



Corn Refiners Association - Opening New Markets for Refined Corn Products

Importance of Trade to the Corn Refining Industry

The Corn Refiners Association supports efforts to open new markets to refined corn products. In 2007, the U.S. corn wet milling industry exported \$1.75 billion of value-added U.S. agricultural products, up 25% from 2006 exports. Starch products accounted for \$360 million in exports, oil products \$318 million, sweeteners \$485 million and exports of feed products were \$596 million in 2007.

Because of the important role trade plays in the success of our industry, keeping the Mexican market open for U.S. high fructose corn syrup exports, effectively addressing restrictive biotech measures in Europe that severely impede our corn gluten feed exports to that region, achieving a positive outcome of the World Trade Organization (WTO) agricultural talks, and ratifying pending Free Trade Agreements are the most important trade priorities of the Corn Refiners Association.

WTO Doha Development Round

The Corn Refiners Association encourages the Administration to continue working toward a conclusion to the Doha Development Round negotiations that would result in meaningful new exports of refined corn products overseas. The Corn Refiners Association also supports clarifications and improvements to the WTO negotiations on rules, including a hard sunset on antidumping measures.

U.S. - Colombia Free Trade Agreement

Continued growth of refined corn exports to the Colombian market depends on passage of the Free Trade Agreement with that country. Exports of U.S. corn gluten feed and meal have grown from \$992,000 to \$37 million during the past ten years, but trade negotiations pending between Colombia and other countries could impact our exports as well as the exports of our valued-added industries, including animal products and the processed foods industries.

Under the pending U.S.-Colombia Free Trade Agreement, duties on several refined corn products, including corn starch, crystalline fructose, dextrin and modified corn starch, will be eliminated immediately. The elimination of price-band systems for vegetable oils, coupled with full duty elimination in five years, will restore and increase the access for U.S. corn oil exports that was lost in the 1990s. A new tariff-rate quota for U.S. glucose syrup will expand trade by 300%. Colombian duties on most processed foods – a major user of U.S.-produced corn starches, sweeteners and oil – will also be eliminated immediately.



Korea - U.S. Free Trade Agreement

The Corn Refiners Association supports passage of the Korea – U.S. Free Trade Agreement. Duties on most products of the U.S. corn refining industry will be eliminated in five to seven years under the agreement, including corn oil, corn syrup, high fructose corn syrup and crystalline fructose. The most highly protected segment of the Korean market for processed corn products – corn starches and high-value modified starches – would see tariffs eliminated over the life of the agreement, and duty-free quotas to enable U.S. firms to enter the market during this transition period be established.

U.S. – Panama Trade Promotion Agreement

Finally, the Corn Refiners Association supports congressional passage of the pending U.S.-Panama Trade Promotion Agreement. Panama currently maintains restrictive duties on imports of U.S. refined corn oil, dextrose, crystalline fructose, and corn gluten feed and meal. The U.S.-Panama TPA will eliminate these duties in incremental steps, resulting in full free trade in all refined corn products in fifteen years. Immediate tariff reductions for animal feed products will provide rapid opportunities for U.S. exporters.

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