



July 30, 2020

The Honorable Jeffrey I. Kessler  
Assistant Secretary of Commerce for Enforcement and Compliance  
U.S. Department of Commerce  
1401 Constitution Ave NW Washington, DC 20230

Re: Phosphate Fertilizers from Morocco and Russia Investigation (Inv. No. 701-TA-650-651, Preliminary)

Dear Secretary Kessler:

National Sorghum Producers (NSP) wishes to express our concerns about a petition for countervailing duties (CVDs) on imports of phosphate fertilizer from Morocco and Russia, and strongly requests the U.S. Department of Commerce consider the impact these CVDs could have on the viability of agricultural producers. Even the threat of CVDs on phosphate imports is creating upward price pressures on this critical nutrient at one of the most challenging economic times in recent history.

NSP serves as the voice of the sorghum industry from coast to coast through legislative and regulatory representation and education. Together with our farmer members and value chain partners, we promote a positive market and regulatory environment for the industry, including policies that increase market access and promote the use of sorghum.

As with many crops, phosphate fertilizer is a key nutrient in the production of sorghum. Its price, like that of other inputs, can be the difference between profit and loss for our grower members. Because the U.S. International Trade Commission has the authority to retroactively impose tariffs, a decision to undertake an investigation will immediately create inflationary pressure as sellers adjust for that risk. This was foreshadowed by the rise in the trading price of phosphate fertilizer after news of the petition's filing was reported. In the next few months, farmers across the country will be entering contracts for spring fertilizer deliveries. So near-term price increases will start hitting farmers' pockets in the fall and carry through into the spring, regardless of the outcome of the investigation. The last several years have been marked by low commodity prices and farm profitability, so more cost pressures would hurt even worse today.

When accumulated with precarious international trade disputes and the COVID-19 pandemic, increased phosphorus prices could have a negative impact on American producers and the U.S. agriculture economy. We urge you to strongly consider the implications of implementing CVDs on imports of phosphorus fertilizers from Morocco and Russia. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Atkisson". The signature is fluid and cursive, with a large initial "D" and "A".

Dan Atkisson, NSP Chairman

Cc: Steve Censky, Deputy Secretary, U.S. Department of Agriculture  
Rob Blair, Director of Policy and Strategic Planning, U.S. Department of Commerce