

GLOBAL AG VIEW

With consumers in the US and abroad placing a greater emphasis on sustainability, **Cedric Porter** visited Nebraska to find out more about the farming industry's approach.

US highlights farmers' sustainability focus

The US is stepping up the development and promotion of sustainable agriculture as consumer attention at home and abroad focuses on the protection of the environment and tackling climate change.

At the forefront of the approach is the US Sustainability Alliance (USSA), a group of 24 associations responsible for \$7 billion (£5.58bn) worth of exports to the UK and EU. It recently hosted a group of European journalists on a tour of Nebraska, a state in the centre of

the US that produces \$26bn (£20.73bn) worth of food and agricultural products a year.

Tarik Eluri, head of sustainability at the US Soybean Export Council, a major supporter of the USSA, said: "The USSA is a way of explaining to people why farmers do what they do and how sustainability has always been important to them."

"It can also address some pre-conceptions of US agriculture, which can be critical. But in many cases, US farmers and agricultural companies are producing

to standards way above those required by law to ensure access to high-value and demanding markets, including the EU."

He said this applies to soya, with 72 million tonnes of the 116mt national crop exported last season and customers keen to buy soya which has not been grown on deforested land.

The dust bowl storms of more than 90 years ago remain very strong in the collective memory of US farmers, despite happening more than three generations ago.

Drainage

Nebraska farmer Steve Wellman, who recently stepped down as the state's director of agriculture, said that his grandfather had invested time and a great deal of effort in banking fields and putting drains in place to ensure soil would not erode, with a network of drainage boards ensuring that maintenance is carried out.

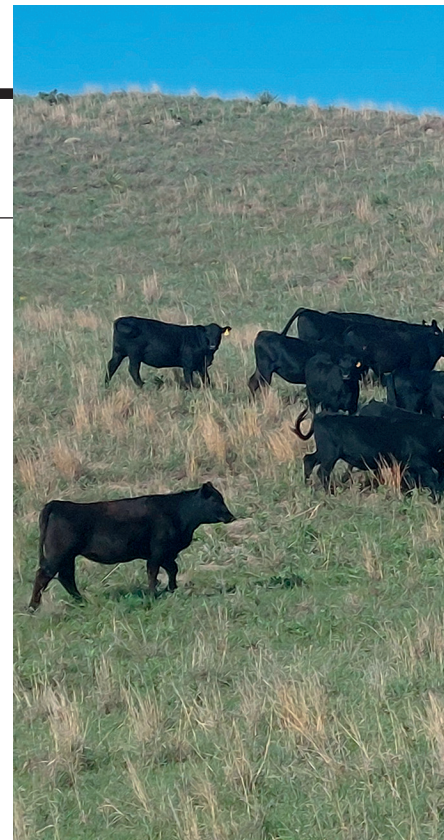
"The majority of US grain growers have adopted min- or no-till systems, and when we did, we were able to cut fuel use by half and enhance soil fertility."

He grows a rotation of corn, soya, wheat and alfalfa, supplying a co-operative grain store less than three miles away.

The new director of agriculture, Sherry Vinton, a cattle rancher in the centre of the state, is keen to build stronger links with a post-Brexit UK. She has already hosted a group from AHDB and NFU, and is planning return visits.

"A number of British restaurants already value Nebraskan beef reared on our native grasslands, while ethanol made from the state's corn crop is sold to the UK."

The UK is not a top 10 destination for Nebraska, with China, Japan and Mexico its main three customers. Overall, the US exported \$2.98 billion (£2.39bn) worth of agricultural and forestry products to the UK in 2022, up 8 per cent on 2021, with timber, wine, ethanol, nuts, spirits and soya the most traded products. The US is the UK's third largest export market and its largest outside of



the EU, at more than £2 billion (£1.59bn), with growth of 6.1 per cent in the first three months of 2023. Salmon, beer and soft drinks are the top three exports.

Jordan Schlake, trade representative with the Nebraska Department of Agriculture, has been working with AHDB to explore mutual opportunities and believes there are particular opportunities for lamb in the US.

"American lamb eaters really value the taste and quality of British lamb, a meat that is not produced in large quantities in the US."

The department has recently returned from trade missions in Thailand and Vietnam. The latter is a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, with which the UK recently signed a trade deal. Once in force, the agreement could give the UK greater access than the US to Vietnam, as the US is not a member of the 11-country pact.

Carbon

While carbon sequestration and trading is a major topic in the UK, few farms visited on the trip were actively trading carbon, but the University of Nebraska is studying it.

Livestock scientists Jim MacDonald and Galen Erickson calculate that the cow/calf beef system used by many Nebraskan beef farmers sequesters as much carbon as it emits, if the carbon taken to produce bought-in feed is not taken into account, with finishing on corn less carbon-intensive than grass.

They also say that 80 per cent of the water used to produce beef is classified as 'brown' water, which is largely rainwater that falls anyway.

US farmers are producing to standards way above those required by law, according to Tarik Eluri.

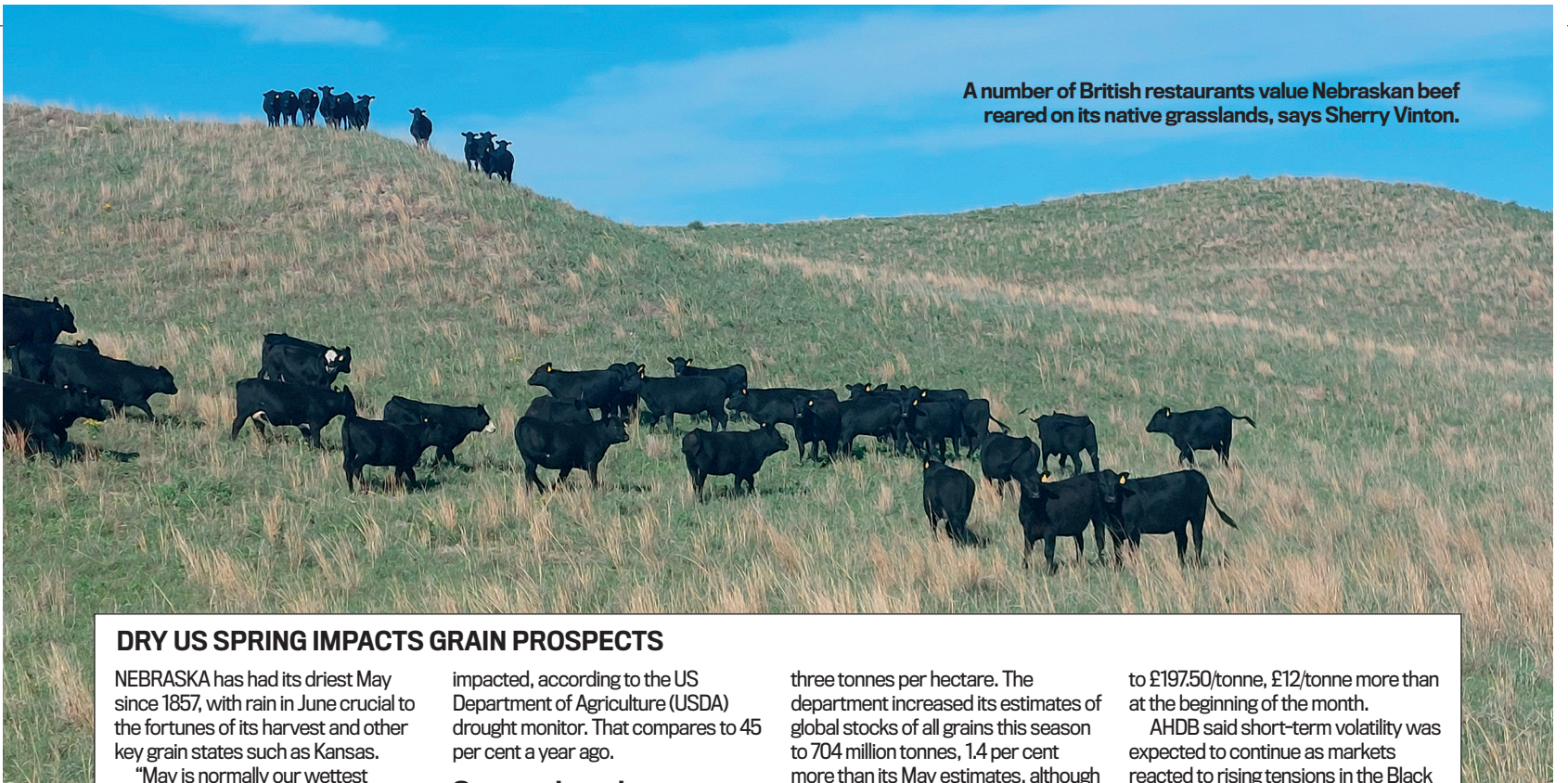


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A number of British restaurants value Nebraskan beef reared on its native grasslands, says Sherry Vinton.

DRY US SPRING IMPACTS GRAIN PROSPECTS

NEBRASKA has had its driest May since 1857, with rain in June crucial to the fortunes of its harvest and other key grain states such as Kansas.

"May is normally our wettest month, but this year we have had virtually no rain, and a lack of rain in June could be disastrous," said Amy Bruch, an organic grain grower in the east of the state.

The state is the third-largest corn producer and the largest ethanol producer. Virtually all of Nebraska is in drought, with 60 per cent in at least severe drought, where crop yields are

impacted, according to the US Department of Agriculture (USDA) drought monitor. That compares to 45 per cent a year ago.

Severe drought

Neighbouring Kansas has also been very dry. It is the largest producer of wheat in the country. There is a severe drought in 72 per cent of the state, up from a third of the area a year ago.

The United States Department of Agriculture predicted slightly smaller US wheat yields this year than last, at

three tonnes per hectare. The department increased its estimates of global stocks of all grains this season to 704 million tonnes, 1.4 per cent more than its May estimates, although 0.6 per cent less than last year and 3.8 per cent less than the year before.

There was a little more support for grain prices this week as the battle between Russia and Ukraine intensified and the impact of the destruction of the Kakhovka dam became clearer.

On Monday, the November 2024 feed wheat price rose by £2.00/tonne

to £197.50/tonne, £12/tonne more than at the beginning of the month.

AHDB said short-term volatility was expected to continue as markets reacted to rising tensions in the Black Sea region. Longer term, new crop wheat supplies look ample, although watchpoints remain for dry weather, especially in the US.

Barometer

It switched its short-term barometer dials to neutral for the next two weeks and to slightly bearish for the longer two-to-six-month period.

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