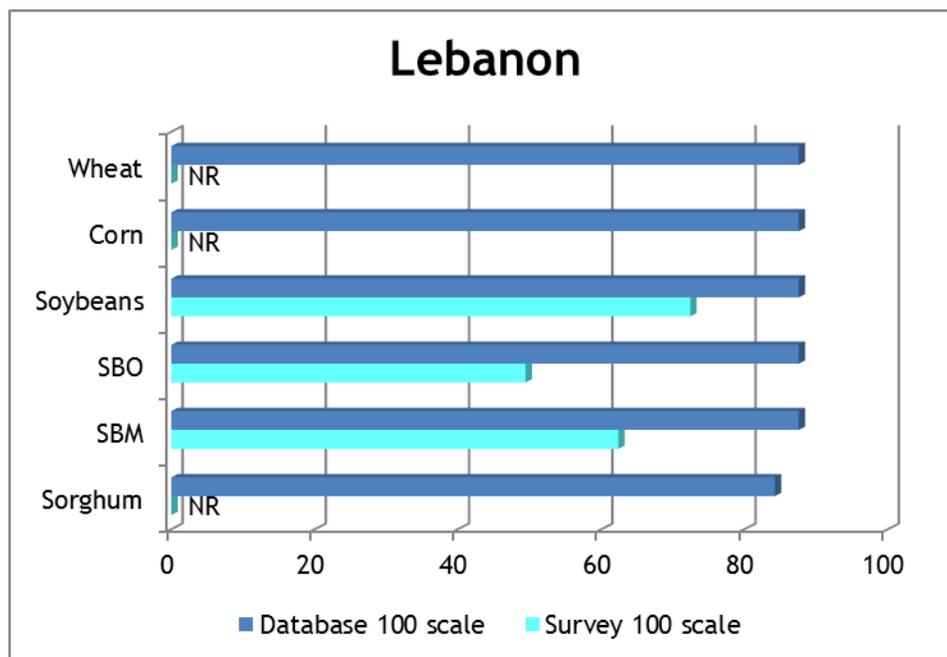
Japan imported 5.7 MMT of wheat, 15.2 MMT of corn, 650,000 MT of sorghum, and 3.2 MMT of soybeans in 2015/16. Other than sorghum imports, which have declined sharply over the past four years, the other commodity import volumes were relatively stable.

Japan also consistently imports about 1.8 MMT of soybean meal per year. The US typically has approximately 10% market share.

Japan: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	131	129	132	142	140
Beginning Stocks	150	218	252	206	255
Production	236	200	226	242	240
MY Imports	2,830	2,894	3,004	3,186	3,100
Total Supply	3,216	3,312	3,482	3,634	3,595
MY Exports	-	-	-	-	-
Crush	1,915	1,969	2,150	2,283	2,200
Food Use Dom. Cons.	936	950	999	941	1,000
Feed Waste Dom. Cons.	147	141	127	155	155
Total Dom. Cons.	2,998	3,060	3,276	3,379	3,355
Ending Stocks	218	252	206	255	240

Source: USDA PS&D, 2017

LEBANON



Market access

Lebanon has comparatively open markets for agricultural commodities. There are no import quotas on any of the products under review, and there are no import duties on wheat, corn, soybeans, or soybean oil. There is a 5% tariff on soybean meal. Most domestic and imported agricultural products are exempt from the VAT. In early 2017, Lebanon raised the VAT from 10% to 11%.

Technical and procedural barriers to trade appear to be modest. However, corruption is a significant issue in Lebanon. Bribes for import purposes are illegal but are common. Lebanon scored a 28 of a possible 100 points on Transparency International's 2016 Corruption Perceptions Index.

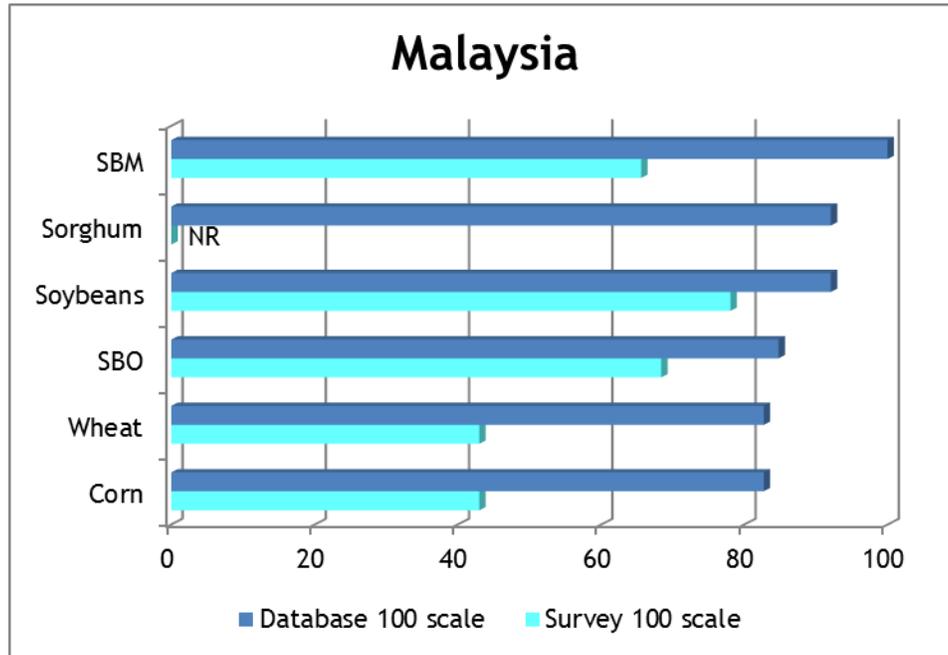
There are no current shipments of soybeans to Lebanon, but an oil crushing plant will become operational soon. Societe Huiles et Derives (SHD) will reopen a factory for crushing soybeans and refining oil in the city of Selaata. The plant has been closed for quite some time and sat idle. Operations in the factory will start in late August. Production capacity is 1,000 tons of crushed soy beans (equivalent to 800 tons of soy meal) and 350 tons of soy bean oil per day.

Grain-oilseed situation

Currently, Lebanon is facing a large-scale refugee crisis driven by the warring factions in neighboring Syria. Lebanon has the highest refugee population in the world currently, more than a million refugees.

Lebanon has significant demand for wheat, corn, and soybean meal imports. Lebanon typically imports about 80% of its wheat needs. Corn, soybean meal, and small quantities of soybean oil are imported from the US. Imports of wheat average about 500,000 MT and are mostly Black Sea or EU origin due to the geographic proximity of those suppliers. Lebanon does not produce a significant quantity of corn, so it is virtually all imported - almost 850,000 MT in 2015/16.

MALAYSIA



Market access

Malaysia produces no wheat or soybeans and very little corn. Consequently, it must meet its needs through imports and thus has few price barriers: GOMAI products are duty free, except for a 5% tariff on soybean oil.

In November 2010, Malaysia began enforcing mandatory labeling of food and food ingredients obtained through modern biotechnology, a consequence of the Biosafety Act of 2007. The biotech-labeling requirement went into effect in 2014.

Malaysia implemented a goods and services tax (GST) in April 2015, which was expected to dampen future demand for corn and wheat imports. However, it does not appear that trade was hindered at all; according to the latest PSD data, imports have grown. The tax applies to both domestic and imported goods.

Grain-oilseed situation

Malaysia is the world’s second largest palm oil producer, but relies on imports for its wheat, corn, and soybeans. Annual imports of the three commodities were 1.7, 4.1, and 0.9 MMT, respectively, in 2015/16. Corn imports are expected to continue growing as the livestock sector expands to meet consumer demand for pork and poultry.

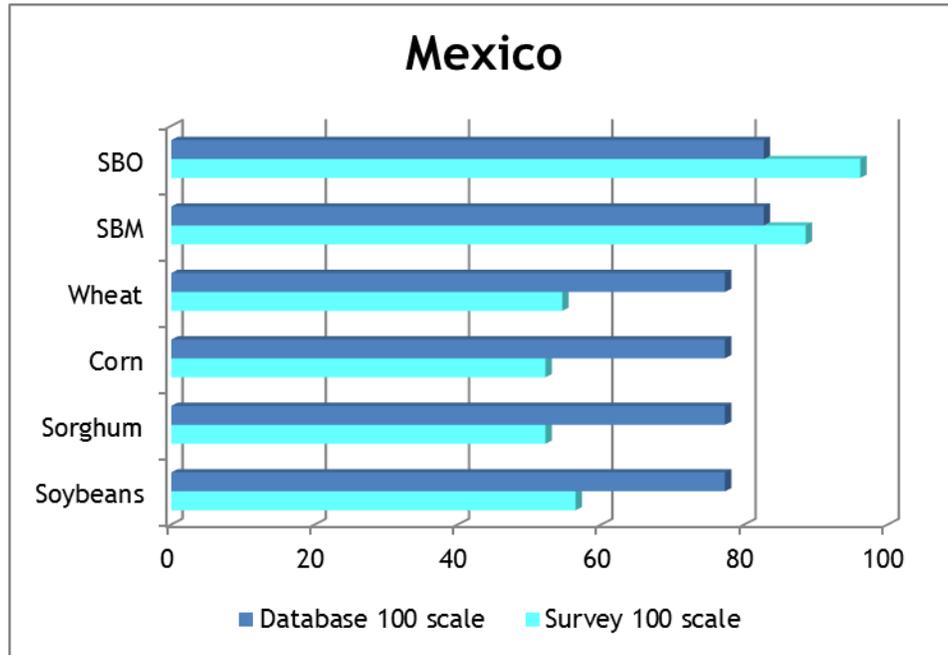
Australia is Malaysia’s largest wheat supplier, providing about half of its imports. For corn, Argentina and Brazil combine to supply over 90% of the market.

The US supplied approximately 400,000 MT of Malaysia's 800,000 MT of soybean imports in 2016. That year Malaysia also imported 1.2 MMT of soybean meal, virtually all from Argentina. Argentina is reported to have a freight advantage to the Malaysian market.

Malaysia: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	-	-	-	-	-
Beginning Stocks	50	49	35	50	70
Production	-	-	-	-	-
MY Imports	574	554	643	885	800
Total Supply	624	603	678	935	870
MY Exports	18	23	16	58	25
Crush	390	370	430	590	570
Food Use Dom. Cons.	147	150	155	170	165
Feed Waste Dom. Cons.	20	25	27	47	40
Total Dom. Cons.	557	545	612	807	775
Ending Stocks	49	35	50	70	70

Source: USDA PS&D, 2017

MEXICO



Market access

Mexico is the largest market for US grain and oilseed products in the Americas. NAFTA eliminated tariffs on all varieties of US grains and oilseeds.

Trade administration procedures and regulations continue to be complex. Lack of administration and regulation transparency hampers importers and creates unnecessarily complicated procedures. US commodities are subjected to multiple SPS measures and other requirements, which have created ongoing problems with delayed and blocked shipments of US commodities. Mexico is one of the more corrupt countries reviewed by Transparency International. Mexico scored a 30 on the Corruption Index in 2016.

Mexico's stance on biotech varies among crops and is still evolving. Mexico has grown biotech crops, on a field trial basis, since 1988.

Grain-oilseed situation

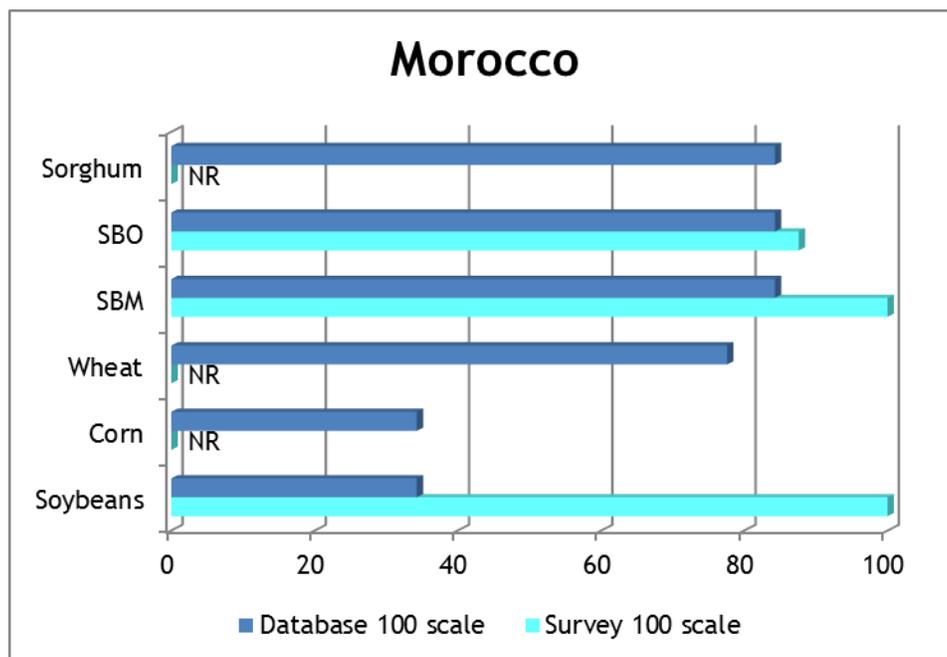
Mexico imported 4.8 million MT of wheat in 2015/16, more than half its wheat needs. The US was the largest outside supplier to the market, with almost 60% import market share. The market for corn is much larger, yet despite 25 million MT of production, in 2015/16 Mexico still imported 14 million MT of corn, 95% from the US.

Soybean imports are down slightly from a few years ago; in 2016, imports were 1.6 million MT (1.45 million MT of which were from the US). Mexico also imported almost 900,000 MT of soybean meal in 2016, almost all from the US as well.

Mexico: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	140	158	184	249	280
Beginning Stocks	131	100	118	73	83
Production	245	241	346	330	490
MY Imports	3,409	3,842	3,819	4,126	4,200
Total Supply	3,785	4,183	4,283	4,529	4,773
MY Exports	-	-	-	-	-
Crush	3,650	4,030	4,175	4,400	4,650
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	35	35	35	46	50
Total Dom. Cons.	3,685	4,065	4,210	4,446	4,700
Ending Stocks	100	118	73	83	73

Source: USDA PS&D, 2017

MOROCCO



Market access

The United States-Morocco Free Trade Agreement (FTA) went into force in 2006, gradually eliminating duties on more than 95 percent of all goods and services. The phase out period ended on December 31, 2015. Almost all imports to Morocco are duty free, including most agricultural products.

Morocco relies on imported wheat to meet all its consumption needs. Wheat and durum have preferential access to US exporters through two TRQs, but the administration of the TRQs continues to be fraught with difficulties.

Tariffs are zero on corn, soybeans, SBO, sorghum, and SBM. Conditions for exports have greatly improved over the years since GOMAI began, with low tariffs, better infrastructure, and predictable shipping services. Furthermore, customs service reforms have allowed for more timely and efficient processing and administration. Morocco, however, is still plagued by burdensome procedures and corruption remains a serious issue. Morocco scored a 37 in the 2016 report out of a possible 100 points (with 100 being the least corrupt) on Transparency International's Corruption Perceptions Index.

Grain-oilseed situation

Morocco's wheat production is erratic due to climatic conditions. Consequently, it has become one of the world's largest wheat importers. Imports are typically around 4 MMT. The US share of Morocco's wheat imports averages about 10%, but the US volume and share are highly variable.

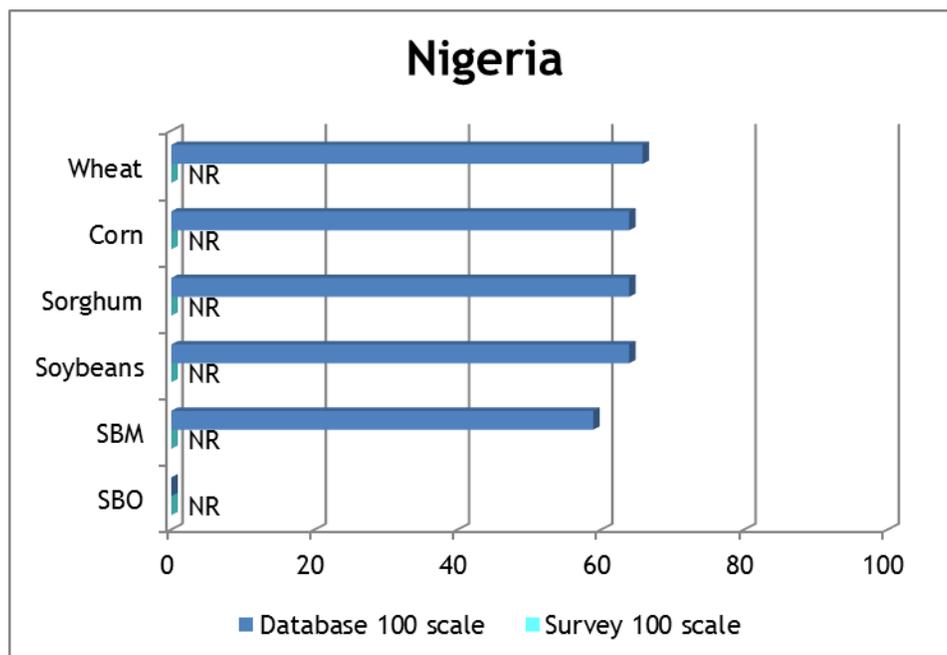
Morocco's wheat imports in 2015/2016 were 4.4 million MT. The EU and Black Sea countries are the primary suppliers.

Morocco imports 90% of its corn needs, but the US import share is only about 5%. Morocco does not produce soybeans. The US provided almost all of the market's supply. Soybean imports have dropped below 100,000 MT in recent years, most of which are supplied by the US. Soybean meal imports were 500,000 MT in 2016, two-thirds from Argentina and one-third from the US.

Morocco: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	-	-	-	-	-
Beginning Stocks	1	-	-	-	-
Production	-	-	-	-	-
MY Imports	73	134	128	100	120
Total Supply	74	134	128	100	120
MY Exports	-	-	-	-	-
Crush	74	134	128	100	120
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	-	-	-	-	-
Total Dom. Cons.	74	134	128	100	120
Ending Stocks	-	-	-	-	-

Source: USDA PS&D, 2017

NIGERIA



Market access

Although the Nigerian government has attempted to reform its corrupt political system, efforts have had no measurable effect. Declining oil prices in recent years have caused Nigerian government revenues to fall. This in turn has resulted in a monetary policy restricting foreign exchange access for 41 imported goods and services, including soybean oil. USDA FAS staff report that this policy is hindering all imports. Government sponsored domestic agricultural policies remain in limbo as the Government is cash strapped. Yet imports remain a necessity.

Nigeria's wheat and corn tariffs are 5%; soybeans and SBM are assessed a 10% tariff. In addition to the import duty there is an additional 15% duty on wheat. There is also a 7% port charge and 1% levy added to all incoming shipments. Historically, soybean oil had been banned. In 2008, the ban was lifted and high tariffs established. In 2016, the 35% tariff was lowered to 10% for crude SBO and 20% for refined SBO.

Application of the import duties is not transparent or consistent. Nigeria frequently uses nontariff measures to block imports. Nigeria's import policies and restrictions are designed to protect local production and limit imports.

Technical barriers present challenges for exports. Nigeria requires phytosanitary certificates, import permits, and destination inspection for all imports. Moreover, a long list of prohibited items and declaration requirements results in almost all containers being physically examined, which adds additional delays and costs to imports.

Although Nigeria has no laws governing agricultural biotechnology or biosafety, the government is generally supportive of biotechnology.

International monitoring groups routinely rank Nigeria among the most corrupt countries in the world. The Transparency International 2016 Corruption Perception Index scored Nigeria a 28, in the bottom third of countries. Nigeria's corruption levels remain high and its main anticorruption institution, the Economic and Financial Crimes Commission, set up to stop corruption, has not produced any results.

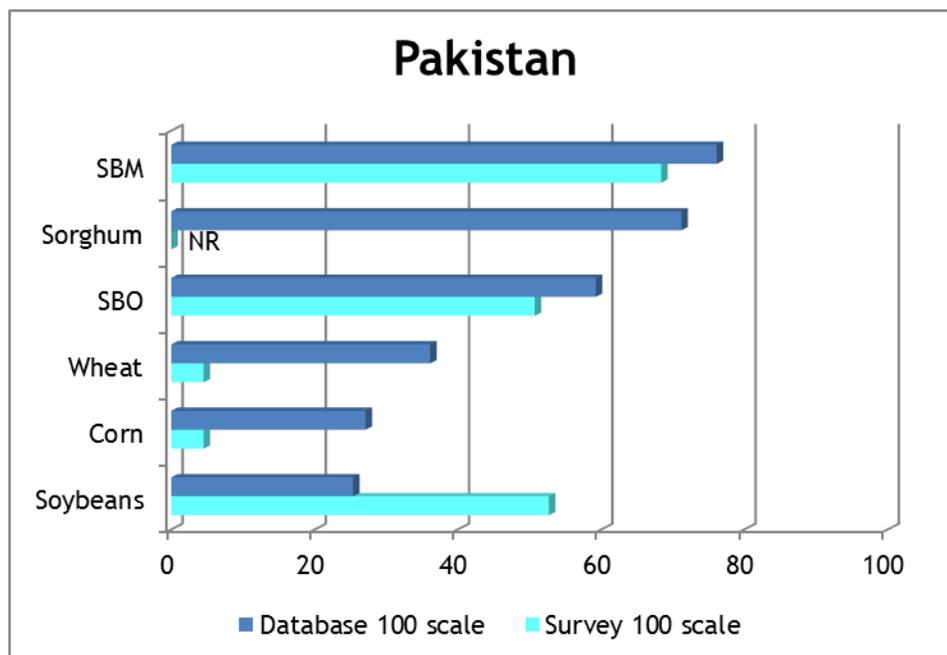
Grain-oilseed situation

Nigeria produces limited quantities of wheat and imports almost all the wheat consumed. In 2015/16 Nigeria imported 4.4 MMT, about one-quarter from the US. Nigeria is a primary destination for US wheat exports. The country also produces corn (about 7 MMT) and soybeans (675,000 MT), but imports minimal volumes of these commodities.

Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	668	680	719	700	700
Beginning Stocks	-	95	36	62	34
Production	650	518	679	675	675
MY Imports	-	23	146	12	10
Total Supply	650	636	861	749	719
MY Exports	-	-	-	-	-
Crush	260	280	380	350	350
Food Use Dom. Cons.	225	230	260	275	280
Feed Waste Dom. Cons.	70	90	159	90	52
Total Dom. Cons.	555	600	799	715	682
Ending Stocks	95	36	62	34	37

Source: USDA PS&D, 2017

PAKISTAN



Market access

Pakistan is a minor export market for US goods. Soybeans and sorghum enter duty free, while corn, wheat, and byproduct feed tariffs are 10%. Corn is also assessed a regulatory tax of 30% and wheat is also assessed a regulatory tax of 40% according to the USDA gains report. Crude SBO is assessed just under \$100/MT instead of a percentage. The soybean meal tariff was raised to 11% in mid-2014.

Quantitative restrictions on US agricultural exports are minimal; however, technical barriers are prohibitive for most commodities. US wheat is subject to SPS obstacles in the form of an unreasonable test for rye disease. White wheat exports are also blocked by an unusually high wet gluten content requirement. In addition, Pakistan customs requires that commercial invoices and packing lists be included inside each shipping container. Currently there are no restrictions on importing genetically modified products from the US if it meets US standards.

The government controls the entire wheat marketing system, including setting prices, managing inventories, and controlling imports and exports. The government procurement of wheat sets a price floor that tends to be significantly above the world price. With good crop years, exports have been authorized but often require export subsidies due to higher prices than Black Sea wheat. Afghanistan is a major importer of Pakistani wheat (when the prices are low enough).

In mid-2016, Afghanistan raised the import duty on wheat which stopped imports from Pakistan. This set off a chain reaction: hundreds of Pakistan flour mills temporarily closed, and a surplus of domestically produced wheat sat in silos. Pakistan in turn raised the regulatory tax on wheat

from 40% to 60% to encourage domestic wheat users to use up existing stocks rather than importing cheaper Black Sea Wheat. With exports to Afghanistan at a standstill, a high domestic price, and high import duty, Pakistan is unlikely to import any wheat in the 2016/17 market year.

Domestic security is an issue and Pakistan is plagued with corruption, scoring a 32 of a possible 100 points on Transparency International's Corruption Perceptions Index. Moreover, a weak judicial system makes law and contract enforcement difficult for foreigners. Lack of transparency is a recurrent and substantial problem in many areas, including government procurement and customs valuation.

Grain-oilseed situation

Wheat bread is a staple in Pakistani diets, comprising up to 70% of their caloric intake. As a result, wheat is grown by 80 percent of Pakistani farmers, who produce a significant surplus most years. The government sets wheat prices, which are uncompetitive in the world market, thus limiting export markets. Until recently, most wheat exports went to neighboring Afghanistan. Pakistan imports a negligible amount of wheat, but does buy small amounts of US specialty wheat each year.

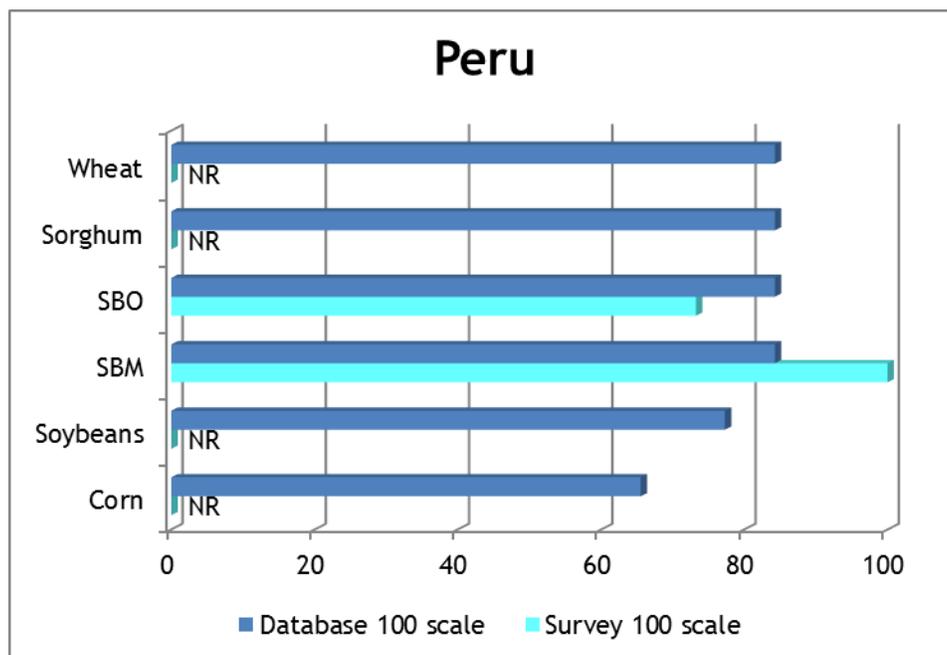
Pakistan is self-sufficient in corn, and soy production is small. Pakistan produces 1.0 MMT of cottonseed and rapeseed oil, but more than 70% of edible oil demand is met by imports of palm oil. Soybean oil accounts for less than 3% of consumption.

Pakistan imported 400,000 MT of soybeans in 2015, almost half from the US. Soybean meal imports are typically 500,000 MT - 1 MMT of soybean meal per year, mostly from Argentina and India. Soybean oil imports are typically under 100,000 MT.

Pakistan: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	2	2	2	2	2
Beginning Stocks	-	-	-	38	38
Production	2	2	2	2	2
MY Imports	-	11	538	1,250	1,750
Total Supply	2	13	540	1,290	1,790
MY Exports	-	-	-	-	-
Crush	-	11	500	1,250	1,750
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	2	2	2	2	2
Total Dom. Cons.	2	13	502	1,252	1,752
Ending Stocks	-	-	38	38	38

Source: USDA PS&D, 2017

PERU



Market access

Peru uses the Andean Price Band System (APBS), although the country's free trade agreement with the US (USTPA) eliminated its use of the band on US-Peru trade. USTPA immediately eliminated tariffs on almost all agricultural products, including wheat, soybeans, SBO, DDGS, and soybean meal.

For corn, the US has a large tariff-rate quota which began at 500,000 MT in 2009 and has been increasing at 6% per year; it was 715,815 MT in 2016. The quota was set to grow over 11 years and then be eliminated, along with tariffs, after 12 years. The US has been fully using the quota and shipping additional corn beyond the quota.

Corruption remains a problem in Peru. In 2016, Peru scored a 35 on Transparency International's Corruption Perceptions Index.

Grain-oilseed situation

Peru imports 90% of its wheat requirements. In recent years, about one third of the 1.5 million tons of wheat imported has been of US origin. Canada is the US's main competitor in the market.

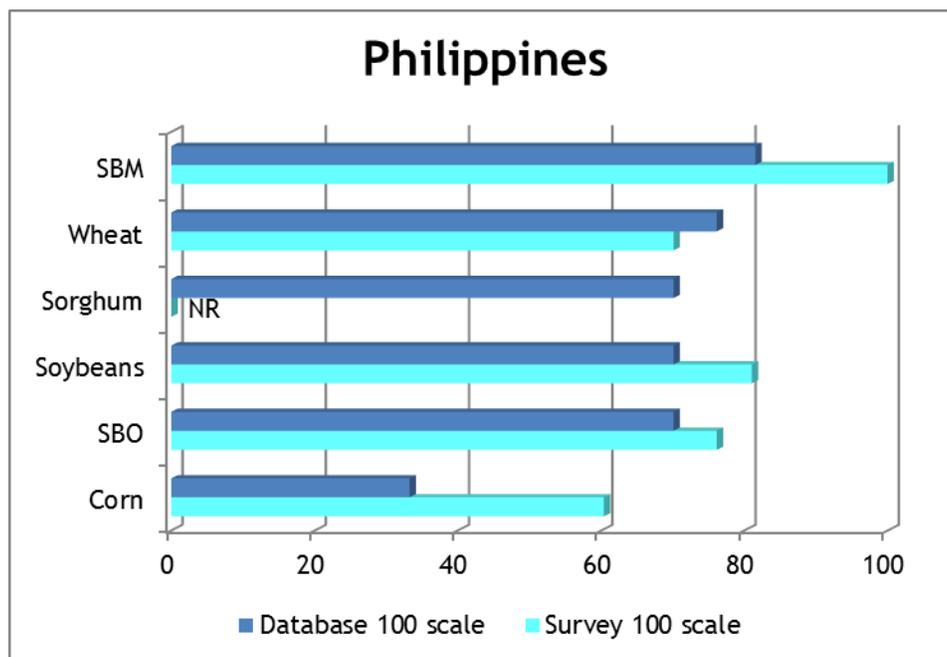
Corn demand is growing because of a large and growing poultry sector. Imports were almost 3 million MT in 2015/16, almost all from the US.

Peru also imports soybean meal. Of the 1.2 million MT it imported in 2016, more than half came from Bolivia, about a quarter from the US, and the rest from Paraguay and Argentina.

Peru: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	2	2	2	2	2
Beginning Stocks	3	2	4	39	13
Production	3	3	3	3	3
MY Imports	162	266	334	263	275
Total Supply	168	271	341	305	291
MY Exports	-	-	-	-	-
Crush	2	2	2	2	2
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	164	265	300	290	280
Total Dom. Cons.	166	267	302	292	282
Ending Stocks	2	4	39	13	9

Source: USDA PS&D, 2017

PHILIPPINES



Market access

The Philippines has relatively open market access, especially since the 2010 implementation of the ASEAN FTA that reduced tariffs to 0-5% for all goods. This FTA puts US exporters at a slight disadvantage. Most grains and oilseeds from the US face low tariffs of 1-7%. The exception is corn, which has an in-quota tariff of 35% and an out-of-quota tariff of 50%. Various import surcharges apply to all imports regardless of country of origin.

Milling wheat imports are exempt from MFN tariffs, but are subject to a 12% VAT. Feed wheat and wheat flour imports are levied a 7 % MFN duty but are not subject to VAT.

The Corruption Perceptions Index rated the Philippines at 35 out of a possible 100: corruption is a substantial problem.

Grain-oilseed situation

There is no wheat or small grain production in the Philippines. It must rely solely on imports. The Philippines imported 4.9 MMT of wheat in 2015/16; 2.6 million MT came from the US in 2016.

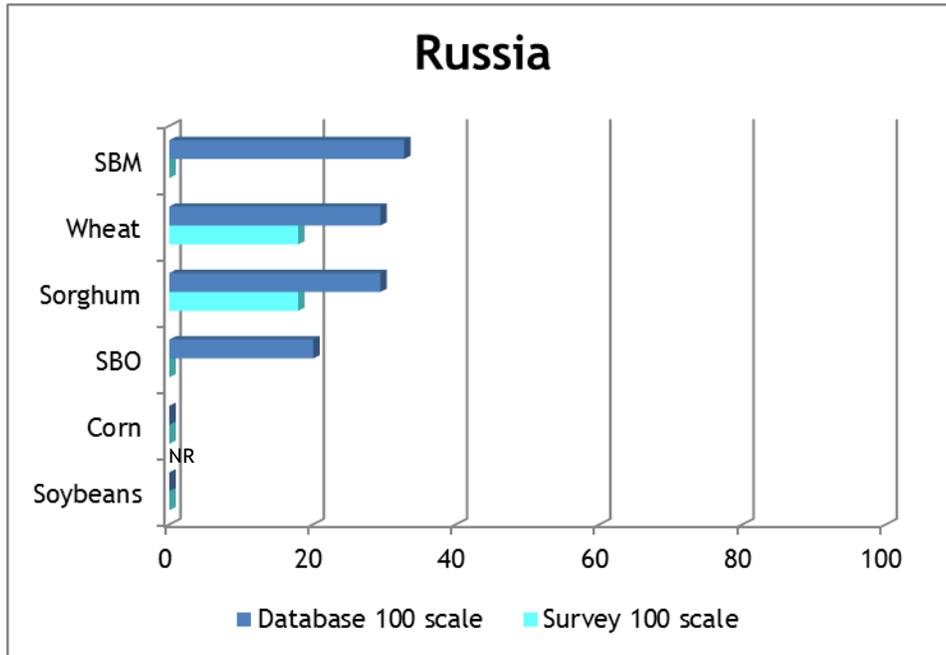
The country has been largely self-sufficient in corn, but imports of both corn and distillers' grains have begun to play a role as livestock industries have modernized and feed demand has grown. Corn, however, still faces a high in-quota tariff of 35% and 50% out of quota. Corn imports from ASEAN member countries are charged a much lower 5% duty under the ATIGA. The lower ATIGA duty is the main challenge to increased U.S. corn sales to the Philippines, according to FAS.

The Philippines produces very little soybeans, and imports a negligible amount for its sole crushing facility. Soybean meal imports are a different story. Growing animal protein consumption drove imports to 2.4 million tons in 2016, virtually all supplied by Argentina and Brazil. The Philippines uses almost no soybean oil, preferring either coconut oil or palm oil.

Philippines: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	1	1	1	1	1
Beginning Stocks	15	3	21	24	35
Production	1	1	1	1	1
MY Imports	56	122	119	272	140
Total Supply	72	126	141	297	176
MY Exports	-	-	-	-	-
Crush	61	85	95	212	110
Food Use Dom. Cons.	8	11	12	25	21
Feed Waste Dom. Cons.	-	9	10	25	20
Total Dom. Cons.	69	105	117	262	151
Ending Stocks	3	21	24	35	25

Source: USDA PS&D, 2017

RUSSIA



Market access

On August 22, 2012, Russia became the WTO’s 156th member. That December, President Obama signed legislation revoking the Jackson-Vanick amendment, allowing for resumption of normal trade relations between the US and Russia. While nominally open to imports of most grains and oilseeds, serious technical and procedural barriers remain. More recently, trade relations between the US and Russia have been deteriorating.

In addition, on February 15, 2016, Russia suspended U.S. corn and soybean imports due to the threat of quarantine pest in U.S. shipments. The Russian Federal Veterinary and Phytosanitary Surveillance Service (VPSS) also suspended U.S soybean imports due to the presence of weed seeds, including ambrosia, in soybean shipments.

Despite reversing decisions that banned GE crops, on July 3, 2016 Russia amended its legislation governing agricultural biotechnology. The amendments prohibit cultivation of GE crops, breeding of GE animals, and the importation of GE planting seeds. Although Russia has a registration system for GE foods and feeds, US exporters continue to have concerns about how it will be implemented. Russia still does not have a system for approval of GE stacked events and products containing GE stacked events.

Ostensibly, imports of grain and byproduct feeds are subject to a 5% duty. Soybeans and soybean meal are duty free. Soybean oil for edible use faces a 15% duty.

Although Russia no longer requires import licenses (as of 2013) for anything except alcohol, it continues to maintain several import barriers, including discriminatory and prohibitive charges

and fees, activity and warehouse licenses and registration, and certification regimes. US companies report that Russian standards and procedures for certifying imported products are non-transparent, expensive, time-consuming, and redundant.

Corruption is a pretty serious issue as Russia is one of the most corrupt countries reviewed. Russia consistently ranks in the bottom third of countries. Russia scored 29 out of 100 on the Corruption Perceptions Index.

Grain-oilseed situation

Russian wheat production reached 61 MMT in 2015/16. Historically Russia has been a major wheat exporter but has sometimes imposed export bans when the crop is poor.

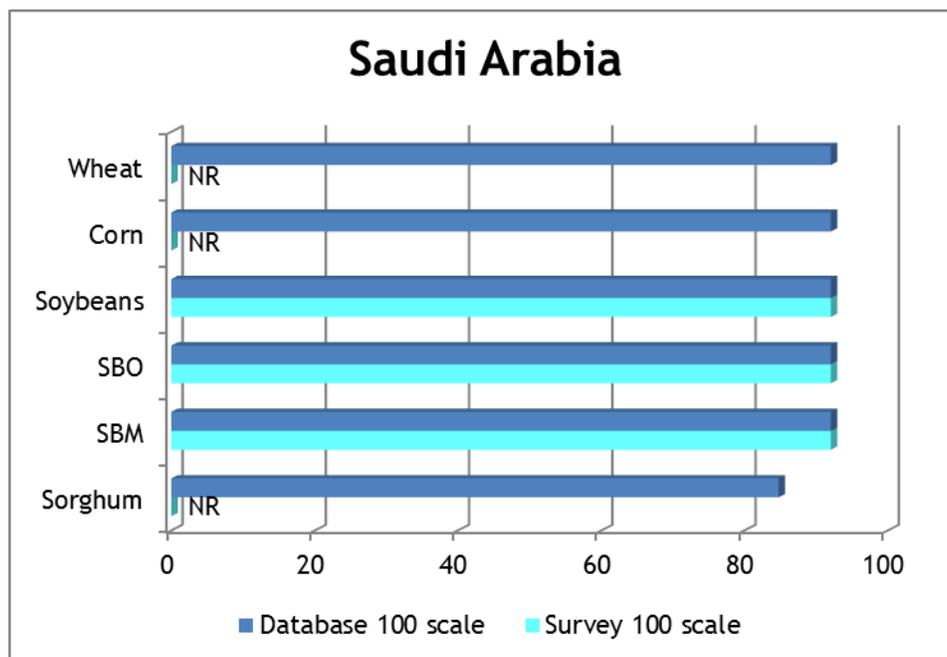
Russia does not permit planting of genetically engineered crops, but conventional plantings of corn and soybeans have been expanding, to 13.2 MMT and 2.7 MMT respectively, in 2015/16. Russian exports of corn have grown from almost nothing in 2010 to 4.7 MMT in 2015/16.

As meat consumption increased in Russia, more soybeans and soybean meal have been needed for livestock feed. Soybean production has grown rapidly and imports have grown to 2.3 MMT in 2015/16. Recently, GDP has contracted due to the fall in petroleum prices and sanctions imposed by trading partners in response to Russian actions in Ukraine. US grain and oilseed trade with Russia has been negligible and is likely to remain so in the near future.

Russia: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	1,350	1,202	1,907	2,082	2,094
Beginning Stocks	69	62	83	109	146
Production	1,683	1,517	2,362	2,707	3,099
MY Imports	717	2,048	1,986	2,336	2,100
Total Supply	2,469	3,627	4,431	5,152	5,345
MY Exports	102	24	312	456	400
Crush	2,220	3,400	3,650	4,050	4,300
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	85	120	360	500	500
Total Dom. Cons.	2,305	3,520	4,010	4,550	4,800
Ending Stocks	62	83	109	146	145

Source: USDA PS&D, 2017

SAUDI ARABIA



Market access

Saudi Arabia has become completely dependent on foreign suppliers for staple foods. Decree 335 phased out wheat production by 2016 to save water, and corn production was already negligible. Saudi Arabia's King Abdullah has encouraged domestic investors to invest in agricultural firms in countries with a comparative advantage in food production as a means to establishing food security for his nation.

Given that there is virtually no staple food production in Saudi Arabia, the market is open and likely to remain so. There have been no significant access changes in Saudi Arabia over the last few iterations of the GOMAI reports. There are no quantitative barriers for US products and wheat, corn, soybeans and soybean meal are duty free. The tariffs for sorghum and crude soybean oil is 5%; refined soybean oil is 12%.

There are few technical or procedural barriers to trade: biotech labeling, expiration date regulations, and Arabic labeling requirements are problematic but are not significant barriers to access. Also, phytosanitary measures are in place for wheat, corn, sorghum, and soybeans but again are minimal and therefore not burdensome. Furthermore, certain products must meet fumigation requirements.

With respect to biotechnology, Saudi Arabia has implemented the Gulf Standardization Organization's (GSO) technical regulations on imports of genetically modified agricultural products. Labeling is required if a product has more than one percent genetically engineered content. The GSO is a regional organization of seven countries' standards bodies.

Grain-oilseed situation

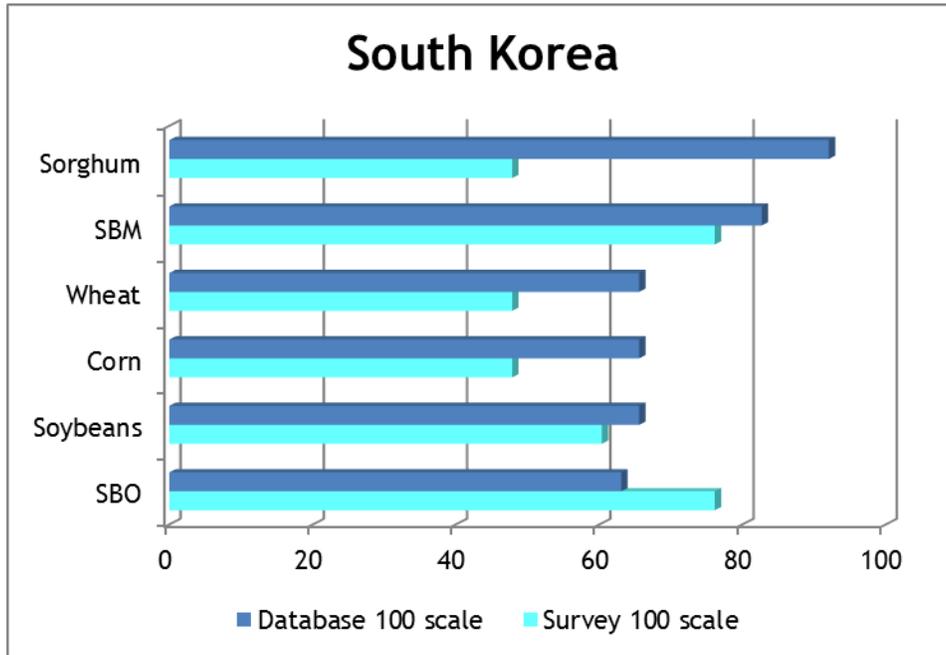
2015/16 is the first year with virtually no wheat production in Saudi Arabia. Imports were 2.9 MMT. Saudi corn production was just 80,000 MT; the country now imports 3-5 MMT annually. In recent years, US corn has accounted for a quarter to a half of the imports.

Saudi Arabia is not a major soybean importer. Imports were almost all from Brazil, with some from the US (90,000 MT). Soybean meal imports dropped to 375,000 MT, mostly from Argentina. The US and Brazil each shipped 60,000 MT.

Saudi Arabia: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	-	-	-	-	-
Beginning Stocks	35	45	50	156	41
Production	-	-	-	-	-
MY Imports	580	576	816	596	650
Total Supply	615	621	866	752	691
MY Exports	-	-	-	-	-
Crush	560	560	700	700	640
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	10	11	10	11	10
Total Dom. Cons.	570	571	710	711	650
Ending Stocks	45	50	156	41	41

Source: USDA PS&D, 2017

SOUTH KOREA



Market access

South Korea is a leading market for US wheat, corn, and soybeans. The US-Korean FTA went into effect in 2012, lowering many tariffs or eliminating them altogether. South Korea import quotas are mostly non-restrictive. With the US FTA, several items now have unlimited access. Quotas are imposed on edible soybeans, however. For 2016, the quota is 1.5 MMT with a zero percent duty. Duties on soybean oil were phased out at the end of 2015 and are free for crude and 4.8% for refined.

South Korea has stricter mycotoxin limits than most other countries, which concerns US wheat exporters. Korea will begin phasing in new MRLs from 2017-20. Although South Korea has been consulting US stakeholders on setting MRLs, there is concern they will not be set at appropriate levels. South Korea imports biotechnology crops and products for food and feed, but not for propagation.

The Korean Special Act on Imported Food Safety went into effect February 4, 2016, with registrations due by August 2016. The Special Act requires food importers to register facilities with the South Korean government. US officials and industry stakeholders met with South Korean officials to discuss concerns with the new system. After educating MFDS on the U.S. grain and oilseed exporting system, MFDS agreed to reverse its decision on facility registration, indicating they would only require registration of export elevators. This important change should prove more practical than registration of grain facilities all the way upstream to point of production, as was previously being considered.

Biotech crops and products for food and feed are permissible, but must be labeled and may not be propagated. Until an event is approved it may not be imported or sold on the South Korean market. In general, there has been strong consumer and government resistance to biotech products, especially for human consumption. This negative public perception has caused some companies to seek out non-GMO corn and soybeans, primarily from China. Non-GMO grains must be certified as such, by either an import permit or official government certification.

Grain-oilseed situation

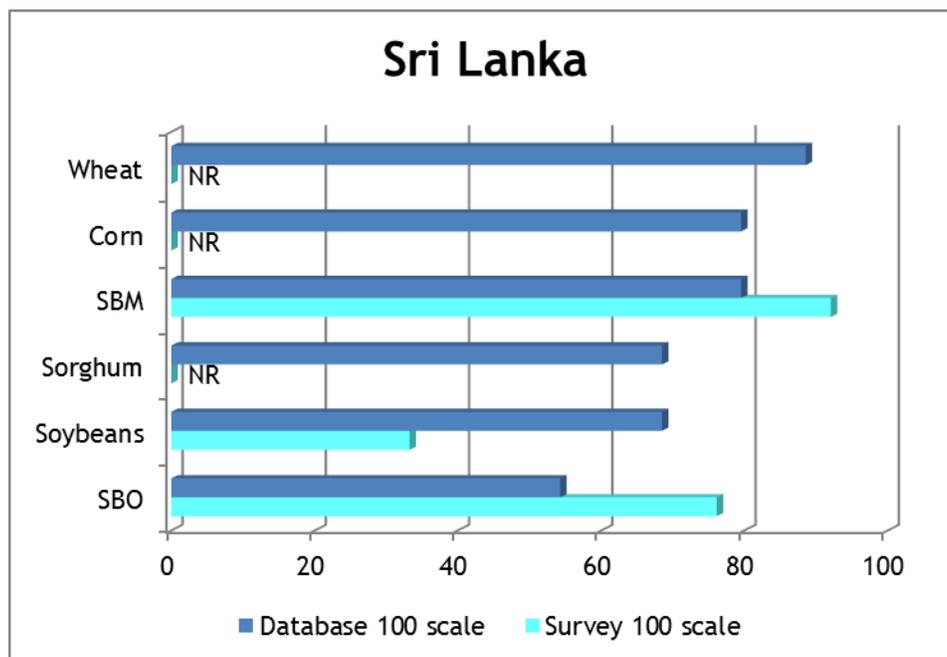
South Korea imports virtually all its wheat and corn needs. Wheat imports were 4.4 MMT in 2015/16, of which Ukraine, the US, and Australia each shipped about one-quarter. Corn imports were 10.1 MMT, about 40% from the US, one-quarter from Brazil, and most of the rest shipped by Argentina and Russia.

Imported soybeans account for most of the oilseed meal produced in South Korea. Imports were 1.2 MMT in 2016, more than half from the US and most of the rest from Brazil and Paraguay. Soybean imports were 2 MMT, three-quarters from Brazil and most of the rest from Argentina.

Korea, South: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	81	80	75	57	68
Beginning Stocks	73	61	138	66	69
Production	123	154	139	104	120
MY Imports	1,115	1,271	1,246	1,249	1,375
Total Supply	1,311	1,486	1,523	1,419	1,564
MY Exports	2	-	-	-	-
Crush	808	898	1,017	1,000	1,000
Food Use Dom. Cons.	390	400	390	300	410
Feed Waste Dom. Cons.	50	50	50	50	50
Total Dom. Cons.	1,248	1,348	1,457	1,350	1,460
Ending Stocks	61	138	66	69	104

Source: USDA PS&D, 2017

SRI LANKA



Market access

Sri Lanka maintains tariffs for most of the GOMAI commodities at between 15% and 25%. Durum wheat is imported duty free, while the duty on common wheat is 15%. Corn and soybean meal also have a duty of 15%. Sorghum, soybeans and soybean oil have a duty of 25%.

The government changed the single band value-added tax (VAT) rate, which was 11 percent, to a three-band system in November 2015. However, in January 2016, the government decided to withhold the implementation of changes to the VAT and the nation building tax (NBT) proposed in the budget until relevant laws are passed in parliament. When calculating the VAT, an imputed profit margin of 10 percent was added to the import price. As VAT policy has frequently changed, it is advisable to verify VAT rates with the government. In addition to the VAT, there are several other taxes which are levied on imports. These taxes include an Excise duty, Cess (0-35%), a Ports and Airports Development Levy (5% CIF), and a Nation Building Tax (2% CIF).

Sri Lanka does not impose any quotas or other quantitative barriers. Sanitary and phytosanitary restriction are in place but consist of import permits and phytosanitary certificates. Import permits are required for all types of wheat in the husk. However, raw grains are unrestricted.

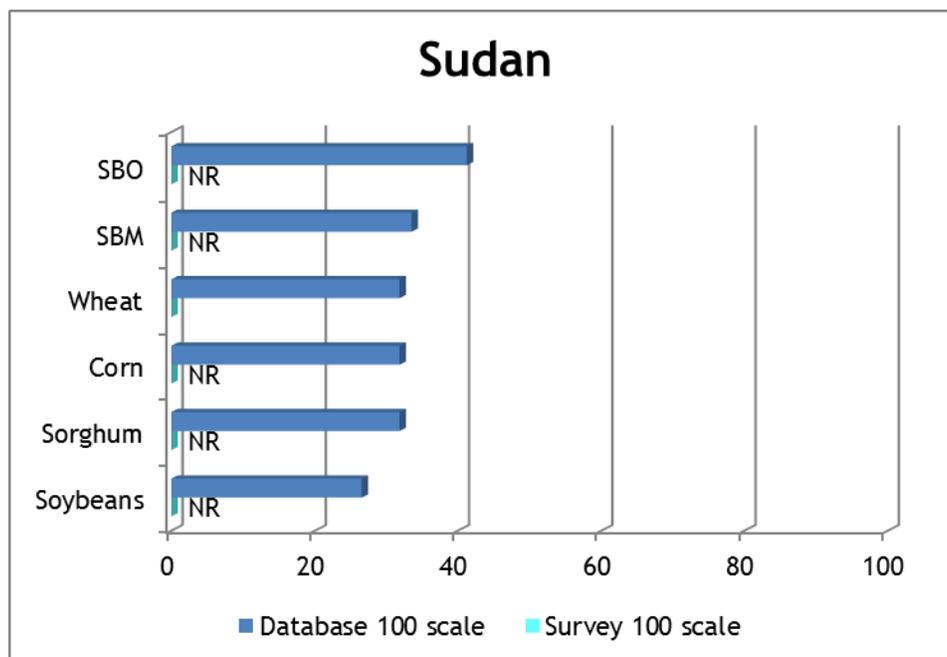
Sri Lanka prohibits the import, sale, storage, and distribution of any genetically engineered (GE) or GE-derived products for human consumption.

Sri Lanka ranked in the bottom third of countries on the Corruption Perceptions Index. Sri Lanka scored a 36 (out of 100).

Grain-oilseed situation

Sri Lanka imports modest amounts of wheat (900,000 MT) and soybean meal (190,000 MT). Its imports from the US in 2016 were 67,000 MT of wheat and 150,000 MT of soybean meal.

Sudan



Market access

Sudan is a member of COMESA, the Common Market for Eastern and Southern Africa. In theory, that group of countries constitutes a free trade area, moving towards a customs union with a common external tariff of 0% for capital goods and raw materials, 10% for intermediate products, and 25% for finished products. In practice, there is little correlation between the stated duty rates and actual import duty rates, which can vary. The common wheat tariff is 10% most of the year, but 25% from January to March. Sudan's other tariffs are 25% for corn, soybeans, and soybean meal; 3% on durum and crude soybean oil; 40% on refined soybean oil; and sorghum is duty free. In place of TRQs, Sudan routinely applies seasonal bans to control imports.

Sudan applies a variety of significant service fees for shipping, clearing and forwarding services as well as several additional taxes. In addition, Sudan applies a 10% VAT on imported products. There are also various charges, estimated at \$25, payable to each of the five state governments between Khartoum and Port Sudan. Importers also face storage cost at port facilities because the clearing process frequently takes longer than the allocated 21 days.

Certificates of origin and phytosanitary certificates are required. Shipments to Sudan must be covered by a bill of lading and a separate certificate of origin that must be issued by the competent authority in the country of origin. Commercial invoices must show the name and address of supplier and purchaser, quantity, gross weight, etc. Genetically modified seeds are prohibited. Corruption is a major problem in Sudan, scoring among the lowest in the world, at just 15 out of a possible 100 on Transparency International's index.

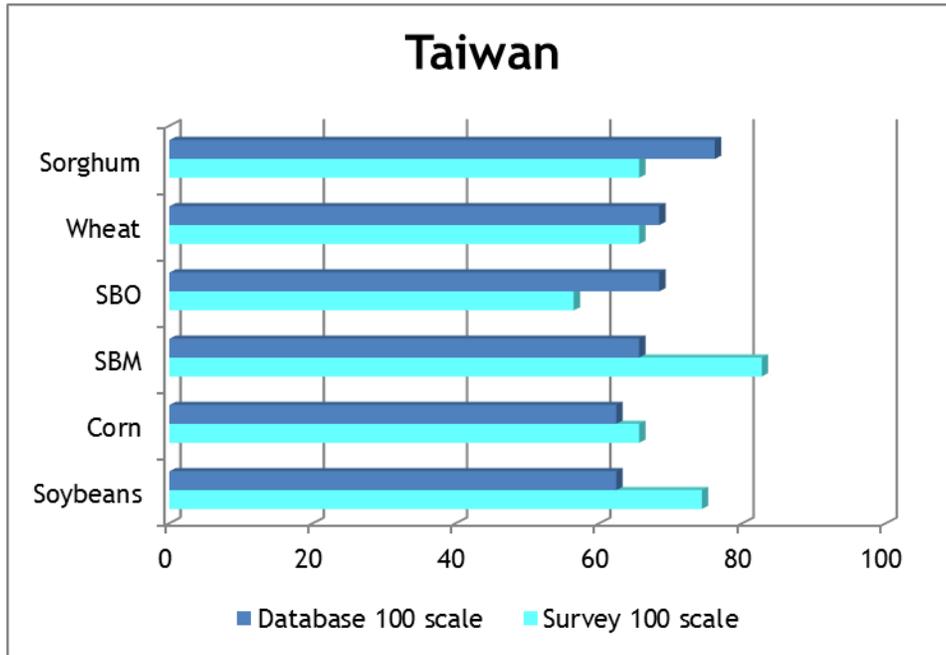
Grain-oilseed situation

The bulk of Sudan's population of 40 million is involved in subsistence farming and about 80% of employment is in agriculture. Sorghum and wheat are the major food grains. Sudan normally produces about 4 MMT of sorghum and supplements this with modest imports. Production in 2015/16 was only 2.3 MMT, however.

Wheat production is much lower at about 500,000 MT. Imports in 2015/16 were 2 MMT. US exporters have only occasionally managed to sell small quantities of US wheat to the country.

Sudan does not have much active trade in the oilseed sector. Domestic disappearance of oilseed meals is about 400,000 MT and this requirement is met primarily from domestic production of groundnut (peanut), cottonseed, and sesame meals. The country consumes a similar quantity of fats and oils, but imports are only about 100,000 MT and soybean oil is virtually nonexistent.

TAIWAN



Market access

US grains and oilseeds have relatively open market access in Taiwan. Due to high commodity prices, between 2007 and 2010 Taiwan lowered or eliminated tariffs and reduced the VAT on many feedstuffs. Currently, tariffs are 0%-8% for GOMAI commodities imported from WTO signatories. Taiwan has other minor price measures in place such as business taxes, trade promotion fees, import inspection fees, port charges, quarantine inspection fees, harbor construction fees, and Customs clearance fees. They are generally a fraction of one percent and are not a significant obstacle.

Although Taiwan accepts Codex or U.S. pesticide residue standards for a limited number of already recognized chemicals, Taiwan’s unwillingness to recognize international MRLs for new chemical/product combinations, coupled with a slow and cumbersome approval process, has resulted in a backlog of over 1,500 MRL applications. Taiwan’s inability to keep pace with requests to establish new MRLs has resulted in the rejection of various US agricultural shipments including wheat, barley, and corn, and is creating a significant level of uncertainty for the US agricultural industry as a whole.

In May 2015, Taiwan introduced new biotech regulations banning the use of biotech ingredients in school meals. Although this should not hinder imports by a measurable amount, it does highlight the fact that biotech products may come under closer scrutiny in the future. Taiwan requires labels on foods containing biotechnology corn or soybeans. All food products containing 5 percent or more bioengineered soybean or corn ingredients by weight must be labeled. Highly processed food items do not require GM labels.

Grain-oilseed situation

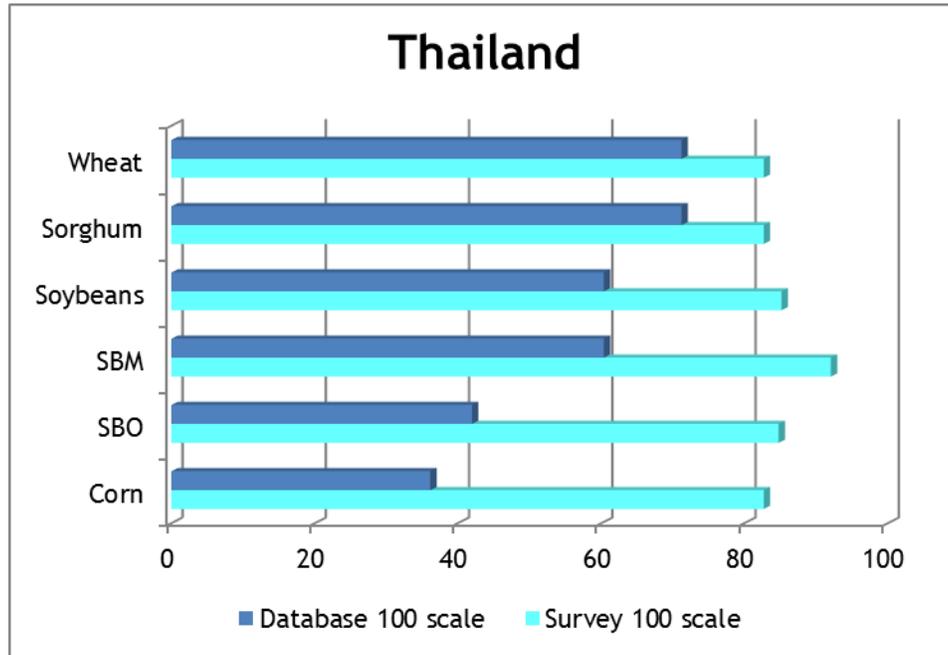
Taiwan does not produce wheat and imported 1.5 MMT in 2015/16. Similarly, corn imports met 98% of the country's demand, totaling 4.7 MMT.

Soybean imports were 2.5 MMT; the US supplies half the market, and Brazil most of the rest. Almost all soybean meal used by Taiwan is from domestic crushing of imported beans.

Taiwan: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	1	1	1	1	1
Beginning Stocks	118	106	137	178	125
Production	2	1	1	1	1
MY Imports	2,286	2,335	2,520	2,476	2,600
Total Supply	2,406	2,442	2,658	2,655	2,726
MY Exports	-	-	-	-	-
Crush	1,920	1,925	2,100	2,150	2,250
Food Use Dom. Cons.	280	280	280	280	280
Feed Waste Dom. Cons.	100	100	100	100	100
Total Dom. Cons.	2,300	2,305	2,480	2,530	2,630
Ending Stocks	106	137	178	125	96

Source: USDA PS&D, 2017

THAILAND



Market access

Thailand is the 15th largest export market for US agricultural goods. However, US goods are not always price competitive due to high tariffs and shipping charges. Thailand has a number of FTAs with countries in the Asian region and with Chile and Peru. Price and quantitative controls and non-tariff barriers substantially restrict US market access to Thailand. Sales of agricultural products remain exempt from the value-added tax implemented in 1992, even for non-preferential countries.

Thailand has TRQs on corn, soy, soybean oil, and soybean meal. TRQ restrictions on corn are unchanged from previous years. The government of Thailand still maintains a zero-tariff and quota-free corn import window from February 1 to August 31 for Laos, Cambodia, and Myanmar. Corn imports from other countries are subject to a TRQ of 54,700 metric tons with a 20 percent in quota tariff, and an out-of-quota tariff of 73 percent. The out-of-quota tariff is accompanied by a surcharge of 180 baht per metric tons (\$6/MT).

The quota and rates for cooking oils are especially restrictive. The TRQ for soybean oil is limited to 2,281 tons and is subject to a 20 percent tariff rate. The tariff rate for out-of-quota imports is prohibitively high at 146 percent. This has resulted in no imports in recent years. Thailand has a soybean tariff rate quota (TRQ) of 10,922 MT, an in-quota tariff of 20 percent and an out-of-quota tariff of 80 percent. The current unlimited import soybean quota with a zero tariff from WTO member countries was valid until the end of 2016, but it is likely that this policy will continue due to the increased demand for SBM and domestic feed industry influence.

Soybean meal imports are subject to a quota of 239,559 MT and a 20 percent tariff rate. In July 2014, the National Council for Peace and Order (NCPO) approved an unlimited soybean meal import quota for two years (2015-2017). The tariff rate applied to the quota is set at 2%, compared to the 20% bound rate. The out-of-quota tariff rate is 119 percent. Similar to soybean imports, the Thai Government still issues import permits and eight trade associations, representing a group of soybean meal importers, are required to purchase domestic soybean meal at government-determined prices.

On April 12, 2016, the Thai government lifted a long-standing ban on soybean meal exports. Trade sources reported that this was a response to requests by soybean crushers who foresee increased export opportunities in shipping soybean meal to neighboring ASEAN countries where livestock sectors are growing.

Although the government of Thailand maintains relatively open access according to WTO tariff quota rules, US exporters report restrictive and burdensome requirements for import permits and licenses, including compulsory purchase of local feed ingredients. Thailand maintains a complicated and burdensome import permit regime. Feed and livestock price controls are non-transparent. Importers report inconsistent application of WTO transaction valuation methodology for customs clearance of fees and taxes. Thailand's customs pricing system often disregards the declared transaction price of products.

Corruption is a problem Thailand. In 2016, Thailand scored a 35 on the Corruption Perceptions Index.

Grain-oilseed situation

Wheat consumption in Thailand has grown over the past five years. The country meets its wheat needs through imports, which more than doubled in two years, to 4.9 MMT in 2015/16.

Corn consumption, on the other hand, has been stable, with imports of 600,000 MT helping the country meet its annual demand of 5 MMT.

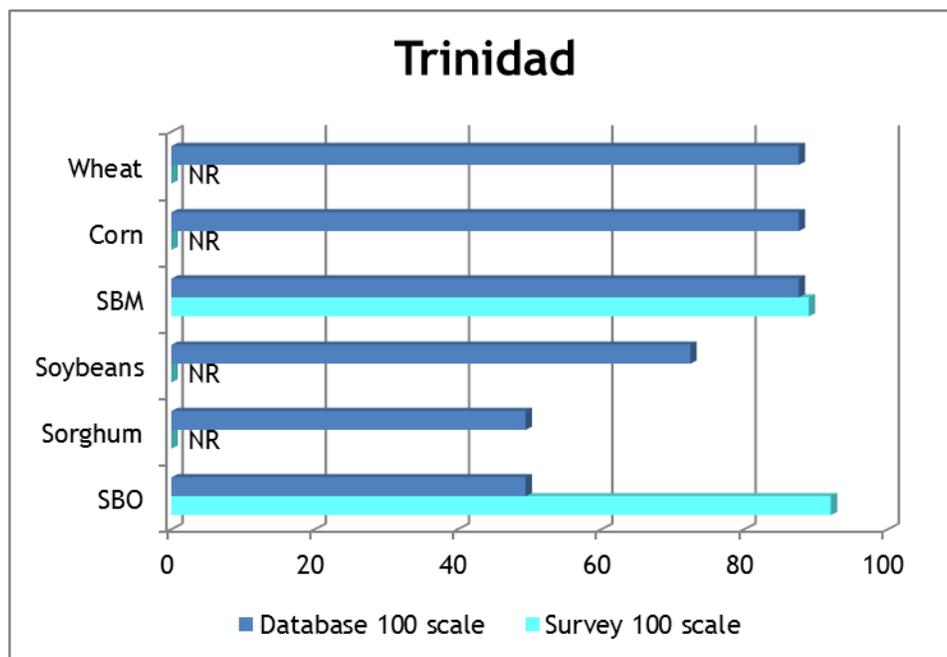
Thailand imports more than 90% of its 3 MMT soybean demand. Brazil supplies two-thirds of the soybeans, and the US most of the rest. Soybean import volumes were comparable, at 2.6 MMT in 2016, again mostly supplied by Brazil (1.5 MMT) and the United States (500,000 MT).

Thailand feed demand is expected to grow by about 4% for the foreseeable future, according to USDA FAS reports.

Thailand: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	50	40	36	33	33
Beginning Stocks	133	123	53	189	102
Production	85	64	58	57	56
MY Imports	1,867	1,798	2,411	2,798	2,800
Total Supply	2,085	1,985	2,522	3,044	2,958
MY Exports	2	6	13	6	6
Crush	1,500	1,500	1,825	2,400	2,350
Food Use Dom. Cons.	230	230	245	255	260
Feed Waste Dom. Cons.	230	196	250	281	260
Total Dom. Cons.	1,960	1,926	2,320	2,936	2,870
Ending Stocks	123	53	189	102	82

Source: USDA PS&D, 2017

TRINIDAD & TOBAGO



Market access

The Trinidad market, though small, is highly accessible and has few barriers to entry. Tariffs follow the Caribbean Community’s common external tariffs and are zero except for sorghum and crude and refined soybean oil (40%). The country’s value-added tax does not apply to unprocessed foods, soybean oil, or animal feedstuffs.

Trinidad has phytosanitary requirements for unprocessed commodities, requiring phytosanitary certificates and import permits for grain and oilseeds, but these have not been used as a barrier to trade.

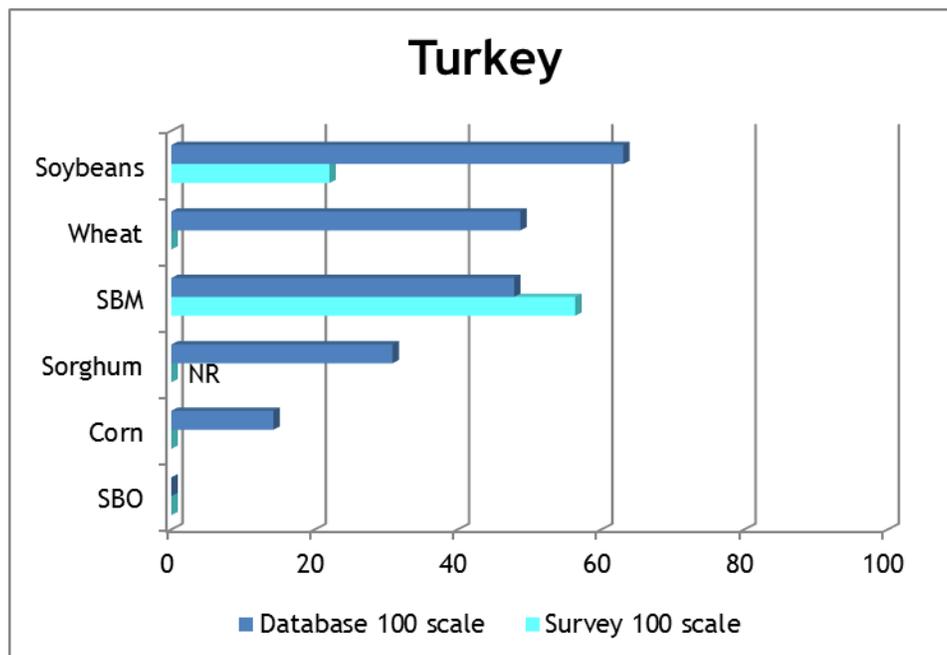
Corruption is a problem in Trinidad and Tobago. In 2016, Trinidad and Tobago scored a 35 on the Corruption Perceptions Index.

Grain-oilseed situation

Trinidad and Tobago has a population of 1.2 million; it is not a large market. However, it has a surprisingly vibrant economy and manufactures food and beverage products both for domestic use and for export to other Caribbean counties. There is no significant production of grains or oilseeds on the islands, so basic agricultural commodities are imported. The United States is the dominant supplier by far.

Trinidad annually imports about 130,000 MT of wheat, 90,000 MT of corn, and 15,000 MT each of soybeans and soybean meal. Most of these goods come from the US.

TURKEY



Market access

Turkey maintains high tariffs on agricultural imports. Tariffs on wheat and corn are very high at 130% to protect the domestic wheat and corn growers. The high tariffs are sometimes suspended. Turkey also allows domestic processors to import products tariff-free if it is a raw material for further processing or used in the production of an export. For example, a Turkish poultry grower may import corn tariff free if it is exporting poultry grown on that feed. Turkey's quantitative barriers also include TRQs (with preferences given to the EU and other countries in the region) and licensing requirements.

Turkey's principal technical/procedural barriers include the difficulty of obtaining SPS certifications, testing requirements, corruption, and lack of transparency in the implementation of import policy. Required documents necessary for imports are subject to changes with little or no prior notification. The Government of Turkey requires a Control Certificate on the majority of food and non-food imports. This is effectively an import license and is granted arbitrarily by import officials. The certificates are only valid for between four months and a year. The government also requires pre-export inspection for basic commodities.

Turkey's biosafety law passed in March 2010 and continues to adversely affect US exports. Although the Biosafety Board has approved additional soybean and corn events for feed use, the threshold for inadvertent content is only 0.9%. Detection of unapproved events in the dust in shipping containers has led to shipment rejections. The Turkish wheat market is closed to US wheat imports due to the testing requirements which may find traces of corn or soy events in the leftover dust of previous shipments.

Corruption remains an issue in Turkey. It scored 41 of a possible 100 points on Transparency International's Corruption Index.

Grain-oilseed situation

Wheat and corn production was much higher in 2015/16 than in previous years. Wheat production was 19.5 MMT while corn was 6.2MMT. Because of the large wheat harvest, only 4.4 MMT of wheat was imported, compared to 5.9 MMT the previous market year. Turkey has 20 active pasta factories, each with capacity of more than 2 MMT/year.

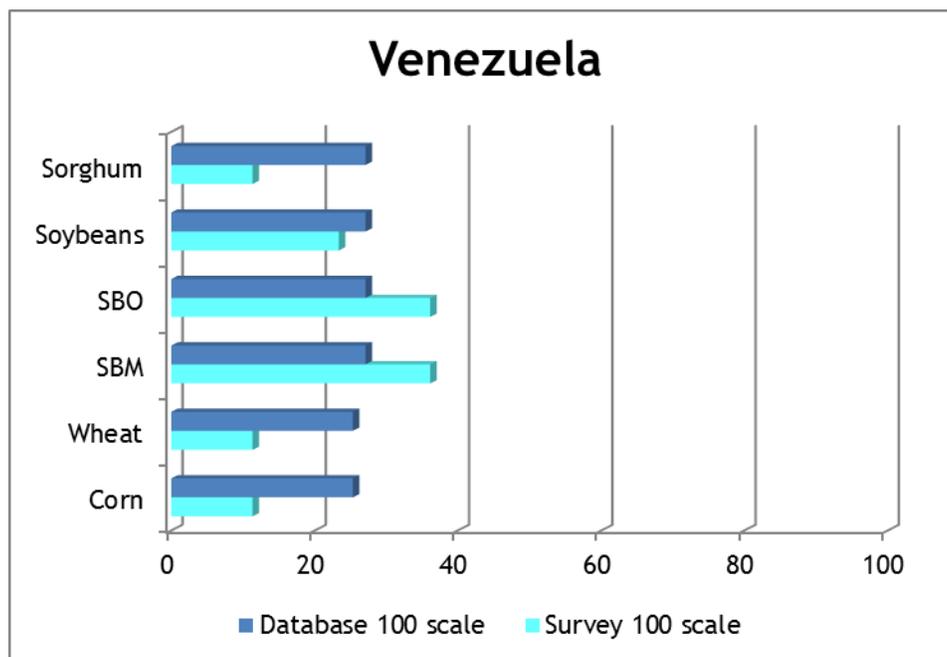
Corn imports vary depending on the domestic crop. The 2015/16 crop was large, so imports dropped to 570,000 MT from the more typical 1.5-2.0 MMT.

Turkey does not produce many soybeans but has increased its crush capacity and now imports over 2 MMT each year, of which the US supplies a quarter or more. Turkey imports between 10-30% of its soybean meal from the US; total SBM imports for 2015/16 were 664,000 MT.

Turkey: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	20	35	35	27	30
Beginning Stocks	338	206	287	359	274
Production	70	130	135	100	100
MY Imports	1,249	1,608	2,197	2,283	2,050
Total Supply	1,657	1,944	2,619	2,742	2,424
MY Exports	21	7	10	118	100
Crush	380	600	1,150	1,050	900
Food Use Dom. Cons.	-	-	-	-	-
Feed Waste Dom. Cons.	1,050	1,050	1,100	1,300	1,200
Total Dom. Cons.	1,430	1,650	2,250	2,350	2,100
Ending Stocks	206	287	359	274	224

Source: USDA PS&D, 2017

VENEZUELA



Market access

Venezuela is a restricted market because it has foreign exchange controls, SPS barriers, severe corruption (17 on a 100-point scale), and pervasive and arbitrary government intervention in commerce.

Venezuela has moderate nominal tariffs (8% to 20% on most GOMAI products, except for wheat and seeds which are duty free) and provides tariff preferences to South American trading partners for many goods - tariffs that are being phased out.

Fortunately for US exporters, because of Venezuela's production shortages it needs staple goods, and its geographical proximity to the US makes it an attractive destination for US agricultural commodities. On October 27, 2016, the government established a one-year elimination of tariffs (on all GOMAI products under review).

Grain-oilseed situation

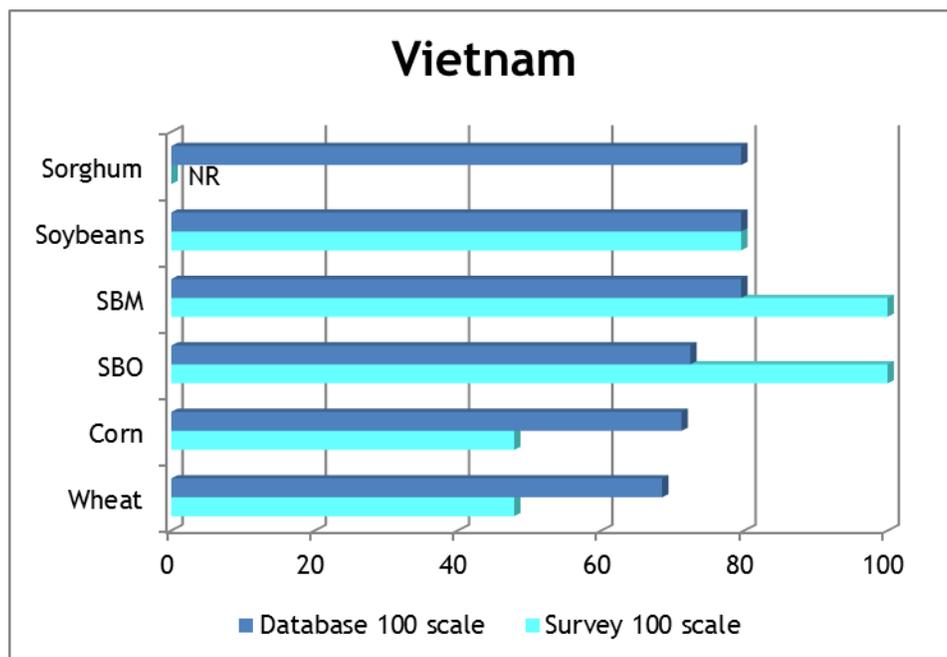
Venezuela does not produce wheat and must import to meet demand. Imports in 2015/16 were 1.3 million MT. The country also imports most of its corn: 2.2 million MT out of 3.5 million MT in 2015/16.

Venezuela is not a significant soybean importer, but it did import 35,000 MT of soybeans and 312,000 MT of soybean meal in 2016 from the US.

Venezuela: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	40	40	40	40	40
Beginning Stocks	19	44	57	18	11
Production	74	75	75	75	75
MY Imports	213	200	118	115	125
Total Supply	306	319	250	208	211
MY Exports	-	-	-	-	-
Crush	260	260	230	195	200
Food Use Dom. Cons.	1	1	1	1	1
Feed Waste Dom. Cons.	1	1	1	1	1
Total Dom. Cons.	262	262	232	197	202
Ending Stocks	44	57	18	11	9

Source: USDA PS&D, 2017

VIETNAM



Market access

Improvements in Vietnam's trade-related infrastructure, such as port facilities, have helped increase US commodity exports to the country, particularly corn, soybeans, and soybean meal.

Vietnam's MFN tariffs are mostly 0-5% for the GOMAI commodities under review. Import licensing procedures can be burdensome, however, and importers report that the Vietnamese customs clearance procedures are inconsistent with WTO customs valuation principles.

In August 2014, the government approved four GM corn traits for consumption and authorized one of those for planting in Vietnam. From June 2015 to October 2016, the Ministry of Agriculture and Rural Development (MARD)'s Crop Production Department (CPD) approved 17 biotech corn varieties for growing in Vietnam, following the first three biotech corn varieties permitted for cultivation in March 2015. Of the 42 GE event dossiers submitted to date, MARD has issued 18 certificates for use as food and feed events, all of which were for soybean and corn. The remaining events for soybean, corn, cotton, canola, sugar beet, and alfalfa are still under review.

On April 12, 2016, MARD's Plant Protection Department (PPD) issued the Official Letter 611/BVTVQLT suspending any new registrations of plant products containing the active ingredients Glyphosate, Diazinon, Malathion, and Tetrachlorvinphos. According to unofficial sources, MARD has not indicated whether it will end the suspension.

Generally, products with GM content over 5% must be labeled. As the rules have become clearer, Vietnam's imports of GM corn, soy, SBM, and DDGS from the US and other predominantly GM

producing countries have increased. Vietnam imports an array of Bt plant products, including soybeans, soybean meal, soybean oil, corn, cotton, alfalfa, and canola.

In late 2016, the government of Vietnam issued two new regulations that affect GOMAI commodities. As of December 1, 2016, Vietnamese Plant Protection and Quarantine (PPQ) will require methyl bromide fumigation for all shipments of wheat, corn, and DDGS into the country. In addition, due to increased incidence of pest detections in shipments of DDGS, as of December 17, 2016, Vietnam had suspended all US-origin DDGS imports.

The lack of transparency, accountability, and media freedom, as well as widespread official corruption and inefficient bureaucracy remain serious problems. Competition among government agencies for control over business and investments has created confusing and overlapping jurisdictions, and overly bureaucratic procedures and approvals, which in turn create opportunities for corruption. Low pay for government officials and inadequate accountability systems contribute to these problems. Both domestic and international firms have identified corruption as an obstacle to their business activities. Vietnam scored a 33 on the Corruption Perception Index.

Grain-oilseed situation

Food use continues to drive wheat imports, which exceeded 3 MMT in 2015/16. The US supplies less than 10% of that demand. Feed demand is also driving corn imports, which doubled in 2015/16 to almost 8 MMT.

Vietnam only produced about 160,000 MT of soybeans in 2015/16 and imported 1.5 MMT. The domestic crush has been approximately 1.1 MMT per year. Soybean meal imports, however, have been large and growing steadily, reaching 3.3 MMT in 2016: 2.4 MMT from Argentina, 0.5 MMT from Brazil, and close to 0.3 MMT from the US.

Vietnam: Soybean (1,000 mt)					
Attribute	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Area Harvested (1,000ha)	120	110	100	110	115
Beginning Stocks	82	76	83	306	333
Production	174	158	146	161	165
MY Imports	1,291	1,564	1,707	1,546	1,750
Total Supply	1,547	1,798	1,936	2,013	2,248
MY Exports	1	-	-	-	-
Crush	1,000	1,235	1,130	1,150	1,400
Food Use Dom. Cons.	340	350	360	380	400
Feed Waste Dom. Cons.	130	130	140	150	170
Total Dom. Cons.	1,470	1,715	1,630	1,680	1,970
Ending Stocks	76	83	306	333	278

Source: USDA PS&D, 2017