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Soybean Farmer Testifies Before USTR on Agriculture's Concerns Over China Shipbuilding Investigation

Washington, D.C. March 24, 2025. Indiana soybean farmer and American Soybean Association director Mike Koehne testified before the United States Trade Representative on the office's Section 301 investigation into China's targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance. Koehne's voice before USTR was especially significant because ASA was the only agriculture commodity group represented in which testimony specifically addressed concerns about the direct impacts of the proposal on U.S. agriculture.

In addition to serving on the ASA Board of Directors, Koehne is on the U.S. Soybean Export Council board and is chairman of the Soy Transportation Coalition. The first-generation farmer shared how he is personally dependent on maritime commerce, explaining that some of his crops are shipped by barge down the Ohio River before ending up on a bulk vessel in the Gulf. The soybeans he grows are shipped by container because they are premium-based commodities—specialty products based specifically on their export markets, namely Japan and Taiwan.



"With its inland waterways, rail, and roadways, I believe our transportation system is our competitive edge. ASA supports the goal of increasing domestic shipbuilding capacity to aid in the export of U.S. agriculture. However, the proposed solution offered by USTR in this investigation creates unintended consequences for soybean farmers like me. We have already seen negative impacts on the futures prices for soybeans because of market reactions to this proposal," Koehne explained in verbal testimony.

One of the greatest determining factors for U.S. soybean prices is the landed price of goods in destination markets. The landed price includes the cost of goods (such as soybeans), insurance, and freight. USTR's proposed solution to counter China's shipbuilding industry would significantly increase freight rates for U.S. soy and soy products, in turn making the landed price of U.S. soy products less desirable compared to beans from Brazil and Argentina—U.S. soy's largest competitors in the export market.

America's agriculture producers are already suffering from a down farm economy. While they support efforts to boost American manufacturing and develop a thriving domestic maritime economy, farmers cannot take on the additional financial burden USTR's remedies, as proposed, would inflict.

Koehne connected the dots on what the USTR plan would mean for soy prices: "Imposing port fees on most of the maritime fleet that exports from and imports to the U.S. will increase costs for U.S. farmers—both in terms of inputs like fertilizer, seed, etc., and getting crops to market. At the same time, our competitors in Brazil and Argentina will not be subject to the same regulations. While well-intended, this proposal would ensure U.S. soybeans will bear higher costs and be less competitive in the global marketplace."

As the #1 agriculture export in the U.S., soybean farmers rely on an efficient maritime commerce system to move their crop to market. ASA urges USTR to work with domestic industries to set long-term goals that increase U.S. maritime competitiveness without negatively impacting U.S. agriculture.

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The American Soybean Association (ASA) represents U.S. soybean farmers on domestic and international policy issues important to the soybean industry. ASA has 26 affiliated state associations representing 30 soybean-producing states and nearly 500,000 soybean farmers.

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