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Via Regulations.gov

December 3, 2018

Ms. Dana Coale
Acting Deputy Administrator
Agricultural Marketing Service
U.S. Department of Agriculture,
1400 Independence Avenue, S.W.
Rm. 2043–S, Mail Stop 3614
Washington, DC 20250–3601

RE: Docket Nos. AMS-FGIS-18-0052-United States Standard for Corn and AMS-FGIS-18-0053-United States Standard for Canola

Dear Acting Deputy Administrator Coale:

The National Grain and Feed Association (NGFA) and the North American Export Grain Association (NAEGA) appreciate the opportunity to submit this joint statement in response to the Agricultural Marketing Service's (AMS) request for information on the respective U.S. Grain Standards for Corn and Canola published in the June 29, 2018 edition of the *Federal Register*.

The NGFA, established in 1896, comprises more than 1,050-member companies that operate more than 7,000 facilities and handle more than 70 percent of the U.S. grain and oilseed crop. The NGFA's membership encompasses all sectors of the industry, including country, terminal and export grain elevators; commercial feed and feed ingredient manufacturers; biofuels producers; cash grain and feed merchants; end-users of grain and grain products, including processors, flour millers, and livestock and poultry integrators; commodity futures brokers and commission merchants; and allied industries. In addition, affiliated with the NGFA are 34 state and regional grain and feed trade associations. Canadian and Mexican firms also are NGFA members.

NAEGA, a not-for-profit trade association established in 1912, consists of private and publicly owned companies and farmer-owned cooperatives that are involved in and provide services to the bulk grain and oilseed exporting industry. NAEGA-member companies ship and support the vast majority of the highly competitive, sustainable and fungible U.S. grain and

oilseed export supply. NAEGA works collaboratively around the world to improve and maintain the trade of grains, oilseeds and other agri-bulks by informing industry and addressing both commercial and official practices.

In the past, adjustments to the official U.S. grain standards and agency grading practices have been implemented to accommodate such developments as variety, class and industry operational changes. But before such changes to the standards are made, they are evaluated carefully for (at least) two very good reasons: 1) to make certain that such changes truly are necessary to facilitate the marketing of U.S. grains, oilseeds and grain products; and 2) to maintain reasonable stability in the U.S. grain standards given their widespread recognition in U.S. and world markets as both an indicator of grain quality characteristics and as a method for determining market value for the underlying commodity. The fact that our domestic and international customers, as well as farmers and grain marketers, can count on well-known and widely recognized grade standards tends to draw customers to the U.S. grain production/marketing system, and reduces trading risks for market participants.

Changes to the U.S. grain standards create confusion and uncertainty for market participants and should be avoided unless they can be shown to demonstrably improve or correct significant flaws in the existing standards. Unless changes are justified based upon these criteria, NGFA and NAEGA believe they can be counterproductive – creating a lack of understanding, more uncertainty and increased risk among domestic and international buyers, which may tend to encourage some customers to seek out alternative suppliers in other countries whose grading standards are more stable and predictable.

Based upon these principles, the NGFA and NAEGA believe the current U.S. Standards for Corn and Canola are meeting their stated purpose and should be retained without change.

We appreciate AMS' consideration of our comments and would be pleased to respond to any questions you may have.

Sincerely,

Randall C. Gordon

President and Chief Executive Officer National Grain and Feed Association

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Gary C. Martin

President and Chief Executive Officer North American Export Grain Association