

# Ag trade expert: More supply chain improvements needed

- By SIERRA DAWN McCLAIN Capital Press



An agricultural trade expert says supply chains have gotten better over the past year, but further improvements are still needed.

Northwest Seaport Alliance

Although agricultural supply chains have improved over the past year, a trade expert says further changes are needed to better the transportation system.

On Feb. 28, Peter Friedmann, executive director of the Agriculture Transportation Coalition, an organization advocating for agricultural shippers, testified before the U.S. House Committee on Agriculture about the state of the transportation system.

He stressed the importance of smooth supply chains.

“If we aren’t able to deliver (products) affordably and dependably to our foreign customers, those foreign customers have other places to go. They will find substitutes. In the past, they have done so, and when they do so, it is very difficult for us, U.S. agriculture, to get those markets back again,” said Friedmann.

He tapped his pen on the table for emphasis.

Friedmann talked about some of the developments over the past year that he views as positive.

He thanked members of Congress for passing the Ocean Shipping Reform Act, or OSRA, last summer, the largest overhaul of shipping industry regulations since 1998.

The act aims to crack down on unfair shipping practices by increasing regulatory oversight. It strives to rein in excessive fees charged by carriers, limit discrimination against exporters and make it easier to report complaints to the Federal Maritime Commission.

“(OSRA) has already changed the practices in ocean transportation,” said Friedmann. “It has changed what the foreign ocean carriers are doing.”

He named other victories as well, including an averted rail strike, innovation at ports and the creation of pilot projects aimed at training more truck drivers.

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Nevertheless, Friedmann said challenges remain in the agriculture transportation sector. Federal and state policies, he said, can either help or hinder the flow of goods.

Friedmann backed several policy changes in the trucking sector.

He urged Congress to reduce barriers to entry for young people seeking to become truck drivers and establish “reasonable hours of service.”

He also urged committee members to vote for the SHIP IT Act, which would allow states to issue permits for heavier truckloads in certain circumstances. Reps. Dusty Johnson, R-S.D., and Jim Costa, D-Calif., sponsor the bill.

“We have the lowest truck limit weights in the world in some of our states,” said Friedmann.

He said the existing weight limits increase congestion, create delays and create barriers to exporting.

Friedmann also urged Congress and the White House to “continuously monitor and engage as necessary” in labor-management disputes. He said West Coast ports are currently operating without a longshore labor contract, creating uncertainty and causing a shift of carriers and cargo from West Coast ports to the East and Gulf coasts.

Friedmann said there’s also a need for more “regulatory clarity” on OSRA. Although he is pleased with the law, Friedmann said that for international ocean shipping movements originating or ending at inland locations, regulatory jurisdiction is unclear. At inland sites, it is unclear whether OSRA or Surface Transportation Board regulations apply.

Finally, he expressed the need for further infrastructure investments.

“There must be continued expansion of inland rail depots...,” he said.