



NEWS RELEASE

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Soy Transportation Coalition and Panama Canal Authority extend partnership

Ankeny, Iowa – The Soy Transportation Coalition and the Panama Canal Authority recently extended the memorandum of understanding (MOU) between the two organizations. The agreement, signed by Mike Bellar, chairman of the Soy Transportation Coalition (STC), and Jorge L. Quijano, CEO of the Panama Canal Authority, extends the partnership between the two organizations to perform joint promotional events and exchange information in the effort to raise awareness of the Panama Canal’s role as a key link in the agricultural supply chain.

The original MOU was signed in May of 2011. At the time, while the Panama Canal Authority had signed MOUs with numerous port authorities – both U.S. and international – the agreement with the Soy Transportation Coalition was the first signed with an organization representing a commodity or product that utilizes the canal. The MOU was subsequently extended in 2013. Soy Transportation Coalition officials, at the invitation of the Panama Canal Authority, attended both the 100th anniversary celebration of the Panama Canal in 2014 and the grand opening of the expanded canal in 2016. The authority also hosted the Soy Transportation Coalition board of directors during the STC’s 2015 annual meeting.

"The Panama Canal remains an important link in the soybean logistics chain," explains Mike Bellar, a soybean farmer from Howard, Kansas, and chairman of the Soy Transportation Coalition. "In calendar year 2018, 194 million bushels (5.2 million long tons) of U.S. soybeans transited the Panama Canal en route to our international customers. Extending our memorandum of understanding will help maintain our productive relationship with the Panama Canal Authority."

"U.S. farmers have long relied upon the Panama Canal to meet the demands of their international customers," Panama Canal Administrator Jorge L. Quijano said. "This MOU affirms our desire to enhance this mutually beneficial partnership between the Panama Canal Authority and U.S. soybean farmers. We welcome the opportunity to continue our relationship with the Soy Transportation Coalition."

The Soy Transportation Coalition recently publicized research on potential developments that present the likelihood of increasing the volume of U.S. soybeans transiting the Panama Canal. The first report, released in July of 2018, examines the impact of dredging the lower Mississippi River to 50 ft. By deepening this export region that accounts for 60 percent of soybean exports, ocean vessels will be able to transport more bushels of soybeans per vessel – enhancing international competitiveness. Some of these larger vessels could potentially utilize the Panama Canal en route to Asian customers. The second report, released in November of 2018, highlights the potential for containerized shipping via the U.S. inland waterway system to ultimately be exported via Plaquemines Port, Harbor, and Terminal District near the Gulf of Mexico. If this innovative concept becomes a reality, the Panama Canal would play an integral role in this new transportation option for the soybean industry.

The full studies can be accessed at: www.soytransportation.org.

Established in 2007, the Soy Transportation Coalition is comprised of 13 state soybean boards, the American Soybean Association, and the United Soybean Board. The goal of the organization is to position the soybean industry to benefit from a transportation system that delivers cost effective, reliable, and competitive service.

The Panama Canal Authority an autonomous legal entity of the Republic of Panama in charge of the operation, administration, management, preservation, maintenance, and modernization of the Canal.

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