

Mike Seyfert  
President and Chief Executive Officer  
National Grain and Feed Association  
1400 Crystal Drive  
Suite 260  
Arlington, Virginia 22202

Dear President Seyfert:

Thank you for your letter dated March 23, 2022, regarding agricultural supply constraints stemming from the ongoing crisis in Ukraine. Please share a copy of this response with the other signers of your letter. I share your concerns about how this crisis may impact both grain production and grain exports to countries in need, particularly in light of climate and pandemic induced stressors that have already been impacting our markets.

The U.S. Department of Agriculture (USDA) is in close contact and coordination with our federal partners and organizations, including the U.N. Food and Agriculture Organization and World Food Program. We are providing data and agricultural expertise and stand ready to take action to mitigate these challenges. Notably, USDA's international food assistance tools include the Food for Progress Program, through which U.S. agricultural commodities are donated to recipient countries and sold on the local market with proceeds used to support agricultural, economic, or infrastructure development programs, and the Bill Emerson Humanitarian Trust, used in conjunction with USAID for the purchase of U.S. commodities in order to quickly meet humanitarian needs. USDA stands ready to use its tools in close communication and coordination with U.S. Agency for International Development and other partners.

In your letter, you specifically point to changes in the Conservation Reserve Program (CRP) as potential solutions to address commodity supply constraints and focus on prime farmland in particular. USDA's National Resources Inventory (NRI) was most recently released in 2020 and shows that only 1.3 percent of prime farmland is enrolled in CRP; moreover, the prime farmland acreage in CRP has been decreasing since 1992. There are more than 100 million acres of prime farmland—or more than 25 times the amount in CRP—in non-cropland including pastureland, rangeland and forestland. CRP acres are disproportionately non-prime cropland, with more than 75 percent of acres from less productive, non-prime farmland. In contrast, more than 55 percent of all cropland is prime farmland.

Additionally, a considerable proportion of currently enrolled CRP acres are in areas experiencing significant levels of drought. Production on those acres would be marginal at best, and there is no realistic way to convert all CRP acres into cropland in 2022. Even under non-drought scenarios, we know from historic data that acres coming out of CRP have significant "slippage," meaning that one acre coming out of CRP does not transfer into an acre of crop production, but closer to half that. CRP is also no longer dominated by whole farm and whole field enrollment; more and more, it is made up of

working lands grassland that is regularly hayed and grazed, or small strips of a field-like buffers, filter strips, and wetlands at the edges of fields that are installed to provide targeted water quality benefits. Other CRP land is in forests or shelterbelts. Quickly converting this land to crop production is clearly unfeasible, even if we were to overlook the negative consequences of increased erosion and reduced water quality, wildlife habitat reduction, and decreased carbon sequestration and storage.

Importantly, it is critical to point out that if we allow the tillage of CRP acres, the marginal at best benefit to crop production will be coupled with a significant and detrimental impact on producers' efforts to mitigate climate change and maintain the long-term health of their land.

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Today, agricultural communities around the world are dealing with more frequent, more intense climate-induced natural disasters that are destroying fields, depleting soil health, and limiting productivity. If global temperatures continue to rise at the current rate, we will face disastrous consequences to global food production.

Our domestic agriculture industry, including the producers and landowners who enroll their acreage in CRP and other conservation programs, play a critical role in the global effort to contain temperature increases under the United States' Nationally Determined Contribution, which is at the heart of our Nation's commitment to the Paris Agreement. We must also remember that market conditions have always driven CRP enrollment, and farmers are extremely effective at making decisions to maximize profitability, and in turn, production. With almost 4 million acres of CRP expiring this year, many landowners will have the option to bring some land back into production, and in many cases, they may choose to re-enroll buffers and sensitive portions of the land while returning other areas to production. While our Farm Service Agency (FSA) field offices are still finishing processing the General CRP offers, our data reflect the reality that, with higher commodity prices, producers are not re-enrolling all of these acres in CRP. Instead, high prices for this year's crops will motivate producers to plant more acres of wheat, soybeans, and corn, with the main limiting factors being weather and soil moisture conditions. USDA ensures that producers with land coming out of CRP are presented with all available options, including transitioning some of those acres to other working lands conservation programs. There is no need to step in and adjust the program when producers themselves are making decisions based on market conditions and environmental realities.

Even for any producers and landowners who made an offer to enroll in the current signup, contracts will not go into effect until October 1, 2022, providing program applicants with several months still to finalize their decisions to enroll or not after signup closes. Moreover, producers always have, and continue to have, the option to exit the program when they deem it in the best interest of their operation with the full or partial repayment of the CRP payments depending on the specific circumstances.

While it is clear that there are no significant short-term gains to be realized from opening the program to crop production, I want to emphasize that USDA will continue to monitor the crisis in Ukraine and its global reverberations. We are keeping in mind the flexibilities that can be exercised under CRP in the form of emergency haying and grazing, with protections in place to prevent permanent damage to the land or the cover should the situation demand such flexibilities be used. Already, at times of limited hay availability due to drought or other natural disasters, USDA allows emergency haying and grazing on certain CRP lands at certain times.

Thank you again for your letter and commitment to feeding America and those in need across the globe.

We will continue to weigh the pros and cons of any proposed policy changes, keeping both our Nation's farmers and our planet's food insecure communities top of mind. We continue to welcome conversation and collaboration to reach our shared goals.

Sincerely,  
Thomas J. Vilsack  
Secretary