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Australia Could Seek WTO Action on Chinese Barley Tariff

Reports indicate that Australia will ask the World Trade Organization to set up a dispute panel as their barley farmers continue to feel the affects of China's antidumping and countervailing *duties*. The 80.5% Chinese duties have effectively cut off Australian barley exports to China, and importers there have turned elsewhere. Argentine farmers who harvest on the same schedule as the Australians are benefiting from the trade spat, according to USDA's Foreign Agricultural Service (FAS). Argentina exported almost no barley to China in 2019, but shipments totaled roughly 250,000 metric tons in 2020 and FAS estimates they could reach as high as 400,000 in 2021, if the duties remain in place.

Biden Announces Nominee for USDA Undersecretary of Farm Production and Conservation

President Biden announced the nomination of Robert Bonnie to serve as Undersecretary of Farm Production and Conservation (FPAC), a position that oversees the Farm Service Agency, Natural Resources Conservation Service and

Risk Management Agency. Robert Bonnie led the Biden transition team's work at USDA and stayed on as a senior adviser to Secretary Vilsack on climate issues and deputy chief of staff for policy. He's been closely involved in the early discussion of setting up a USDA carbon bank to help pay farmers, ranchers and foresters for capturing and storing carbon on their land.

NBGA Supports Funding for Ag Research Facilities in Infrastructure Initiative

NBGA signed onto a letter to House and Senate leaders led by the Association of Public and Land-grant Universities (APLU) requesting \$11.5 billion to be included in any federal infrastructure package for necessary renovations and upgrades needed at agricultural research facilities.

President's Budget Requests Increase for Agriculture

President Biden released his budget request for Fiscal Year 20222, which proposes \$27.8 billion for USDA. If enacted by Congress, that would mark a \$3.8 billion or 16% increase over the department's current year budget. Highlights of the request also includes:

- \$717 million for rural water infrastructure, up \$100 million from current levels;
 - \$1.7 billion to improve forestry resilience against wildfires, a \$476 million increase;
- \$4 billion for USDA research programs, including funding to study and verify carbon sequestration;
- \$6.7 billion for nutrition programs such as the Special Supplemental Nutrition Program for Women, Infants, and Children, known as WIC an increase of more than \$1 billion from current levels.
 - An increase of \$65 million for the Rural e-Connectivity Program "Reconnect," which provides grants and loans to deploy broadband to unserved areas

USDA Announces CRP Changes

On April 21st Secretary Vilsack announced that USDA will open enrollment in the Conservation Reserve Program (CRP) with higher payment rates, new incentives, and a more targeted focus on the program's role in climate change mitigation. Additionally, USDA announced investments in partnerships to increase climatesmart agriculture, including \$330 million in 85 Regional Conservation Partnership Program (RCPP) projects and \$25 million for On-Farm Conservation Innovation Trials. USDA's goal is to enroll up to 4 million new acres in CRP by raising rental payment rates and expanding the number of incentivized environmental practices allowed under the program. In 2021, CRP is capped at 25 million acres, and currently 20.8 million acres are enrolled. Furthermore, the cap will gradually increase to 27 million acres by 2023. To help increase producer interest and

enrollment, FSA is:

- Adjusting soil rental rates. This enables additional flexibility for rate adjustments, including a possible increase in rates where appropriate.
- Increasing payments for Practice Incentives from 20% to 50%. This
 incentive for continuous CRP practices is based on the cost of
 establishment and is in addition to cost share payments.
- Increasing payments for water quality practices. Rates are increasing from 10% to 20% for certain water quality benefiting practices available through the CRP continuous signup, such as grassed waterways, riparian buffers, and filter strips.
- Establishing a CRP Grassland minimum rental rate. This benefits more than 1,300 counties with rates currently below the minimum.

Senate Ag Committee Passes Bipartisan "Growing Climate Solutions Act"

On April 22nd the Senate Agriculture Committee passed the Growing Climate Solutions Act. The bipartisan bill, introduced by Senator Mike Braun (R-IN), Senator Debbie Stabenow (D-MI), Senator Lindsey Graham (R-SC), and Senator Sheldon Whitehouse (D-RI), seeks to remove barriers for farmers and foresters interested in participating in carbon markets so they can be rewarded for climate-smart practices. The bill has broad, bipartisan support from 42 Senators and and over 70 agricultural and environmental organizations.

The Growing Climate Solutions Act seeks to protect farmers interested in participating in voluntary carbon markets. Its primary purposes are to encourage sustainable farming practices by providing farmers access to private-sector capital, facilitate participation in carbon market programs, and provide technical assistance to farmers and landowners who wish to bet involved in the carbon market or other GHG markets. The bill would establish a GHG technical assistance provider and a third-party verification program. Through a third-party verification program, a set of standards for operation in the carbon markets would be established. The goal of both components is to ensure a transparent and systematic science-based approach to quantify, monitor, report, and verify sequestration or emission reductions.

The proposed legislation would also establish an Advisory Council; specifically, the GHG Technical Assistance Provider and Third-Party Verifier Certification Program Advisory Council. The Advisory Council would assist the Secretary of Agriculture in establishing the standards for operation of voluntary carbon markets. The council would include at least twenty-four members with representation from the EPA, agriculture industry, forestry industry, the scientific research community, and private GHG market experts, among others.

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