



# MRLs and Trade: The Perspective of the U.S. Soybean Export Council

Rosalind Leeck, Sr. Director – Market Access, U.S. Soybean  
Export Council

U.S. SOY FOR A GROWING WORLD

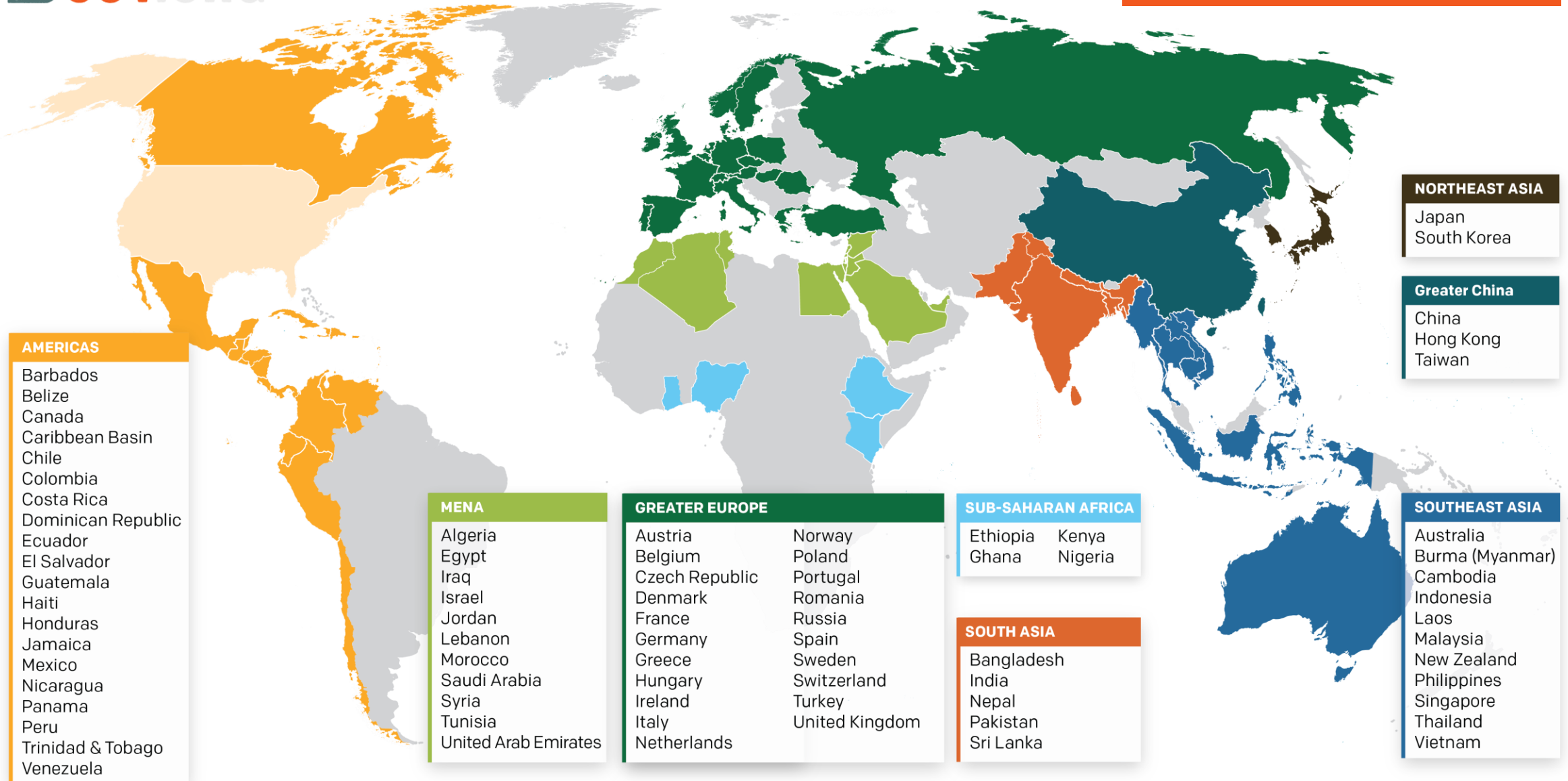
# Topics

- About USSEC
- U.S. Soybean Trade: By the Numbers
- U.S. Production and Delivery
- Realities
- Parting Thoughts





**USSEC**  
U.S. SOYBEAN EXPORT COUNCIL  
2020 Members



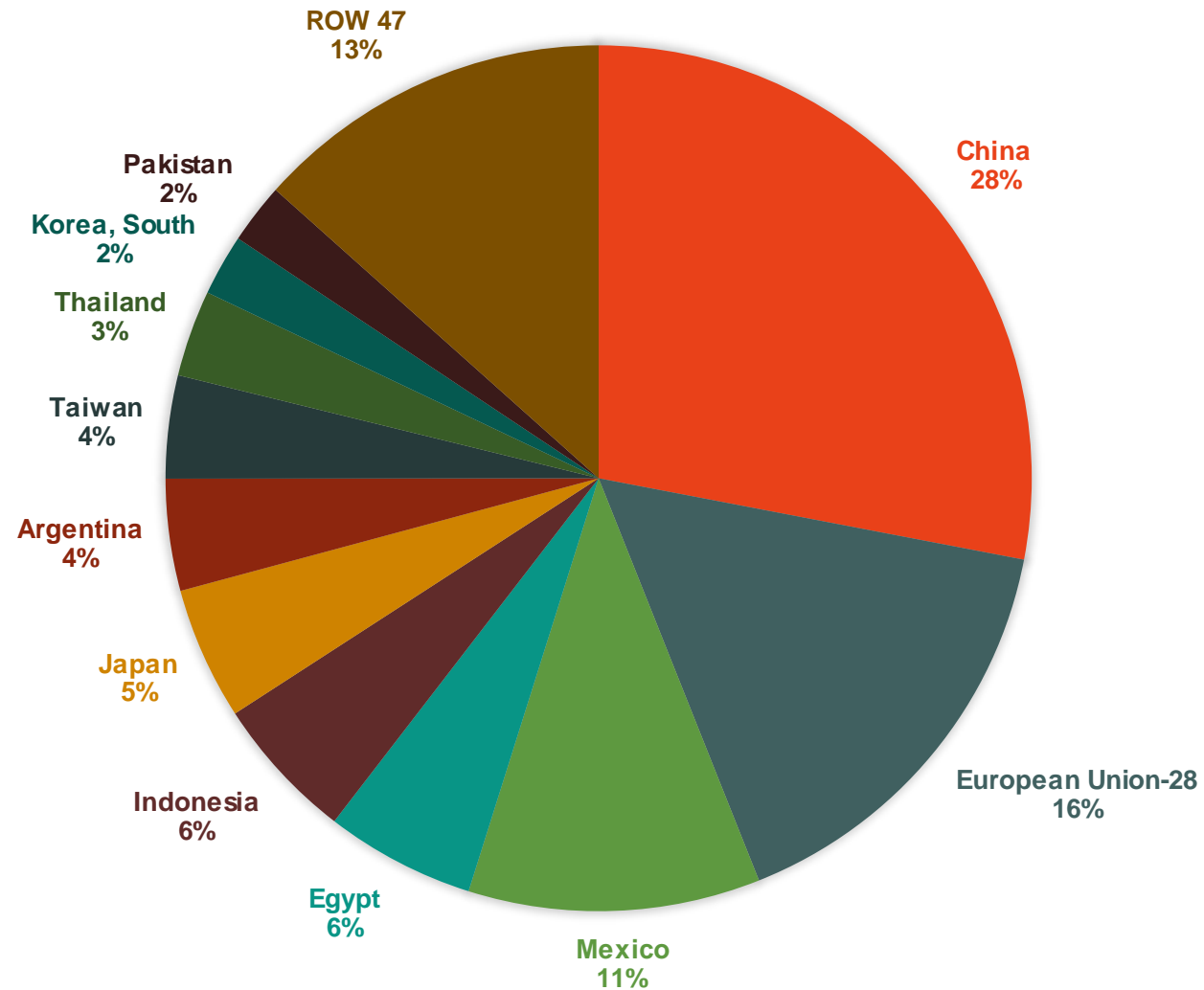
## USSEC's Focus

- Differentiating and creating preference for U.S. Soy by promoting its intrinsic and extrinsic advantages
- Ensure that Market Access issues do not limit U.S. export opportunities



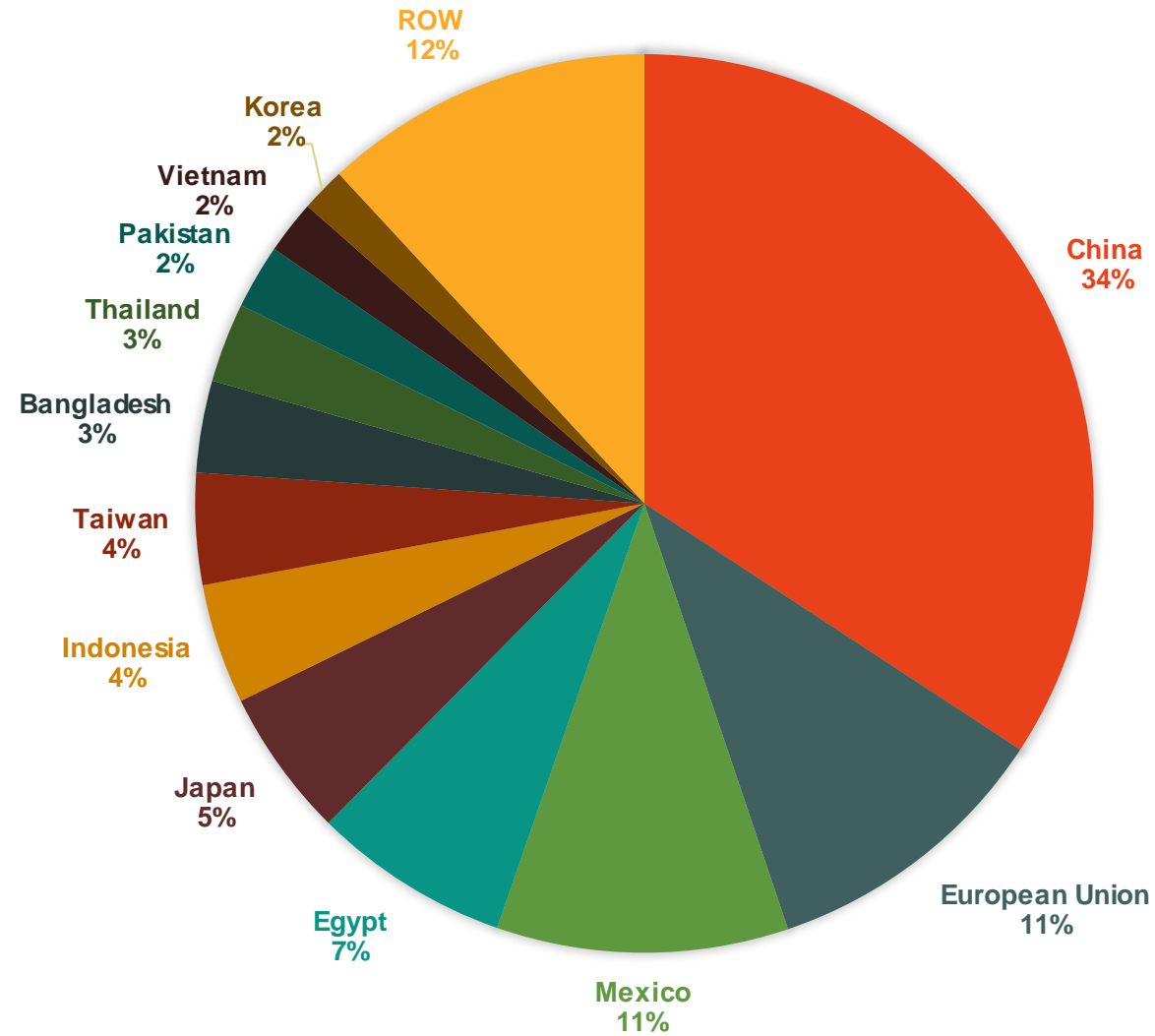
# U.S. Soy Trade

# U.S. EXPORTS MARKETING YEAR 18/19



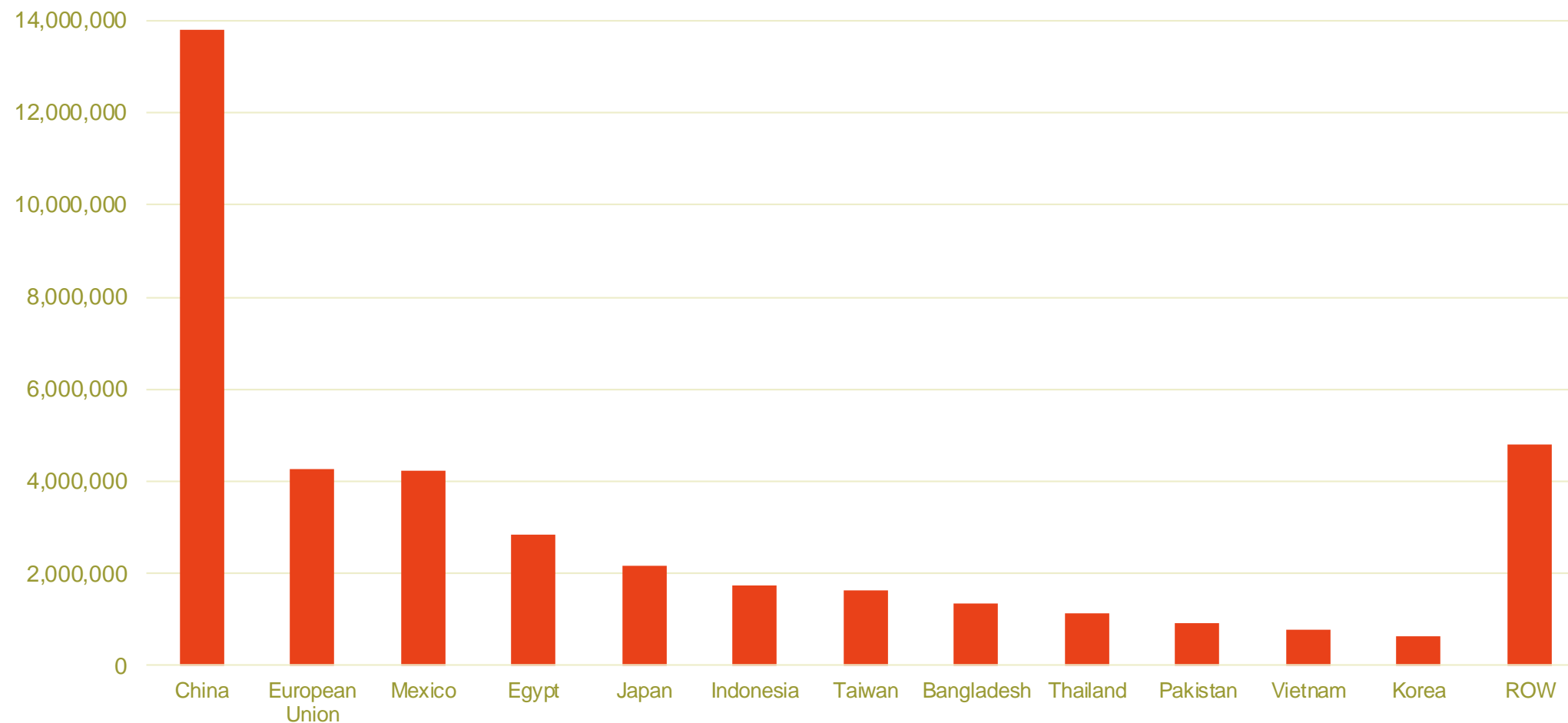
# U.S. EXPORTS MARKETING YEAR 19/20 AS OF MAY 7, 2020

U.S. SOY FOR A GROWING WORLD





# U.S. EXPORTS MY 2019/20 (as of May 7, 2020) In Million Metric Tons (MMT)



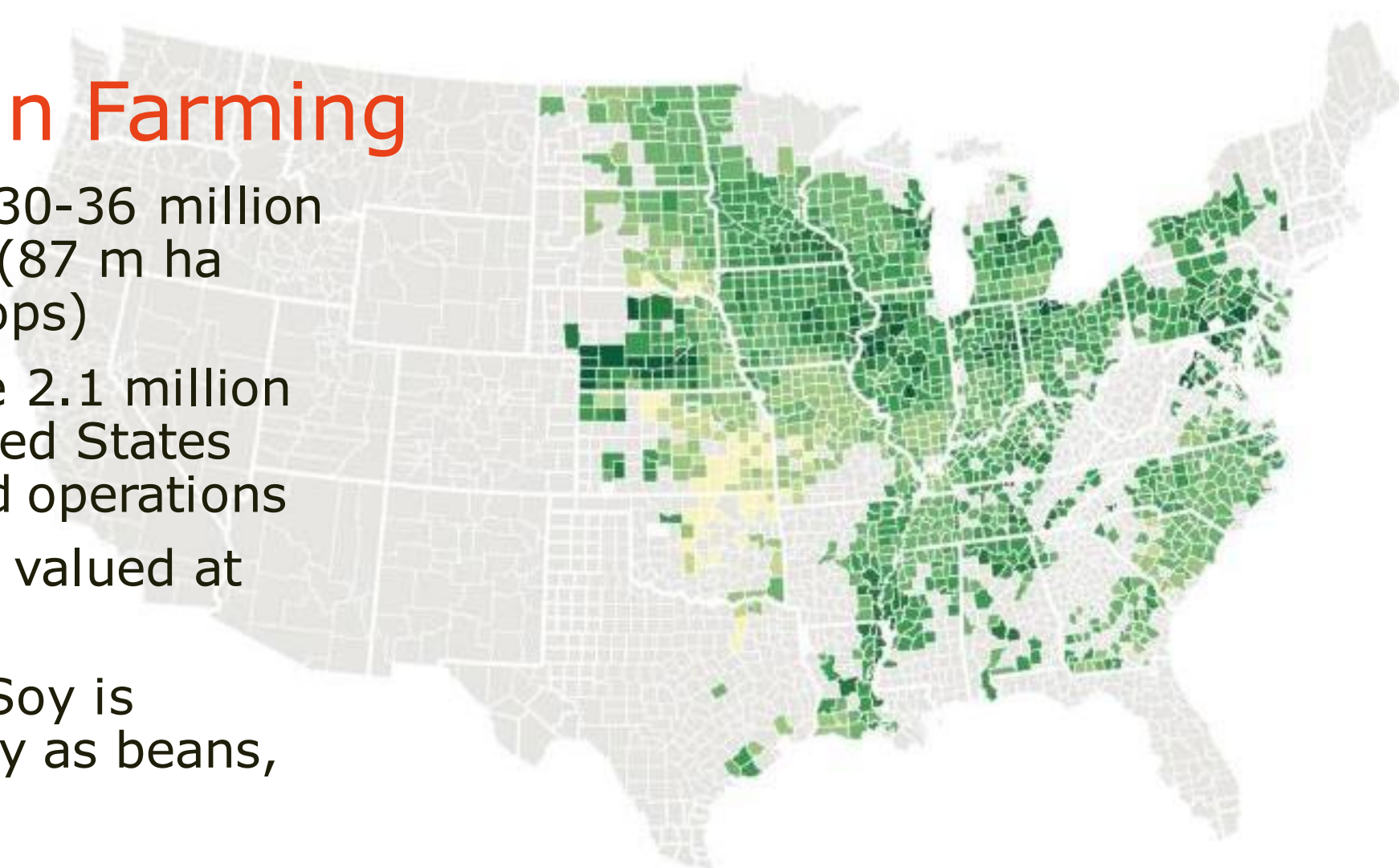
A close-up photograph of several green soybean pods hanging from a plant. The pods are covered in fine, light-colored hairs and are set against a background of dark green, out-of-focus leaves.

# U.S. Production and Delivery



# U.S. Soybean Farming

- We grow soy on 30-36 million hectares of land (87 m ha total in major crops)
- 97 percent of the 2.1 million farms in the United States are family-owned operations
- U.S. Soy exports valued at over \$20 billion
- 55-60% of U.S. Soy is exported annually as beans, meal or oil



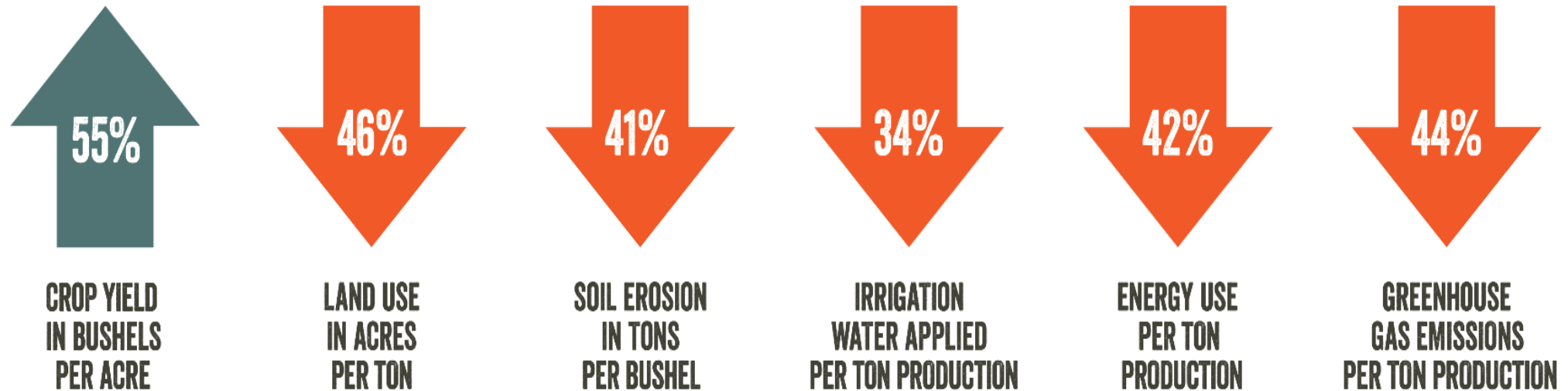
SOURCE: U.S. Census of Agriculture, USDA



# U.S. Soy Farmers' (and all farmers') Priorities

- Producing a safe and quality crop
- Economic viability and sustainable production
- Compliance with national laws and rules
- Meeting standards in export markets
- Legacy for the next generation

# Environmental Impact of U.S. Soybean Production (1980-2015)



Index per ton resource impact to produce U.S. soybeans 1980-2015

Source: National Indicators Report, Field to market 2016

# SUSTAINABILITY BY THE NUMBERS

U.S. soybean farmers use a number of sustainable practices day after day, year after year. And they're continually working to improve their sustainability for the future.

## CROP ROTATION



**94%**

of soybean hectares are under continuously rotated plantings, contributing to increased biodiversity.

## REDUCED TILLAGE



**70%**

of U.S. soybean hectares use conservation tillage, including no-till.

## WATER MANAGEMENT



**94%**

of U.S. farmland is non-irrigated.

## PEST MANAGEMENT



**95%**

of U.S. soybean farmers personally scout their fields each season to manage pests.

## NUTRIENT MANAGEMENT



**92%**

of U.S. soybean farmers have tested their soil to maintain proper nutrient levels.

## CONSERVATION



**10%**

of U.S. farmland is left out of production to protect sensitive areas.

## DETAILED RECORDKEEPING



**95%**

of U.S. counties have soil maps and data available online.

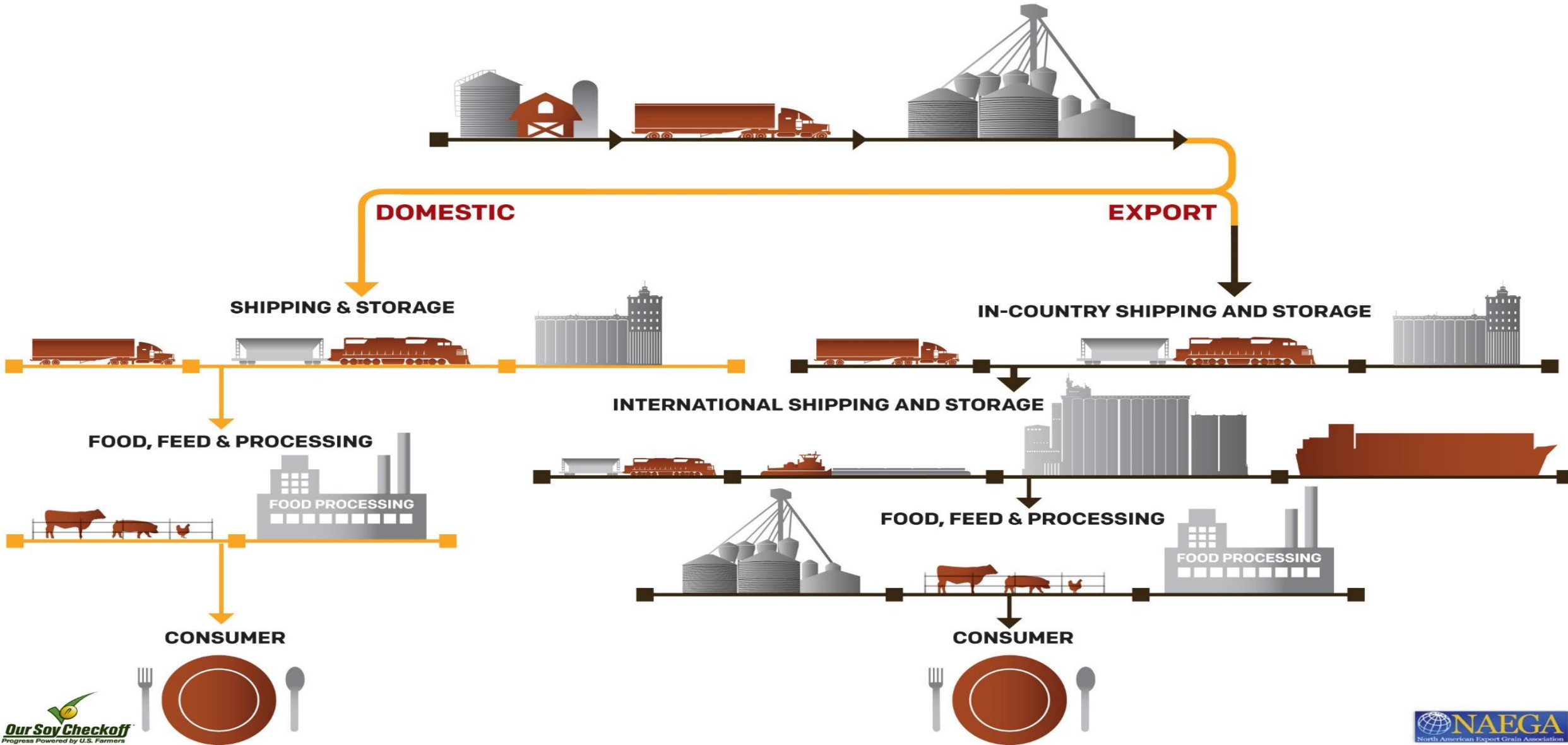
SOURCE: Crop Rotation Source: USDA Economic Research Service (ERS) • Water Management Source: USDA Ag Census 2012 • Reduced Tillage Source: USDA National Agricultural Statistics Service (NASS) • Pest Management Source: Best Practices Report, United Soybean Board, October 2014 • Nutrient Management Source: Best Practices Report, United Soybean Board, October 2014 • Detailed Recordkeeping Source: USDA Natural Resources Conservation Service (NRCS) • Conservation Source: USDA FSA



# FROM THE FARM to the table



## GLOBAL SHIPMENTS USE COMMON TRACKS TO MEET END-USERS



# Realities



# Situation

- Pesticides are an important part of the system
  - IPM is critical
- Little prospect for new substances or solutions
  - Impact on global footprint, environment and production
- MRLs and ITs are compliance/trading standards not safety standards, per se
- Very few instances of non-compliance in today's environment
  - BUT - Zero or LOD/LOQ is a very small number
- Storage of crop from one year to another
- Commingled supply/delivery



# The Farmer

- Decision making process related to production
  - Driven by efficiency and effectiveness and economics
  - No one applies pesticides unnecessarily – expensive and complicated
- Production is a system – decisions are made for the system
  - i.e. conservation tillage, IPM
- Distribution - comingled
  - Rarely is there a specific market targeted – the production is for domestic and the globe
    - Misaligned MRLs or other measures increases risk of disruption to trade

# The Farmer

- Farmer required to:
  - Attend trainings and take tests for handling pesticides
  - Follow detailed pesticide label instructions for use, storage and disposal
  - Adhere to worker protection standards
  - Restricted use pesticides: label is 40 pages and can only be applied by certified applicators
  - Strict enforcement by Federal and State officials
- Best Practices
  - IPM to support the system
  - Adherence to label and laws (mentioned before)
  - Take Action Campaign

# Parting Thoughts



# Establishing MRLs/ITs

- Importance of International Standards
- Scientific assessments based on risk
- For Trade – important to decouple the registration in the jurisdiction from the establishment of IT
- Politics

# Food Security and Climate Change

- Farmers, agribusiness stakeholders and policymakers around the world have a broader responsibility
- European Parliament Sept. '19 document on Megatrends in Agri-Food: "Firm public action and innovation are needed to increase agricultural productivity without over-expanding agricultural land"
- Need to stop the adoption of new obstacles to trade from areas of production surplus to areas of deficiency
- Europe's consumption of animal products and surplus in ag/food exports depends on imports of affordable and quality protein



U.S. SOY FOR A GROWING WORLD

Thank you.



While the U.S. Soybean Export Council (USSEC) does not guarantee the forecasts or statements of USSEC Staff or Contractors, we have taken care in selecting them to represent our organization. We believe they are knowledgeable and their presentations and opinions will provide listeners with *detailed* information and valuable insights into the U.S. Soy and U.S. Ag Industry. We welcome further questions and always encourage listeners to seek a wide array of opinions before *making* any financial decisions based on the information presented. Accordingly, USSEC will not accept any liability stemming from the information contained in this presentation.

