

News from Washington: August 31 – September 4

China's US Ag Imports Sluggish Through July, but Purchases Increasing

China has been ramping up its corn and soybean purchases in recent weeks, but USDA's latest trade data show Chinese imports through July this year are still below 2018 levels and are far from the pace needed to meet goals set in the "phase one" trade pact.

China imported roughly \$7.719 billion worth of U.S. agricultural products from January through July, not counting forestry products, putting the pace above last year, but still below levels in 2018, when the trade war between the U.S. and China kicked off.

The latest total for the first seven months of the year, as calculated by USDA's Foreign Agricultural Service, shows China imported about \$1.15 billion worth of U.S. ag goods in July, but the pace needs to be higher if China is going to buy the \$36.5 billion worth of ag products that it promised.

[Read more from Agri-Pulse.](#)

Ag Secretary Perdue Pleased with China's Recent Purchases

Ag Secretary Sonny Perdue says China has stepped up purchases of US ag goods in the past six weeks and he's hopeful that will continue.

"You've seen record corn shipments and even soybean shipments here recently and I believe they have the capacity," he says.

Perdue says he thinks China will rely heavily on US exports until the next Brazilian crop comes in. "We think we will continue to own that market probably through next January again until the next Brazilian crop comes in," he says "We believe China needs it- we think they're rebuilding their Swine herd so their need for feed ingredients will be good."

[Read more from Brownfield Ag News.](#)

Economist: USDA Has Money but Needs Authority

USDA has enough money on hand to start making a second round of payments of the Coronavirus Food Assistance Program, says John Newton, chief economist for the American Farm Bureau Federation. But farmers still need Congress to act to expand USDA's legal authority for distributing aid, he says.

USDA has \$14 billion to spend from the CARES Act that passed in March, plus the department hasn't spent all of the \$16 billion budgeted for the first round of CFAP payments. As of this week, CFAP-1 payments totaled just over \$9.4 billion. The deadline to sign up for the first round of CFAP is Sept. 11.

"Expectations were that it was going to be between \$16 and \$19 billion and with only \$9.4 (billion) going out the door with only two weeks left, I expect they'll have some additional money," Newton said.

[Read more from Agri-Pulse.](#)

Peterson Blasts Lack of Deal on Brazil Ethanol Tariff

U.S. and Brazilian negotiators continue to haggle over U.S. access to Brazil's ethanol market, but lawmakers like House Agriculture Committee Chairman Collin Peterson, D-Minn., are losing patience as the talks drag on.

The Brazilian tariff rate quota that allows 198 million gallons of duty-free U.S. ethanol to enter Brazil expired Aug. 31, exposing U.S. exports to a 20% tariff. U.S. negotiators had hoped to have at least a temporary deal in place earlier this week to extend the TRQ by three months, but Brazil balked at the arrangement and a resolution still has not been reached, U.S. industry and government sources tell *Agri-Pulse*.

"American corn and ethanol producers are struggling to access domestic markets because of the coronavirus and the Environmental Protection Agency's reckless implementation of the Renewable Fuel Standard," Peterson said in a statement released Friday. "Brazil's move to increase tariffs on American ethanol is more bad news for our producers. The Trump Administration should continue working with Brazilian officials to restore the duty-free access that was in place from 2012 to 2017."

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House Ag Chair Peterson Faces Tough GOP Challenger, Trump Onslaught

House Agriculture Committee Chairman Collin Peterson, facing the toughest re-election race of his 30-year career, is banking on voters not wanting to lose his clout with Democratic leaders and experience in farm policy.

But Peterson has a well-funded, well-known GOP challenger in former Lt. Gov. Michelle Fischbach in his heavily Republican district. And now, President Donald Trump's campaign is vowing to pour money and time into winning Minnesota, potentially boosting GOP turnout.

Peterson has maintained the backing of many farm groups and boasts a strong relationship with House Speaker Nancy Pelosi, D-Calif. He says despite their policy and spending differences, his relationship with Pelosi is important for his sprawling district, which covers much of the western third of Minnesota.

[Read more from Agri-Pulse.](#)

Monsanto Looks to Reverse Roundup Decision

Monsanto is seeking relief from a California Court of Appeal ruling that upheld a decision against the company in the first Roundup cancer case to go to trial.

In a [petition](#) to the state Supreme Court, the Bayer-owned company continues to argue that federal law — specifically, the Federal Insecticide, Fungicide, and Rodenticide Act — pre-empts the decisions below.

"The jury's verdict that Monsanto was required to provide a cancer warning imposes a requirement on Monsanto that contradicts the longstanding conclusion of EPA that no such warning is required," the petition says.

[Read more from Agri-Pulse.](#)

Taiwan Eases Restrictions on US Pork and Beef

Taiwan officials have indicated they will soon lift restrictions on imports of US pork and beef. According to Bloomberg, this is expected to smooth a path to a free trade agreement between the two countries.

In a statement to Brownfield, the National Pork Producers Council says the organization has worked for nearly 15 years to eliminate Taiwan's non-tariff barriers to US pork exports. Taiwan has restricted

imports of US pork since 2006 and its ban on US pork produced with ractopamine has been on the USTR's list of concerns raised with Taiwan.

NPPC says it is grateful for the work of the US Trade Representative and the USDA to eliminate barriers to US pork exports around the world.

[Read more from Brownfield Ag News.](#)

Trump Second Term: Reforms to Pesticide Oversight

EPA Administrator Andrew Wheeler used a speech Thursday to outline the priorities a second Trump administration would pursue when it comes to environmental regulation.

One of EPA's goals in a second-term Trump administration would be to develop a "holistic" pesticide program, Wheeler said in an [address](#) at the Nixon Presidential Library in California. He said the public and the media tend to focus too much on individual pesticide decisions, "which has left the American public uninformed on our science-based process."

"We will take into account biotech advances and better examinations of new active ingredients," he said. A [proposal](#) released this week, Wheeler said, "would remove onerous and expensive regulation of gene-edited plant protectants." In addition, he said EPA "will safeguard pollinators to support the agriculture industry."

Environmental groups have criticized and sued the agency for approving pesticides they say are harmful to pollinators.

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Poll: Farmers Stay in Trump's Corner

Three of every four farmers plan to vote for President Trump, [according to a new poll by Farm Futures](#). Some 75% of the 1,044 producers polled in July by email said they supported Trump's re-election, compared to 60% in 2018 and 66% in 2019.

The results are in line with the findings of an *Agri-Pulse* poll conducted in late February and early March, [when 72% of producers said they backed Trump](#).

A pro-Trump organization called Secure America First is launching a [digital ad](#) highlighting how the group thinks Trump has supported farmers during his first for years in office.

The ad boasts how Trump has been "fighting for ag since day one" by modernizing the U.S.-Mexico-Canada Agreement as well as making sure farmers were financially made whole during retaliatory tariff disputes with China. The ad also hits Biden's 2000 vote to normalize trade relations with China.

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