

ASA Confident U.S. Soy Shipments To China Will Now Resume

ASA believes that the path has been cleared for a resumption of U.S. soybean shipments into China. In briefings with U.S. government officials, ASA has learned that China is prepared to accept a statement of regulatory review issued by the U.S. government as an interim measure until such time as China has completed its own regulatory review of soybeans grown from biotechnology-enhanced seed-stock.

For resolving this important trade issue, ASA credits efforts by U.S. Trade Representative Robert B. Zoellick and his staff, U.S. Department of Agriculture representatives, and President George W. Bush, who raised the issue on two occasions with Chinese President Jiang Zemin during the President's recent visit to Shanghai.

"The United States has in place an extensive regulatory review process that has already determined that biotech soybeans are safe for human and animal consumption, and safe for plants and the environment," said ASA President Bart Ruth from Rising City, Neb. "The Chinese have agreed to utilize these safety assessments until they have completed their own regulatory system and reviews."

In recent years China has purchased more than \$1 billion worth of soybeans from U.S. farmers, becoming the largest single-country export customer for U.S. soybeans. On June 6 of this year, China made regulatory announcements that have kept exporters from booking new shipments to China for fear that ships would not be allowed to unload their cargos upon arrival.

ASA Asia Division Director Gil Griffis said, "We also understand the Chinese have agreed to address the problem of quarantine delays, which have been a problem in recent months."



ASA Photo by Bob Callanan

Part of a 55,000 ton Panamax shipment of U.S. soybeans is loaded into railcars at the Chinese port of Dalian.

ASA Supports White House Request For Delay In Senate Farm Bill

In response to direct requests from the White House, ASA is supporting the Administration's request to the Senate that it take the time required to develop a new farm bill that best serves the needs of U.S. agriculture. The Administration noted that the war on terrorism and establishing homeland security were of prime importance right now and since current farm law doesn't expire until September of next year it would be wise to wait to address new farm legislation.

ASA CEO Steve Censky said, "ASA decided to support the White House based on the Administration's assurance that resources necessary to fund a new farm bill above the current baseline will be available next year, and due to the fact that the Senate may need more time than is still available this session to develop balanced legislation that treats soybeans far more equitably than the House farm bill."



For all the latest information about ASA's position and activities regarding the development of a 2002 farm bill, visit ASA's web site at www.SoyGrowers.com.

ASA Urges Ag Secretary To Maintain Oilseed Loan Rates

If Congress defers completion of the farm bill until 2002, it is critically important that the Administration protect soybean producer income next year by maintaining the 2001 marketing loan rate. ASA has strongly urged Agriculture Secretary Ann Veneman to use her Administrative discretion to maintain oilseed loan rates at current levels for 2002 crops. Allowing the soybean loan rate to fall from the current \$5.26 per bushel to the statutory minimum rate of \$4.92 per bushel for 2002 crops would directly reduce producer income by more than \$1 billion.

ASA noted to Veneman that

oilseeds have the lowest stocks-to-use ratios of major U.S. crops. According to the Department of Agriculture's October estimates, the 2001/2002 end of marketing year stocks-to-use ratio for soybeans is projected at just over 12 percent, compared to almost 15 percent for corn, 20 percent for rice, 29 percent for wheat and 51 percent for cotton. Reducing oilseed loan rates would only drive up production of crops already in greater oversupply.

ASA also informed Veneman that maintaining oilseed loan rates at current levels is necessary to protect U.S. oilseed producers from the neg-

ative effects of a higher valued U.S. Dollar and massively devalued Brazilian currency that is sending false production signals to Brazilian farmers.

Since 1997, the U.S. Dollar has gained strength against the currencies of at least 15 major importers. The higher valued U.S. Dollar is causing foreign buyers to have to pay more of their local currencies for oilseeds today than they were paying four years ago when oilseed prices were 30 percent higher.

Details about ASA policies and initiatives can be found on the web at www.SoyGrowers.com.

Great Commodity Classic Entertainment

Comedian and musician Dick Hardwick will be the General Session keynote speaker at the 2002 Commodity Classic in Nashville, Tenn., February 21-23. His wholesome, zany routines are in constant demand for conventions, meetings and Hollywood events.

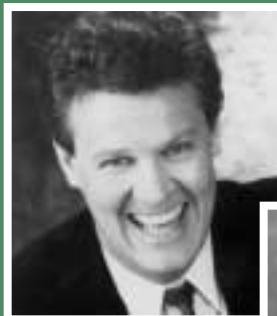
For the "Evening of Entertainment" on February 23, singer/performer Louise Mandrell is the featured entertainment.

Mandrell's talent, personality and boundless energy have won her a legion of fans, unparalleled reviews, hit records, a best-selling book, numerous commercial endorsements, her own nationally syndicated television special and a spectacular stage show.

Riders in the Sky, with their down home cowboy-style music, will be the opening act for Louise Mandrell. Riders in the Sky has been creating harmony-laden music for nearly 23 years.

2002 Commodity Classic also includes many valuable education and profitability sessions and a premiere trade show with about 600 booths. Education sessions will address such topics as trade, transportation infrastructure, renewable fuels, biotechnology and the future of agriculture. A new session on marketing and positioning for profit has been added to this year's schedule.

More information is available on the web at www.commodityclassic.com.



Comedian and musician
Dick Hardwick



Nashville recording artist
and entertainer Louise
Mandrell