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April 29, 2021

Seth Meyer, Ph.D.
Chief Economist, Office of the Chief Economist
United States Department of Agriculture
Room 112-A, Whitten Federal Building
1400 Independence Ave SW, Washington, DC 20250

Re: Docket Number: USDA–2021–0003

Dear Dr. Meyer:

The Agricultural Retailers Association (ARA) appreciates the opportunity to provide input for the United States Department of Agriculture’s (USDA) Climate-Smart Agriculture and Forestry Strategy. We agree that America’s farmers and ranchers have an important role to play in climate and environmental stewardship as they are the original conservationists. We appreciate USDA collecting information on this important issue and offer this letter for the record in response.

ARA represents agricultural retailers who supply farmers and ranchers with products and services. These products include seed, nutrients, crop protection products, feed, equipment, and technology. Retailers also provide consultative services such as crop scouting, soil testing, field mapping, custom planting and application and development of nutrient management and conservation plans.

Agricultural retailers range in size from small, family-held businesses to large companies and farmer-owned cooperatives with many outlet stores. Large and small retail facilities are scattered throughout all 50 states and provide critical goods and services, as well as jobs and economic opportunities in rural and suburban communities.

To that end, ARA members are responsible for the development and implementation of conservation stewardship plans for their farmer customers based on what works best for them as the soil and land varies depending on their local area and geographic region. Agricultural practices will continue to play a key role in climate policy discussions, and it is essential that the ag retail industry is included in any climate-smart ag sustainability solutions.

As the trusted advisor to farmers, the retailer plays a pivotal role in the development and implementation of climate-smart ag practices and conservation methods as part of broader on-farm management plans their farmer customers utilize in their day-to-day

operations. Many of these conservation plans include common climate-smart ag practices such as cover crops, conservation tillage, 4R nutrient stewardship, water and nutrient use efficiency, and biodiversity. We encourage USDA to work with private industry and agriculture retailers to understand how new innovations, technologies, and climate-smart practices can be integrated into USDA programs. As stated, many of these practices have been going on for years and show a diverse commitment to sustainability and climate stewardship.

Another key aspect of these discussions related to protecting our climate is the carbon credit market and the role retailers play in that space. As companies seek to offset greenhouse gas emissions, ag retailers can help their customers navigate a complex marketplace that can benefit both the farmer and their land, as well as the environment. ARA supports a private sector carbon credit marketplace that is voluntary and incentive based. ARA also encourages USDA to pursue creative and innovative ways to reward early adopters of conservation practices and harness their expertise to support new practice adopters. Working with retailers and early adopters to scale climate-smart practices will be key to helping farmers benefit from carbon markets.

ARA has been a vocal supporter of the Growing Climate Solutions Act (S. 1251) and sees it as an important step in the right direction toward creating a clearer framework for how a private sector carbon credit marketplace should operate. This bipartisan proposal should help decrease barriers to entry for the ag industry. It will also create a more defined certification process for greenhouse gas (GHG) technical assistance through USDA's third-party verifier certification program, a role that ag retailers will certainly be involved in, and subsequently, will result in farmers having a better understanding of the market and benefits it can provide.

ARA also supports federal policies that increase domestic energy production resulting in reduced production costs for crop input materials manufactured in the U.S. Our nation needs to remain energy independent by including oil, natural gas, and other domestic energy supplies such as renewable fuels (ethanol and biodiesel) in our efforts to promote economic growth in the nation's ag sector and reduce U.S. dependence on foreign sources of energy. Overall, we support an "all of the above" energy strategy.

We oppose efforts to ban the internal combustion engine as these would have an adverse impact on the U.S. agricultural industry and rural communities. According to a recent study conducted by Environmental Health & Engineering, Inc., ethanol reduces gasoline's greenhouse gas emissions by 46%. Additionally, by 2022, USDA anticipates that corn ethanol's relative carbon benefits could reach up to 70% thanks to continued innovation in the ethanol process.

These studies demonstrate that biofuels, like ethanol and biodiesel, must continue to be critical pieces of a low-carbon economy (USDA)¹. All forms of domestically produced energy should be fully utilized to develop and promote low-carbon emission vehicles as

¹ [USDA, American Broadband Initiative](#), 2019

it will help keep energy, manufacturing, food, and fuel costs low for American consumers and ensure economic prosperity for America's domestic industries.

Additionally, critical to the expansion and success of improving on-farm sustainability is the accessibility and utilization of next-generation technology, supported by strong broadband connectivity. Connectivity at the farm gate allows farmers to connect equipment to GPS, ensure machinery is using the most efficient routes, and better optimize the production system. Connectivity enables usage of drones to reduce fuel costs, variable rate application to reduce input use, and more. A 2019 USDA report found that 40 percent less fuel is used due to variable rate technologies, 20 to 50 percent less water is used due to precision agriculture, and an 80 percent reduction in chemical application. When it comes to environmental improvements in agriculture and connectivity, they must go hand-in-hand.

Any long-term solutions to addressing the challenges we face with an ever-changing climate will only be found through the continued partnership between the agricultural retailer, their farmer customers, and regulating authorities.

Thank you for your time and attention to this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Hunter Carpenter". The signature is fluid and cursive, with a long horizontal stroke at the end.

Hunter Carpenter
Director of Public Policy
Agricultural Retailers Association