

Strengthening Industry Partnerships in the U.S.A.

Gafta Director General Jaine Chisholm Caunt OBE and President Brian Arnold recently visited Washington, D.C. and Chicago, to strengthen relationships with key organisations across the grain and feed trade.



Left to right: Brian Arnold, Jaine Chisholm Caunt OBE, Alejandra Castillo and Tom Erickson at North America Export Grain Association (NAEGA)

The visit included discussions with industry associations, exporters, agribusiness leaders and market participants, reinforcing Gafta's commitment to international collaboration and knowledge sharing. Meetings with organisations including the National Grain and Feed Association (NGFA), USA Rice, the North American Export Grain Association (NAEGA), ADM and COFCO International explored areas of mutual interest, including contracts, arbitration, professional development and industry engagement.

The programme also included discussions on expanding educational opportunities through Agribility, Gafta's online learning platform, and identifying new avenues for cooperation between organisations serving the global agri-commodities sector.

These engagements help ensure Gafta remains closely connected to developments across key markets while supporting a more informed, resilient and collaborative international trading community.



Left to right: Charlie Delacruz, Jaine Chisholm Caunt OBE, Mike Seyfert and Brian Arnold at National Grain and Feed Association (NGFA)



Left to right: Brian Arnold, Karah Janevicius, Jaine Chisholm Caunt OBE and Peter Bachman at USA Rice Federation



Left to right: Jaine Chisholm Caunt OBE, Brian Arnold and Ryan Legrand at US Grains Council

Committees Week in Dubrovnik

Gafta held a series of Committee meetings in Dubrovnik in mid-October, bringing together industry experts and member representatives to discuss the issues shaping the global grain and feed trade. Over the course of the week, the Council, Arbitration Committee, International Contracts Committee and Finance Sub-Committee met to review current priorities, exchange industry insights and support the ongoing development of Gafta's services and standards.



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Force Majeure in Gafta Contracts

By **Chris Felton, Katie Dyson** and **Harriet Hughes**, Gardner Leader LLP

In recent years, commodity traders have faced significant disruption from war, pandemic, export restrictions, port closures and transportation difficulties. This has led to increased reliance upon force majeure clauses in Gafta contracts. Understanding when relief is available and how to invoke it is important for managing contractual obligations and commercial risk.

What constitutes a Force Majeure Event?

Force majeure is a matter of contract, rather than a freestanding legal doctrine. The relief available will therefore depend on the precise wording of the contract in question.

While Gafta contracts commonly list events that may qualify as force majeure, Gafta itself cannot declare an event of force majeure. It is for the party relying on the clause to establish that the event falls within its scope and, importantly, that it actually caused non-performance (*Seadrill* [2018] EWHC 1640 (Comm)). Mere inconvenience, delay or reduced profitability will not suffice.

The correct approach is to identify what prevented shipment and consider whether performance could have been achieved through alternative arrangements permitted by the contract. Where a viable contractual alternative was available but not pursued, a tribunal may find that it was the party's inaction that caused the non-performance, rather than the event itself.

Prevention: *Olam v Holbud*

Olam v Holbud [2025] EWHC 3187 (Comm) illustrates the need to consider viable contractual alternatives. In this case, the contract (incorporating Gafta 49) permitted shipment from either Ukraine or Romania. Following the closure of Ukrainian Black Sea ports, sellers nevertheless nominated Pivdennyi in Ukraine as loading port and then invoked force majeure. The declaration of force majeure was held to be invalid: sellers could not rely on force majeure where they had nominated an unsafe port after the relevant event had occurred and where a viable alternative remained available.

The case highlights the importance of considering whether performance remains possible by other means. Where a viable contractual alternative exists, a party may face significant difficulty establishing that performance was genuinely prevented.

Foreseeability: *ADM v Inerco*

In *ADM v Inerco* [2026] EWHC 1873 (Comm), the Commercial Court considered the meaning of the words "*unforeseeable and unavoidable impediments to transportation or navigation*" in Gafta 48. The dispute concerned the shipment of a parcel of Ukrainian corn. Under the Black Sea Grain Initiative, vessels entering the Black Sea to load grain were subject to inspection. When Russian inspectors stopped inspecting non-Russian vessels, sellers said that shipments from Ukraine were prevented and invoked the Prevention of Shipment clause.

The Court held that an event is unforeseeable if, at the time the contract was concluded, the probability of its occurrence affecting contractual performance was so remote that it may be described as "*negligible*". In practical terms, while a risk may be known to the parties and even conceivable, this does not necessarily mean that it will be "*foreseeable*" for the purposes of a force majeure clause.

Evidence

Even where an event falls within the scope of a force majeure clause, the party invoking it may be subject to a contractual requirement to provide satisfactory evidence justifying delay or non-fulfilment. Contemporaneous records are essential, and may include government, authority or port communications, correspondence with carriers, suppliers and agents, operational

records, evidence of alternative options and steps taken to mitigate the disruption.

Notices

In *ADM v Inerco*, the Commercial Court held that the notice requirement in Gafta 48 amounted to a condition precedent, meaning that failure to serve a timely notice would defeat an otherwise valid claim to force majeure. Notices must also comply with the contract's general provisions, including those relating to proof of service and method of transmission.

Importantly, invoking force majeure does not necessarily terminate the contract. Under Gafta 48, a valid invocation of the Prevention of Shipment clause initially suspends performance, with provision for cancellation if the event continues. Both parties should therefore monitor their continuing rights and obligations and consider the implications for their wider trading arrangements.

Conclusion

Force majeure can provide valuable protection where events outside a party's control genuinely prevent performance, but relief is not automatic. Parties must act promptly: check the contract, consider alternatives, preserve evidence and comply with all contractual requirements.

Above all, a force majeure notice is not necessarily the end of the matter. The contract may remain in play, and both parties should take a proactive approach to its management as circumstances evolve.

GAFTA 131 Clause 6 and EU Sampling Requirements: why the 4,000 metric tonnes threshold matters

By **Johny Boerjan**, Vice-President, Technical Governance Natural Resources, SGS Group Management SA

Sampling is essential for determining whether agricultural commodities meet contractual specifications and comply with EU food and feed legislation. This is particularly important for contaminants such as mycotoxins, plant toxins and pesticide residues, which may be unevenly distributed within a cargo. Even the most accurate laboratory analysis has limited value if the sample is not representative.



In international grain and feed trade, sampling is traditionally performed according to Gafta Sampling Rules No. 124. EU legislation, however, establishes specific requirements for regulatory sampling. The interaction between these systems explains the importance of the July 2026 amendment to Clause 6 of Gafta No. 131 Optional Clauses.

Clause 6 requires sampling per hold, with the number of increments determined according to Table 1 of Gafta 124. In July 2026, the following sentence was added:

"Where the Nominated Quantity of the hold is less than 4,000 tonnes, samples should be drawn according to EU sampling requirements."

EU legislation and representativeness

For official controls of mycotoxins in food, Commission Regulation (EU) 2023/2782 establishes detailed sampling requirements, while Regulation (EU) 2023/2783 provides corresponding requirements for plant toxins. Regulation (EU) 2026/765 addresses official controls of pesticide residues in food and feed, while Regulation (EC) No. 152/2009 establishes sampling requirements for feed.

For large lots of cereals and oilseeds exceeding 500 tonnes, Regulation 2023/2782 applies the formula:

**Number of incremental samples
= $100 + \sqrt{\text{tonnes}}$**

An important development is the EU Commission's July 2026 draft approach to autocontrols for mycotoxins and plant toxins. This concerns sampling and analysis undertaken by food business operators as part of their own controls. The document remains preliminary and has not been adopted or endorsed by the European Commission. Nevertheless, it indicates the direction of EU regulatory thinking. The draft emphasises that samples must be representative, requiring sufficient incremental samples and adequately sized aggregate samples.

Significantly, it expressly identifies Gafta Sampling Rules 124 as a relevant international sampling standard, alongside EN ISO 24333, ISO/FDIS 18390, EN ISO 5555 and ISO 21294.

This recognition is conditional: the sampling procedure must be suitable for the commodity

and contaminant concerned, particularly where contamination is heterogeneously distributed. Where this suitability is not established by the standard's scope, supporting evidence of representativeness is required.

The underlying principle is therefore demonstrable representativeness, rather than mandatory reliance on one particular sampling standard in every situation.

Why the 4,000 tonnes threshold matters

The practical reason for the amendment becomes clear when comparing sampling intensities.

Under Gafta 124, for nominated quantities up to 5,000 tonnes, sampling is based on 500 tonne lots, with a minimum of 20 increments per lot.

For a hold containing 2,000 tonnes, the Gafta minimum is:

$4 \times 20 = 80$ increments.

Under the EU methodology for large lots subject to mycotoxin control:

$100 + \sqrt{2,000} = \text{approximately } 145$ increments.

The difference is substantial.

At 3,000 tonnes, Gafta requires approximately 120 increments, compared with 155 under the EU formula. At around 4,000 tonnes, the approaches converge: approximately 160 increments under Gafta compared with 163 under the EU formula. With the next 500 tonnes lot, the Gafta sampling intensity becomes greater than the EU requirement.

This explains the practical logic behind the 4,000 tonnes threshold.

It does not mean that Gafta 124 is unacceptable under EU rules for smaller quantities. Indeed, the Commission's draft expressly recognises it as a relevant international standard. However, below 4,000 tonnes, the standard Gafta minimum may produce significantly fewer increments than the applicable EU contaminant-sampling methodology.

Clause 6 therefore provides an important safeguard: below 4,000 tonnes per hold, the operator should follow the applicable EU sampling requirements rather than relying solely on the Gafta 124 minimum increment calculation.

Sampling per hold

Clause 6 also requires sampling per hold, rather than according to the vessel's total cargo quantity. For example, a vessel carrying 20,000 tonnes may have six holds containing less than 4,000 tonnes each. Although the total shipment exceeds the threshold, the relevant nominated quantity is that of each individual hold. This corresponds with EU sampling principles for shipborne consignments, where individual holds represent physically separable portions of the cargo.

Practical consequences

For EU operators and Gafta Approved Superintendents, an instruction simply stating "sample as per Gafta 124" should not be applied mechanically where Clause 6 applies. The superintendent must establish the nominated quantity per hold and, below 4,000 tonnes, consider the applicable EU requirements for the commodity and intended analysis.

This is particularly important for heterogeneously distributed contaminants. Inadequate sampling cannot subsequently be corrected through laboratory analysis, and obtaining a representative replacement sample may be impossible after discharge or distribution.

Conclusion

The July 2026 amendment to Gafta 131 Clause 6 should not be viewed as moving away from Gafta 124. On the contrary, the Commission's July 2026 draft approach to autocontrols expressly recognises Gafta 124 as a relevant international sampling standard. The amendment strengthens the connection between Gafta sampling and the fundamental EU requirement of representativeness.

For larger holds, Gafta sampling intensity is greater than the relevant EU methodology. Below 4,000 tonnes, however, the Gafta minimum may produce considerably fewer increments. The purpose of Clause 6 is therefore clear: for holds below 4,000 tonnes, the applicable EU requirements should determine sampling intensity rather than reliance solely on Gafta 124.

The amendment thus provides an important bridge between contractual sampling under Gafta rules and regulatory compliance under EU legislation, helping ensure that samples are suitable for both purposes.



Ukraine market update

By Anna Golodova, Director, Gafta Kyiv office

In September 2026 Gafta Kyiv office held two committee meetings. The Ukrainian Regional Trade Committee (URTC) meeting was held on 21 September and the Black Sea Trade Committee (BSTC) met on 22 September 2026. Members of the URTC discussed production and export dynamics for 2026/27 including logistics and the current challenges.

Analysing production volumes, **the 2026/27 harvest is estimated at 84-85M tonnes**, which is the largest harvest in five years: wheat, about 25M tonnes; barley, 6M tonnes; maize, 33M tonnes; rapeseed, 3.8M tonnes; soybeans, 4.3M tonnes and sunflower seeds, 13M tonnes.

Under the current export situation, this expected volume of production is a major concern for the trade due to the limited possibilities for export of the substantial surplus. Export volumes have dropped since July 2026, when the monthly volume amounted to 2.5M tonnes, down from the expected 4M tonnes, and then in August, exports amounted to only 1.2M tonnes. It is difficult to predict further development of the situation. Exports have been executed via alternative routes (rail, trucks, smaller ports) but it is clear that with even perfect functioning they will not be able to compensate for the loss of exports via the deep sea ports, as they can only provide

about 50% of the monthly export potential.

The forecast scenario is that the slow export pace, despite full efforts to export via the other routes, will continue. The committee therefore expects monthly export volumes of about 2M tonnes by the end of the calendar year and about 3M tonnes by the end of 2026/27. With these estimates, total exports for 2026/27 will amount to around 30M tonnes. With an exportable surplus of over 50M tonnes, the volume of end-stocks looks to be dramatically huge, in the region of 29M tonnes.

The new logistics situation has slowed the export process, with long queues and high transportation costs for the trade. Crop storage has become a big challenge as well. The main production will be stored, but maize may be left to winter in the fields without critical loss for a couple of months. The Sulina channel queue is currently about 120 vessels with the in/out bound possibility for 3-4 vessels daily. The shallow water of the

Danube does not allow the barges to be fully loaded. Railways have also been overloaded; Polish and Hungarian destinations have been the most problematic.

The trade has been waiting with hope for a possible new grain deal to allow exports again from Black Sea ports as well as for a technological solution from the Ukrainian Armed Forces providing the safety at berths where the majority of attacks have happened.

Any quality concerns relate to the storage issues and time of harvesting. For maize for example: moisture content is 20-40% when harvested in November and it therefore requires drying to prevent mycotoxin development. This is important when deciding to store maize in the storage sleeves.

We also have some concern about the areas sown for 2027 harvest and will be monitoring this closely.

China strengthens food security across grain supply chain for 2026-2030

By Alan Ding, Director, Gafta Beijing office

China is moving to strengthen food security over the next five years by enhancing its capacity to coordinate grain production, purchasing, storage, processing and sales, as it seeks to build a more efficient and modern grain circulation system. The country will focus on facilitating grain purchases and sales and maintaining market stability, strengthening grain reserves, and improving the quality and resilience of the grain industry, Liu Huanxin, head of the National Food and Strategic Reserves Administration, said at a recent media conference.

Liu said China's grain industry is expected to see its annual industrial output value exceed 4.5 trillion yuan (about 666.8 billion U.S. dollars) during the 15th Five-Year Plan period (2026-2030), as the country seeks to better meet growing demand for higher-quality, more nutritious and healthier food. On grain purchasing and sales, China will encourage more grain businesses to enter the market,

organise policy-based grain purchases and storage, improve grain trading platforms, strengthen links between grain production and consumption and maintain order in the grain market. The country has about 24,000 grain processing enterprises engaged in grain and edible oil processing, food and condiment production, feed processing and deep processing, among other businesses. Processing capacity for flour, rice and edible oil is sufficient to meet domestic demand.

The country's annual grain output has stayed above 650M tonnes since 2015, exceeding 700M tonnes for the first time in 2024 and reaching 715M tonnes in 2025. Per capita grain availability has surpassed 500kg, higher than the global average, providing a solid foundation for the country's food security. The country's grain stock-to-use ratio remains well above the international grain security threshold of 17-18%, Liu said. If abnormal market fluctuations occur, reserves



can be used to regulate supply and demand and help stabilise the grain market.

The crop farming plan is aligned with a broader agricultural and rural modernisation plan for the same period, which sets a target of increasing China's grain production capacity to 1.45 trillion jin (about 725M tonnes) by 2030. The crop farming plan also calls for breeding and promoting breakthrough varieties, applying intelligent machinery, conserving water in agriculture and using fertilisers and pesticides more precisely.

Canadian Wheat Crop Demonstrates Resilience Despite Challenging Harvest Conditions

A late-season stretch of rain, humidity and even snow created challenging harvest conditions across much of Western Canada this autumn, raising concerns about crop quality. Yet as harvest wrapped up across the Canadian Prairies in October, the 2026 wheat crop showed how Canada's wheat breeding system helped this year's crop withstand a challenging harvest.

"You can really see how Canada is developing the right varieties for our growers, with good agronomics and quality top of mind, especially in a challenging year," says Elaine Sopiwnyk, vice-president of Technical Services at Cereals Canada.

Wheat remains Canada's largest field crop, reflecting strong demand from both the domestic milling industry and customers in more than 80 countries. This year, Canadian farmers planted nearly 8 million hectares of non-durum wheat and nearly 2.4 million hectares of durum wheat.

Growing conditions varied widely across Western Canada throughout the season. Precipitation levels differed considerably across spring wheat and durum-growing regions, leading to regional differences in crop development and yield potential. Some areas received significantly more rainfall than average and experienced localised excess moisture, while moderate rainfall improved soil moisture conditions elsewhere. Drier conditions prevailed in parts of the Prairies, particularly in southwestern and northwestern Alberta. A stretch of warmer weather in July supported crop development and helped dry out fields that received heavy rainfall earlier in the season.

Widespread rainfall in late August and early September delayed harvest progress across many regions. However, drier weather returned in late September and early October, allowing farmers to make rapid progress.

Last year, Canada produced a record wheat crop of 40.6 million tonnes, driven by favourable growing conditions and above-average yields. With yields expected to return to more typical levels, **total wheat production in 2026 is forecast at 36.1 million tonnes.** While lower than last year's record crop, production remains nearly 2.7 million tonnes above the five-year average.

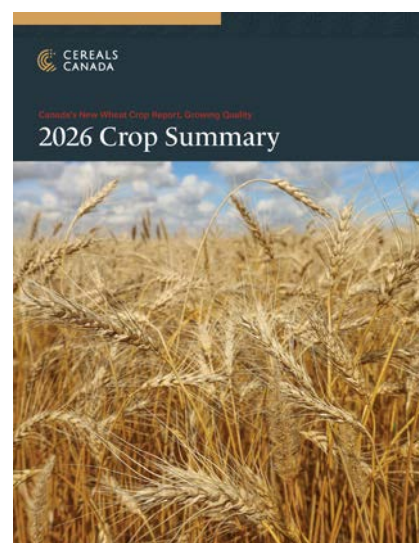
Spring wheat production is forecast at 26.5 million tonnes, six percent above the five-year average. Winter wheat, grown primarily in southern Ontario, is expected to reach 3.3 million tonnes, slightly above average. The durum crop is forecast at 6.4 million tonnes, 20 percent above average.

Throughout the harvest season, Cereals Canada has worked closely with grain exporters to monitor crop progress and quality as producers navigated weather-related delays across Western Canada. Despite concerns, the crop generally held up better than expected. By October, most of the Canada Western Red Spring (CWRS) wheat continued to grade No. 2 or better, while the majority of Canada Western Amber Durum (CWAD) remained within the top three grades. Exporters reported quality outcomes were more positive than many had anticipated.

In southern Ontario, harvest wrapped up in August. Despite regional differences in rainfall, many areas experienced near-ideal growing conditions. From mid-June to mid-July, moderate temperatures and timely rains supported the latter stages of grain fill. By late September, farmers were already planting the winter wheat crop that will be harvested next summer.

For Canada Eastern Soft Red Winter (CESRW) wheat, the majority of the crop is grading No. 2 or better, with protein expected to range from 9.0 percent to 9.5 percent on a 13.5 percent moisture basis.

"Our technical team is currently evaluating samples for milling performance, wheat and flour quality, and end-product functionality,



and will have more results to share during our New Wheat Crop Webinars in November," says Sopiwnyk.

As sample analysis and composite development continue, the 2026 harvest will be remembered as a year when Canadian wheat faced weather challenges but ultimately demonstrated the resilience and quality that international customers have come to expect from Canada's wheat sector.

2026 New Wheat Crop Report Webinars

November 24 at 10 PM CDT.
Customers in Asia and the Middle East
CWRS, CWAD and Wheat by Specification
Interpretation: Mandarin, Japanese, Korean, and French

November 25 at 8 AM CDT.
Customers in Europe and the Americas
CWRS, CWAD, Wheat by Specification and CESRW
Interpretation: French, Spanish and Italian

Register for Canada's New Wheat Crop Report webinars at cerealscanada.ca/new-crop-events

Gulf Food Security and the Strait of Hormuz: Saudi Arabia's Import Challenge in 2026

By **Anis Alam**, Chief of Grain Procurement, Arabian Agricultural Services Company (ARASCO)



When the Strait of Hormuz, the 39km-wide chokepoint between Iran and Oman, became effectively impassable following the outbreak of the Iran war in late February 2026, the immediate global focus was oil: the strait carries roughly a fifth of the world's crude and a quarter of its LNG. But for the 60-plus million people living in the Gulf states, the bigger shock has been to dinner tables, not fuel tanks. The Gulf Cooperation Council (GCC) countries import the overwhelming majority of what they eat, and for years that food has arrived by sea through exactly the waterway now under fire.

A region built on imported calories

The arid climate and very limited arable land area mean that Gulf states are dependent on imports to meet their food needs. The UAE imports around 90% of its food by volume; Bahrain, Kuwait and Qatar about 85–90%. Saudi Arabia, the region's biggest economy with some domestic wheat, date and vegetable production, imports roughly 80% of its caloric needs. Regionally, dependence on imports for staples like rice (77%), corn (89%) and soybeans (95%) is close to total. Before the crisis, around 70% of GCC foodstuffs moved through Hormuz on their way to hub ports like Dubai's Jebel Ali. Imports of animal feed raw materials have been increasing in recent years, with Gulf countries having accounted for just under 16M tonnes of globally traded barley, maize and soybean meal in 2025/26.

Table 1. Grain flows into Persian Gulf ('000 tonnes)

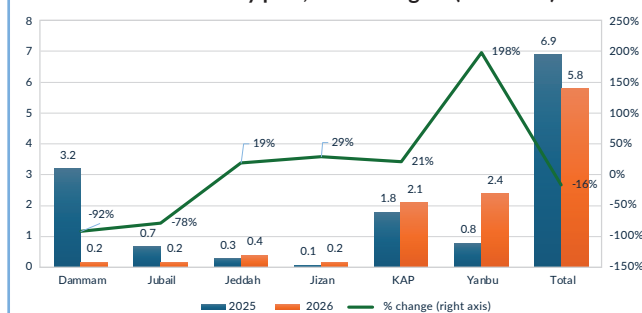
	2022/23	2023/24	2024/25	2025/26	2026/27
Bahrain	146	173	140	150	160
Iran	13,500	12,400	13,000	14,300	12,800
Iraq	4,566	4,233	4,372	4,334	3,801
Kuwait	976	913	1,118	677	850
Oman	1,020	1,484	1,079	1,373	1,240
Qatar	317	434	200	235	300
Saudi Arabia	12,854	10,948	11,482	14,836	13,405
UAE	2,634	2,990	2,775	2,850	2,750
Total	36,013	33,575	34,166	38,755	35,306

Saudi Arabia, with its population of 37 million, sits between two of the most important shipping routes for global energy and food distribution: the Strait of Hormuz and the Bab al-Mandeb Strait. The country has shown remarkable resilience in adapting both its export and import trade since February 2026, but the crises in the Strait of Hormuz and the threats in the Red Sea continue to increase the difficulty in securing consistent food, feed and fertiliser shipments as carriers reroute or avoid high-risk waters. The advancement of Houthi forces along Yemen's Red Sea coast, seizing control of Mokha and certain strategic areas near the Bab al-Mandeb Strait in September have increased risks to shippers of this route. Longer lead times, higher logistics costs, volatile energy prices and rising insurance premiums have all added to the risks faced by agri-food importers in Saudi Arabia and throughout the Middle East region. The grain silos built at Fujairah in 2016, specifically on the Indian Ocean coast outside the strait, with roughly 300,000 tonnes of storage capacity have become an important asset this year for the UAE.

Graphs 1 and 2 show how imports of the key feed materials into Saudi Arabia – maize, barley and soybean meal – have increased into the country's west coast ports, particularly Yanbu and King Abdullah Port

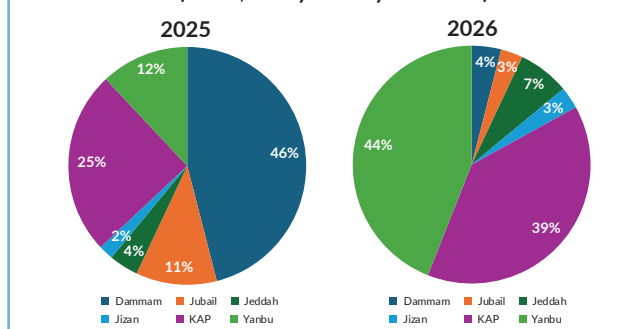
(KAP), both located on the Red Sea. Yanbu Port, one of the oldest ports on the Red Sea with a history spanning approximately 2,500 years, saw imports of barley, maize and soybean meal between March and August increase by just under 200% (compared to 2025) to 2.4M tonnes, and it now accounts for 44% of the country's imports, while KAP, Saudi Arabia's newest port facility, increased its imports by 21% to 2.1M tonnes, accounting for 39% of total imports of these three raw materials.

Graph 1. Imports of maize, barley and soybean meal into Saudi Arabia by port, March-August (M tonnes)

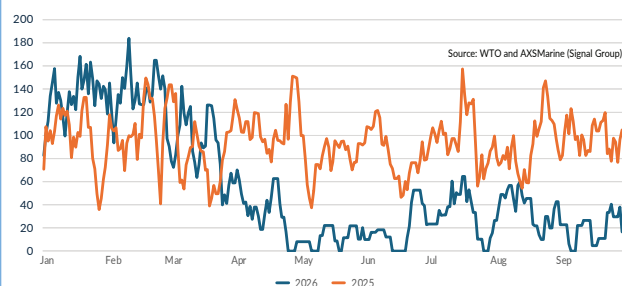


In 2025, grain imports through the Strait of Hormuz into the Persian Gulf, which account for around 6% of global grain shipments, amounted to 38.8M tonnes, with Iran accounting for 37%, and Saudi Arabia accounting for 38% respectively, of this total. Shipbroker SSY estimates that 89% of seaborne grain inflows to the region went to ports within the Strait of Hormuz last year. Grain imports through the Strait fell 75% YoY to 3.4M tonnes in March and April 2026, following the blockage. By the end of August 2026 the International Maritime Organization (IMO) confirmed at least 70 attacks on international shipping in the Strait of Hormuz, resulting in 19 seafarer deaths, highlighting how dangerous this route has become.

Graph 2. Share by port of key feed raw material imports (maize, barley and soybean meal)



Graph 3. 7-day moving average index of agricultural product inbound shipments (tonnage) through Strait of Hormuz (2025 average =100)



Graph 3 shows the decline in inbound agricultural products through the Strait of Hormuz this year. While the number of vessels crossing the strait fell dramatically from 2,192 in February 2026 to 140 in March (Table 2), inbound shipments in Graph 3 are measured by discharge date. This means that cargoes shown after 28 February reflect vessels that had already passed through the Strait before the closure, but were discharged later. At the same time, there was a significant increase in bulk carriers through the Bab al-Mandeb Strait and Suez Canal. The Suez Canal Authority reports that the number of bulk carrier transits through the Suez Canal crossings increased by 27% in the second quarter of 2026, compared to the same period in 2025, to 958 vessels.

Agri-commodity inbound shipments have been very uneven, with a temporary improvement seen in late June and early July, but considerable volatility seen in the numbers in August and September. It should be noted that AIS tracking in both shipping corridors is

unreliable as ships are going dark or spoofing their transponders to dodge targeting, and actual traffic may be higher than recorded in the most dangerous weeks.

Increased risk leads to higher prices

As we face increased instability in grain and feed supplies as well as huge increases in freight costs and overall risks to international shipping, the effects of the current Middle East war have led to higher consumer prices across the region and price shocks in two of the most food-insecure countries, Sudan and Yemen. These two countries have traditionally relied on imports via the UAE's Jebel Ali port located on the Strait of Hormuz. In today's world of volatile food, feed and energy prices, and ongoing geo-political shocks, import-dependent countries need to keep reassessing the risks involved in ensuring sufficient food and feed supplies. While several countries in the Middle East can absorb increased food costs, many other import-dependent countries are facing difficult economic decisions with regard to ensuring sufficient food supplies for their populations at a time when serious climate risks to crop production are also increasing.

Table 2. Monthly vessel crossings through Strait of Hormuz 2026

Month	Vessel crossings	MoM change
Jan-26	1,812	-
Feb-26	2,192	+21%
Mar-26	140	-94%
Apr-26	401	+186%
May-26	343	-14%
Jun-26	631	+84%
Jul-26	689	+9%
Aug-26	570	-17%
Sep-26	444	

El Niño hits India's Kharif 2026/27 crops production

By **G. Chandrashekar**, journalist and policy commentator

The four-month southwest monsoon cycle (June-September 2026) has ended. The 2026 monsoon commenced four days late and thereafter stalled for almost three weeks. Early July rains revived hopes, but precipitation in August and September was less-than-satisfactory. By end-September the country faced a rainfall deficit of 15%. The temporal (month wise) and spatial (geographic) distribution of rains has been rather uneven.

Key growing areas are 'red' in colour with varying intensity of moisture stress. The situation worsened with the high cost and limited availability of fertilisers this year. The table shows Kharif 2025 and 2026 acreage, production target for 2026, forecast production (author's proprietary research) in 2026 and government estimated production in Kharif 2025.

Poor distribution of rainfall has impacted planted area, yields and production. The Kharif 2026-27 harvest will fall short of the season's production target and below last year's government estimate. In some regions, crop quality may be affected. The government usually releases its first advance estimate by end-September; but this season, even as of 15 October, it is not published.

The supply-demand fundamentals of many crops will tighten further due to reduced production. Rice buffer stocks of 40M tonnes are a source of comfort. However, imports of many commodities are set to increase: pulses about 7.5M tonnes; vegetable oils 16-17M tonnes; cotton over 7M bales. High international energy costs and a weak Rupee may exacerbate the price situation and heighten inflation expectations. It is likely that the government may tighten the screws on agri trade.

According to Met reports, El Niño may further intensify in Oct/Nov/Dec. That's precisely the time for completion of the Kharif harvest

and planting of Rabi wheat, oilseed and pulse crops. Adequate winter rains are crucial for the Rabi crops. Already, Indian wheat is at the limit of heat tolerance. Warmer days in Jan/Feb and a possible heatwave in March can reduce harvest size. Fodder availability for livestock will be a challenge. Reservoir storage levels are well below normal for this time of the year and may turn critical in the first quarter of 2027.

Basic customs duties on palm, soy and sun oils have already been slashed. For pulses, a liberal import policy continues until March 2027 and may be extended. Some restrictions on diversion of rice, maize and sugarcane for ethanol may be possible.

India will have to overcome the twin threat of energy inflation and looming food inflation. The policymakers have their job cut out.

India's kharif 2026/27 key crops production forecast

	Area 2025 (M ha)	Area 2026 (M ha)	Prdn target 2026	Production f'cast 2026	Gov't estimate 2025
Rice	44.7	42.7	123.0	116-118	124.8
Pulses	11.9	11.8	8.4	7.0-7.3	7.6
Maize	9.9	9.2	31.0	28.0-28.5	30.5
Soybean	12.4	12.2	14.8	9.5-10.0	12.6
Cotton	11.0	10.9	33.6	27.5-28.0	29.0
Sugarcane	5.9	5.8	500.0	440-450	500.0

(G. Chandrashekar is a senior journalist and policy commentator specialising in commodity markets. Views are personal)

Global Oilseeds Perspective

Supplies are pleasingly surprising as we work through U.S. harvest

By **Matt Ammermann**, StoneX Financial Inc, USA

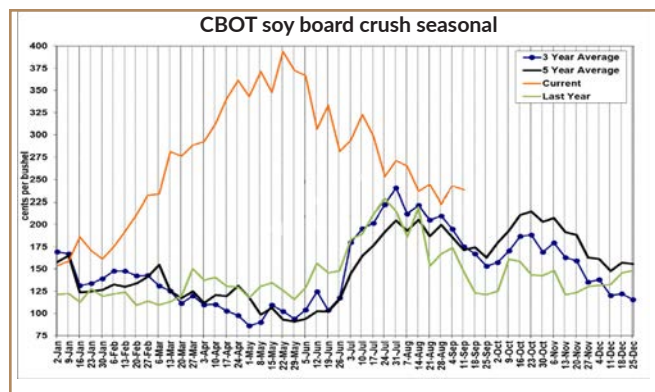
Volatility is something we are all used to by now, right? Global markets have navigated a global pandemic, inflationary pressures, economic growth, various fiscal policy changes, wars, and yes supply and demand changes over the past few years. In this article we will look at a few current and possible future influences for the global oilseed markets.

The global oilseed complex is rather diverse spanning various production regions (northern and southern hemispheres) as well as products (soybeans, rapeseed, sunseed, palm, various meals and oils as well) that keep all traders on their toes, but I think we all know the market tends to focus in on the main product which remains soybeans. Soybean production, and thus demand, carries the lion's share of the industry and thus garners attention to detail.

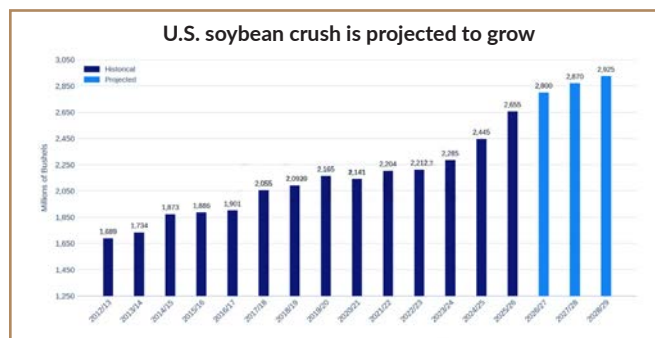
This past crop year focused on planting expansions, both in U.S. and Brazil, the two largest producing regions globally for soybeans. Market economics pushed farmers to favour soybeans over corn amid the Renewable Volume Obligation (RVO) that was specifically anticipated in the U.S. and this hype pushed oil share to historic levels this past spring/early summer. The ongoing global energy crunch amid the Iran war is now pushing most nations to reconsider their energy sources. This varies from India, Brazil, Malaysia, Indonesia and European Union, all of which involve various feedstock demand sources. Renewable energy via ethanol (corn based) or biodiesel (oilseed based) remains the focus of global nations to produce more domestically which in turn helps farmers and the industrial communities, all while decreasing the dependence on imported crude oil. There is a cost vs reward to consider, but amid the ongoing war and Hormuz stress, nations realise now is the time to push the idea forward, with hopes the costs of investment pay off for decades to come.

At time of writing this article, the U.S. is progressing with its soybean harvest with completion expected near the end of October. Progress remains near the historical norms. StoneX estimates current U.S. yields at 54.1 bpa and this vs September estimate of 53 bpa, and compares to USDA at 53.1 bpa (52.8 bpa in September). U.S. yields have surprised as harvest rolls forward. Some active rains delayed harvest initially and caused some short coverings by crushers. This bit of early harvest delay provided some initial support to soybean meal amid its active export demands. Then as early harvest started, the quality and colour of the meal became a short term 'headline' issue and offered ongoing support to meal prices, until normal conditions were found once again and prices eased from their overbought conditions. **U.S. harvest looks to be 124.2M tonnes** according to the latest USDA estimates (115.97M tonnes last year), and to my point above about plantings, this was on 86.9M acres planted (81.2M acres in 2025).

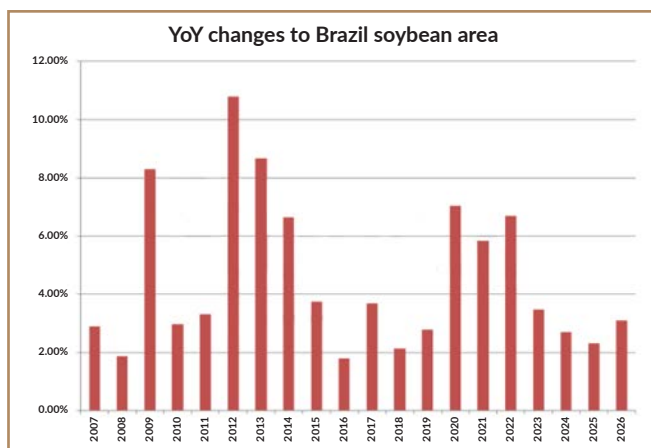
Meanwhile, South America is just starting its plantings campaign with **Brazil new crop soybean estimate at 183.4M tonnes** (182.6M last year) (can be even bigger with good rains/sunshine). Brazil exports are seen at 115M tonnes (113M last year, 80M just five years ago and 75M ten years ago). The sheer increase in production and exports now allows Brazil to be a year-round exporter, which alters historical trade flows and timing of them. **Argentina looks to be estimated at 50M tonnes** (49.3M last year). Argentina soy exports are seen at just 6.5M tonnes (8.9M last year and 2.8M five years ago). Traditionally, Argentina has a strong crush industry, and as such Argentina remains the world's largest meal exporter at 30M tonnes vs Brazil at 27.1M and U.S. at 20.5M (pretty incredible when considering the percentage of production crushed). Argentina has held steady at 26-30M tonnes meal exports, whereas Brazil was at 16M tonnes ten years ago and U.S. at 12M tonnes.



U.S. crush alone is expected to grow rather aggressively. The market expects U.S. crush to grow to 76.2M tonnes (72.3M last year and 51.8M ten years ago). Forward projections have U.S. crush at 79.6M tonnes.



Analyst: Cooper Carlson, Commodity Economics Analyst, StoneX



Brazil soy plantings are forecast to reach 49.4M ha (49.1M ha last year). Expansion here has been the theme over the past few decades as well. Yes, deforestation gained attention in years past, but the reality is that Brazil can continually expand plantings from current pastureland alone. The graph above shows that Brazil remains steady at a 2% increased planted area. With normal to above normal weather, this equates to excess production, which can fuel the bears out there. But

also know the opposite is true, that adverse weather in either Brazil or U.S. can also cause a severe supply shock globally now that the market requires production from both regions.

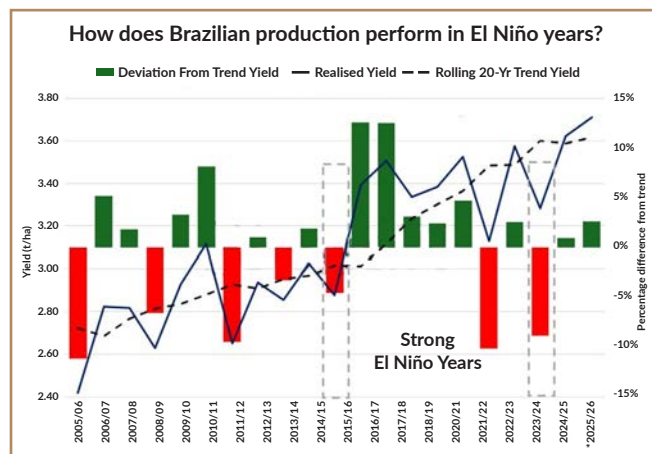
Looking at global harvested areas of various oilseeds, you can see Brazil growth remains the focus of the market. Brazil soybean harvested area since 2016 has increased 47%, meanwhile Argentine soybeans have held steady and U.S. increased 4%. Canadian rapeseed increased 14%, EU 6%. Black Sea sunflowerseed increased 26%. Malaysian palm oil area increased 15%.

We can't forget about the world's largest soybean buyer - China! We all know the past and current 'trade war' and implications that unfolded as a result. Initial U.S. export struggles were offset with the thought "if we can't export it, we will crush it." Since then, trade tensions have calmed a bit and now China has 'agreed' to buy 25M tonnes of U.S. soybeans for the current calendar year, as well as for 2027 and 2028. They have also 'agreed' to buy \$17 billion worth of other goods to bring them back closer to this \$30 billion spend to help level out the trade deficit. This all reads good, but reality might be a bit different as its all 'known' now and is a bit expected. Economics still come into play as China will be buying anything 'extra' mainly from Brazil at a cheaper price with no political drama. Recently, it's also a bit of 'political buying' that negates price economics as an economic offset to consider for certain trade access. China crush capacity remains near 190M tonnes (155M in 2021 and 130M in 2016).

What will the EU Deforestation Regulation (EUDR) look like as we work into 2027? This has also been an ongoing demand pull on U.S. soybean meal from time to time as no one in the EU wants to get caught on the wrong foot when new regulations come into force! The U.S. markets have been focused on RVO-oil share, meanwhile meal exports surprise occasionally and push oil share weaker. This ongoing tug will be a market focus for 2027 as well.

As mentioned above, biofuel policy and feedstock demand have been increasing in focus, and now the reality of the Iran war fully pushes the agenda all the more. Nations such as India, Brazil, Malaysia, Indonesia, EU and U.S. are all progressing with means to produce more fuel domestically - to the benefit of global farmers. As this demand base is built, the demand will remain all the more inelastic and will require a solid and steady supply flow, making the requirement for good weather globally. All it would take is just one region to have some weather risk hiccups to flip the global oilseed balance sheet tighter.

Weather always carries a major risk for agricultural markets due to the sheer fact it's fully out of our control! This is the nature of the agricultural commodity markets, and this year remains another focus on it as we enter the South American growing season with a forecast Super El Niño. A normal El Niño puts warmer/drier potentials for Central/Northern Brazil and a 'Super' El Niño only intensifies such weather risk. Argentina carries a bit more neutral weather risk with an El Niño, with Northeastern areas getting possible excessive rains. The point is that we enter yet another southern hemisphere growing season with the need to produce soybeans amid global biofuel demand pulls as well as China import demands. To date, the weather looks to be 'fine', but this 'Super' El Niño needs to be watched as it's prime to be a 'trigger' for the market.



Source: CONAB, StoneX calculations

Price seasonals should always be a guiding factor for anyone trading the markets. The increased presence of South American soybeans a few months after the northern hemisphere has altered the historical viewpoint a bit, but nonetheless seasonals lay out some seasonal lows during October and again in January. Soybean meal follows very similar seasonal patterns, and soybean oil tends to have some seasonal lows in January and May-June.

STAY HEDGED UP!

Note: Comments in this article are market commentary and are not to be construed as market advice. Trading is risky and not suitable for all individuals. All statistical references are based on USDA data unless otherwise noted. The trading of derivatives such as futures, options, and over-the-counter (OTC) products or "swaps" may not be suitable for all investors. Derivatives trading involves substantial risk of loss. Past results are not necessarily indicative of future results. © Copyright 2026. All rights reserved.



Matt Ammermann is currently employed as a Commodity Risk Manager with the FCM Division of StoneX Financial Inc. His primary focus is on providing risk management solutions to consumers and producers of agriculture products within Eastern Europe/Black Sea/MENA Region. StoneX is a Fortune 500 company providing customers across the globe with execution and advisory services in commodities, capital markets, currencies, asset management and more. It offers its commercial and institutional customers a comprehensive array of products and services, including its proprietary Integrated Risk Management Programme (IRMP), as well as exchange and OTC execution and clearing services' physical trading in base metals and grains; a global foreign exchange and currency payment service; investment banking advisory services; asset management; equities market-making; and securities execution and trading.

Gafta Celebrates IMO World Maritime Day 2026

On 24 September 2026, Gafta marked IMO World Maritime Day by illuminating its London headquarters blue in recognition of the maritime industry's vital contribution to global trade.

This year's theme, "From Policy to Practice: Powering Maritime Excellence", highlights the importance of turning regulatory ambition into practical action. For the international grain and feed trade, a safe, efficient and sustainable maritime sector is essential to ensuring the reliable movement of goods across global supply chains.

Gafta is proud to support an industry that connects producers and consumers worldwide and underpins global food security.



Women in Agribusiness

On 23 September, Gafta Director General Jaine Chisholm Caunt OBE joined a distinguished panel at the Women in Agribusiness Conference in New Orleans.

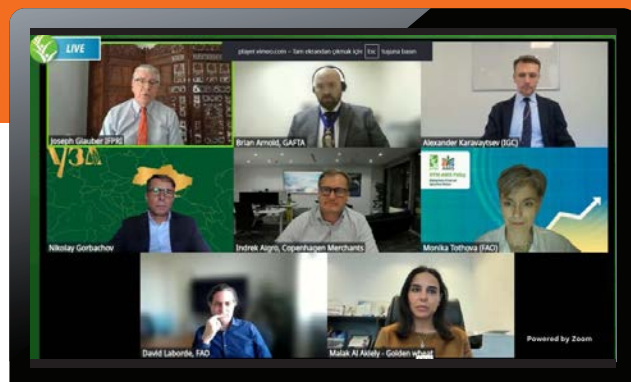
The discussion explored leadership in a rapidly evolving industry, covering topics including strategic decision-making, career development and navigating change in an increasingly complex global business environment. Drawing on experiences from across the agri-commodities sector, the panel shared insights on building resilient organisations and developing the next generation of industry leaders.



Gafta President Contributes to IFPRI-AMIS Seminar

Brian Arnold, President of Gafta, participated in the IFPRI-AMIS Policy Seminar, "When Grain Trade is Obstructed: Black Sea Disruptions and Global Market Impacts".

During the panel discussion chaired by Joe Glauber, Brian highlighted the contractual and commercial risks that arise when established trade flows are interrupted. He spoke about a new layer of complexity to buyers' decision-making, requiring greater consideration of supply chain reliability, contractual obligations, and risk management strategies. Gafta is supporting the trade as much as possible during these changing times, stressing that trade security is a priority, and Brian, along with other speakers, mentioned his concern about lower plantings in the Black Sea region for the 2027 harvest and potential reliance on new crop supplies which could be diminished. He also mentioned his concern over potential capital constraints for importing nations.



The full webinar can be watched here:
<https://www.ifpri.org/event/when-grain-trade-is-obstructed-black-sea-disruptions-and-global-market-impacts/>

Same Learning, New Structure

Gafta's Distance Learning Programme has provided thousands of professionals with flexible, industry-focused education and it remains a trusted route for developing knowledge across the global grain and feed trade.

From January 2027, students enrolling onto the programme will see a refreshed structure that makes the learning journey streamlined while retaining the comprehensive content and learning outcomes.

The programme will move from six modules to five, with the content previously delivered through Modules 5 and 6 combined into a single final module:

Module 5: Exceptional Circumstances and Dispute Resolution

Importantly, no learning content has been removed. Students will continue to receive the same comprehensive education and industry-relevant knowledge, with all existing learning outcomes retained.

Module 5: Exceptional Circumstances and Dispute Resolution

Gafta
Promoting international trade

Making more of every crop: how trade powers the circular economy

By **James Neilson**, Supply Chain Director, Cefetra Ltd

The future of agricultural trade is not simply about moving commodities from origin to destination. It is about maximising value, reducing waste, regenerating natural systems and keeping materials in use at their highest value for as long as possible.

Trade has always been circular

Long before the term “circular economy” existed, agricultural supply chains were creating value from materials that might otherwise have been discarded. Crop residues returned to the soil, livestock consumed the outputs of milling, brewing and crushing, and organic matter was recycled into nutrients. What has changed is the pressure. A growing population, limited land, water scarcity and climate change mean the task is to get more value from the resources we already have, while customers expect lower emissions, better traceability and credible sustainability reporting.

The Ellen MacArthur Foundation frames the circular economy around three principles: eliminate waste, keep materials in use at their highest value, and regenerate nature. Agricultural trade has a role in all three.

As one of the leading traders of grains and feed raw materials in the UK and Ireland, Cefetra dispatches 85,000 to 90,000 tonnes a week and holds around one million tonnes of storage capacity. As a signatory to the Gafta Sustainability Pledge, Cefetra sees circular as central to how we trade, from co-products to regenerative farming.

Co-products: from residual output to valuable ingredient

Co-products are among the clearest examples of circularity in practice. After primary processing, the co-products of milling, brewing, distilling, crushing and sugar/starch production still contain valuable energy, protein and fibre. Rather than being treated as waste, they become secondary raw materials for the feed industry. Surplus food can follow the same route: Cefetra works with specialist processors that turn former foodstuffs into feed, moving them up the food waste hierarchy and keeping them in the food chain.

Co-products create additional value for processors and replace primary raw materials for feed manufacturers. Because they come from crops that have already been grown, they often carry a lower environmental footprint than ingredients grown specifically for feed.

That potential is only realised through trade. Co-products are produced continuously, vary in specification and can be perishable. Sourcing, storage, quality assurance and logistics are what connect processors with the feed manufacturers who can use them, with consistent specifications and reliable supply.

Regenerating the land

Circularity is not only about keeping materials in use: it also means regenerating the land that produces them. Healthy soils cycle nutrients, hold water and support biodiversity, keeping farmland productive for future generations.

Through Cefetra Ecosystem Services (CES), we connect food, feed and drink companies seeking to reduce their Scope 3 emissions with farmers adopting regenerative practices such as cover crops, reduced tillage and optimised fertiliser use. Programmes run over five years, with results independently verified to ISO 14064-2. Because the reductions happen on the farms that grow the crop (insetting rather than offsetting), customers can report them within their own supply chains, and the value returns to the farmer. Over 30,000 ha of land in the UK is farmed under CES now.

Partnerships show how this can scale. Brewers, maltsters and Cefetra are working together on regenerative malting barley programmes that reward farmers through premiums, linking customer demand with on-farm investment and reducing the financial risk of change. The same model is now reaching aquaculture, through a partnership with an aquafeed producer to cut emissions from crop-based ingredients, starting with UK wheat.

Why trade matters

Without trade, co-products don't find the most economical outlet, regenerative crops struggle to find a market and sustainable value chains cannot grow. With efficient trade networks, co-products reach the customers who value them most, buyers can invest in regenerative farming at scale, and environmental benefits can be measured



James Neilson (right) with Andrew Mackay (CEO of Cefetra Ltd)

and recognised across borders. Aggregating demand from many buyers is what makes it viable for individual farmers to change how they farm.

Scaling this internationally also depends on common ground: clear rules on when a residue is a by-product rather than waste, consistent feed safety standards, and comparable ways of measuring and reporting emissions. These are areas where Gafta's contracts, standards and advocacy can support members.

A shared commitment

No single organisation can build a circular economy alone. It needs farmers, processors, traders, logistics providers, customers and regulators working together. The Gafta Sustainability Pledge supports this through a common ambition, knowledge sharing and practical action.

By joining the Pledge through Gafta, Cefetra is reinforcing its commitment to more sustainable agricultural trade, sharing experience and working collaboratively with others across the supply chain to turn ambition into action. Cefetra also brings valuable practical expertise to these discussions, with a trade representative on Gafta's Approved Registers Committee, which is responsible for the Sustainability Pledge. Having this experience represented at committee level helps ensure that discussions are informed by the realities of agricultural trade and the opportunities to drive meaningful progress.

For Cefetra, the circular economy is already taking shape through better use of resources, regenerative farming and efficient trade. By making more of every crop, the industry can build a more resilient and productive future while continuing to feed a growing world.

If you're a Gafta member and would like to find out more about joining the Sustainability Pledge, please contact Gafta at sustainabilitypledge@gafta.com.

World rice market update

By **Jean-Paul Schepens**, Schepens & Co (Hong Kong) Ltd

The world rice market enters the final quarter of 2026 under a rare combination of weather and geopolitical pressure. Climate predictions confirmed that El Niño is present and strengthening, with sea-surface temperatures at +2.1°C and a very high probability that strong-to-very-strong conditions persist through January–March 2027. In India, the 2026 southwest monsoon ran nearly 40% below normal in June, recovered in July, then faltered again in August as El Niño strengthened. Southeast Asian growers face a drier-than-normal August–October window.

The October 2026 USDA WASDE report quantifies the supply consequence: 2026/27 global rice production is projected at 533.1M tonnes (milled), down 12.6M tonnes from 2025/26, while consumption of 538.8M tonnes now exceeds output and ending stocks fall to 198.5M tonnes (USDA). Global trade is decreased to 61.35M tonnes, mostly on reduced Indian exports. FAO expects international rice trade to decline 2.2% in 2026 before recovering by 1.7% in 2027.

India's 2026/27 milled production is forecast at 147M tonnes, down from 154M in 2025/26. Stocks remain ample at three times the buffer norm, giving New Delhi room to ease export policy. USDA in October projects India's 2026/27 exports at 24.0M tonnes, up from 22.0M in 2025/26, with ending stocks of 57.0M tonnes.

Thailand targets 7.0M tonnes of exports in 2026, its lowest since 2021, with FAS Bangkok forecasting 7.3M tonnes for the marketing year; January–July shipments fell 16% as Middle East sales collapsed. Vietnam's nine-month exports fell 6.1% in volume and 10.9% in value year-on-year. Pakistan's 2026/27 exports are projected at 4.8M tonnes, with production trimmed to 9.4M tonnes on the monsoon.

Myanmar aims to increase rice exports to 3M tonnes in fiscal 2026/27, up from 2.7M previously. Shipments to the Philippines reached 455,100 tonnes from April to September, surging 330% year-on-year and exceeding twice Myanmar's typical annual volume to the market. Strong Philippine demand and improved monsoon crop performance are supporting the export outlook. The Philippines, which imports around 4–5M tonnes of rice annually, offers Myanmar scope to capture a targeted 10–20% market share. Meanwhile, the main monsoon harvest, accounting for approximately 80% of Myanmar's rice production, is expected to peak in late November and December. However, a potentially strong El Niño could threaten summer-crop output through water shortages from January to April. Globally, Myanmar's expansion could strengthen competition among Asian rice exporters, particularly in the Philippines, although weather risks may constrain future availability.

China's 2026/27 imports are projected at 3.5M tonnes, down from 4.1M in 2025/26, as export prices trend higher and El Niño tightens Asian supplies; ending stocks remain ample at 106.5M tonnes (USDA). Beijing resumed targeted auctions of aged rice in May 2026, the first since September 2023; by mid-June 1.8M tonnes had been sold to feed and ethanol producers, creating a domestic alternative to imported brokens. Even so, China imported nearly 1.4M tonnes of broken rice in the first seven months of 2026, the highest number since 2022.

Prices reflect the tightening balance. The FAO All Rice Price Index averaged 110.5 points in September, up 1.4% month-on-month and 9.5% year-on-year, driven almost entirely by Indica quotations at a 20-month high. Broken rice is firm: Indian 100% broken rice was up US\$36/t since early March, on ethanol-industry demand and African buying.

The Philippines is the swing buyer: USDA projects 2026/27 imports of 5.6M tonnes, up from 4.35M in 2025/26; the Philippines absorbed

40.9% of Vietnam's nine-month export shipments. Manila's September suspension of SPS import clearances from Myanmar, Thailand and Vietnam unsettled the market. However, market operators anticipate the Philippines to renew the SPS arrangements for rice imports. Cambodia has started export of rice in bagged bulk to the Philippines. Indonesia has pivoted to self-sufficiency: in January, the government announced no rice imports were needed for 2026, with carryover stocks of 12.5M tonnes and Bulog holding 3.2M tonnes.

Africa remains price-sensitive: Senegal's broken-rice imports fell 35% in the first half of 2026, while Nigeria's 2026/27 imports are projected at 2.9M tonnes.

Geopolitics and freight. The Strait of Hormuz crisis trapped nearly 0.5M tonnes of Indian basmati and non-basmati rice at Mundra and Kandla in July, including 0.3M tonnes originally bound for Iran. Since February, Indian exporters have faced freight-rate increases of up to 400% on several Middle Eastern destinations, along with sharply higher insurance premia.

Macro. The IMF's October 2026 World Economic Outlook, projects global growth of 3.1% in 2026 and 3.4% in 2027, but it warns energy-importing and lower-income economies face a much more challenging environment. For rice specifically, high fertiliser costs, elevated bunker costs, war-risk insurance and working-capital tied up in stranded cargoes are squeezing exporter margins and buyer affordability, particularly in Africa and the Middle East.

Outlook. El Niño related crop losses with a strong-to-very-strong event through January–March 2027 and renewed Philippine buying, could support prices through Q4 2026. Large Indian inventories of 57.0M tonnes, additional Chinese auction supply and Myanmar's expansion could strengthen competition among Asian rice exporters, although weather risks may constrain future availability, while shipping normalisation would reduce delivered costs.



Rice stocks in Indonesia amount to 12.5M tonnes

Knowing the Trade: Q&A with Geoff Farnsworth

Geoff Farnsworth recently became a Gafta Qualified Arbitrator. Based in Australia, he has extensive legal experience in international trade. Gaftaworld put some questions to him about his career to date and the Gafta examination process.



"Subject Matter Expertise is Essential"

1. Can you tell us a bit about your background, how you got into the trade and your current role?

I've been a lawyer for 35 years. I worked in London in the early 1990s which is where I first started working with Gafta. I did the Foundation Course in 1993 which was an amazing experience for a young lawyer. When I came back to Australia I wanted to focus on grain, which eventually led me to joining the board of Grain Trade Australia (our local peak body for the Australian grain trade). I have worked on GTA's contracts, Trade Rules and arbitration service for over 20 years. I became an Honorary Life Member of GTA in 2023.

2. What made you decide to pursue the Gafta Professional Development courses? How did you hear about them?

I was keen to transition to being a full time arbitrator. I found the Gafta courses very helpful and practical.

3. What relevant experience do you have that will help you with your new role as a Gafta Qualified Arbitrator?

My years of experience working as a lawyer specialising in grain contracting, regulation and disputes, both domestically and internationally.

4. What advice would you give to someone who is considering taking the Arbitrator Examination?

It's a tough exam and requires a lot of preparation and then discipline while doing the exam.

5. Have you any comments on the Gafta training process and its arbitration procedures?

I strongly believe that subject matter expertise is essential for arbitration to be effective, and the Gafta system really embodies that. Arbitrators who have a working knowledge of the trade are able to identify the issues and what matters most.

6. What do you think is the most important benefit of doing Gafta's training? And how do you think our offerings contribute to the overall success of the industry?

It's highly practical, delivered by people who know what they are talking about and who are good at sharing that knowledge.

7. Are there habits, reading or mentoring approaches that have helped you most since qualifying?

I guess I've been a lawyer for a long time. In addition to Gafta, I'm a Fellow of the Chartered Institute of Arbitrators and President of the Australian branch so I follow developments in arbitration closely through articles and court decisions in London and elsewhere. I enjoy the reading and keeping up to date, and writing articles when time permits.

Jonathan Waters takes on Company Secretary Duties for Gafta

Gafta's General Counsel, Jonathan Waters, took on the additional role of Gafta Company Secretary earlier this year. He is now responsible for Gafta's legal affairs, Companies Act compliance and Gafta's arbitration service.



Jonathan joined Gafta in 2014, since when he has acted as Counsel to Gafta Council and its Finance Sub-Committee. He is also a member of Gafta's Arbitration and International Contracts Committees.

Jonathan qualified as a barrister in 1990 and is a qualified arbitrator and certified mediator (and acts as Gafta Mediator for the purposes of the Gafta Mediation Rules). He is a Faculty Member of the London International Arbitration School and presents

on Gafta's various training courses as well as Gafta webinars and at other industry events. Prior to joining Gafta, he held several senior legal and executive management positions in a variety of sectors, including insurance, hotel/retail/leisure, and healthcare and has acted for a number of trade and professional associations.

In the early 2000s Jonathan was Group Company Secretary and Group General Counsel at the listed company, Queens Moat

Houses PLC, becoming one of the youngest company secretaries of a FTSE listed company.

Aside from commodities, Jonathan has a particular interest in employment law, having headed up the employment law department at (what is now) Capita PLC. He is a former board member and contributor to 'Tolleys Employment Law and Practice' and is a current member of the Employment Lawyers Association. He holds a Masters Degree in economics and labour relations.

Industry Reminder: Cold Weather Fumigation Safety and Compliance

As we progress through October and temperatures decline across the northern hemisphere, this serves as a timely reminder for all Gafta members regarding fumigation protocols and compliance during the winter season.

Ensuring adherence to temperature standards is essential for maintaining both operational efficiency and the highest safety standards for all parties involved in the movement of commodities.

The 5°C Regulatory Requirement

Please be reminded that the minimum ambient temperature required for the effective use of Aluminium Phosphide is 5°C.

This is a strict regulatory requirement. Temperatures below this threshold inhibit the chemical reaction between the fumigant and ambient moisture, which prevents the effective release of Hydrogen Phosphide (PH₃ – Phosphine Gas).

Safety and Risk Mitigation

While this is a regulatory matter, it is, above all, a critical safety issue. Inadequate fumigant release due to cold-weather conditions results in the presence of unreacted material. This poses a significant, avoidable risk to:

- Vessel crew members.
- Discharge port personnel and dock workers.
- Secondary transporters and receivers.

Operational Best Practices

To manage seasonal challenges effectively, the following procedures are recommended to mitigate risk and minimise operational delays:

- 1. Proactive Communication:** In the event of forecast severe cold weather, shippers should be apprised of the situation immediately, followed by the appointed agency.
- 2. Early Intervention:** As decisions to proceed with or cancel fumigation are time-sensitive, notify shippers early regarding the potential for cancellation to avoid last-minute disruptions.
- 3. Ongoing Monitoring:** Parties should monitor conditions closely, including grain temperatures at the commencement of loading, fluctuations during loading, and updated regional weather forecasts, to provide timely status updates to all stakeholders.
- 4. Contingency Planning:** Where uncertainty exists, consider requesting both an anchorage and a sea pilot. This provides the flexibility to adapt to changing weather without incurring unnecessary costs due to service unavailability. If a load port faces sustained sub-minimum temperatures, evaluate the feasibility of shifting the vessel to a more temperate loading zone.

Special Note: Please be advised that these situations are often fluid and subject to change at the last minute. Vigilant monitoring and open lines of communication remain the best tools for managing cold-weather fumigation risks.



FAO endorses its work on international standards setting

At the 77th Session of the FAO's committee on Commodity Problems (CCP77) in July, a paper on *"The importance of FAO's international standards-setting work for well-functioning global agrifood markets and trade"* was discussed. The document highlights the role of international standards in promoting safe, transparent and efficient agrifood markets and trade by reducing trade costs, facilitating market access, strengthening predictability and protecting human, animal and plant health. Gafta welcomed this paper and was pleased that CCP77 recognised the importance of internationally agreed sanitary and phytosanitary standards in supporting transparent, predictable and well-functioning agrifood markets and international trade, while protecting human, animal and plant health.

The paper can be found here:

<https://openknowledge.fao.org/server/api/core/bitstreams/a971773e-6b15-4c86-8b76-42eca413fc63/content>

Following this, the 57th Session of the Codex Committee on Pesticide Residues (CCPR57) was held in Beijing on 7-12 September. Alan Ding, Director of Gafta Beijing Office, attended as an Observer, representing Gafta members. He paid close attention on issues related to grain and feed, which included consideration of several compounds evaluated at the 2025 JMPR (the international group of scientific experts) meeting. The committee advanced maximum residue limits (MRLs) for adoption as new or revised Codex MRLs (CXLs) at the next Session of the Codex Alimentarius Commission to take place in July 2027. Twelve of these new CXLs relate to grain, feed, spices and/or pulses. CCPR57 also endorsed the priority list of pesticides for evaluation at the 2027 JMPR meeting. This includes the addition of extrapolation nominations made by the Global Pulse Confederation (GPC), working collaboratively with the Minor Use Foundation (MUF), for six compounds already included on the '2027 new use – other' list.

A separate agenda item addressed unsupported compounds without public health concerns, scheduled for periodic review. Carbaryl, methyl bromide, and flumethrin were removed from this group, following data commitments to support their periodic reviews. Their CXLs and proposed MRLs were retained pending the outcome of JMPR periodic reviews of these compounds, including consideration of a concern form submitted to CCPR for carbaryl. Ethoxyquin remained in the group for further discussion, while other compounds eligible for periodic review, without public health concerns and lacking identified sponsor support, were added for follow-up.

The next meeting of CCPR (CCPR58) is provisionally set for 31 May-4 June 2027. Full details of CCPR57 can be found here:

<https://codex.fao.org/meetings/d/ccpr-57-1>

Pesticide residues in foods and feeds database:

<https://codex.fao.org/codex-texts/codex-online-databases/pesticides-residues>

New Members

Full contact details for all members are available on the Gafta website Members Directory

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Introducing Jake Doyle: Marketing and Communications Executive



I joined Gafta in April 2026 as Marketing and Communications Executive. My role focuses on promoting Gafta's training programmes, events, membership services, and industry initiatives through digital marketing, email campaigns, social media and communications. So, if you have recently received a training email or seen one of our posts on LinkedIn, there's a good chance I was behind it.

What I've enjoyed most about working at Gafta is discovering the scale and reach of the organisation. Before joining, I didn't understand the breadth of the grain and feed trade or the vital role it plays in connecting markets around the world. Before joining Gafta, I spent 16 months backpacking across Southeast Asia and Australia. I've

always had a passion for travel and enjoyed learning about different cultures, histories and the connections that bring countries and communities together. Professionally, I've worked in digital marketing for 5+ years since graduating in 2021, with experience across both agency and education sectors. I was particularly drawn to Gafta because it combines international reach, a rich history and a strong focus on education, making it an exciting place to continue developing my career.

One project I'm particularly excited to be working on is the Gafta Annual Dinner. While I can't reveal too much just yet, keep an eye on our social channels for what may be the first clue to next year's theme...

2026/27 Calendar



Shanghai Gafta Workshop

10 November 2026 Shanghai



Trade Foundation Course

23-25 February 2027 London



Commodity Contracts Course

6-7 April 2027 Istanbul
Sponsored by: Clyde & Co.



Commodity Shipping Course

18-19 May 2027 London



Social Events

Arbitrators' Masterclass and Luncheon
3-4 December 2026
Sponsor by: AGA Partners

London Grains Week 2027
7-11 June 2027

Gafta Annual Dinner
9 June 2027 London



Commodity Dispute Resolution Course

5-6 October 2027 Barcelona

For more information on all Gafta events, go to:
www.gafta.com/events

Free Education for Gafta members

As part of Gafta membership, members can access a range of complimentary educational events designed to support professional development and keep pace with changes across the global commodities trade. This autumn, members can benefit from expert-led webinars and seminars covering key industry topics, including Force Majeure, contractual risk management, arbitration, and the practical application of Gafta Rice Contracts. Upcoming events include:

Force Majeure Webinar

Online | 9:30-10:30, 27 October 2026

From Contract to Arbitration: Managing Risk in Grain Trade Seminar

In-person | Singapore | 14:00-18:00, 5 November 2026

From WhatsApp to AI: Contracts in the Digital Era

Online | 12:00-13:00, 11 November 2026

Understanding Gafta Rice Contracts Webinar

Online | 9:30-10:30, 19 November 2026

Gafta members can register for these events and explore our full calendar online.

ISF Seminar on facilitating international seed trade

Alan Ding, Director of Gafta's Beijing office, attended the "Seminar on Facilitating International Seed Trade" hosted by the China National Seed Trade Association (CNSTA) and the International Seed Federation (ISF). The seminar was attended by traders, seed scientists, institutes, customs officials and representatives from the Ministry of Agriculture and Rural Affairs of China and the Academy of Agriculture Sciences.

The two-day seminar opened on 7 September 2026 in Beijing. With the theme of "Seed Movement into and out of China", the seminar focused on regulatory priorities as well as addressing practical technical issues. Alan, representing the International Grain Trade Coalition, gave a presentation on the issues from the perspective of the international grain trade, highlighting the importance of phytosanitary requirements that support food security and predictable trade.



The views and opinions expressed in Gaftaworld are those of the individual authors and do not necessarily reflect the official policy or position of Gafta.

@Gaftaworld

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