

INTERNATIONAL CERTIFIED CROP ADVISORS

Washington Ag Policy Update: What to Expect in 2012 and Beyond

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Lay of the land



- Population demand
- Food, feed and fuel demand
- Budgetary pressure
- Farm Bill 2012
- Consumer preferences

The Battle for Acres



- Corn vs. Wheat
- Grain Sorghum vs. Corn
- CRP vs. Grain / Idled lands vs. Working lands
- Ethanol vs. Feed
- Pasture/Hay vs. Everything
- Intensive vs. Nonintensive
- Continuous Crop vs. Fallow
- Annual Crop vs. Double Crop
- Rural vs. Urban
- North vs. South America /
Developed vs. Undeveloped

The Battle for Dollars



- Farm Program Payments
- Crop Insurance Support
- Research
- Conservation support or regulation
- Are Certified Crop Advisors uniquely situated?

The Battle for Research



- Needs are shifting back to production
- Great opportunity to support environmental efficiency
- Precision conservation techniques will validate our fuel, water, soil and air efficiency
- Greater need to leverage public with private partnerships

The Battle for Productivity



- Genetic
- Mechanical
- Labor
- Inputs
 - ▣ Water
 - ▣ Fuel
 - ▣ Nutrients
 - ▣ Sunlight

The Battle for Markets



- Domestic
- Export
- Food/Industrial
- Ecosystem Services
 - Water quantity
 - Open space
 - Carbon
 - Water quality
 - Habitat

World wide food security



- In the US, 6-7cents of every dollar spent is for food.
- 1.4 billion people live on less than \$1.25/day.
- Today 7 billion people are on the planet.
- By 2050, this will grow to 9 billion people.

Glickman



- Former Ag Secretary Dan Glickman “the world’s farmers, ranchers and fishers will be expected to produce more food in the next 40 years than they have had to in the last 8,000 years combined.”
- This is a growth opportunity for Certified Crop Advisors.

Power of productivity



- 1940 – Each farmer fed 19 people
- Today – Each farmer feeds 155 people

- Corn – 24.5 bushels in 1931 to 158.7 today
- Grain Sorghum – 16.2 bushels in 1931 to 65 today
- Wheat – 14 bushels in 1930 to 42.5 today
- Dairy (Wisconsin) – 5,140 pounds in 1933 to 21,275 pounds today

Farm Bill – Where have we been?



- 1985 – Farm Crisis
- 1990 – Still recovering
- 1995-6 – Strong prices – Freedom to Farm
- 2002 – Strong budget – New programs, new \$
- 2008 – More of the same
- 2012 – Fiscal austerity
- “Congress tends to write farm bills looking in the rear view mirror”

Farm Bill – When ?



- 2011
- 2012
- 2013
- Evolution vs. Revolution

Farm Bill – What do your Farmer Customers want?



- Price?
- Security?
- Risk management?
- Government intervention?
- Opportunity or Threat?

Farm Bill – What do you need?



- Market opportunities
- Clarity in rules
- Long-term opportunities
- Profit opportunities for your customers
- Recognition for the value you add?
- Research investments

Farm Bill – What can we afford?



- Less, a lot less
- Short term or long term?
- One of the few areas of agreement between R's and D's
- Proposed reductions in the range of \$15-48 billion (This week the President proposed \$33.5 billion reduction.)

Farm Bill Opportunities



- Reforming CRP
- Supporting basic, applied production research
- Accelerating adoption of precision agriculture
- Recognizing the CCA profession in regulatory compliance
- Making the Technical Service Provider program work

Reforming CRP



- Today – about 30 million acres
- The market wants the acres back in crop production
- Technology and knowledge will support much of the land being farmed responsibly
- 10-10-10
- For the individual CCA this may be the greatest farm bill opportunity

Supporting Research



- According to ERS, production will need to increase by 70-100% to meet expected demand in 2050
- At current rates of research investment, U.S. productivity will increase by 40%
- A 3.73% annual increase will boost U.S. agricultural productivity by 73%
- A 4.73% annual increase will boost U.S. agricultural productivity by 83%

Precision Conservation



- USDA's conservation programs have been slow to embrace new technology.
- NRCS should consider a formalized way for companies to petition to have new technologies adopted in the conservation practice standards.
- Precision agriculture offers the means to increase production while decreasing environmental risk.
- As the trusted deliverers of agronomic change, Certified Crop Advisors are uniquely situated.

Conservation



- Opportunity for crop advisors
- Its all about maximizing efficiency
 - ▣ Water
 - ▣ Fertilizer
 - ▣ Fuel
 - ▣ Producing more with less
 - ▣ Working lands vs. Idled lands conservation

Recognizing the CCA value in regulatory compliance

- CNMP's
- Certainty/Safe Harbors
- An opportunity that has remained elusive over the years.

Continuing to improve the TSP



- Limited opportunity
- Declining budgets may offer some opportunities
- Some opportunities may arise with the NGO community
- Training opportunities at USDA will be good for the ICCA program.

Summary of Farm Bill Opportunities



- Reforming CRP
- Supporting basic, applied production research
- Accelerating adoption of precision agriculture
- Recognizing the CCA profession in regulatory compliance
- Making the Technical Service Provider program work

Thank you

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