

C-714-001 Investigation Public Document

August 5, 2020

The Honorable Jeffrey I. Kessler Assistant Secretary of Commerce for Enforcement and Compliance U.S. Department of Commerce 1401 Constitution Ave NW Washington, DC 20230

The Honorable Jason E. Kearns Chairman U.S. International Trade Commission 500 E St SW Washington, DC 20436

The Honorable Randolph J. Stayin Vice Chairman U.S. International Trade Commission 500 E St SW Washington, DC 20436

Dear Secretary Kessler, Chairman Kearns, and Vice Chairman Stayin:

The Agricultural Retailers Association (ARA) is aware of the U.S. countervailing duty ("CVD") petitions filed on June 26, 2020 by The Mosaic Company against imports of phosphate fertilizers from Morocco and Russia, and we write to you in opposition of the petition. ARA's long-held public policy position regarding trade states that our organization will support policies that promote free trade of agricultural products, equipment, and crop input materials (pesticides, fertilizers, seeds) that creates opportunities for the benefit of American agribusinesses and farmers. Our position on this CVD petition is consistent with past positions we have taken on past requests for CVD levies on imported agricultural input products requested by other companies.

ARA represents agricultural retailers who supply farmers and ranchers with essential crop input products and services. These products include seed, nutrients, crop protection products, feed, equipment and precision agricultural technology. Retailers also provide consultative services such as crop scouting, soil testing, field mapping, custom planting and application and development of nutrient management and conservation plans.

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Agricultural retailers range in size from small, family-held businesses to large companies and farmer-owned cooperatives with many outlet stores. Large and small retail facilities are scattered throughout all 50 states and provide critical goods and services, as well as jobs and economic opportunities in rural and suburban communities.

ARA members and their farmer customers purchase phosphate from both domestic and foreign manufacturers. While ARA strongly supports the domestic fertilizer industry and policies that will make them more efficient and competitive globally, our primary interest is in achieving competitive sources of product from which our retailer and distributor members can best serve their growers. We have consistently supported reducing both domestic and international trade barriers. Granting this petition will very likely limit fertilizer supply options for America's farmers and ranchers and increase their input costs.

The agriculture industry is heavily weather dependent; thus, to ensure a strong US food supply, farmers require large volumes of agriculture inputs during tight time spans in the planting season. Hence, it is necessary for the US agriculture industry to have a strong and steady supply of fertilizer available to ensure adequate supply and to avoid wild price swings in the market.

Our policy position supporting fair and free trade of agricultural products is a top priority set by our Board of Directors, and this includes foreign and domestic manufacturers alike, and imports and exports equally. We therefore ask that you deny the CVD petition.

Thank you for your time and attention to this important issue.

Sincerely yours,

W. Daren Coppock President & CEO

Agricultural Retailers Association