

# Land Investment Monthly - February 2018

Published on Feb 15, 2018 by Peoples Company



The **Land Investment Monthly** is a round-up of articles and headlines published by the farm press, business media and financial publications with insights into buying, selling or investing in farm land, recreational ground or development ground.

## **One state may ban foreign farmland ownership**

A [bill](#) introduced in the Missouri legislature would change the amount of foreign-owned agricultural land in the state, going forward

Brian Smith, with the Missouri Rural Crisis Center, tells Brownfield Ag News his group is firmly in support of the bill, “The reason for this legislation is to bring the amount of allow able of foreign ownership of Missouri – foreign corporate ownership of Missouri farmland back down to zero-percent.” [Read More](#)

## **First Agriculture Blockchain Trade Completed**

The blockchain is now part of the route from farm to table.

Louis Dreyfus Co., one of the world’s biggest foodstuffs traders, teamed up with Dutch and French banks in December for what it says is the first agricultural commodity trade to use the ledger-based digital technology known as blockchain. The 166-year-old Rotterdam-based trading house used a blockchain platform to sell a cargo of U.S. soybeans to China’s Shandong Bohi Industry Co.

Dutch banks ING Groep NV and ABN Amro Bank NV, along with Paris-based Societe General SA, helped LDC and Bohi utilize digitized documents for the deal, including contracts, letters of credit as well as government inspections and certifications. By automatically matching data in real time, avoiding duplication and the need for manual checks, document processing was reduced to a fifth of the time, LDC said in a statement.

In addition, the transaction time was cut in half from two weeks to one, ING’s global head of trade commodity finance, Anthony van Vliet, said in an interview.

“The key objective is to design something that will be adopted in the market,” van Vliet said. “It’s clear that a traditional, somewhat old-fashioned industry working with largely paper documents needs a bit of a digital upgrade.” [Read More](#)

### **What’s Ahead for Land Values in 2018**

Farmland values seemed to defy logic in 2017. Numerous factors suggested prices would creep lower—yet they stabilized in many areas.

“Despite a slow ag economy and mostly stagnant grain prices, good farmland in much of the Midwest held steady to even increasing slightly as the year progressed,” says Jim Farrell, president of Farmer’s National Company in Omaha, Neb.

Demand for farmland stayed strong, partially due to the low supply of land and strong buyer interest.

“The amount of land for sale is still well matched to the number of potential buyers,” Farrell says. “While we may see fewer bidders at an auction or even for a private treaty land sale, there is still enough interest, especially at the farmer level, to keep this market firm.” [Read More](#)

### **USDA Sec. Sonny Perdue unveils legislative principles for 2018 Farm Bill**

Perdue's principles fall into nine categories: Farm production and conservation; trade and foreign agricultural affairs; food, nutrition and consumer services; marketing and regulatory programs; food safety and inspection services; research, education and economics; rural development; natural resources and environment; and management of the USDA.

At the top of the list in farm production and conservation is the need to "Provide a farm safety net that helps American farmers weather times of economic stress without distorting markets or increasing shallow loss payments."

That section includes efforts to encourage young farmers, veterans and underserved citizens to get into agriculture, promoting innovative crop insurance, and keeping productive land in ag production. [Read More](#)

### **At Land Investment Expo, former USDA Sec. Tom Vilsack offers support for Bill Northey’s confirmation**

Many different political voices advocated for agriculture at this year’s Iowa Land Investment Expo, held in Des Moines on Jan. 26, but it was hard to tell the Democrats from the Republicans on many issues. For example, Democrat Tom Vilsack, a former agriculture secretary under President Obama and current CEO of the U.S. Dairy Export Council, and Iowa’s current Secretary of Agriculture Bill Northey, a Republican, were two of the headliners.

Northey was nominated to serve in a key USDA position and was approved by the Senate Agriculture Committee in October. But his Senate confirmation is still being blocked by Sen. Ted Cruz, R-Texas, over concerns about implementation of the Renewable Fuel Standard. Northey expressed optimism that lawmakers will finally allow his nomination to be considered on the Senate floor, but focused most of his comments on recent steps taken by state lawmakers to improve water quality.

[...]

“I’d like to add my voice to Mike’s voice about Bill Northey. It is really imperative that the FSA offices, the NRCS offices have leadership from Washington. I understand and appreciate Senator Cruz’s concerns, but there are ways to work through those” Vilsack said. “It’s not Bill Northey that’s being held hostage here, it’s every farmer seeking assistance and help from a local FSA office” he said. [Read More](#)