

WEEKLY NEWS ARTICLE UPDATE



Prepared by John C. Baize and Associates | 7319 Brad Street | Falls Church, VA 22042
TEL: 703-698-5908 | FAX: 703-698-7109 | E-mail: jbaize@attglobal.net

April 13, 2015

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Export Sales Highlights

This summary is based on reports from exporters for the period March 27-April 2, 2015.

Soybeans: Net sales reductions of 176,700 MT for 2014/2015 resulted as increases for the Netherlands (96,000 MT, including 95,000 MT switched from unknown destinations), Mexico (59,000 MT), Japan (49,000 MT, switched from unknown destinations and decreases of 2,500 MT), Indonesia (33,700 MT, including 25,000 MT switched from unknown destinations and decreases of 2,300 MT), and Malaysia (15,000 MT), were more than offset by decreases for unknown destinations (242,300 MT), China (229,400 MT, including 355,000 MT switched to 2015/2016), and Israel (1,900 MT). Net sales of 502,400 MT for 2015/2016 were for China (415,000 MT), unknown destinations (62,900 MT), Mexico (20,000 MT), Guatemala (3,100 MT), and Japan (1,400 MT). Exports of 624,500 MT were down 6 percent from the previous week and 5 percent from the prior 4-week average. The primary destinations were China (248,200 MT), the Netherlands (96,000 MT), Indonesia (70,800 MT), Mexico (64,400 MT), Japan (54,300 MT), and Colombia (20,700 MT).

Optional Origin Sales: For 2014/2015, optional origin sales to China (55,000 MT) were exercised to export from other than the United States. Outstanding optional origin sales total 656,000 MT, all China.

Exports for Own Account: The current exports for own account balance is 1,900 MT, all Canada.

Soybean Cake and Meal: Net sales of 46,000 MT for 2014/2015 were down 79 percent from the previous week and 75 percent from the prior 4-week average. Increases reported for the Philippines (63,600 MT, including 62,300 MT switched from unknown destinations and decreases of 1,300 MT), Cuba (44,000 MT), Mexico (19,800 MT), the Dominican Republic (15,100 MT), Colombia (8,700 MT),

and Canada (6,900 MT). Decreases were reported for unknown destinations (84,600 MT), Poland (30,000 MT), and Barbados (24,200 MT). Net sales of 31,000 MT for 2015/2016 were reported for unknown destinations (14,700 MT), the Dominican Republic (10,200 MT), and Guatemala (6,200 MT). Exports of 293,100 MT were up 1 percent from the previous week and 7 percent from the prior 4-week average. The primary destinations were the Philippines (68,700 MT), Thailand (64,600 MT), Italy (55,000 MT), Mexico (45,700 MT), Colombia (17,300 MT), Canada (14,200 MT), and the Dominican Republic (12,200 MT).

Soybean Oil: Net sales of 11,900 MT for 2014/2015 were down 42 percent from the previous week and 15 percent from the prior 4-week average. Increases were reported for Mexico (8,200 MT), Jamaica (3,500 MT), and Canada (100 MT). Exports of 33,900 MT were up 87 percent from the previous week and 81 percent from the prior 4-week average. The primary destinations were Peru (20,500 MT), South Korea (8,500 MT), Mexico (4,600 MT), and Canada (100 MT).

[Paraguay Peasants Resist Soybean Agribusiness Activities](#)

By Maria Sanz.

Luz Bella, Paraguay, Apr 6 (EFE).- This peasant community in central Paraguay is focusing on ecological farming, thus resisting the massive agribusiness activities producing mainly soybeans that take up more and more land and use herbicides dangerous to human health, Luz Bella residents say.

Soybean production surged in San Pedro province in the late 1980s and it came with the promise of easy money, Jose Domingo Franco, the president of the Luz Bella Peasant Association of Alternative and Ecological Producers, told Efe.

Soybean producers began cutting down all the trees to provide clear areas for the machinery needed to work the huge farms, Franco said.

And on top of the deforestation, the big soybean producers began using chemicals to fertilize the soil, fight crop disease and dry out the plants so that they could be harvested.

Paraguay, the world's fourth-largest soybean exporter, between 2009 and 2013 quintupled the amount of agricultural chemicals it imported for the extensive farms, according to figures compiled by the Social Research Database organization.

Some agricultural chemicals, such as the herbicide glyphosate, produced by Monsanto and sold in the United States under the brandname Roundup, last week were called "probably carcinogenic for humans," according to the International Agency for Research on Cancer.

After the use of these products became common on soybean plantations in the area, the residents of Luz Bella began having respiratory problems.

Contact with these substances also causes skin allergies, said Nilda Gauto, a farmer in Luz Bella who lives on the edge of a large mono-crop field where soybeans are alternated with genetically modified corn.

"Every time they fumigate, I put my kids in the house and close the doors and windows. It scares me to leave them outside and have them get poisoned," she said.

Gauto said that the soybean firm that has planted almost right up to her door is obligated by law to have a living protective barrier of trees between its fields and neighboring residences to mitigate the consequences of the spraying, but it has not complied with that requirement.

Despite the problems caused by the big farms, Gauto said that she wants to stay on her land with her family.

"Here, we can produce what we need to get by, and we can also sell part of our production. But if we sell our land to the soybean growers, we'll be left with nothing," she said.

Franco agreed with her and said that many of her neighbors began planting soybeans, but trying to grow the crop on small farms does not provide good profits and they wound up in debt and had to sell their land to the big growers.

"The soybean producers pay them a little money with which they settle at the edge of the city, in precarious circumstances. Often they don't find work and, when the money is gone, they're left on the street. Soybeans are bread for today and hunger for tomorrow," he said.

Peasant organizations estimate that over the past 10 years, 900,000 rural residents have been displaced from their lands in Paraguay by the expansion of the big soybean growers' holdings.

In the face of this spread of big agriculture for export, Luz Bella residents decided to organize to resist, remaining faithful to an ecological production model that renounces chemicals to preserve the health of people and the environment.

"If a plague of locusts comes, we plant some 'yuyo' (a type of weed) with a strong odor that works like a repellent, and they don't come to our fields. But if we use insecticides, we'll be eating insecticides," Franco said. EFE

[India's Oilmeal Sales Drop for 3rd Year on Weak SE Asian Demand](#)

By Ratnajyoti Dutta

NEW DELHI, April 7 (Reuters) - India's oilmeal exports plunged 44.3 percent to 2.44 million tonnes in 2014/15, falling for a third straight year as high prices of soymeal curbed Southeast Asian demand for the animal feed, a leading trade body said on Tuesday.

Soymeal exports by Asia's top supplier slumped three-quarters to a record low 659,593 tonnes in the year ending March 31, sharing the bulk of the drop in oilmeal sales, data from the Solvent Extractors' Association of India (SEA) showed.

In January, industry officials said soymeal exports could hit a 26-year low at around 800,000 tonnes by March as easing sanctions against Iran, a key buyer from India, allowed Tehran to opt for cheaper South American supplies.

"Overseas sales of soymeal hit an all-time low," said B.V. Mehta, executive director of SEA.

Mehta said soymeal sales to Japan, Iran, Indonesia, Taiwan and Vietnam plummeted due to cheap supplies from other origins including China and Argentina.

Lower sales by Asia's top soymeal exporter could underpin Chicago futures, which have lost almost 7 percent this year, while the weak demand could put a lid on domestic soybean prices. The oilseed is crushed to produce animal feed.

Currently, India is offering soymeal at \$530 a tonne, free on board, while supplies from Brazil and Argentina are \$40-\$50 cheaper, an Indore-based trader said.

Last year, the major destinations for Indian soymeal were Iran, France and Myanmar.

In contrast to soymeal sales, India's rapeseed meal exports rose 16.5 percent to 1.1 million tonnes in 2014/15 as big buying from South Korea and Thailand continued to offset a ban by China on Indian oilmeal imports.

China, which was India's No.2 client for rapeseed meal, banned oilmeal imports from India in 2012 after finding traces of malachite green, a hazardous chemical.

[Tackling a Sustainable Industry for Atlantic Salmon Farming in Canada](#)

04-Apr-2015

In a clearing near Port McNeill, British Columbia, an experiment is under way. Inside an unassuming steel-clad building, thousands of Atlantic salmon swim in circular tanks.

When those fish are big enough - in about 12 months, when they have grown from 100-gram smolts to between three to five kilograms in weight - they will be harvested, having never touched the ocean. Their waste will be processed into garden soil. Water, almost all of which is recirculated, comes from nearby wells and the plant is highly automated.

"Our three major costs are feed, smolts and labour," Jo Mrozewski, a spokeswoman for Kuterra Limited Partnership, said during a recent tour of the facility. "So we do what we can to try to break all of those [processes] down and the automation is part of reducing those costs."

Kuterra is a front-runner in the quest to prove Atlantic salmon can be raised on land in a way that is more environmentally friendly than the ocean-based systems used to raise the fish, an aquaculture

staple worldwide since the 1960s. It reached a milestone last April, when its salmon hit the market. But questions remain, including whether the costs - including equipment, power and food - of raising Atlantic salmon entirely on land outweigh potential profits.

Owned by the Namgis First Nation, Kuterra is part of a global evolution in which producers are scrambling to balance consumer demand, environmental concerns and technology to raise more fish for a growing population. Globally, aquaculture accounts for nearly 50 per cent of all seafood harvested for human consumption. By 2030, that share is projected to rise to 62 per cent as catches from wild fisheries level off and demand from an emerging global middle class increases, the Food and Agriculture Organization of the United Nations said in a 2014 review.

Kuterra, which uses a recirculating aquaculture system, or RAS, is showcasing the purported advantages of land-based salmon production. Those include less need for antibiotics, pesticides and other chemicals; a contained system that keeps contaminants, including fish waste, out of the ocean; and a readily controlled environment that lets producers use about 30-per-cent less feed than would be required in ocean pens to raise the same amount of fish.

RAS, often referred to as closed-containment technology, has been around for decades and is widely used in hatcheries as well as for raising species of fish including sturgeon. Kuterra and a handful of other players want to use the technology to raise Atlantic salmon to maturity. The experiment is particularly relevant in British Columbia, where salmon farms date back to the 1970s and have been a source of contention over concerns including the potential spread of disease from farmed to wild fish.

In 2012, the Cohen Commission - a public inquiry into the decline of Fraser River sockeye salmon run - issued recommendations that included a moratorium on new salmon farms in the Discovery Islands, near Campbell River, until 2020, citing scientific uncertainty around the impact of farms on wild salmon. Controlling sea lice has become a major issue in Denmark's farmed-salmon sector, fuelling interest in RAS alternatives.

"The economics for hatcheries have always been there [for RAS]. It's great, with lots of biosecurity for growing the best fish possible. For growout - rearing to market size - until five years ago or so, it was probably a little too expensive," said Rob Walker, president of AgriMarine Technologies Inc., which makes aquaculture equipment and runs its own fish-farming operations.

"But there's a huge push globally to move not just salmon, but all kinds of species into these better-controlled systems. It's about management of stock - the ocean is an incredible place, but it's also uncontrollable. And as with anything, the more control you have, the better you can manage."

Fish raised in land-based systems can appeal to certification programs set up to safeguard wild fish stocks and the environment. SeaChoice, for example, gives a red or "avoid" ranking to net-pen-farmed salmon from B.C., but a "best choice" ranking to land-based farmed Atlantic salmon.

Profits are another question. Danish land-based Atlantic salmon producer Langsand Laks recently reported a financial loss for 2014.

In a letter to a trade journal last year, Karl Iver Dahl-Madsen, a consultant and former president of Dansk Akvakultur, a Danish industry group, predicted new RAS salmon operations would "lose their investors' shirts," and said land-based systems for salmon farming are five to 10 times more costly than sea-cage systems.

In an e-mail, Mr. Dahl-Madsen stood by those opinions and also claimed disease-related benefits of land-based systems have been overstated.

"If a sea-cage farm is placed in an open location with high currents and at a sufficient distance from other farms, the risks [of spreading sea lice] are negligible," he said.

Mr. Dahl-Madsen also cited issues of fish quality and fish welfare, saying land-based systems require fish to swim in higher densities than net-cage systems. Kuterra says its systems have been designed to give the salmon - which naturally swim in groups - enough room to prevent stress.

Marine Harvest, the biggest Atlantic salmon producer in B.C., foresees a combination of RAS and ocean-cage technology, saying RAS technology has evolved even since Kuterra began operations in 2013.

Kuterra has received financial backing from the federal government as well as Tides Canada. Construction costs were about \$9-million and there are currently five full-time employees.

"Our projections are that we will break even in 2016 and the year after that we'll actually show a profit," Ms. Mrozewski said. "The mission of this project is to prove the technical, biological and economic viability of doing this."

Fly larva gives hope for sustainable fish farms

One of the knocks against aquaculture has been its tendency to forage down the food chain. Traditionally, diets for farmed carnivorous fish such as salmon have contained between 30 to 50 per

cent fish meal and oil, which is obtained from wild-caught "industrial" fish, including sardines and mackerel.

As the amount of fish being raised through aquaculture has increased, the demand for meal to feed to the farmed fish has grown, fuelling a search for alternatives.

At Enterra Feed Corp., that alternative comes in the form of black soldier flies, specifically their larvae, which are hatched, fed cast-off fruits, grains and vegetables (the organic material comes from, for instance, grocery stores and food-processing operations, and excludes "post-consumer" waste from hotels, restaurants or consumers) and then processed for use in animal feed.

Enterra's Langley plant has a capacity to process 100 tonnes of food waste per day. Larvae are harvested about two weeks after they hatch and the finished product consists of more than 80 per cent protein, said Enterra chief executive officer Brad Marchant.

"It's a direct substitute for fish meal," Mr. Marchant said, adding that the idea is to provide feed manufacturers with a stable, consistently priced product.

Enterra has obtained approval to sell its product in six states and has applied for approval from the Canadian Food Inspection Agency to use the larvae product as a feed ingredient for fish and livestock in Canada.

Enterra's grubs feed on material that companies would otherwise have to put in compost, landfill or get rid of through other means. An estimated one-third of food produced globally each year for human consumption, or about 1.3-billion tonnes, is lost or wasted, according to the FAO.

China's Grain Self-Sufficiency Policy Lives On after its Official Demise

Tuesday, April 7, 2015

On paper and in pronouncements, the contentious policies that regulate China's great waves of grain have undergone a sea change in the last two years. 2014 saw reports claiming China had axed its contentious grain self-sufficiency policy, and this year officials were said to signal a policy shift away from just bumper harvests to focus more on food safety and sustainability.

In practice, though, these policy bombshells have proved more bluster than boom.

Officials recognize that China's grains sector is subject to policies that encourage overproduction, inefficiency, wasted stockpiles, elevated prices and, perversely, mounting imports of the same crops the country already has too much of as prices abroad fall. They also remain hamstrung by political

tradition, fear of over-dependence on imports, systemic momentum and the often contradictory interests of the country's rural and urban regions.

The result is regular tides of conflicting policy overtures, muddled further by jargon and arcane categories that obscure what "self-sufficiency" actually means. Despite loud calls for modernization, government insistence on continued supply without regard for demand could prove unsustainable.

"Chinese authorities are now acknowledging that eleven straight increases in grain production since 2004 came at high financial and environmental cost," said Fred Gale, a senior economist at the US Department of Agriculture's Economic Research Service. Gale said that because prices for rice, wheat and corn in China were much higher than international prices, import demand was strong despite large stockpiles of each grain. There is one exception, though: Soybeans.

Tough beans

In keeping with a trend of rapidly rising annual imports after the global food crisis of 2007-8, China imported about 74 million tons of soybeans in 2014, according to USDA records. At roughly 84% of its total supply, the dominance of soybean imports is the result of tariff cuts made during the mid-90s when China was negotiating accession to the World Trade Organization, according to a report by the Institute for Agriculture and Trade Policy. The vast majority went to feed the country's swelling swine stocks, which have ballooned in response to a growing demand from the middle class for more meat.

That trend is expected to continue, and potential growth in feedgrain imports would dovetail nicely with the recommendations of last year's Central Number One Document, an annual batch of policy guidelines released by China's State Council. In 2014, the State Council called for grain production to stabilize at about 550 million tons by 2020, well below the previous year's harvest of 602 million tons. It also told officials to pay more attention to food safety and quality.

In late March of this year, officials at the China Development Forum in Beijing echoed those sentiments. Deputy director Han Jun of China's top rural policy decision-making body, the Office of Rural Work Leading Group, recognized the price distortions in the country's domestic grain markets and pointed out that subsidies were nearing the limit China accepted when it joined the World Trade Organization in 2001.

Qian Keming, a senior economist at the Ministry of Agriculture, told the audience that 85% grain self-sufficiency in 2020 would be in line with the government's grain security goals—an apparent 10% drop from the original target of 95% established in the mid-90s.

But when it came to grain production goals, Qian said, "we recommend still maintaining the present level, at roughly 610 million tons or so." That would actually be an increase over the 2014 harvest of 607 million tons, which alone should bring the demise of China's grain security policy into question. The percentage he gave for grain sufficiency in 2020 also warrants more scrutiny, and Qian's

phrasing in its original Mandarin Chinese is key: “grain security” (粮食安全 liangshi anquan) applies to a category which, from its inception, included all varieties of grain.

Rectifying grains

Hu Ruifa, a former member of the Center of Chinese Agriculture Policy now at the Beijing Institute of Technology, said that China’s original grain security goals didn’t take the role of feed grains into consideration. Hu said the government had since shifted to an emphasis on "edible grain security" (口粮安全 kouliang anquan), including rice, wheat and corn and excluding soybeans.

China's grain production and trade figures for 2014 (kilotons)						
	Production	Imports	Exports	Net imports	Total supply	Self-sufficiency
Rice	177,958	3,920	510	3,410	181,386	98.1%
Corn	218,489	3,100	8	3,902	221,581	98.6%
Wheat	112,522	1,900	15	185	114,407	98.4%
3 Key Grains	508,969	8,920	533	8,387	517,356	98.4%
Soybeans	13,850	75,000	180	74,820	88,670	15.6%
3KG + Soy	522,819	83,920	713	83,207	606,026	86.3%

Source: National Bureau of Statistics & Customs Administration; original table by Yu Xiaohua for Caixin.com

That means Qian's figure of 85% for 2020 matters insofar as it departs from the current level of grain self sufficiency, which takes everything the Chinese government considers “grains” into account, including soybeans (and even potatoes).

By this yardstick China’s self-sufficiency rate in 2014 was only 87.9%, theoretically limiting grain import growth to just 2.9% between now and 2020. And based on Qian’s 720 million ton estimate for demand in 2020, imports in that year would account for only about 108 million tons of China’s total annual grain supply, up around 35 million tons from imports in 2014.

That is no small amount, but it does not signal an end to grain self-sufficiency. Because price floors for rice and grain are more formalized and statutory than that for corn, import gains are more likely to come from the latter. But don’t expect corn to follow suit with the fast and loose soybean sector.

"The thinking on corn by Chinese officials has loosened up," said Gale at the USDA. "There is an increasingly prevalent view that some corn could be imported, if necessary, because it is used as animal feed, not staple food. However, imported corn will only be permitted to play a supplementary role to domestic corn. Chinese officials are on guard against corn or any other sub-sector becoming dominated by imports and foreign companies, as has happened with soybeans."

Go big, group up

Self-sufficiency may remain holy writ for the mainland's grains, but that doesn't rule out reform altogether. While it allows for only a minor role in China's food supply for imports, the [2015 edition](#) of the Central Number One Document also outlines ambitious plans to restructure the farming sector by fostering the growth of large-scale agribusiness on par with that seen in the US.

That drive will be challenged by limitations on land rights over agricultural land in the countryside that farmers only own the working rights to. William Niebur, vice president for hybrid seed producer DuPont Pioneer North Asia, said land reform would prove fundamental to the creation of larger farms in China. It just won't happen all at once.

"[L]and reform will progress at a differential rate in Northeast and Northwest or the Central River Valleys," Niebur said. "It's going to move province by province and within the provinces in a unique and different way."

That reform will accommodate the additional pressure to urbanize, resulting in an outflow from the countryside that will shrink the available labor supply, he said, driving mechanization and higher technology utilization. It wouldn't be the first such tectonic shift for agriculture since Niebur first visited China.

"I can remember traveling here in the 90's as a research leader for Pioneer and was amazed at just how poor the road systems were, and how loosely connected rural environments were to urban environments," Niebur said. That soon changed as the leadership pushed forward infrastructure improvements to rural-urban connectivity and productivity upgrades accomplished through hybridizing crops, increased fertilization and rudimentary tillage.

Reforms from 2004-2006 saw a gradual end to China's agricultural tax and the introduction of some subsidies for mechanization, which Niebur said let farmers know they would no longer be subject to a heavier tax burden than urban residents. The subsequent introduction of price floors for key crops – rice, wheat and corn – helped make farming them an attractive enough prospect that production soared, even as prices have become seriously distorted in recent years.

Niebur said that the current price disparity was a problem—one he expected would be dealt with. "At least in my thirty years in working in agriculture, everything that I have seen that has been unsustainable eventually stopped and it stopped by design, or it stopped by necessity."

Meat over wheat

Change is coming to China's agricultural sector. Where exactly the farmers who have become dependent on subsidized grain prices ultimately fit into the mechanized, mass-farming future envisioned by policymakers isn't entirely clear. But the central government's urbanization policy [clearly indicates](#) that authorities want rural residents to move to the nation's cities.

Once there, demand for rice and wheat are expected to shrink as meat consumption will continue to drive feedgrain production up. That could in turn make feedgrains a national security priority as corn and soybean-fed pork, chicken and cattle become growing staples of the typical mainland Chinese diet.

Such demand could conceivably force China to open up to an increase in imports, particularly for corn. But so long as self-sufficiency predominates in agricultural policymakers' minds, any grain imports will only ever supplement a mostly home-grown supply.

Pesticides Linked to Honeybee Deaths Pose More Risks, European Group Says

By [DAVID JOLLY](#) APRIL 8, 2015

PARIS — An influential European scientific body said on Wednesday that a group of pesticides believed to contribute to mass deaths of [honeybees](#) is probably more damaging to ecosystems than previously thought and questioned whether the substances had a place in sustainable agriculture.

The finding could have repercussions on both sides of the Atlantic for the companies that produce the chemicals, which are known as neonicotinoids because of their chemical similarity to nicotine. Global sales of the chemicals reach into the billions of dollars.

The [European Commission](#) in 2013 [banned the use of three neonicotinoids](#) — clothianidin, imidacloprid and thiamethoxam — on flowering plants after a separate body, the European Food Safety Authority, found that exposure to the chemicals created “high acute risks” to [bees](#).

But the chemicals continue to be employed on an industrial scale in the United States. The [Environmental Protection Agency](#) is reviewing their use after [President Obama last year established](#) a national Pollinator Health Task Force to help address concerns about so-called [colony collapse disorder](#), a not fully understood phenomenon that has devastated commercial apiaries.

Pesticides are thought to be only one part of the widespread deaths of bees, however. Other factors are believed to include varroa destructor mites, viruses, fungi and poor nutrition.

Two of the main producers of neonicotinoids — [Syngenta](#), a Swiss biochemical company, and the German company Bayer CropScience — have sued the [European Commission](#) in an effort to overturn the ban, saying it is not supported by the science. That legal case is still pending.

Research has been directed largely at the effects of neonicotinoids on honeybees, but that focus “has distorted the debate,” according to the [report released on Wednesday](#) by the European Academies Science Advisory Council.

The council is an independent body composed of representatives from the national science academies of European Union member states. The European ban is up for review this year, and the council’s report, based on the examination of more than 100 peer-reviewed papers that were published since the [food safety](#) agency’s finding, was prepared to provide officials with recommendations on how to proceed.

A growing body of evidence shows that the widespread use of the pesticides “has severe effects on a range of organisms that provide ecosystem services like pollination and natural pest control, as well as on biodiversity,” the report’s authors said.

Predatory insects like parasitic wasps and ladybugs provide billions of dollars’ worth of insect control, they noted, and organisms like earthworms contribute billions more through improved soil productivity. All are harmed by the pesticides.

The report found that many farmers have adopted a preventive approach to insect control, soaking their seeds in the pesticides, a method that releases most of the chemicals directly into the environment. They said a farming approach known as [integrated pest management](#), which takes a more natural approach to insect control, would allow for a sharp decrease in their use.

The authors were critical of studies of neonicotinoids on bee health that tested the insects’ ability to survive a single exposure to a given quantity of pesticide dust; they noted that the effect of the chemicals is cumulative and irreversible, meaning that repeated sublethal doses will eventually be deadly if a certain threshold is passed.

Considering the broad impact of the pesticides, they said, “the question is raised as to what extent widespread use of the neonicotinoids is compatible with the objectives of sustainable agriculture.”

Utz Klages, a spokesman for Bayer CropScience, said on Wednesday that the company stood by its position that its neonicotinoid products “can be used safely if they’re used according to the label.”

A European industry group to which Bayer CropScience and Sygenta belong sought on Wednesday to rebut the study, describing it as a “biased report.”

“This is not new research or even a meaningful review of all the studies available,” Jean-Charles Bocquet, director general of the European Crop Protection Association, said in a statement. “Rather, it is a misleading and very selective reading of some of the literature, especially from organizations well known for their opposition to neonicotinoids.”

The restrictive approach used by European regulators contrasts with the more lenient stance of United States regulators. In March, American opponents of neonicotinoid use delivered more than four million signatures to the White House calling for stronger action to protect pollinators.

The E.P.A. last week [warned pesticide makers](#) that it was unlikely to approve new uses for the class of pesticides “until new bee data have been submitted and pollinator risk assessments are complete.”

But critics say the E.P.A.’s interim policy is rife with loopholes, allowing continued use of existing products for approved applications, for example. They also criticized the agency for not halting the approval of some products that are chemically quite similar to neonicotinoids but classified differently for regulatory purposes.

A temporary ban on new uses “is going to have a negligible impact,” said Larissa Walker, director of a bee-protection campaign at the Center for Food Safety, an environmental advocacy group in Washington. “They really need to look at the bigger picture. They should prohibit all future registrations for all systemic pesticides.”

Pollination — the transfer of pollen from one flower to another, typically by wind, bug or bird — is essential to the global food supply. An estimated 75 percent of all traded crops, including apples, soybeans and corn, depend on pollination.

Neonicotinoids are absorbed by a plant so that the neurotoxic poison spreads throughout its tissues, including the sap, nectar and pollen. Far more deadly to insects than to mammals, they do not discriminate between harmful pests and beneficial pollinators.

But the pesticides are also among the most effective insecticides available to farmers. Proponents argue that they are essential to food security, and note that many of the chemicals they replaced were worse in important respects.

USDA Makes Few Changes in Soy Supply and Distribution Forecasts

By John Baize

USDA made very few changes in its forecasts for U.S. and global soy supply and distribution for the current year in today’s WASDE report. Domestically it reduced its forecast for soybean ending stocks on August 31 of this year from 385 million bushels to 370 million bushels. It did this by raising the forecast usage for seed by 6 million bushels and the residual by 14 million bushels. It did not change its forecast for domestic soybean crush or soybean exports.

USDA reduced its forecast for U.S. soyoil exports from 2.05 billion pounds to 1.9 billion pounds based on the slow pace of exports thus far. However, it raised its forecast for domestic soyoil usage from 18.35 billion pounds to 18.65 billion pounds. It reduced its forecast for U.S. soyoil ending stocks from 1.505 billion pounds to 1.38 billion pounds.

On the international side it raised its forecast for Argentina's 2015 soybean crop by 1 MMT to 57 MMT while leaving its forecast for Brazil and Paraguay unchanged at 94.5 MMT and 8.5 MMT respectively. USDA also did not change its forecasts for imports of soybeans by China, The EU, Japan and Mexico.

The estimate for India's 2014 soybean crop was reduced from 10.5 MMT to 9.8 MMT and is now more consistent with that of private analysts. USDA further reduced its forecast for India's soy meal exports from 1.65 MMT to 1.45 MMT based on very low exports in the last few months. It also raised its forecast for India's soy meal consumption in 2014/15 from 4.29 MMT to 4.36 MMT.

Among the other changes made by USDA in the oilseeds sector were:

- The forecast for China's imports of palm oil in 2014/15 was reduced from 6.1 MMT to 5.7 MMT. USDA also reduced its forecast for China's imports of rapeseed and sunflower oil by 100,000 MT each.
- The forecast for U.S. palm oil imports was reduced from 1.202 MMT to 1.112 MMT.
- The forecast for global exports of palm oil was reduced from 44.601 MMT to 44.337 MMT. The forecast for global palm oil production in 2014/15 was reduced from 62.441 MMT to 61.586 MMT because of flooding in Malaysia and Thailand.
- The forecast for global palm oil consumption was increased from 60.725 MMT to 61.036 MMT mainly because of consumption in Bangladesh being increased by 110,000 MT.
- Global soybean ending stocks in 2014/15 were virtually unchanged at 89.553 MMT versus 89.53 MMT in March.
- USDA is now forecasting Argentina's ending soybean stocks on March 31, 2016 at 19.644 MMT (721.7 million bushels), and increase of 1 MMT from last month. That reflects all of the increase in USDA's forecast for the Argentine crop. No increases in the forecasts for Argentina's soybean exports and crush were made this month. The big question is when Argentina's farmers will move to begin dumping that huge surplus.

Argentine Soy Prospects Dimmed by Most Rain in 50 Years

Pablo Rosendo Gonzalez

March 5, 2015

(Bloomberg) -- Argentina's soybean production forecasts are set to be lowered as the highest rainfall in half a century dims the outlook for yields and impedes harvesting.

Estimates for the Pampas, Argentina's main soybean region, probably will be trimmed after excessive rain in Santa Fe and Cordoba provinces in the last month, Rosario Securities Exchange crop analyst Cristian Russo said. The provinces account for an estimated 30 million metric tons, about half the country's total soybean crop. Argentina is the world's largest exporter of soybean oil and third largest of soybeans.

In the past 32 days, Santa Fe and Cordoba received the same amount of rain that fell in half a year in 2014, with more than 1 million acres affected by floods. Since Feb. 15, 10 Cordoba residents died and 2,500 people have been evacuated from areas that resemble a rural Venice in televised reports. Argentina's soy output is forecast at a record 58 million tons by Rosario Exchange and Argentina's Agricultural Ministry.

"I have never seen this in my life; forecasting has become impossible and we won't provide a firm forecast until next week," Russo said Thursday in a phone interview. "We will still have a record crop, maybe 57 million, but it isn't going to be the big party everybody expected a month ago before the rain started as the floods are damaging areas and the crop will be hit with fungus related diseases."

'Significant Losses'

Cordoba province issued an alert for Asian rust for the first time since 2007 on Tuesday after excessive rain increased risks for the soybean crop, according to Cesar Alonso, a crop analyst at the Cordoba Grains Exchange. There haven't been any fungus disease cases detected yet in Cordoba, he said.

The Buenos Aires Grains Exchange didn't cut its soybean forecast in its weekly report released Thursday. The Exchange is still assessing the extent of damage that may result in "significant losses" to the crop, it said in the report on its website.

"It's too soon to say how much will be lost," Esteban Copati, a soybean analyst at the exchange, said in a phone interview. "We won't know for sure until farmers can access the fields to check it out."

The Buenos Aires Grains Exchange is forecasting 57 million tons of soybeans for the 2014-15 season. Soybean harvesting runs from mid-March through July.

Economic Impact

Cordoba's exchange said in a separate report Thursday it expects soybean and corn output to be cut. As much as 500,000 hectares (1.23 million acres) have been affected by the floods, which are expected to cause large crop losses and have a strong economic impact, the exchange said.

"Union district in Cordoba has received 392 millimeters (15.4 inches) of rain year to date," Alonso said in a phone interview from Cordoba. "That's a 65 percent increase compared with the seven-year average."

According to Alonso, losses can occur on yield cuts because of fungus or delays in harvesting as the rain is taking place at the beginning of harvesting and floods will impede harvesting machinery access to fields. Cordoba was expected to produce 15 million tons of soybeans.

Argentina's most productive province, Buenos Aires, has received a normal amount of rain so far this year.