



Louisiana Conservation and Commodity Updates

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Duty on Phosphorous: A Concern for Farmers

The US has increasingly relied on imports for MAP and DAP. Imports from China are currently subject to a 25% tariff. Mosaic owns 59% of the US's phosphate mining capacity in 2020, which recently asked the US to restrict imports by imposing tariffs on other major exporters, Russia and Morocco, citing losses due to subsidized imports. Several commodity groups argue that imposing tariffs on DAP and MAP would impact farmer profitability. This concern is mainly centered around the rest of the world's inability to meet the demand of the US farmers adequately. The letter drafted by the commodity groups can be found here (<https://bit.ly/2NwLGBW>).

Farm Wages on the rise

Farm labor report found here (<https://bit.ly/37G9ha2>), initially scheduled for release in October 2020, was released February 11. The highlights include

- The combined field and livestock workers' wage rate was \$14.86/hour, up 5% from 2019. In the Delta states, the average was \$11.75/hour
- Hired labor worked an average of 42.1 hours/ week in October 2020, down 0.4 hours compared to 2019. In the Delta states, the average 44.2 hours/week during October
- Interestingly, the national average for the total number of hours worked was 40.5/week, whereas it was 41.3/week in the Delta states.

Farmer Mental Health Survey

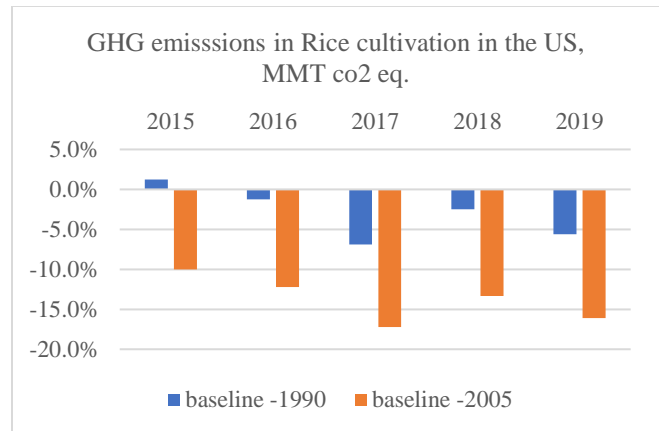
American Farm Bureau Federation surveyed farmers to understand the general impression of mental health within the farming community. The full report can be seen here (<https://bit.ly/3kbFn2F>). The highlights include -

- 66% indicated covid-19 impacted their mental health
- 45% of rural adults indicate stress and mental health have become more of a problem in their community in the past year

- 58% say they are personally experiencing more mental health challenges than a year ago

Rice GHG Emissions

The annual emissions inventory report released by the EPA shows that GHG emissions in rice cultivation, measured as MMT Co2 equivalent, decreased year over year from 2015 to 2019 compared to 2005 levels as well as from 1990 levels. The graph shows that GHG emissions from rice in 2019 were lower by 15% compared to 2005 levels. However, other activities such as urea fertilization (+50%), manure management (+21%), and agricultural soil management (+10%) increased compared to 2005 levels. Full report here <https://bit.ly/3aKc2JG>



30 by 30 Conservation

The Biden administration has pledged to conserve 30% of US lands and waters by 2030. The USGS reports that currently, 12% of lands and 23% of coastal waters are under permanent conservation and protection. Interestingly, the call for 30 by 30 received bipartisan support. Although some raised concerns over ownership, many argue that such lands are already under private conservation easements, helping local environmental protection efforts. The ambitious 30 by 30 goal means that additional 400 million acres of land will have to be in conservation over the next decade, however.

Chinese Buying on the Rise

The January export figures show a sale of 864,000 tons of soybeans in 2020-21 marketing year (Mkt-yr.), and 319,000 tons in 2021-22 Mkt-yr. The US total soy exports to China were 2.4 million tons during a seven-day period in February. China also purchased 5.86 MMT of corn. Also, sorghum sales to China were 268,000 tons in 2020-21 MKT-yr. Farmers are expecting a profitable 2021 year as commodity prices are high coupled with increased exports.

Clarification for Gross Receipts

Sen. Baldwin and Sen. Thune request clarification if CFAP payments would be counted toward gross receipts making it difficult for some farmers and ranchers to qualify for a new round of paycheck protection program assistance. The interim rules released in January 2021 require that businesses and self-employed farmers and ranchers requiring PPP loans demonstrate a 25% reduction in gross receipts of 2020 compared to 2019; however, it is unclear whether the CFAP payments are counted toward the gross receipts.

Black History Month

Celebrating Black History month, several organizations highlight that the farms run by minority farmers represent a mere 2% of the total US farms, and only 0.2% of the \$5.7 billion microloans went to these farmers. These groups ask the new administration for more support through debt payments assistance. Also, these groups emphasize that the carbon bank that is being set up to buy and sell carbon credits would want not to forget these small enterprises.

Turing More Than 300 Acres Open Water Back to Marsh

A total of \$32 million has been funded for the Cameron Meadows Marsh Creation and Terracing project with

\$27.2 million from the National Oceanic and Atmospheric Administration (NOAA) under the Coastal Wetlands Planning, Protection and Restoration Act (CWPPRA) and \$4.8 million from the state. This project will bring more than 300 acres of marsh in Cameron Parish, Louisiana west of the Calcasieu Ship Channel. The dredging company, Great Lakes Dredge and Dock, has dredged 2.4 million cubic yards of sand from the borrow area located offshore in the Gulf of Mexico and pumped more than 5 miles to the marsh.

Planning to Build a Coastal Center

Louisiana intends to build a coastal center at Nicholls State University to study the state's disappearing shoreline. Officials from the Coastal Protection and Restoration Authority (CPRA) and Nicholls State University said that the estimated construction cost is about \$14.5 million. The proposed plan includes a new 33,000 square-foot building containing a public 5,000-square foot exhibit area dedicated to coastal restoration and research efforts in southeast Louisiana. Exhibits will also model the relationship between the Atchafalaya River, lower Terrebonne Parish, and western Lafourche Parish to help the public understand the region's land loss.

New Grant for Coastal Restoration and Protection Project

The Gulf Coast Ecosystem Restoration Council issued \$26.7 million from the 2010 Deepwater Horizon oil spill funding for Louisiana to restore coastal marshland and defend against hurricanes, the CPRA announced on February 9. The new grant will pay for dredging 1.2 million cubic yards of dirt to begin construction of a lock complex adjacent to the Bubba Dove Floodgate on the Houma Navigation Canal. The hydrologic restoration project will reestablish more than 170 acres of brackish marsh habitat and provide hurricane protection.

Questions and comments:

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