

C-821-825 C-714-001 Investigation **Public Document** 

August 6, 2020

The Honorable Wilbur Ross Secretary 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 Street, SW Washington, DDC 20436

Dear Secretary Ross and Chairman Kearns,

The Iowa Corn Growers Association (ICGA) represents over 7,500 members in Iowa that work to create opportunities for long-term corn grower profitability. Collectively, we appreciate this opportunity to comment on the proposed countervailing duty on phosphate fertilizer imports into the United States from Morocco and Russia

Each year inputs to grow a corn crop continue to rise while commodity prices continue to drop. A tariff on phosphorus fertilizer will further harm corn farmers in an already difficult year from trade disputes, ethanol battles, and COVID-19. In its petition, Mosaic Company is seeking countervailing duties of between 30.72 and 71.5 percent duties be applied to phosphorus. The United States imports 3.5 million tons of the 8 million tons of demand of phosphate fertilizer in the U.S. market. If approved, these new import tariffs will have a significant negative impact on U.S. farmers and farm profitability. In fact, the impact will be a \$400 million hit to the U.S. farmer.

Applying punitive tariffs to phosphorus will not rebalance the global phosphates market back to the demand levels of 2018. The market has been impacted since 2019 when extreme wet weather impacted fertilizer applications and fields from even getting planted resulting in a reduction in demand. In 2020, COVID-19 impacted planting decisions for many farmers which once again impacted phosphorus fertilizer. Additionally, production also stopped earlier this year in China where roughly 28 percent of phosphate production occurs.

Now is not the time for corn farmers to take another hit for factors that are outside of their control. I ask that you deny the petition to impose countervailing duties on phosphorus fertilizers. Thank you for your time considering the impact to corn growers.

Sincerely,

President, Iowa Corn Growers Association