

## Fate of Delta flows ‘in limbo’ until after election

A new report on the economic impacts of California’s groundwater law has added scientific rigor to rising concerns about the San Joaquin Valley’s future. The dire findings have also been helping a coalition establish a middle ground in finding solutions to the deeply entrenched and decades-old water conflicts. Yet the work has been put on hold for the rest of 2020 due to a cascading series of legal and regulatory actions and political decisions from the Trump and Newsom administrations – along with the new global economic uncertainty stemming from the COVID-19 pandemic.



In February, President Trump held a rally in Bakersfield as he signed a decision on the new biological opinions (BiOps) that will govern pumping operations in the San Joaquin Delta. He also ordered his agencies to deliver more south of the Delta. This placed even more pressure on Gov. Newsom to respond.

**“The peacock show that happened with Mr. Trump coming out was probably the worst thing that could have happened for the success of the (biological opinions) at that time. He would have been better signing them in his bathroom,”** said Anja Raudabaugh, CEO of Western United Dairies. **“Politics is the death of good governance.”**

Newsom’s subsequent lawsuit added to another lawsuit filed by environmental groups, which later filed yet another suit in early March that calls for an immediate injunction on the new BiOps until the litigation is settled. The federal government, meanwhile, has continued to pursue its own lawsuit against the State Water Resources Control Board to stop the first phase of a Delta water quality plan the board approved in 2018. The Delta Plan will significantly curtail water deliveries to the Central Valley if the Newsom administration is not able to negotiate voluntary agreements with water contractors over a more flexible arrangement for water cutbacks.



Western United Dairies CEO Anja Raudabaugh

Raudabaugh, who has engaged Newsom on agricultural issues since he was running for governor, called it “a travesty” that the BiOps will now be in limbo until the November presidential election. Newsom has been facing intense pressure from environmental groups to push back against Trump’s environmental regulations. The state attorney general has been leading dozens of lawsuits over those changes to air and water quality rules.

Newsom has regularly reaffirmed his commitment to voluntary agreements, as he carefully balances concerns from the ag industry, social justice advocates, influential environmental organizations and lawmakers pushing for resistance measures. With the lawsuits drawing skepticism over the success of the voluntary agreements, further tensions over a potential drought and the state being thrown into crisis response over the outbreak, the long wait for a long-term solution to Delta flows will be even longer, as the matter is on pause until at least the November election.

“There's signs of change (in the electorate), and it's up to the leaders that we have to figure out what the tea leaves mean,” said Raudabaugh. “Why fall on the sword if there are changes in that wind?”

One sign of change she noted is that voters chose not to support a \$15-billion school bond on the March ballot, which had typically been a sure bet in California.

“(Newsom) is not going to make a big stakes gamble on water if he thinks that the Democratic nominee has a chance,” she said.

Cannon Michael, a farmer in Los Banos who has spoken on the importance of working with conservation organizations, hopes stakeholders adapting to the Sustainable Groundwater Management Act will be able to take the long view past the current political differences.

**“It's a typical California water dance of fighting and not getting much accomplished,” he said. “It's important for people to remember administrations tend to come and go... But we're Californians, and we've got to live here in the long term.”**



Bowles Farming CEO Cannon Michael

While the litigation and the recession are significant setbacks, the coalition that commissioned the SGMA impact study, called the Water Blueprint for the San Joaquin Valley, is standing by its long-term goal of developing solutions to present to policymakers on both sides of the aisle and at all levels of government, according to Blueprint Director Austin Ewell.

“Water ultimately is so interconnected, as well as the policy and political issues associated with it,” he said. “There’s a role to be played for a broad-based group of stakeholders to come together and lay out a comprehensive collaborative plan.”

## **EPA's new way of evaluating pesticides' effects on endangered species draws mixed reviews**

EPA’s new method for determining how to evaluate the effects of pesticides on endangered species has been greeted with praise from the agricultural industry for offering a clear path forward for future evaluations, but sharp criticism from environmentalists for narrowing the universe of interagency reviews.

The method would be used as a framework for how EPA develops “biological evaluations” (BEs) on the impacts of pesticides on threatened and endangered species. A BE is the first step in determining whether EPA will consult with the Fish and Wildlife or National Marine Fisheries services under the Endangered Species Act, which could result in restrictions on the use of a particular pesticide.

EPA has been evaluating some pesticides under settlement agreements reached with environmental groups who have sued the service for not consulting under the ESA on the effects of pesticides. The ag industry has been frustrated, however, by the length of time EPA has spent on these evaluations and has been pushing for a way to streamline the process.

**The 2018 farm bill kick-started the federal effort to find a solution with language directing the Commerce, Interior and Agriculture departments to develop “a streamlined process” to identify when EPA needs to consult.**

A central part of EPA’s revised method is the use of historic pesticide usage data to predict future use, which ag groups had advocated, saying the maximum label rate is rarely applied.

The National Sorghum Producers, for example, said it appreciated the use of “real-world data reflecting how and where pesticides are being used when considering potential impacts on endangered species.”

**And CropLife America CEO Chris Novak called pesticide usage data “an important part of this revised method and represents a major step forward by EPA to use the best scientific and commercial data available,” as required by the Endangered Species Act.**

“Usage data can reliably predict how products will be applied based on usage volumes and patterns,” CropLife said in comments on EPA’s proposed method. “It is well established that pesticide usage data tends to be robust and reliable years after the introduction of products containing a new active ingredient.”

However, the Center for Biological Diversity (CBD) and other groups, in commenting on the interim method that was issued last year, called usage data “scant, inconsistent, unscientific, and unreliable.”



*Chris Novak, CropLife America*

**In their comments, they expressed skepticism that EPA can predict future pesticide use by looking at a five-year average of historic pesticide use, saying EPA will not be able to foretell “cropping trends, pest outbreaks, weather, and the countless other factors that go in to pesticide use.”**

In separate comments, CBD said “just because a pesticide has not been used on a particular crop in the past does not mean that it is reasonably expected not to be used in the future.”

CBD and other groups called for EPA to use the pesticide label to estimate usage. “The use of maximum application rates is the only scientifically defensible way to estimate pesticide exposures,” the group said in its comments.

But CropLife said in its comments that “accounting for actual usage rather than the maximum label rates is important to make the best judgment about exposure potential.”

**For its part, EPA said “data on pesticide usage is the best available data with which to forecast future use. The alternative assumption is that all potential use sites are treated simultaneously, which is not realistic or representative of what is happening in the field.”**

But the agency also acknowledged that in certain cases, usage data probably won’t be able to predict future use. And it rejected an approach pushed by CropLife to use county-level usage data, saying “the data lack sufficient statistical rigor below state level.”

“Introduction of a novel key pest (e.g., Asian Citrus Psyllid and huanglongbing in citrus in Florida is one example), market shifts due to the introduction of a pesticide-tolerant crop, new uses, and certain other events have the potential to increase (or decrease) usage relative to historical observations, making some pesticide usage forecasts unsuitable for risk assessment use in certain circumstances,” EPA said in its revised method. The agency said it would consider those factors “to reduce the likelihood that unreliable forecasts of pesticide usage are used in assessments.”

EPA altered some of the more controversial parts from its interim method. For example, instead of concluding that a less than 1% overlap between a species’ range or critical habitat and expected pesticide use means that there would be “no effect” on a listed species — and thus no interagency consultation — EPA now will find that the pesticide use is “not likely to adversely affect” (NLAA) the species. That decision requires the concurrence of the Fish and Wildlife Service and National Marine Fisheries Service.

To Jake Li, director of biodiversity at the Sand County Foundation’s Environmental Policy Innovation Center, the revised method is an improvement on the previous version.

The services “can always refuse to concur on a NLAA decision,” which he said was an “an acceptable outcome for me — definitely not ideal, but not a fatal flaw.”

Li, who has worked for years with industry groups to try to come up with a solution to the ESA-pesticides consultation issue, also pointed to EPA’s change to how it treats species on federal

lands. The agency had proposed not performing any analysis on species found solely on federal lands, but now will evaluate it in a later part of the process.

**“Rather than using it as a threshold for a ‘no effect’ determination,” Li said the services now will “have an opportunity to weigh in on EPA’s proposal to exclude a species based on occurrence on federal lands.”**

To Nathan Donley, a senior scientist at the Center for Biological Diversity, EPA made some concessions, but the overall result is the same.

“Usage data and a 1% overlap threshold are not conservative and are solely designed to remove species from being considered for protections,” he said.

The new method was used for two draft biological evaluations released the same day as the revised method. The BE on carbaryl (Sevin) found it was likely to adversely affect 1,542 species and 713 designated critical habitats, or 86% of all species evaluated and 90% of the critical habitats.

EPA determined methomyl (Lannate, Lanox, Methavin), was likely to adversely affect 1,114 species and 335 critical habitats, 62% and 42% of all species and habitats evaluated.

EPA officially released those evaluations Tuesday, March 17, which kicked off a 60-day public comment period on the draft BEs.

## **Five questions on infectious disease research with Dean Lairmore**

Michael Lairmore is dean of the UC Davis School of Veterinary Medicine. The new coronavirus, which causes the disease COVID-19, is a type of virus that jumps from animals to humans. Through the UC Davis One Health Institute, the School of Veterinary Medicine is one of the foremost institutions working to identify and prevent the transmission and spread of these types of viruses. The school's statewide mission includes 28 research and clinical programs, including clinical referral services; diagnostic testing services; continuing education; extension; and community outreach.



Michael Lairmore, dean of the UC Davis School of Veterinary Medicine

As president of a related trade association, Lairmore was recently on Capitol Hill speaking with California Sen. Kamala Harris and other lawmakers on the importance of agricultural research funding.

The school plays a key role in California agriculture by performing research and extension work in animal health and welfare, while also training the next veterinarians. Its researchers have also worked with CDFA on issues like the recent outbreak of virulent Newcastle disease in Southern California.



Lairmore was studying animal viruses in graduate school at the time the AIDS virus was discovered and later worked at the Centers for Disease Control, among many other roles since.

He spoke with *Agri-Pulse* on the bills he's watching, on informing the science behind Sacramento policies and on the need for veterinarians in natural disasters.

The conversation has been edited for clarity and brevity.

## **1. What was the goal of your trip to Washington?**

This year I'm president of the Association of American Veterinary Medical Colleges. Every year in March at our annual meeting, similar to other ag-focused associations, we take advantage of the fact that we're all in Washington and we make appointments with our members of Congress to describe to them the importance of key issues on our agenda.

This year, we talked a lot about support for animal health and disease research through Section 1433, the formula funds. It's federal legislation that supports essential research on diseases affecting food producing animals. That research is critical to our faculty, to approach things related to food security and stewardship. We're lobbying to support that through the USDA. These are mostly USDA funds.

We also were there to remind them of the importance of agricultural research from a jointly supported bill, House Resolution 4714 and Senate Bill 2458. This is to restore and really support the broader issue of agricultural research funding through the Agricultural Research Service as well as NIFA. This was an effort to really support an approach from a leadership position to ask for continuing funding and inflationary adjustments to the budgets of those agencies.

Finally, we were there to support a new joint bill from the House and Senate on a One Health approach to help the federal government coordinate responses to the crises we're facing right now, with the coronavirus as a good example. We are drawn into that animals-people-environmental triad in things like coronavirus, but also with animal health issues, on a constant basis. We need coordination of that.

This bill was designed around advancing the emergency preparedness around using this One Health approach. That's co-sponsored by Senator Tina Smith from Minnesota, and Rep. Kurt Schrader on the House side.

While I was there, obviously, we have a particular interest in California with our UC Agricultural and Natural Resources colleagues, because we're part of that system. They were there the day earlier and talking about their priorities for requests. And many of those requests are overlapping, with support for those bills, for example. We often compliment what our colleagues are doing.

## **2. From your perspective, how has ag research funding been changing?**

If you trace back efforts in terms of our advocacy at the federal level, we do have programs in Veterinary Medicine that we would not have, had we not really pushed for it.

For example, loan repayment programs for veterinarians that are going to go into rural areas in the United States. That's a program that's been around for about eight years, but we lobbied for that and were able to get that eventually appropriated. It's not enough money, but it does help. These are loan incentive programs for those that go into public practice or in areas of need in the country.

There also is a service grants program we've lobbied for that did get appropriations to help the universities that are supporting agriculture research.

We are seeing some success. We would always like to see more. In terms of the percentage of the federal budget, we feel agricultural research is underfunded in general.

### **3.Can you describe your engagement with policymakers in Sacramento?**

Obviously, we can't lobby directly. We're often in partnership with the California Veterinary Medical Association.

We are often asked to comment as experts in areas where expertise influences policy. Right now, there are some issues going on with how we respond to the coordination of statewide emergencies in California.

We've been asked to provide expertise to Senator Steven Glazer (D-Orinda) on a spot bill, [SB 1239](#). This is a proposal to model how we handle animals in disasters. We have a model for that in the [Oiled Wildlife Care Network](#), which is modeled after what happens during an oil spill into the environment. That network is funded through a tax on the petroleum industry. That's a model for how we handle oil spills in California. And we do the training for that.



UC Davis veterinary medicine specialists treat a horse. (Photo: Joe Proudman, UC Davis)

This bill by Senator Glazer is to establish, through the Office of Emergency Service, a coordinated effort of state agencies around how we handle the evacuation and care of household and domestic animals and livestock in emergencies.

That's very disruptive – like during the fires – of what happens to the animals in that situation, which regularly impacts the people as well.

### **4.Vet Med was again ranked top in the nation this month. Can you explain the importance of that ranking?**

Of course, we're very happy to be ranked number one in the world by QS World Rankings, which is one of the more recognized international rankings. We also received the U.S. News and World Report ranking in the United States as number one about eight months ago.

It's recognition of the importance of the school for protecting the health of animals but also the fact that we're leaders in the discovery of new knowledge. It's recognized around the world that we have a global impact.

A good example of that is the type of work we're doing around the world with infectious disease surveillance. It's very topical right now. The USAID Predict Project was in 34 countries and isolated things like the origins of the coronavirus in bats in China.

### **5. What will the next generation of students in veterinary medicine look like?**

We're very blessed to have a deep and rich pool of applicants for our school. People want to come here to learn because of our reputation and the quality of the education.

About 80% of our class is from California, which is great, because we have a need.

This generation of veterinarians has a real understanding of making a difference. They often come to us motivated by the array of career opportunities. They may be interested in food and agriculture, in small animal practice or a variety of other career pathways, like wildlife, zoo medicine or protecting public health.

### **Coronavirus impact on ag supply chain is limited - For now**

The coronavirus has sent the markets into a tailspin, closed down schools, emptied large sections of grocery stores and turned restaurants into to-go stands. But so far, agriculture's intricate supply chain is — for the most part — still turning.

Truckers are still trucking, planters are still planting, and processors are still processing. But no one is willing to place any bets on how long the sense of continuity will last. Many are concerned about looming problems that the supply chain will face if additional emergency steps are not taken.

**There are not any issues in the supply chain for members of United Fresh, which represents the entire produce supply chain, says the group's Senior Vice President Robert Guenther. "The major issues now are food distributors who service restaurants and bars. There are a limited number of options for where product can be diverted."**

National Council of Farmer Cooperatives President and CEO Chuck Conner tells *Agri-Pulse* his group is hearing concerns about the availability of farmworkers later this year. Key cogs in the H-2A visa system — given to temporary workers employed in agriculture — have been slowed or stopped altogether due to teleworking or closure of consulates that typically conduct interviews to screen visa candidates.

**"If you take away our workers and our ability to transport and move product over the next few weeks, then you might as well take out our entire year," Conner said. "When you**



**explain it in that way, there aren't very many people who don't recognize that we need to get food planted here in this country in 2020 in order to sustain ourselves."**

Conner said NCFC is seeking interview waivers for previous recipients of visas — a new interview must be conducted every year — which he said would speed the process for a “substantial percentage” of applicants who are repeat workers.



Chuck Conner, NCFC

Ag Secretary Sonny Perdue held a conference call with agribusiness leaders Tuesday afternoon to discuss the issue. A USDA spokesperson said the department is “directly engaged with the State Department and working diligently to ensure minimal disruption in H-2A visa applications during these uncertain times. This administration is doing everything possible to maintain continuity of this critically important program.”

Conner says NCFC is further concerned about the potential for more stringent quarantine measures that could hit during planting season for many different crops over the next few months. But for those already in the fields, he said he's not hearing any concerns about seed and other inputs getting to producers.

**Rod Wells, executive director, enterprise supply chain, for GROWMARK, told *Agri-Pulse* it's “business as usual” for the company's distribution centers. He said most of the company's seed corn, for instance, has already been positioned. But if the virus hits the company's workforce — or containment measures take their workers out of commission — he said the continued flow of product will suffer.**

“Our facilities are not extremely automated facilities like you might see with a lot of robotics, so it's still a guy or a gal on a forklift picking products, putting products on trucks, so the human element in all of this is the big wild card, and the one that would impact us probably most severely,” he said.

CHS President and CEO Jay Debertin posted a message to customers and CHS owners on Monday saying the company is “adjusting workflows as needed to ensure we can continue to provide the products and services you need.”

While row crops and other goods are concerned about adequate planting infrastructure, the protein sector is trying to address harvesting concerns as the virus lingers.

**“It's the fluid nature of the situation and not knowing what may or may not happen,” Colin Woodall, CEO of the National Cattlemen's Beef Association, said in an interview with *Agri-Pulse*. “I think everybody's going into this with one idea, but the experience — as we see the virus spread — could be something much different, and I think it's hard to speculate on what that looks like.”**

NCBA and the U.S. Cattlemen's Association, a separate beef industry producer group, have both individually been in contact with Department of Agriculture officials about beef packing plant operations as the virus spreads across the country.

So far, beef packers and USDA inspectors — without which facilities are not allowed to operate — have pledged to stay on the job. On Monday, Mindy Brashears and Greg Ibach, USDA’s food safety and marketing and regulatory heads, respectively, issued a joint statement assuring the industry “that the agencies are committed to ensuring the health and safety of our employees while still providing the timely delivery of the services to maintain the movement of America’s food supply from farm to fork.”

"These agencies are prepared to utilize their authority and all administrative means and flexibilities to address staffing considerations," the statement added.

A USDA spokesperson confirmed to *Agri-Pulse* that the department is “not aware of any reports at this time” of food safety concerns stemming from the virus.

Last year, the beef industry got a preview of what happens when its production capacity takes a hit, when a fire at a Kansas beef plant took the facility out of commission for several months.



Colin Woodall, NCBA

USDA launched an investigation into the pricing practices that followed, and Woodall said the department is “watching this very closely” to ensure the market disruption does not become a profit-taking opportunity.

The National Pork Producers Council has also sounded the alarm about the concern of labor shortages in processing facilities. Last week, the organization sent a letter to administration officials outlining their concerns about what’s at stake if animals are unable to be harvested.

**“It would result in severe economic fallout in rural communities and a major animal welfare challenge,” NPPC President Howard “A.V.” Roth said.**

Aside from challenges in moving and producing raw commodities, machinery and other inputs are feeling the pinch of the virus as well.

March is a normally a busy time of year for Darrin Addison of Addison Irrigation and Center Pivot Parts, who sells irrigation parts to farmers in southwest Kansas. But the outbreak is causing supply chain disruptions.

“I’ve talked to two of my overseas friends that are in the manufacturing business and they’re having problems with labor. They’re not coming to work now because they’re scared about getting sick,” Addison said.

Addison said he is even hearing about container ships being quarantined out at sea.

“Container ships which are hauling our products and products for a lot of people here in the U.S. are not able to come in port,” he said.

Of the ships that have ported, he said agents are quarantining the parts to make sure they do not have the virus.

Addison, who said roughly “90 percent” of his irrigation parts come from overseas, feels the disruption is not just going to be irrigation parts but all farm parts.

“Tractors, planters, you name it, I’m thinking we’re going to see a shortage before this season is over,” he noted. The disruption comes at a bad time, as farmers are maintaining machinery and irrigation equipment before spring planting and summer crop maintenance.

In grocery stores, a representative of packaged foods and goods from Coca-Cola to Clorox said the organization’s number-one priority right now is keeping the supply chain open to consumers.

“Keeping basic materials that are used to make our products moving, and we’re focused on both the state and international level,” Bryan Zumwalt, executive director of public affairs at the Consumer Brands Association, told *Agri-Pulse*.

He said recently CBA has partnered with the State Department to track international goods. Zumwalt said the organization has not seen immediate “outright disruptions but issues of concern” as products begin to enter the U.S. from overseas.

**He said countries like India, China, and Germany are starting to put export bans on certain products.**

“We don’t want to see those things progress in a meaningful way that would undermine our supply chain,” Zumwalt said. At this stage, he said retailers are not concerned about domestic supply chains.

Zumwalt noted CBA has also asked to be exempted from gathering size limitations to allow for the continued movement of products and to minimize hoarding at grocery stores and supermarkets.

**“You’re in a situation now where consumers are buying three to five months of supplies and there is not a level of concern to justify that purchasing,” he said.**

## **Partnership aims to overcome food supply chain disruptions**

A public/private coordinating structure that was first established in the aftermath of the 9/11 terrorist attacks is diligently working to protect US food production and avoid potential COVID-19 disruptions in the food supply chain. It’s not been easy.

However, compared to the coordination that existed in previous times and especially in 2005 during Hurricane Katrina, **“we are so many light-years beyond where we were,”** says Clay Detlefsen, Senior Vice President of Regulatory and Environmental Affairs and Staff Counsel for the National Milk Producers Federation (NMPF). He also serves as the private sector chair of the Food and Agricultural Sector Coordinating Council (FASCC).



*NMPF's Clay Detlefsen*

Detlefsen said that Katrina was his “baptism into this arena” and it was a “horrible, horrible” experience compared to what he is seeing now. The FASCC is comprised of both a government and a private sector coordinating council. He says that the council has been dealing with COVID-19 for many weeks.

**“Every time we have these crisis-type of events - whether it's a hurricane or other – we start weighing in and trying to connect private sector information with the government information so the government can handle what's causing concerns and problems,” he explains. “Basically, it’s about sharing information and trying to get the government to understand where we need them to do something and where we need them to just stop doing things.”**

Here are four examples Detlefsen said his group is currently discussing in light of COVID-19.

1. There are concerns about food processing facilities being shut down if a worker who has been identified as testing positive for COVID-19 reports such to his or her employer. He says that one way to handle the situation is for the firm to first address the employee, then employee-to-employee contact issues, deep clean the facility to make sure there are no issues, and then reopen.

Detlefsen says that process is generally consistent with guidelines from the Centers for Disease Control (CDC) and the Food and Drug Administration (FDA), as well as USDA. “But we know that a lot of these decisions are done by local authorities who may or may not follow all of those guidelines. Extended periods of shutdown for food facilities will make getting food to the grocery stores even more difficult.” So that’s one area where resolution is needed, he adds.

2. Truck drivers are being questioned about their travel activity over the past few weeks and sometimes asked to shut down. There are questions like: Did you go to a foreign country? Did you go to New Rochelle, New York? In addition, some individual communities have curfews and workers are trying to get to work and provide the food Americans need. “Yet they are being detained by local authorities who want to know why they are not following the curfew,” he said.

Detlefsen says that, “if it was just 50 states then we would have 50 places to go to correct the problem. But cities and other communities have their own rules. That's actually been a problem in many, many disasters” and ends up hurting people.

3. The latest guidance from the CDC today is that no more than 10 people should go out in the same place at a time. Some food company workers are saying: Well, I work with a lot of people in my food processing plant. Why doesn't that CDC limit apply to me?

Detlefsen thinks that’s an issue that needs to be much more thoroughly explained and noted that USDA and others have been applauding workers for staying at their jobs.

4. The Trump administration waived hours of service rules for “emergency” food deliveries, but it’s not exactly clear how it applies to other food. “If you look at the wording of it, it’s a little ambiguous and needs to be vastly improved because it’s much more restrictive than originally thought,” Detlefsen said. “Clearly, more work is needed in that area.”

Individual food companies are already trying to be proactive in addressing some of these issues.

For example, in the dairy industry, some processors are taking the temperatures of employees before they enter the plant, says industry consultant Mike McCully. That's on top of the fact that dairy processing plants are already very sanitary and are fairly automated, so workers rarely need to interact. He's also hearing that, even truck drivers who deliver milk to plants are being sent to separate break rooms, so they are no longer interacting.

As the outbreak of COVID -19 continues to unfold and new challenges emerge, Detlefsen says he will continue to gather information from processors, trade associations, media and others. **“The trade associations are working together like crazy and I think we're all doing a good job. We're working really, really well together and our partnerships and interactions with the government agencies have been phenomenal. We just have some tough problems to deal with and we're doing our best to do that.”**

## **China makes strides in phase one on poultry and beef regulations**

China is following through with pledges under the “phase one” deal to lift barriers on U.S. beef and poultry and industry officials here are counting on the resulting trade to buoy producers.

Saturday was the deadline for China to finalize new regulations that will be key for the U.S. beef and poultry sectors that are salivating at potential to supply the massive Chinese market that is desperate for protein.

U.S. sources with knowledge of China's actions tell *Agri-Pulse* that the country's government has agreed to lift its zero-tolerance policy for growth hormone residues in beef as well as implement a regionalization policy for dealing with bird flu outbreaks in the U.S. Three sources confirm the actions but spoke on condition of anonymity ahead of official confirmation, as details on the Chinese actions are being analyzed.

### **China's bird flu bans will be less severe**

China has informed the U.S. that it has overhauled its policy when it comes to reacting to future bird flu outbreaks in the U.S., sources confirm. It was a key pledge that U.S. negotiators insisted upon during the “phase one” talks because the last time China reacted to an outbreak in U.S. flocks, it issued a nationwide ban that lasted for about five years.

China, according to the Office of the U.S. Trade Representative, agreed that within 30 days of implementation of the “phase one” agreement, it would sign the negotiated Protocol on Cooperation on Notification and Control Procedures for Certain Significant Poultry Diseases, requiring China to “finalize a protocol for the regionalization of poultry diseases, thereby ensuring that future trade disruptions will be minimized and solely based on internationally-accepted practices.”

That is a very big deal U.S. poultry industry, sources say, and could protect hundreds of millions of dollars in U.S. exports during an outbreak of bird flu in the U.S.



*Tom Super, National Chicken Council*



“It is important for China to adopt a regionalization policy because the U.S. has one of the most stringent surveillance, eradication and monitoring programs in the world when it comes to avian disease,” says Tom Super, a spokesman for the National Chicken Council. “In the event of an outbreak, most of our trading partners limit any potential restrictions to the county or state level. Before the blanket ban in 2015 due to (high path avian influenza) in turkeys and layers, China at its peak was a \$722 million (per year) market for broilers. As you know, we've just now begun resuming chicken exports to China after they lifted the ban late last year.”

### **China moving past growth hormone ban**

China’s objection to the use of growth hormones in U.S. cattle is just about the last major barriers to U.S. exports. In accordance to the “phase one” agreement, China has already eliminated its ban on beef from cattle over 30 months old at slaughter and agreed to accept the U.S. traceability system.

Japan, South Korea and just about every beef-importing country in the world — except China and European Union member states — accept the minimum residue levels (MRLs) for the growth hormones used by American ranchers.

When the member countries of the United Nations’ Codex Alimentarius voted 25 years ago to set MRLs for the growth hormone chemicals such as Trenbolone acetate (2 microns per kilogram in muscle cuts), China and the European Union argued vigorously against it and then promised not to abide by the vote.

But China, in “phase one,” pledged to comply with the MRL standards set in United Nations’ Codex Alimentarius, potentially opening up the country to a lot of U.S. beef. China agreed that by March 14, it would “adopt maximum residue limits (MRLs) for zeranol, trenbolone acetate, and melangesterol acetate for imported beef.” Those are the three major ones, but for others, China would “adopt its MRLs by following Codex standards and guidelines ... established by other countries that have performed science-based risk assessments.”

U.S. and industry officials are still not wholly satisfied that China is ready to completely embrace international standards on residue levels for growth hormones in U.S. beef, but the country initially appears to be complying with its promise to do so, say U.S. industry and government sources.

Still, the details need to be studied, says Kent Bacus, senior director of international trade and market access at the National Cattlemen’s Beef Association.

“The Chinese Agriculture Ministry has posted some information that showed some of the Codex MRLs, but of course we want to see if they are using all of the MRLs or just MRLs for certain cuts,” Bacus told Agri-Pulse. “We want to make sure we have full and open access.”

Bacus predicted that U.S. and Chinese officials will still have to “iron out” details, but stressed optimism that China will eventually follow through completely and allow significant access to U.S. beef.

The only major thing standing in the way, he said, is the coronavirus pandemic and that’s only a short-term problem.

“I’m pretty optimistic — pretty bullish on it,” he said. “I think once their economy recovers and once they’re able to become a little more stabilized, there’s going to be a lot of demand for U.S. beef and I think we could see that by the end of the year.”

## US and China work toward ractopamine deal



Kent Bacus, NCBA

The one significant obstacle to U.S. beef exports that China did not agree to lift is its ban on meat from livestock treated with ractopamine, but the two countries are already working to resolve that, government sources tell *Agri-Pulse*.

Under “phase one,” it was agreed that “in consultation with U.S. experts, China shall conduct a risk assessment for ractopamine in cattle and swine as soon as possible without undue delay” and that has already begun, one source tell *Agri-Pulse*.

China’s ractopamine ban is seen as a much weaker barrier to U.S. beef than the country’s hormone ban.

“Hormone-free is a decision you make when the calf is born,” says Joe Schuele, a spokesman for the U.S. Meat Export Federation. “With ractopamine, that’s more of an end of the feeding cycle decision. That would be a requirement that the industry could adapt to more quickly than they could to hormone-free-production.”

## US welcomes jujube fruit

It’s not all about what China is doing for the U.S. American negotiators agreed under the “phase one” deal to open the U.S. border to jujube fruit — also known as Chinese dates — and the Trump administration is honoring that pledge. USDA’s Animal and Plant Health Inspection Service announced Tuesday that it has updated its Fruits and Vegetables Import Requirements database to allow in the fruit that is commonly candied and eaten as a popular snack in Asia. APHIS has cleared seven Chinese packing houses to export jujube fruit to the U.S.

## News Briefs

### CDFA announces 125 SWEEP grants

The California Department of Food and Agriculture (CDFA) announced that 125 agricultural operations were selected for 2019 State Water Efficiency and Enhancement Program (SWEEP) grant awards, totaling \$9.7 million. The grants can be used to improve crop irrigation systems that result in water savings and reduced greenhouse gas emissions. SWEEP is a competitive grant program initiated in 2014 in response to California’s historic five-year drought. The program offers funding to improve water and energy efficiencies on farms and ranches, increasing agriculture’s resiliency to drought and climate change impacts. “Water remains a top concern for Californians, and we are proud to continue investing in water use efficiency in agriculture,” said CDFA Secretary Karen Ross. “Farmers involved in this program are making positive on-farm changes to reduce greenhouse gas emissions, grow food with more

efficient watering systems and help address our changing climate.” There were 366 agricultural operations that applied for funding through the 2019 SWEEP solicitation process. The selected projects are estimated to save 74,900 acre-feet of water and reduce greenhouse gas emissions by 32,800 metric tons of carbon dioxide-equivalent over 10 years, the equivalent of removing more than 7,000 vehicles from our roads. Additionally, the awardees will contribute \$4.9 million in matching funds, furthering the positive impacts of the program. For the full list of grant recipients, [click here](#).

**USTR and Kenya to begin trade talks.** U.S. Trade Representative Robert Lighthizer on Tuesday officially notified Congress that he will negotiate a free-trade agreement with Kenya. Lighthizer must submit formal goals for the bilateral talks 30 days before the talks actually begin, something that hasn’t happened yet. Lighthizer said it would be at least 90 days before those negotiations begin. U.S. farm groups and farm equipment companies are counting on USTR to negotiate terms that reduce tariff and non-tariff barriers and open up new export opportunities. Kenya could be buying more U.S. wheat, rice, chicken and tractors, but the potential is much bigger than just increased access to one country. U.S. industry and government officials are counting on the FTA to pave the way for freer trade across the continent. “Under President Trump’s leadership, we look forward to negotiating and concluding a comprehensive, high-standard agreement with Kenya that can serve as a model for additional trade agreements across Africa,” Lighthizer said in a statement Tuesday. “Kenya is an important regional leader, a strategic partner of the United States, and a commercial hub that can provide substantial opportunities for U.S. trade and investment.”

## **Farm Hands West: O’Conner hired for California AFT**

American Farmland Trust hired **Teresa O’Connor** as the new communications and outreach manager for California. O’Connor previously worked as an assistant editor for UCFoodObserver.com, reporting on food and agriculture for the Office of the President at University of California. She has also written for both the California and Idaho Cooperative Extension Services.

**Andrew Smith** has been confirmed as Sonoma County’s new agriculture commissioner. He succeeds **Tony Linegar**, who served in the post for the past eight years. Smith will work to manage local rules on vineyard development and hemp.

**John Barsa** has been tapped by President **Donald Trump** to be the acting administrator of the U.S. Agency for International Development. Barsa currently serves as the assistant administrator for USAID’s Bureau for Latin America and the Caribbean. He has served in leadership roles at the Department of Homeland Security and in the United States Army Reserves. He replaces former USAID Administrator **Mark Green**, who announced earlier this week he is leaving the agency and plans to return to the private sector next month.



John Barsa

**Mandy Gunasekara** is the new chief of staff to EPA Administrator Andrew Wheeler. Most recently, Gunasekara founded the Energy 45 Fund; before that she served as EPA’s principal deputy assistant administrator for the Office of Air and Radiation.

**Sarah Campbell** has been selected to lead the newly created national coordinator position in USDA focused on serving beginning farmers and ranchers. In her new role, she will work closely with the state coordinators to develop goals and create plans to increase beginning farmer participation and access to programs. She most recently served as acting director of customer experience for the Farm Production and Conservation Business Center.

**Josh Stull** has been appointed to vice president of policy and analysis for the Supporters of Agricultural Research Foundation (SoAR). Stull brings 17 years of experience in food and ag policy, most recently serving as a congressional and stakeholder affairs officer for the National Institute of Food and Agriculture. Stull's experience also includes serving as director of government affairs at the National Fisheries Institute. SoAR also appointed **Barbara Schaal**, dean of the faculty of arts and sciences at the Washington University in St. Louis, and **Douglas Gollin**, professor of development economics at the University of Oxford, to its board of directors.

Secretary of Agriculture **Sonny Perdue** swore in **Devon Westhill** to serve as the deputy assistant secretary for Civil Rights. Before his appointment, Westhill served as the deputy director of the Office of Public Liaison at the Department of Labor.

**Dana Gunders** has been named the executive director of ReFED, a nonprofit aiming to reduce food waste. Gunders' experience includes being a senior scientist for food and agriculture at the Natural Resources Defense Council for eight years. She also was a principal at Next Course LLC.



Devon Westhill being sworn in by Sec. Sonny Perdue

**Chonya Davis** has started a new position with Bread for the World as the new senior domestic policy adviser. She previously worked for Rep. **Joyce Beatty**, D-Ohio., as a senior legislative assistant covering the portfolio for agriculture and food, energy, labor, public lands and natural resources, international affairs and environmental protection.

**Mallory Blount** has joined the communications team at the White House as the new director of specialty media. Before coming to the White House, Blount was the director of public affairs at the Department of the Treasury and deputy press secretary at the Department of Housing and Urban Development.

United Fresh has announced its new slate of officers and directors nominated to sit on the board of directors, effective March 19. The new chairman of the board is **Michael Muzyk**, president of Baldor Specialty Foods Inc., in the Bronx, N.Y. Nominated as chair-elect is **Danny Dumas**, senior vice president N.A. sales and product management for Del Monte Fresh Produce N.A. Inc. Nominated to secretary-treasurer is **Michael Castagnetto**, president of Robinson Fresh. Current chairman **Greg Corrigan**, CEO of United Vegetable Growers Cooperative, will move to the

position of immediate past chair and remain on the board and the executive committee. The following industry leaders have been nominated to serve as new members of the United Fresh board for a two-year term: **Melissa Melshenker Ackerman**, president of Produce Alliance; **José Antonio Gómez Bazán**, managing director of Camposol International; **Lisa McNeece**, vice president of food service and industrial sales for Grimmway Enterprises Inc.; **James Rogers**, founder and CEO of Apeel Sciences; **Natalie Shuman**, director of trade and retail marketing for Apeel Sciences; and **Mary Thompson**, CEO of Bonduelle Fresh Americas.

**Samuel Allen** has chosen to retire May 1 from his position as chairman of the board for Deere & Company. The board has elected **John May**, Deere's CEO, as the new chairman of the board after Allen's retirement. Allen has been chairman of the board of directors since 2010 and served as the company's CEO from 2009 to 2019. He joined Deere as an industrial engineer in 1975 after graduating from Purdue University.

**Whitney MacMillan**, leader of Cargill and last member of the founding family, died March 11 of natural causes. He was 90. MacMillan worked 44 years with the company, 20 of which were spent as the CEO. He expanded the company from 31 to 53 countries, and was a true believer in the idea of moving food from places of abundance to places of scarcity. Cargill entered the canola, cocoa, cotton, malt and fertilizer markets and started processing beef and pork under MacMillan's leadership. He was chairman of the board and CEO of the company from 1976 until his retirement in 1995.

**Best regards,**

**Sara Wyant**  
**Editor**

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