

Cofco forms partnership with Growmark for grain supply

06 September 2017 | News

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The grain supply partnership is the latest expansion move by CIL since it invested \$3 billion to buy Noble Group's agribusiness and a large stake in Dutch grain trader Nidera in deals that bolstered its position in the international grain market.

As part of the deal, the companies would jointly own and operate a truck, rail and barge terminal in Cahokia, Illinois, on the Mississippi River, the main pipeline that supplies exporters along the U.S. Gulf Coast with corn and soybeans. COFCO acquired the terminal near the busy inland port of St. Louis as part of its Nidera deal.

The facility can receive about 180,000 bushels of grain per hour, delivered by truck and rail, and can load two river barges simultaneously at a rate of about 60,000 bushels per hour, Brent Ericson, Growmark's senior vice president for member services told Reuters.

The deal draws a more direct link between a large Chinese food importer and farmers in the world's largest corn exporter and No. 2 soybean exporter.

Growmark hopes to solidify ties to a huge market in China, the world's top soybean importer and major buyer of other agricultural goods.