

Trade Rules Committee

Report to the Board of Directors

March 2024

Amendments to the Trade Rules

On February 29, the NGFA membership ratified extensive amendments to the Trade Rules in two areas. These amendments were approved previously by the NGFA Board of Directors based upon the recommendations of the Trade Rules Committee.

■ **Degenderizing of the Rules**

The Trade Rules Committee completed a review of the rules to remove gender-specific terms and references (i.e., he/him/his) and developed an extensive set of amendments that applied to numerous provisions throughout each subset of the Trade Rules.

■ **Open Outcry; Business Day – Secondary Rail Freight Trading Rules**

Based upon the findings of the task force that monitors this subset of rules, the committee concluded that references to “open outcry” sessions at the CBOT and “normal” business days and “full” sessions versus “partial” business days and sessions were outdated. The committee also determined that Secondary Rail Freight Trading Rules 6 and 12 should mirror the terms in Grain Trade Rule 30(A) and Feed Trade Rule 28(A).

Other Trade Rules-Related Activities

■ **Fertilizer Trading Rules**

Last year, the committee conducted a review at the request of an NGFA member about the potential for NGFA to develop trading rules for fertilizer. A primary question was whether this area involved a sufficient nexus and a good fit for NGFA and the NGFA Trade Rules. There were reservations about expanding NGFA’s trading rules into this area and a particular concern about obtaining buy-in from all sectors in this trade. The consensus of the committee determined the idea was worth considering, but that first NGFA’s leadership consider the broader implications of NGFA expanding its reach to fertilizer. The NGFA Board was subsequently informed and consulted on the topic, and the NGFA Executive Committee discussed it at length. Their consensus was that the concept involved going too far outside of NGFA’s “footprint,” particularly given the time and resources that would be involved.

■ **Trade Rules and Arbitration Seminar**

NGFA’s biennial Trade Rules and Arbitration Seminar is scheduled for May 8-9, 2024, in St. Louis. The program is designed to build upon the structure and approach relied upon in previous years while always looking for possible improvements and enhancements.

■ **Barge Digital Transformation (BDT) Platform**

NGFA maintains a task force to address issues related to BDT within the structure of the Trade Rules Committee. This is largely the working group which helped develop the platform for day-to-day usage and drafted the set of “BDT: Best Practices.” This group is currently focused upon prioritizing new development and enhancements for the platform.

■ **Opening of the Mid-Mississippi**

Last year, pursuant to NGFA Barge Freight Trading Rule 18(J), the special three-person committee officially declared the opening of the Mid-Mississippi River for navigation as of 7 a.m. on March 7, after the *MV Dennis T Delaney* reached Dubuque at 12:45 p.m. on March 6, with at least one empty dry cargo covered barge suitable for loading. Serving on the committee are Jeff Webb, Chair (Cargill); Jamie Clendenin (Viserion) and Matt Tomayko (Ingram Barge). Expectations are the opening this year will occur prior to NGFA’s March 2024 annual convention, but as of the writing of this report, no further details are known.

■ **Feed Trade Rule 19 / Grain Trade Rule 28**

The committee has decided to consider harmonizing the wording and formatting of Grain Trade Rule 28 [Failure to Perform] and Feed Trade Rule 19 [Default on the Shipping Schedule and/or the Contracting Shipping Period], and the committee has requested that the Feed Trade Rules Subcommittee conduct an initial review of the matter. That subcommittee met earlier this year and its findings will be discussed with the full committee when it meets during the NGFA convention.

■ **Secondary Rail Freight Trading Rules**

Earlier this year, the task force monitoring this subset of rules met with 21-member company representatives in attendance. This task force was assembled following NGFA’s creation of this subset of the rules in 2007. During the meeting, the group noted no major issues or concerns specifically arising out of the secondary rail freight trading sector or this subset of the rules. The task force’s findings will be discussed with the full committee when it meets in conjunction with the NGFA annual convention.

■ **Containers Trading Rules**

The task force that reviews the rules for issues related to container trading also met earlier this year. The group’s meeting included 10-member company representatives participating. No issues or concerns were reported, and it was noted that the new rules were helpful and valuable to the trade. These findings will be discussed with the full committee when it meets in conjunction with the NGFA annual convention.

■ **Web-Based Rules Programming**

In 2022, the online program featuring the Feed Trade Rules was launched and the program featuring the Grain Trade Rules, which was originally launched in 2017, was updated. The Feed Trade Rules program is currently experiencing technical issues, but registrations continue at a steady pace for the Grain Trade Rules program.