

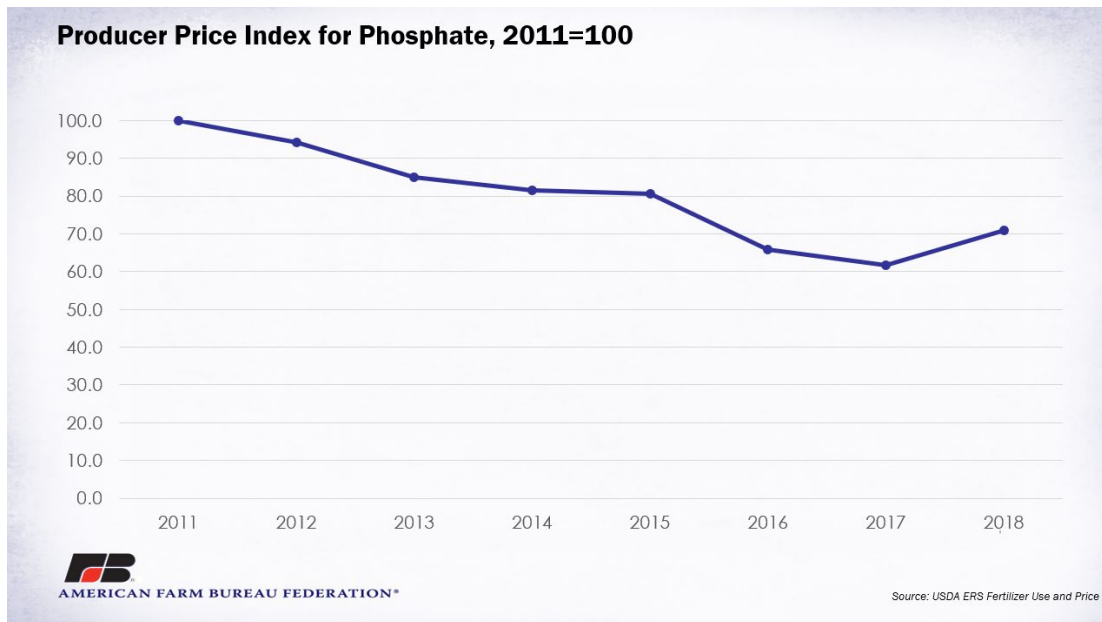
July 21, 2020

The Honorable Lisa R. Barton
Secretary to the Commission
U.S. International Trade Commission
500 E Street, SW-Room 112A
Washington, DC 20436

**RE: Investigation Nos. 701-TA-650-651 (Preliminary)
Phosphate Fertilizers from Morocco and Russia**

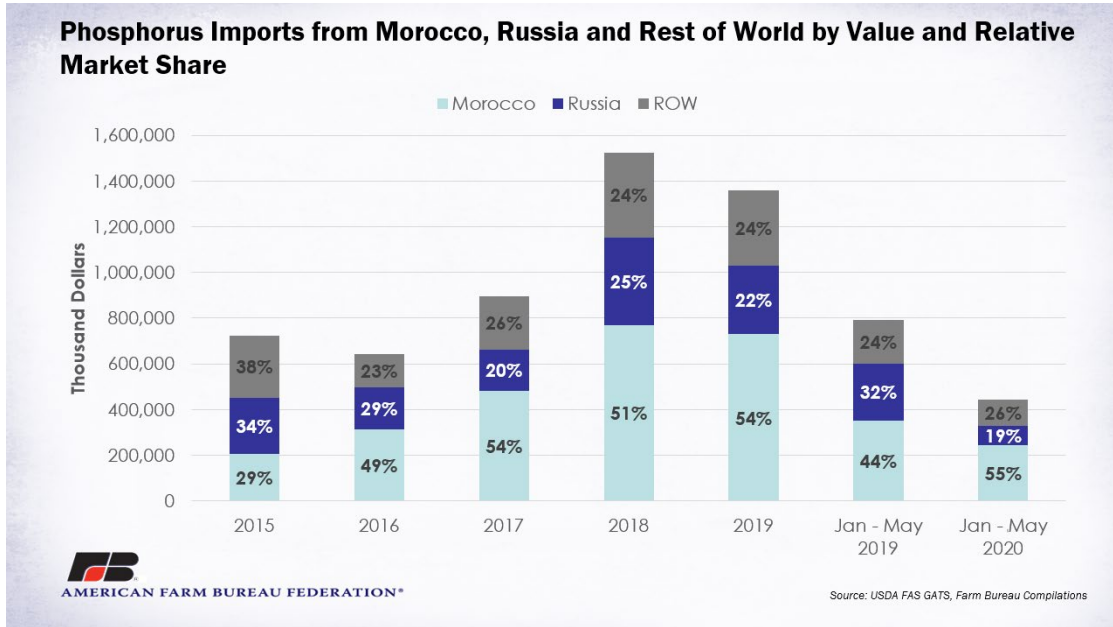
These comments from the American Farm Bureau Federation, a general farm organization, explain the urgent interest of America's farmers and ranchers in maintaining access to a reliable and cost-effective supply of phosphate fertilizer.

As American agricultural production grows to meet new market opportunities both domestically and internationally, necessary inputs to produce those crops must grow as well. A key production factor is the availability of phosphate fertilizer at a competitive price. Phosphate fertilizer prices in 2018 were 29% lower than in 2011, a development that has helped farmers remain competitive during the current challenging farm income situation.



The U.S. currently produces phosphate fertilizer and imports this fertilizer from several countries, including Morocco and Russia. Morocco and Russia combined account for approximately seventy-five percent of imports. An increase in the cost of phosphate fertilizer by the application of between 30.72 and 71.5 percent countervailing duties will add to the production costs for many important agricultural commodities. If these duties are imposed, production costs to farmers across the country for corn, soybeans, cotton, wheat and other crops will increase for the next planting season. Fertilizer costs account for approximately 15% of total cash costs in the U.S. Since phosphorus accounts for 20% of fertilizer usage, that means about 3% of total cash costs

can be attributed to phosphorus. Certainly, a significant increase in phosphorus costs would be felt in farmers' bottom line.



America's farmers are increasingly concerned about their access to an affordable, competitive supply of this crucial fertilizer. As phosphate fertilizer is a primary nutrient for plant growth for a broad range of crops grown by America's farmers, price increases due to the application of import duties will soon impact their planting decisions.

Imports are an important part of the phosphate supply to farmers. The application of the duties requested by the petitioner, potentially in effect for five years with the possibility of extension, will result in a constricted supply and an imposed higher price for users.

In this time of long-term economic stress on U.S. agriculture, production costs are of increased importance to the near and long-term viability of U.S. farms.

Farm Bureau believes that imposing the requested countervailing duties on phosphate fertilizer imports will add to agricultural production costs.

Sincerely,

Paul Schlegel
Vice President, Public Affairs