

WEEKLY NEWS ARTICLE UPDATE



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Export Sales Highlights

This summary is based on reports from exporters for the period March 11-17, 2016.

Soybeans: Net sales of 410,800 MT for 2015/2016 were down 34 percent from the previous week and 5 percent from the prior 4-week average. Increases were reported for Mexico (154,300 MT), unknown destinations (84,900 MT), Bangladesh (53,100 MT, including 55,000 MT switched from unknown destinations and decreases of 1,900 MT), Costa Rica (33,000 MT), Japan (29,100 MT, including 20,300 MT switched from unknown destinations and decreases of 2,100 MT), and China (19,300 MT). For 2016/2017, net sales of 29,300 MT were reported for Costa Rica. Exports of 566,400 MT were down 26 percent from the previous week and 50 percent from the prior 4-week average. The primary destinations were China (263,000 MT), Japan (100,400 MT), Bangladesh (53,100 MT), Mexico (48,100 MT), Pakistan (31,400 MT), Indonesia (31,200 MT), and Taiwan (10,100 MT).

Optional Origin Sales: For 2015/2016, the current optional origin outstanding balance totals 300,000 MT, all China.

Exports for Own Account: The current outstanding balance totals 500 MT, all Canada.

Soybean Cake and Meal: Net sales of 468,700 MT for 2015/2016--**a marketing-year high**--were up noticeably from the previous week and from the prior 4-week average. Increases were reported for the Philippines (201,800 MT), Singapore (65,400 MT), Venezuela (38,000 MT, including 20,000

MT switched from unknown destinations and decreases of 2,000 MT), Mexico (32,400 MT), Egypt (28,500 MT), Peru (17,200 MT), Morocco (15,000 MT), and Guatemala (13,000 MT, including 10,900 MT switched from unknown destinations). For 2016/2017, net sales of 7,700 MT were reported for Nicaragua (6,000 MT), El Salvador (1,200 MT), and Canada (500 MT). Exports of 141,000 MT were down 43 percent from the previous week and 47 percent from the prior 4-week average. The primary destinations were Mexico (48,200 MT), the Philippines (22,600 MT), Peru (22,600 MT), Venezuela (18,000 MT), Guatemala (13,000 MT), and Canada (9,500 MT).

Optional Origin Sales: For 2015/2016, the current outstanding balance totals 99,000 MT, all unknown destinations.

Soybean Oil: Net sales of 24,400 MT for 2015/2016 were up 39 percent from the previous week and 72 percent from the prior 4-week average. Increases were reported for Venezuela (10,000 MT), Mexico (5,800 MT), Colombia (3,200 MT), Guatemala (2,500 MT), and the Dominican Republic (2,000 MT). Exports of 6,800 MT were down 86 percent from the previous week and 68 percent from the prior 4-week average. The destinations were primarily to Mexico (5,800 MT), Canada (900 MT), the United Arab Emirates (100 MT).

Big Food Caves to Tiny Vermont on GMO Labels Ahead of July Law

By Craig Giammona and Alan Bjerga

(Bloomberg) -- The second-smallest U.S. state is forcing a big change in the food industry.

Kellogg Co., Conagra Foods Inc. and Mars Inc. all announced this week that they will start putting labels on all products made with genetically modified organisms. They followed Campbell Soup Co. and General Mills Inc. in preparing for the July 1 implementation of a Vermont law that requires the change. Creating labels for only one state isn't feasible, so all packaging has to be overhauled nationwide, executives say.

Food companies and agribusinesses have spent tens of millions of dollars fighting state ballot initiatives to require GMO labels, hoping to avoid a state-by-state patchwork of laws they argue would be expensive and burdensome. Big Food lobbied Congress for a federal solution but acquiesced to Vermont after a bill died in the U.S. Senate last week amid a partisan stalemate. That means a state with fewer than 630,000 residents is setting the course for a nation of 322 million.

"It's extremely unusual," said David Just, an agricultural economist at Cornell University. "I can't think of a good precedent for that."

Last week, the Senate rejected legislation that would invalidate state rules mandating labels for food containing GMOs. A plan to create a voluntary federal program fell well short of a 60-vote threshold that would have sent the bill to a conference with the House of Representatives to craft a final law. Connecticut and Maine have passed their own GMO-labeling laws, but they contain provisions that they can't be implemented unless other states follow suit.

Trade groups representing agribusinesses and food companies including Monsanto Co. and Kraft Foods supported the proposal. GMO ingredients are common in food sold in the U.S., where more than 90 percent of corn, soybeans and sugar beets are genetically engineered.

The food companies say scientific consensus proves that GMOs are safe and that labeling is unnecessary and could drive up costs for consumers. Groups opposed to GMOs on ethical and environmental grounds say consumers have a right to know if their food has been genetically engineered.

Still Hoping

Even as the industry prepares to meet the requirements of the Vermont law, companies like General Mills, Conagra and Kellogg are holding out hope that Congress will find a compromise and establish a federal standard when legislators return from Easter break next month. Absent that, the concern is that other states will enact laws that are similar but not identical. In that scenario, labels in Vermont might not be compliant with what's required in other states, said Ken Powell, the chief executive officer of General Mills.

Kellogg joined General Mills is arguing that creating labels for a single state won't work. It's impossible to isolate Vermont in a distribution system designed for interstate commerce, according to Powell. And with hefty fines for not meeting Vermont's requirements, General Mills said it had no choice but to start preparing labels.

"The only way to comply with Vermont is to have all of our labels printed with their requirements," Powell said in an interview. "The law of the land is Vermont. That's just a fact."

[Trump's Tariff Plan Could Boomerang, Spark Trade Wars with China, Mexico](#)

By David Lawder and Roberta Rampton

WASHINGTON, March 24 (Reuters) - Donald Trump's threats to slap steep tariffs on Chinese and Mexican imports may have won him votes in Republican primaries but they would likely backfire, severely disrupting U.S. manufacturers that increasingly depend on global supply chains.

The Republican presidential front-runner's campaign pledges to impose 45 percent tariffs on all imports from China and 35 percent on many goods from Mexico would spark financial market

turmoil and possibly even a recession, former trade negotiators, trade lawyers, economists and business executives told Reuters.

"I don't mind trade wars when we're losing \$58 billion a year," Trump said in a Feb. 25 debate, referring to the 2015 U.S. goods trade deficit with Mexico. Economists dispute the idea the United States is "losing" money as the trade deficit is simply the difference between what the United States imports and what it exports to a country.

"Imposing tariffs or putting up trade barriers may sound good, but it will hurt our economy and credibility," said Wendy Cutler, the former acting deputy U.S. Trade Representative who helped lead U.S. negotiations in the 12-nation Trans-Pacific Partnership trade deal last year.

Among those hardest hit would be the U.S. auto industry, which has fully integrated Mexico into its production network. Some \$118 billion worth of vehicles and parts flowed north and south across the border tariff-free last year, according to U.S. Commerce Department data.

A 35 percent tariff would raise costs for Ford Motor Co's U.S.-assembled F-series and medium-duty pickup trucks that use Mexican-made diesel engines, one of its most profitable vehicle lines. (Graphic on U.S.-Mexico auto and parts trade.)

Ford CEO Mark Fields on Wednesday defended the company's investment strategy, which includes \$9 billion for U.S. plants over the next four years, saying, "We will do what makes sense for the business."

Buyers of Fiat Chrysler Automobiles NV's FCHA popular Ram 1500 pickup trucks assembled in Saltillo, Mexico, could see their \$26,000 base price pushed up by \$9,000 if the tariff is fully passed on to consumers. A Chrysler spokesman declined to comment on Trump's statements.

Trump's campaign said in a statement that U.S. trade policy constitutes "unilateral economic surrender" and needs complete change because it allows foreign competitors to shut out U.S. imports, devalue their currencies and unfairly target U.S. industries.

"I don't think he does our issue any favors by making it so incredibly jingoistic and bombastic," said Scott Paul, president of the Alliance for American Manufacturing, a group that allies domestic steelmakers and other manufacturers with the United Steelworkers union.

"But I believe there's widespread agreement ... that there is something amiss with our economic relationship with China and it's past time that our government pushes back a little more forcefully."

LOWER INCOMES

It would take years for U.S. industry to rebuild supply chains devastated by sudden tariff hikes on Chinese and Mexican goods and any retaliatory measures, said Peter Petri, a Brandeis University professor who has co-authored an influential study on the effects of the TPP trade deal on national income.

Even if U.S. firms were able to make such a transition, Petri said this would likely result in a permanent annual reduction in U.S. national income of more than \$100 billion, or 0.8 percent.

Trump's tariff plans would effectively violate NAFTA and revoke U.S. commitments to the World Trade Organization, say trade lawyers.

Beijing and Mexico City "are just going to retaliate on the things that are likely to hurt us most," said Susan Schwab, the U.S. Trade Representative from 2006 to 2009 in the George W. Bush administration. Schwab negotiated major portions of free trade agreements with South Korea, Colombia and Panama.

In 2009, Mexico slapped duties up to 25 percent on more than 90 different U.S. farm goods, from pork to frozen potatoes due to foot-dragging by U.S. lawmakers on allowing Mexican truckers on to U.S. roads, as specified under NAFTA. The National Potato Council estimates that U.S. growers lost about \$70 million in revenue over 31 months, a 50 percent cut from their third-largest export market.

Mexico's economy minister, Ildefonso Guajardo said last week that big tariffs on Mexico would return the United States to "an isolationist, xenophobic and protectionist vision."

And a full-scale tariff war with China would likely expose the largest U.S. export sectors to steep duties, including aircraft, semiconductors, corn and soybeans, trade lawyers said.

Retaliatory tariffs would also hurt growing U.S. vehicle exports to China - at 300,000 a year now equivalent to the annual output of a large assembly plant. General Motors Co is now planning to import a Buick sport-utility vehicle from a Chinese joint venture plant.

A GM spokesman declined to comment.

China's state-run Global Times newspaper called Trump "big-mouthed, anti-traditional and abusively forthright" in an editorial, but did not directly address his tariff proposals.

UNINTENDED CONSEQUENCES

A long-running U.S.-China trade dispute over solar panels illustrates how tariffs can sometimes cause unanticipated damage.

In 2012, the U.S. Commerce Department slapped anti-dumping duties of up to 78 percent on Chinese solar panels after German-owned SolarWorld AG S complained that below-cost Chinese imports were hurting its U.S. production.

China responded with its own 57 percent duties against U.S. producers of polycrystalline silicon, the raw material for photovoltaic cells. This put the brakes on an industry that was fast expanding to meet demand from Chinese solar panel makers.

Hemlock Semiconductor, controlled by Dow Corning abandoned construction of a \$1.5 billion new polysilicon plant in 2014. Dow Corning spokesman Jarrod Erpelding said Hemlock "serves as a strong example of how trade disputes often have unintended consequences."

"This is really stupid," said Francine Sullivan, chief legal officer of REC Silicon in Moses Lake, Washington, which halted production this year. "The necessity and value in putting on tariffs to

protect solar panels in the U.S. was just not thought through. We've suffered enormous financial damage as a result of this."

The Trump campaign said measures like tariffs would level the playing field and help bring "millions of manufacturing jobs back to the United States."

But Durwin "Oodie" Royal, a furnace operator at U.S. Steel Corp's Lone Star Tubular Operations in Texas, knows first-hand that such relief can be temporary.

Workers at the plant cheered when the United States imposed anti-dumping duties on Chinese drilling pipe in 2009 and 2011. But the company announced on Friday that it would temporarily idle the tube mill, laying off 450 workers as it battles a slump in U.S. oil and gas drilling, a continued global steel glut and "unfairly traded imports."

"When they slap tariffs on one country, the imports just come in from another country," said Royal, who expects to be among those workers who are idled.

After the tariffs were imposed on China, South Korean imports surged, he said. "Right now, we're just limping along like everybody else."

[In Taiwan, Leftover Food Scraps Help Farmers Sustain Porky Appetites](#)

The Guardian

Taiwan has institutionalized the practice of feeding leftover food to livestock, an approach that many nations are using or considering to reduce their food waste. Now, two thirds of the country's overall food waste helps feed its 5.5m pigs

Every night, classical music blares from garbage trucks in Taipei, summoning people from their homes. In their hands, they clutch bags or buckets of kitchen scraps, which they dump into a bin on the truck. From there, the food travels to farms, where it helps ensure a good supply of one of Taiwan's food staples.

Farmers have fed leftover food to livestock for centuries, but Taiwan is one of a handful of countries that have institutionalized the practice. About two thirds of the island nation's overall food waste, which totaled 610,000 tons last year, goes to help feed the country's 5.5m pigs – the top meat source for the country's 23.5 million people.

The practice reduces the amount of garbage that goes to landfills or gets burned, while helping farmers lower their production costs.

"We realized there was a lot of kitchen waste and that if we put it in incinerators it would hamper incineration because it's wet," said Chiang Tsu-nong, deputy inspector general with the government's Bureau of Environmental Inspection. "And Taiwan's land is limited, so if you build a landfill or an incinerator people will protest."

Taiwan's program reflects the approach by many countries that look at animal feed as a promising channel for diverting food waste, which has become a weighty environmental and policy issue.

According to the United Nations, as much as one third of the food produced globally goes to waste; meanwhile, about 795 million people are underfed.

Currently, most animal feed is composed of grains – more than 80% of the soybeans grown globally are used for animal fodder. Uneaten food is cheaper and, some argue, less costly and carbon intensive. A University of Cambridge study published in January shows that feeding food waste to pigs could save 1.8m hectares of farmland worldwide and recycle an estimated 102.5m tons of leftovers produced within the European Union per year.

The practice is already common in some Asian countries. Japan, for example, diverts 35% of its food waste to pig farms, preserving some of the leftovers by cooking them at high temperatures and adding lactobacillus, a bacteria used in the production of yogurt. The farms that use this feed can then market their products as eco-friendly pork, which enables them to charge higher prices.

Western countries are also struggling with the food waste problem. The US, for example, set its first national goal to reduce food waste last September and hopes to cut its food waste in half by 2030. But recycling leftover food isn't popular in Western countries. The UK, for example, prohibited the use of animal parts in livestock feed in 1996 after the emergence of mad cow disease, an epidemic that was spread by farmers feeding diseased animal bits to livestock.

Similarly, after an outbreak of foot-and-mouth disease in pigs, the European Union prohibited the use of all food waste except for certain byproducts of food production, such as hops from breweries and whey from dairies. The US has no federal law regulating feeding scraps to pigs, but 22 states have banned the practice.

A messy beginning

For its first four years, Taiwan's food recycling program struggled due to a lack of compliance and enforcement. Sometimes, pickups were delayed, and residents left piles of waste on curbsides, where they stank up the streets. Some households refused to properly separate their food scraps from other trash, an oversight that rendered their waste unusable.

After 2005, enforcement picked up. Workers on garbage trucks began turning away trash that was improperly separated and inspectors began fining homeowners for not separating food waste correctly. Residents have since grown so used to sorting waste and meeting the garbage trucks at the curb at night that some see the trip outside as a chance to socialize with neighbors.

Eva Tsai, 51, stores scraps in her refrigerator for two days to avoid stinking up her flat and then makes a garbage truck run at 8.30pm, when a truck stops daily in her neighborhood. She has followed this practice for 15 years.

"It's not just good for the environment, but a help for Taiwan's pig farmers," Tsai said. "I don't think it's any trouble at all. You can get know your neighbors and get a little exercise as you go."

Hitting peak pork

To use food waste, farmers must order it from the government, pay for it and then cook it at high heat for an hour to kill any viruses. Many of the island's 7,983 pig farmers also add protein or other nutrients to kitchen waste before feeding their livestock, Chang said. But, as troublesome as the

government-produced slop might be, pig farmers who buy it can save about 30% over the cost of commercially produced pig feed.

The healthy demand for food waste helps to manage urban waste disposal, noted Chang Sheng-chin, the secretary general of Swine ROC, Taiwan's association of pig farmers. The food donated to Taiwan's pigs ultimately comes back to the donors. The country's \$17bn pig farming industry accounts for 16% of its total agricultural output, Chiang said. But despite the appetite for pork – which makes up about half of all of the meat eaten in Taiwan – pig farming has declined slightly over the past year because of pressure from pork imports, Chang said.

At the same time, Taiwan's food recycling program is having problems of its own. Waste disposal has become too complex and time consuming for many of Taipei's citizens, and the amount of recycled waste has essentially plateaued since 2008, Chiang said. Firms hired to handle garbage from apartment buildings have been known to inadequately sort kitchen waste, and garbage truck inspectors aren't always diligent about checking to make sure the food scraps are mixed with other types of trash.

"The announcements on when you can take trash and to what curbside locations aren't (always) clear," said Chang Yu-an, 40, a Taipei dweller and government worker who has taken his family's kitchen waste to the curb every in Americacouple of days for 10 years.

"If you don't know where they are, you can end up making idle trips."

Venezuela Warns of U.S. Ambition to Restore Dominance in Latin America

CARACAS, March 24 (Xinhua) -- Venezuelan President Nicolas Maduro has warned that Washington is developing a plan to restore dominance in Latin America.

"The United States has an imperialist strategy to reconquer Latin America and the Caribbean," Maduro told a cabinet meeting on Wednesday.

U.S. President Barack Obama heads the plan, and he believes he can reconquer economic, cultural, political and social dominance through the oligarchies of the Latin American countries, said Maduro.

The mushrooming of left-leaning governments such as Venezuela, Argentina, Brazil, Ecuador and Bolivia has sparked regional integration and autonomy, which are now threatened by renewed U.S. interest in the region, said Maduro.

Washington aims to eliminate the region's "progressive" governments by discrediting their leaders, said Maduro.

U.S. President Barack Obama earlier this month renewed sanctions on several top Venezuelan officials over human rights violations.

Maduro's remarks also came in the context of Obama's Latin America visit.

Obama made a historic visit to Cuba from Sunday to Tuesday, the first one by a sitting U.S. president in 88 years. He then flew to Argentina for a state visit, the first by a U.S. president in nearly 20 years.

Brazil In Deep Crisis

Brazil is experiencing an upheaval unlike any in its 193-year history. Its systemic corruption has been laid bare, and is shaking the fabric of the country. The recent testimony by Delcídio do Amaral, a member of the ruling Workers Party (PT) arrested in November 2015, perhaps best illustrates how deep and wide corruption has permeated politics. Amaral's testimony implicates members of the last six governments, including the PT, the catchall Brazilian Democratic Movement Party (PMDB) and the opposition Brazilian Social Democracy Party (PSDB).

The anti-corruption movement has brought down many politicians and businesspersons, creating an atmosphere of fear. It does not matter if you are Joao Santana, the infamous campaign strategist dubbed "the maker of presidents", or Marcelo Odebrecht, CEO of Odebrecht, the largest construction company in Latin America. You can still be sentenced to 19 years in prison. This offensive against the highest rungs of society is unprecedented in Brazil. However, it would be naive to assume that the people spearheading the crusade, including Judge Sergio Moro, are driven purely by virtuous motives.

While the judiciary has led from the front, Brazilian citizens have played an important role. The protests began in mid-2013 in response to rising public transport costs, soon swelled into millions dissenting against the poor public health and education systems and high cost of living, and finally coalesced into a gigantic, multi-faceted movement. The protests were apolitical when they began. Now, everyone is showing their colours - by wearing red to support the PT and its allies, or green and yellow to oppose them.

Most observers are asking whether President Dilma Rousseff will survive the calls for her impeachment. This is important, especially since the speaker of the Lower House, Eduardo Cunha, has installed a congressional impeachment committee. Whether Rousseff survives till her term's end is anyone's guess. But to begin with, the case is weak. The call for impeachment isn't related to the globally infamous "Lava Jato (car wash)" scandal or any of the 10 major scandals. The cases are against her government's alleged fiscal irregularities as well as campaign finance irregularities from the 2014 election - the latter also implicate Vice President Michel Temer. More importantly, each individual in Rousseff's line of succession, as well as main opposition leader Aécio Neves of the PSDB, faces serious corruption charges that make the allegations against Rousseff small in comparison. Temer, the first in line, is tied to a corruption case relating to illegal purchases of ethanol. Cunha is being investigated for receiving \$40 million in bribes and maintaining numerous secret Swiss bank accounts. The Senate president, too, has allegedly received bribes, and Neves' family maintains secret accounts in offshore tax havens. Even the impeachment committee is murky - more than half of its 65 members face serious corruption charges.

Thus, the impeachment motion isn't a question of corruption but politics. If the allegations against Cunha reach a denouement, the case for impeachment would likely stall. Even if Cunha endures until both Houses pass an impeachment motion with a two-thirds majority, it's unclear which party or individual would lead Brazil thereafter.

The old cleavages between right and left, liberal and conservative, are back in Brazil. This is unfortunate because Brazil took a middle path at the turn of the century, employing a mix of pro-poor and pro-business policies that lifted 40 million Brazilians out of poverty. The economy is also at stake. After contracting 3.8 per cent in 2015, the GDP may shrink another 3 per cent in 2016.

What next? Most observers would keep their eyes on Lula da Silva, the former president and Rousseff's mentor, who left office with a 90 per cent approval rating, but is currently under investigation for alleged corruption in the Lava Jato case, involving majority state-owned oil giant Petrobras. Lula's return and his recent speech has changed the dynamic of this game of chess. It's difficult to tell what will transpire, and whether yet another elected leftwing regime will be ousted by questionable means. Yet, this may provide the opportunity Brazilians need to clean up their corrupt system, change the culture of impunity, enact political reform, and move on.

USDA OKs Using Check-Off Money to Promote Sales to Cuba

By Bill Tomson

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WASHINGTON, March 21, 2016 - U.S. farmers may soon be able to use funds from federal check-off and marketing order programs to finance research, promotion and marketing operations for the first time in Cuba, a breakthrough for the U.S. agriculture sector which is seeking to boost exports to the communist country.

Agriculture Secretary Tom Vilsack, who arrived in Havana Sunday with President Barack Obama, announced today that farm groups will be able to use 22 Research and Promotion Programs and 18 Marketing Order programs to begin forging ties in Cuba, a nation that has increasingly shifted to other countries in recent years for the agricultural imports it needs.

These "check-off" programs that are supervised by USDA and paid for by farmers are a significant part of the reform that agricultural producers across the U.S. are pushing for to help reinvigorate sales to Cuba.

"It's a new day," Obama told reporters in Havana, speaking in Spanish and English. At a joint press conference with Cuban leader Raul Castro, Obama said better agriculture ties between the two countries could help move Congress to end the trade embargo imposed on Cuba more than 50 years ago.

"If we build on the work we're doing in agriculture and you start seeing more U.S. farmers interacting with Cuban farmers and there's more exports and imports, the possibility of ending the embargo increases," Obama said.

Brian King, chairman of the USA Rice Western Hemisphere Promotions Subcommittee, said the announcement, like last week's announcements on liberalized travel, "continues the momentum toward normalized commercial relations with Cuba." He continued: "We are looking forward to a USDA presence at the U.S. Embassy in Havana. But there is much more to be done, and we need to get Congress to take action to remove the embargo once and for all."

Patrick Delaney, a spokesman for the American Soybean Association, called the USDA announcement "a really good development" and stressed that the group is pleased that it will be able to use check-off funds for future projects.

In a statement, USDA said the funds can be used to:

--Provide nutritional research and guidance, as well as to participate with the Cuban government and industry officials, at meetings regarding nutrition and related Cuban rules and regulations;

--Conduct plate waste study research in schools to determine what kids eat and what they discard, leading to improved nutritional information that helps develop the guidance for school meal requirements, ensuring kids are getting adequate nutrition to be successful in school;

--Provide U.S. based market, consumer, nutrition and environmental research findings to Cuban government and industry officials;

--Research commodities' role in a nutritious diet that improves health or lowers the risk of chronic diseases;

--Study the efficacy of water disinfectants to eliminate/inactivate bacteria on commodities;

--Test recipes and specific products amongst Cuban consumers of all ages, with the goal of increasing product development and acceptance, and

--Conduct consumer tracking studies to measure attitudes when it comes to a specific commodity and consumption and to identify consumer groups based on their behavior, attitudes, and purchasing habits for a particular commodity.

Farm groups like the U.S. Grains Council have been using state checkoff funds to work in Cuba for years, but that money only goes so far and other farm groups have been clamoring to use the better-funded federal programs.

Wayne Watkinson, a partner at McLeod, Watkinson & Miller who specializes in commodity promotion and marketing issues, said the new policy announcement will open a lot of doors for U.S. agricultural importers. The check-off money can be used to get a much better understanding of the Cuban market and what the U.S. sector needs to do to be prepared when the trade embargo ends, he said.

The decision to allow the federal checkoff programs to operate in Cuba is a sharp turnaround for the USDA, which has argued for years that a federal statute - the Trade Sanction Reform and Export Enhancement Act - effectively barred use of the funds in Cuba.

It was about a year ago that then-USDA Under Secretary Michael Scuse - now acting deputy secretary -- testified at a Senate Agriculture Committee hearing that only state checkoff funds could be used to improve agricultural ties with Cuba. But that wasn't good enough for Sen. Heidi Heitkamp, D-N.D., who asked Scuse to re-examine USDA interpretation of the law.

"It's great to see that USDA has agreed to my request that we free up private money - collected from American producers to promote the products they grow - so we can expand agricultural trade to Cuba," Heitkamp said today. Heitkamp is among nearly 40 lawmakers who traveled to Cuba with Obama, Vilsack and other Cabinet members.

Vilsack announced the green light for checkoff funds today after meeting with his Cuban counterpart, Minister Gustavo Rodriguez Rollero.

"U.S. producers are eager to help meet Cuba's need for healthy, safe, nutritious food. Research and Promotion and Marketing Order Programs have a long history of conducting important research

that supports producers by providing information about a commodity's nutritional benefits and identifying new uses for various commodities," Vilsack said in a statement.

"The agreements we reached with our Cuban counterparts on this historic trip, and the ability for our agriculture sector leaders to communicate with Cuban businesses, will help U.S. agricultural interests better understand the Cuban market, while also providing the Cuban people with science-based information as they grow their own agriculture sector."

USDA says it is still barred from using Market Access Programs and Foreign Market Development funds to promote U.S. farm goods in Cuba, and that the biggest obstacle to opening up new business - a prohibition on providing credit to Cuban importers - remains.

Once a major buyer of U.S. rice, Cuba is now purchasing large quantities from countries like Vietnam because they offer long-term financing. Cuban importers are required to pay cash up front for U.S. farm goods.

The U.S. resumed exports of some agricultural goods to Cuba around the year 2000. Those shipments reached a high of almost \$700 million in 2008 before dropping under \$300 million in 2014 and falling again last year.

[As Planting Nears, Questions About Buyers For A GMO Soy Variety](#)

March 22, 2016

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The planting season has yet to begin, but "some elevators have begun alerting growers that they will not accept" soybeans grown from Monsanto's new genetically engineered strain, Roundup Ready 2 Xtend, unless the EU approves the variety, [reports DTN](#). "Dicamba-tolerant soybeans have hit another snag along their long road to commercialization," says the news service, referring to the other herbicide, besides glyphosate, that the new soybean is designed to tolerate.

Monsanto said it expects EU approval "in the immediate future." The variety combines genetic modifications that have been approved separately by EU regulators, said Monsanto.

"Growers must also factor into their planting decisions that the Environmental Protection Agency has yet to sanction an approved dicamba herbicide to use with the new trait," said DTN. The [Monsanto soybeans](#) would be the first that tolerate glyphosate and dicamba herbicides as a way to control herbicide-resistant weeds.

DTN says cultivation of GMO crops ahead of approval by major importers "has been an industry issue ... sparked initially by China's rejection of corn shipments testing positive for traces of Syngenta's GE trait called Viptera." The rejections led to a welter of lawsuits over lost sales and lower commodity prices.

[GMO Food Labels Are Coming to More US Grocery Shelves – Are Consumers Ready?](#)

The Guardian

Kellogg and Mars are joining the ranks of businesses labeling genetically modified foods. Now, advocacy groups are waiting to see if the costly investment will pay off

Consumers around the country will soon know just by looking at the packaging of popular brands such as Cocoa Puffs cereal or Yoplait yogurt whether or not they contain genetically modified ingredients. (The answer: they both do.) That's because their maker, General Mills, plans to make that information visible on its products nationwide, even though the move is costly and could lower sales.

General Mills announced its labeling decision last Friday, and other major food companies have since followed, including Kellogg, ConAgra and candy maker Mars. Campbell Soup publicized the same decision in January. The companies are all responding to a Vermont law requiring the labeling of genetically modified foods starting in July, and to pressure from consumers and advocacy groups to reveal more information about controversial ingredients.

"We can't label our products for only one state without significantly driving up costs for our consumers – and we simply will not do that," said Jeff Harmening, vice president and chief operating officer for US Retail at General Mills, in a statement .

Between 70% and 80% of packaged food in the US contains ingredients from genetically modified organisms (GMO), according to the Grocery Manufacturers Association , an industry trade group. A genetically modified organism is created in a laboratory by taking genes from one species and inserting these genes into another to breed certain characteristics. In the US, genetic engineering is primarily used on corn, soybeans and cotton to make these crops more pest and disease resistant and drought tolerant. These crops are cheaper to grow and help keep food prices low.

Debate about the safety of GMOs has remained contentious ever since they were first introduced into the food supply in the 1990s. Opponents say GMOs could cause health problems to humans and wildlife. The Federal Drug Administration (FDA), along with hundreds of scientific studies , maintain that these ingredients are safe for human consumption.

"To be clear, this is not a question of safety," said Thomas Hushen, a spokesperson for Campbell Soup Company. "GMOs are safe – the science tells us so – and we continue to believe the technology will play a critical role in feeding the world on a sustainable basis."

The dispute over the safety of using GMOs has evolved into a battle over labeling. Big food companies have historically fought mandatory labeling out of concerns that the new labels will scare off customers. They worry that genetic manipulation creates an impression that the food is unnatural or unhealthy, an image that anti-GMO groups try to reinforce in public campaigns.

Meanwhile, anti-GMO advocacy groups, such as Center For Food Safety, and food makers who say they don't use GMOs , including Plum Organics and Nature's Path, also cast the fight as an issue of transparency , and accuse food makers of hiding important information from the public.

The cost of adding a few words

Vermont is the first state to require mandatory labeling, and more than 20 other states are considering similar laws.

While food makers previously fought efforts to create a national labeling rule, they now prefer to deal with one federal regulation rather than a patchwork of state laws. Adding GMO labels to products they sell across the country will also be simpler and cheaper than doing so only for foods destined for Vermont, the food makers said.

"The Vermont law is an example of a state law which is impractical and creates unnecessary confusion for consumers," Hushen said. "We are seeking a national, mandatory approach which is clear and simple for consumers and creates a level playing field for food companies."

None of the food companies divulged the exact costs of changing their packaging to show the new wording. Mike Siemienas, spokesman for General Mills, told the Guardian that adding the new label will cost millions of dollars.

One study from Emory University estimated the costs to be a one-time expense of \$1,104.43 per product, which the authors calculated using past federal government estimates and factoring in inflation. But, according to some researchers, food makers won't likely increase the price of their products to offset the cost of relabeling, for fear of losing customers.

Food companies could incur even more expenses if they don't follow the Vermont law. The state could fine them \$1,000 a day per store. Certain foods are exempt, however, such as meat and dairy, products verified as non-GMO and items that contain less than 0.9% of genetically modified ingredients.

The fight over consumers

Safety will remain a big question for consumers because many of them aren't likely to be familiar with genetically engineered food ingredients, said William Lesser, a professor at Cornell's Dyson School of Applied Economics and Management.

The labels that will show up on packages certainly won't have any adequate explanation. There are no rules for what the label has to say. Kellogg, for instance, says its wording will be: "produced with genetic engineering". Campbell posted a mock-up online of what a new label will look like on a can of its SpaghettiOs. The label says: "partially produced with genetic engineering".

The increasing consumer demand for healthier foods, or at least products that appear wholesome, adds a new dimension to the GMO controversy, said Michelle Greenwald, a professor at Columbia Business School. GMO labels will turn away some shoppers because genetic manipulation evokes something unnatural, she said.

The packaged-food industry has already seen a drop in sales in recent years because of changing consumer preferences. That will also make it tricky to determine whether any declining sales are directly connected to GMO labeling. Hans Taparia, an assistant professor at the New York University Stern School of Business and co-founder of an organic food business, said food companies are banding together to roll out GMO labels around the same time in order to minimize any negative impact to their sales. The hope is that consumers will get used to seeing the labels and won't pause and question their existence.

"GMOs is not a topic front and center for the consumer to begin with, in spite of the lobbying," said Taparia. "The fact it's happening across so many brands at the same time, it's probably going to take the wind out of the sails of the non-GMO movement."