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## **Soybean Growers Encouraged by China Sales, but Need Second Aid Payment**

**Washington, D.C. December 13, 2018.** The American Soybean Association (ASA) is encouraged by news this week that buyers in China have made purchases of U.S. soybeans. U.S. soybean sales to China were suspended earlier this year as trade relations between the countries faltered under the current tariff war.

Davie Stephens, ASA President and a grower from Clinton, Ky., said, "This is positive news for our growers and for U.S-China trade relations. American soybean farmers prosper when they have access to international markets, and our trade relationship with China is critically important to our industry."

The ASA leader continued, "The news of resumed sales represents a positive step under the current 90-day agreement to suspend new tariffs and negotiate on trade issues agreed to by President Trump and President Xi. Beyond yesterday's sale announcement, it is vital that this 90-day process result in lifting the current 25 percent tariff that China continues to impose on U.S. soybean imports. Without removal of this tariff, it is improbable that sales of U.S. soybeans to China can be sustained."

While ASA is hopeful that soy farmers will be able to resume delivery of high-quality soy to China, Tuesday's sale announcement is only the first step in rebuilding soybean exports to China and will not fix the prolonged period of low prices soybean farmers have faced since the trade war began. Stephens said the roughly \$2.00 drop in soybean prices experienced since last May continues to harm soybean farmers.

"It is critical for Secretary Perdue to move forward with his commitment to announce the second half of Market Facilitation Program payments. When USDA calculated the harm incurred by the tariffs on soybean prices, it assumed that China would still purchase at least 50 percent of the 32 million tons of U.S. soybeans it bought in 2017. With only a fraction of this amount accounted for in this week's announced sale, it is critically important that we see additional purchases and actual deliveries, and for USDA to make a payment on the second half of 2018 soybean production," Stephens said.

ASA urges USDA to honor its commitment by providing the second Market Facilitation Program payment to aid soybeans farmers as the Administration continues to negotiate eliminating tariffs with China.

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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 more than 300,000 soybean farmers.*

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