



## ASAAP Update



December 2013

Dear ASA Action Partnership (ASAAP) Industry Members and Stakeholders:

ASA farmer-leaders and staff want to wish you a very Merry Christmas and the happiest of holidays as 2013 draws to a close.

Since last August and our excellent meeting in Minnesota, the ASA farmer-leaders and State Affiliates have been hard at work. While dealing with a tricky harvest season due to late maturing crops and other "normal" harvest challenges, ASA farmer-leaders did not let up working on behalf of the industry. Summarized below are the many events, milestones and accomplishments realized since we last met. Please share with other key executives in your organizations.

As always, our volunteer leaders of ASA appreciate greatly the support and input they receive from our key industry partners. Without it, we cannot do the work we do.

### BIOTECHNOLOGY

**ASA, USDA, USTR, Vilsack Discuss Biotech Approvals Process in U.S., China**—ASA leaders continue to advocate for a timely and science-based approvals process for new biotech traits in both the United States and China. While supposed to be making such decisions within 13-15 months, USDA is currently missing its deadlines by six months to two years or more. Brazil, Argentina and Canada are all approving traits faster than the United States, which has negative competitive implications for U.S. growers in terms of access to and development of new technologies in the U.S. marketplace.

There are also a number of soybean biotech events in the United States that are waiting for Chinese approvals, including one that has been under review for six years.

[ASA recently met with USDA and USTR officials in Washington, D.C.](#) to discuss industry concerns on the impacts of the current lengthy approval process, including the affect delays have on grower competitiveness, the ability to manage weed resistance and having international clearances in place so as not to disrupt exports. As a follow-up, ASA farmer-leaders joined other grower groups along with BIO at a meeting with USDA officials on Monday, Dec. 16 to present specific suggestions on actions USDA

can take to speed its processes so that it is able to meet its timelines for issuing decisions on the deregulation of biotech crops.

Also in December, ASA leadership joined members of the grain trade and corn growers, in a meeting in with Secretary Vilsack, to re-emphasize the need for the administration to help address China's biotech approval delays. ASA maintained that delays in the approvals process must be a key issue for U.S.-China discussions during the secretary's upcoming meetings in China and December meeting of the high level Joint Commission on Cooperation and Trade (JCCT).

**ASA Supports FactsAboutGMOs.org** – With the support of ASA and other farm groups, the Grocery Manufacturers Association (GMA) launched FactsAboutGMOs.org this year to provide consumers, policymakers and the media with answers to questions about the use of genetically modified (GM) food ingredients. [FactsAboutGMOs.org](http://FactsAboutGMOs.org) allows consumers to research and verify the safety, prevalence and benefits of genetically modified food ingredients by visiting online information posted by credible and independent sources, including governmental food safety agencies, medical and health organizations, news organizations, food safety experts and non-governmental organizations.

ASA continues to work with GMA and others, as part of the steering committee for the *Coalition for Safe, Affordable Food* on Federal legislation that would establish VOLUNTARY standards for labeling whether foods do or do not contain GMOs, and would prevent states from enacting labeling plans inconsistent with the Federal voluntary standard. Coalition members reached consensus on the provisions for the draft legislation that was submitted to House Energy and Commerce Committee members and staff for review and discussion. ASA hopes for potential introduction of a bill in early January. The goal is that by having Federal legislation introduced in early January, this can be an additional point to be used by state affiliates and Coalition partners in arguing against state legislative or ballot initiatives.

**ASA Working to Keep GLI Process on Track** - ASA is working with other value chain organizations to ensure the [upcoming Global Low Level Presence Initiative \(GLI\)](#) meeting builds on progress achieved last year in the effort to establish international standards for the adventitious presence of biotech events in commodity shipments. ASA and other members of the U.S. Biotech Crops Alliance (formerly the ASA-NCGA established Biotech Value Chain Memorandum of Understanding) have assigned a high priority to establishing and gaining international acceptance of commercially-feasible low-level presence (LLP) standards in order to facilitate the continued growth in the production and trade of biotech commodities.

## **FARM BILL**

The [passage of a new Farm Bill](#) at the time of this summary seems to be near. Congress has targeted the end of January 2014 for passage. ASA, along with other farm groups, will continue to keep the pressure on to make this happen. Along the way there have been many challenges and battles over different parts of the Farm Bill and ASA has led the soybean industry effort continually.

**ASA: Congressional Gridlock Hurts Farmers** – Following the expiration of the one-year extension of the 2008 Farm Bill, coupled with the shutdown of the federal government, ASA took Congress to task for another failed opportunity to provide farmers with the certainty they need to remain competitive and plan for the future.

The expiration of the farm bill means multiple programs on which soybean farmers depend will cease, including funding for the Market Access Program (MAP) and Foreign Market Development (Cooperator) Program (FMD), which will bring immediate and harsh consequences for the soy industry, as both the U.S. Soybean Export Council (USSEC) and the World Initiative for Soy in Human Health (WISHH) count on critical funds from FMD and MAP to operate offices and carry out demand building work around the globe. Adding to the frustration for farmers is the fact that innumerable USDA agencies will close until further notice as a result of the shutdown of the federal government.

**ASA Writes Farm Bill Conferees on Research, Crop Insurance** –For nearly three years, ASA has continuously worked on Capitol Hill for a comprehensive, five-year farm bill. Recently, farmer-leaders joined fellow groups to express their support for the [Foundation for Food and Agriculture Research \(FFAR\)](#), which is included in the Senate-passed farm bill, stating that “Establishing a FFAR will generate new sources of funding for food and agricultural research and provide a structure for new public/private partnerships and investments.” ASA also signed a second letter calling on conferees to “do no harm” to Federal crop insurance, and reinforcing industry support for strong, meaningful and affordable crop insurance protection for the nation’s farmers and ranchers, and opposition to any changes to crop insurance that would discourage producer participation or undermine private sector delivery.

**ASA Supports Farm Bill Energy Funds** – Along with 130 national, regional and state groups, ASA signed a letter to congressional agriculture committee leaders, urging them to include mandatory funding for Energy Title programs in the farm bill. Specifically, ASA supports mandatory funding for the Biobased Market Program and the Biodiesel Education Program. Both programs were funded in the Senate bill, but were only authorized in the House bill, which provided no mandatory funding for Energy Title programs.

**FSA Farm Loan Programs Garner ASA Support-** ASA and a coalition of farm groups expressed their support for the Farm Bill to protect eligibility for farmers and ranchers participating in [FSA guaranteed farm loan programs](#), stating “Losing eligibility for the opportunity to borrow money under the program will make it extremely difficult for some of them to secure credit in the future. The groups pointed out that the losses paid on these programs have consistently averaged less than .005 percent since 2005 and less than .025 percent since 1988.

**ASA Defends Food Aid Programs in Conference** - As part of a coalition of trade, nonprofit and agriculture groups, ASA joined in a letter to lawmakers urging the [protection of America’s in-kind food aid program](#) in the farm bill conference. ASA has consistently opposed the White House’s plan to replace a portion of foreign food aid with cash and warned the proposal could place those recipients at risk of receiving food the safety and quality of which the U.S. cannot confirm or control.

In the joint letter, groups argued that, “U.S. food aid programs provide a reliable pipeline of commodities and nutritionally-fortified foods to developing countries to meet emergency needs and for multi-year programs that help people overcome chronic hunger.” ASA has voiced strong opposition to the proposal and any other that would damage the ability of U.S. farmers to provide global neighbors with safe and healthy food from our nation.

**ASA Opposes Means Testing for Crop Insurance** - Along with other major farm groups, ASA reached out in a [letter to House leadership](#) asking Congress to oppose any provisions in the upcoming farm bill conference that would impose adjusted gross income (AGI) means testing for the federal crop insurance program. In their letter, the groups note the critical role crop insurance plays in the survival of farms and

ranches and asked House leadership and the conferees to oppose resolutions that undermine strong crop insurance protection.

“Agricultural producers keep the rural economy on track, purchasing needed inputs and equipment and supporting jobs throughout rural America,” the letter stated. “Insurance products offered through federal crop insurance are key to food security, allowing farmers and ranchers to secure operating capital from lenders each year and produce food for consumers around the world. Without the risk protection provided by federal crop insurance, agricultural lenders would be forced to increase underwriting standards, increase costs to offset risk and reduce credit availability in some areas of the country.”

**ASA Echoes Concerns on House Price Loss Coverage (PLC) Program** - The U.S. Chamber of Commerce, the National Association of Manufacturers, and the National Foreign Trade Council sent a letter to the House and Senate Agriculture Committees raising serious concern that price-based programs in the farm bill, and particularly the recoupled [House PLC program](#), will invite other countries to initiate WTO cases against the U.S. Moving into conference, ASA has consistently argued against tying high and fixed reference (target) prices to current-year planting, as the House PLC program would do, because it could distort planting decisions, production, prices and trade in years when market prices fall below support levels. Re-coupling target prices to current year plantings also would make U.S. farm programs more vulnerable to WTO challenges. ASA supports the Senate bill, which includes an Adverse Market Program that continues decoupled reference prices and bases support levels on a rolling Olympic average of prices in the previous five years.

## **BIODIESEL**

**ASA: EPA Takes a Step Backward on Biodiesel** – ASA responded to the EPA’s Proposed Rule for the 2014 Renewable Fuel Standard (RFS) Required Volume Obligations (RVO) with concern for industry growth. ASA leaders expressed that the biomass-based diesel levels for 2014 and 2015 would be reduced below the amount actually produced in 2013, stating, “The level set forth in the proposal is unnecessarily low and will stifle the growth and job creation potential demonstrated by the biodiesel industry over the past several years.”

The biodiesel industry is on track to produce at least 1.7 billion gallons of biodiesel in 2013, and can match or surpass that production level in 2014. By keeping the RVO target at the lower 1.28 billion gallon level, EPA would be limiting an industry that is supporting jobs, providing a valuable market for soybean farmers, and in turn lowering the price for the protein-rich soybean meal used in animal feed.

In December, ASA Director and ASA representative to NBB [Mike Cunningham testified at the EPA hearing](#), followed up by ASA reaching out to state affiliates and individual House Members about signing the House letter to the administration in support of higher RFS levels for biodiesel.

ASA launched a comprehensive plan to generate comments from soybean farmers on the EPA’s proposed biodiesel RFS volume levels, including an update sent out to states and the board that outlined the game plan in December.

**ASA, NBB Meet with USDA to Protect RFS** – ASA continues to emphasize the importance of refueling the RFS for 2014-15 in response to the EPA’s proposed rule. Representatives from ASA, NBB and biodiesel manufacturing companies met in October with Agriculture Secretary Tom Vilsack and Deputy

Secretary Krysta Harden to reiterate the impacts of not increasing the 2014 Renewable Fuel Standard (RFS) Required Volume Obligation (RVO) for Biomass-based diesel. The groups urged USDA to continue to advocate on our behalf within the Obama Administration. Sec. Vilsack indicated he would continue to do what he could while acknowledging that he has no official jurisdiction over the RFS decisions.

## HEALTH

**ASA Responds to FDA Notice on Trans Fats** – In November, ASA responded to a surprise notice that the FDA has determined to rescind the Generally Recognized as Safe (GRAS) status for partially-hydrogenated oils (PHO). This includes, partially-hydrogenated vegetable oil (PHVO) made from soybeans. The vast majority of soybean oil consumed is not partially hydrogenated and is free of trans fats. ASA [issued a statement](#) reiterating the safety and healthfulness of soybean oil and soyfoods, and touted the ability of high-oleic soybean oil varieties enable food companies to get the functionality they desire for flavor stability, texture and other important characteristics while avoiding the tradeoff to higher saturated fat or trans fat levels that comes with using palm oil or partially hydrogenated oil for stability. Additionally, ASA called on FDA to allow for the time needed to ramp up production of high-oleic soy to replace the PHVO currently in the marketplace.

## TRADE

**To Prevent Retaliation, ASA Pushes for Changes to COOL** - ASA joined dozens of farm groups urging lawmakers to address the potential for economic disruption that could result from the [U.S. Mandatory Country of Origin Labeling law \(COOL\)](#). In a letter to House and Senate Agriculture Committee leaders, the groups maintain that the WTO has already deemed the previous meat labeling law non-compliant with WTO guidelines, finding that it discriminated against Canadian and Mexican products, and argue that those countries will be given the authority to begin retaliating against U.S. products through retaliatory tariffs that will stop exports and kill jobs.

**USDA Trade Mission to South Africa Includes ASA**- First Vice President Ray Gaesser represented ASA at the USDA's Sub-Saharan Africa Trade Initiative meetings in South Africa in October as part of a delegation led by USDA Deputy Secretary Krysta Harden and a team of USDA leadership. The group participated in meetings with FAS counselors and staff from six offices across the continent. A number of local businesses from the various regions also attended, seeking meetings with representatives from the 15 cooperators and 16 exporters offering various U.S. food products.

**ASA Presses USDA, USTR for Farm-Friendly TPP** - ASA joined more than 30 other farm and food organizations in [a letter to USDA and USTR](#) outlining the agriculture and food industry's Statement of Core Principles for a Successful TPP Agreement, which "are aimed at ensuring that the Trans-Pacific Partnership negotiations fulfill the promise of a high-quality agreement that can serve as a standard for future trade agreements."

**ASA Joins Trade Benefits America Coalition** - As part of a larger push for legislation that would grant Trade Promotion Authority to the White House, ASA joined business and trade groups from a wide range of industries as part of the [Trade Benefits America Coalition](#). The Coalition is dedicated to the pursuit of U.S. international trade agreements that benefit American businesses, farmers, workers and consumers. They also believe that passage of updated Trade Promotion Authority (TPA) legislation is important to help ensure America continues to benefit from trade.

## TRANSPORTATION

**ASA Applauds as House Passes WRRDA** - The House overwhelmingly passed the Water Resources Reform and Development Act (WRRDA), which includes provisions to streamline environmental reviews; establish hard deadlines and cost caps on project studies; allow non-federal interests to contribute funds to expedite project components; annually increase the amount of funding that is provided from the Harbor Maintenance Trust Fund (HMTF) for port maintenance and dredging; free up money and increase the capacity of the Inland Waterways Trust Fund (IWTF); require the Corps to study and report on bonding, user fees and other potential funding sources. “Soybeans are the nation’s leading farm export, and each bushel we export depends on our waterways infrastructure, whether that’s in the form of a river channel, a lock and dam or a port,” said ASA in its statement.

**Farm Groups Press House on Inland Waterways User Fees** - In a [letter to House Ways and Means Committee](#) leadership, ASA joined with dozens of trade, farm and transportation groups in urging an increase in the user fee that barge and towing companies pay into the Inland Waterways Trust Fund. The fee is currently set at 20 cents per gallon of fuel used while operating on the inland system, and ASA and its fellow petitioners recommend that it be raised to between 26 and 29 cents per gallon. The increase in the user fee would be used to conduct repairs and overhauls of a system that is in dire need of attention.

## REGULATION

**Ag Stakeholders Petition Agriculture Committees on SPCC Rule** - ASA and a coalition of 21 agricultural stakeholders have written to the House and Senate Agriculture Committees, [asking that a House provision on oil spill regulations be included in a farm bill](#) conference agreement. “The exemption level would be adjusted upward from 1,320 gallons of oil storage to an amount that would protect small farms—10,000 gallons. The legislation would also place a greater degree of responsibility on farmers and ranchers to self-certify compliance if their oil storage facilities exceed the exemption level,” said ASA in the letter.

## MARKETS

**ASA Writes Obama on CFTC Nominees** - ASA and fellow farm groups [sent a letter to President Obama](#) this week about new appointments to the Commodity Futures Trading Commission (CFTC). The letter asks CFTC to appoint at least one commissioner with a “genuine background and experience in agricultural commodity futures markets.” The Commission is undergoing a major transition; Commissioner Jill Sommers departed earlier this year and Commissioner Bart Chilton has announced his intention to step down. President Obama has nominated Tim Massad to serve as Chairman. Current Chairman Gary Gensler’s term ends in January.

## ASA PROGRAMS

**Membership Efforts and Results:** ASA ended Fiscal Year 2013 with nearly a six percent increase in membership from 2012 for a total of 22,436 members. Also this year, 22 state associations met their membership goals! We appreciate the strong commitment of corporate sponsors for our membership at ASA and our farmer-leaders, whose work in the fields grow our nation’s food, and grassroots engagement efforts off the farm help grow our association.

**Commodity Classic and Ag Connect:** In October, the American Soybean Association and the National Corn Growers Association joined the Association of Equipment Manufacturers to announce a new collaborative venture that joins two leading industry trade show experiences – [Commodity Classic and AG CONNECT Expo & Summit](#) – to provide an even better world-class experience and gathering place for all segments of agriculture. The inaugural event will be held March 3-5, 2016, in New Orleans. The [Commodity Classic](#) shows scheduled for 2014 and 2015 will take place as planned. The AG CONNECT experience will join Commodity Classic 2016 and the new combined show will continue to meet on an annual basis. Please plan to join us in San Antonio for the 2014 Commodity Classic!

**Executive Committee Planning Session:** ASA farmer-leaders held an Executive Committee Planning Session in Des Moines, IA after the Board meeting in December. Our new President, Ray Gaesser (IA) led the group discussing policy priorities, soy industry programs and organizational issues for 2014.

**New Communications Tools:** As you know, starting last January, our members and the industry began to see the next evolution of our ad campaign. The “tractor parked at the Capitol” will still be a visible icon in the ad, but the main focus will be actual farmer-members articulating why they “believe” and why they “belong.” We also upgraded our [website](#) and unveiled the new look at Commodity Classic in 2013. Another major project for this year included an alternative to *ASA Today*, our print newsletter. In August, we launched the first issue of the quarterly [American Soybean](#) and sent out to members and other stakeholders. Our fall issue went out last month. In a magazine style, *American Soybean* not only informs our members about ASA activities, but takes an in depth look at industry issues and the direct impact on farmers. The new look and approach will contribute to a higher level of awareness of what ASA is all about. Looking ahead in 2014, we are in the planning stages of an ASA mobile app that will make it easier for our members to contact their lawmakers, stay up to date on the issues and on top of breaking news from The Hill. Also in the works is an upgraded mobile-friendly version of the [Weekly Leader Letter](#) planned in 2014.

**Leadership Development:** ASA has continued to provide leadership development and training for the soy industry and the State Affiliates. For example, when asked by states and through the support of Pioneer, ASA has provided state board training.

Also, in August, 15 soybean producers participated in part one of the Leadership At Its Best (LAIB) program in Minneapolis, Minn. Co-sponsored by ASA and Syngenta, the program now in its 22<sup>nd</sup> year, teaches leaders how to address industry issues, interact with the media, manage diverse communications styles, plan and strategize for the future and improve productivity. The second part of the program is set for March 2014 in conjunction with the ASA Board meeting.

In November, a new class of ASA DuPont Young Leaders began the first-phase of a two-part leadership program journey at Pioneer’s headquarters in Johnston, Iowa. Representatives from 22 states and Canada participated in training that included a communications workshop, DiSC workplace assessment, soybean issues panel discussion and soybean pipeline update. The Johnston training session was the first phase of a program designed to identify new and aspiring leaders and provide them with opportunities to enhance their skills and network with other growers. The ASA/DuPont Young Leader Program, now in its historic 30<sup>th</sup> year, is recognized throughout agriculture for its tradition of identifying and cultivating farmer leaders who are shaping not only the U.S. soybean industry but all of agriculture.

**THANK YOU:** Finally and as always, ASA’s ability to accomplish the many things we do is dependent on a strong voluntary membership and the contributions from our ASA Action Partners in the form of

sponsorships and programs for our members. We thank you very much for the good input, discussions and financial commitments from our industry and QSSB/USB partners.

Our next ASAAP meeting will be held at the end of our March Board Meeting in Washington DC on the afternoon of **March 12, 2014 at the Hyatt Regency**. More details and info will be forthcoming after the holidays.

**All of the ASA staff and our farmer-leaders wish all of you and your loved ones a very, Merry Christmas and a Happy New Year!**

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*ASA represents all U.S. soybean farmers on domestic and international issues of importance to the soybean industry. ASA's advocacy, education and leadership development efforts are made possible through the voluntary membership in ASA by farmers in states where soybeans are grown.*