

**WRITTEN STATEMENT OF STEFANI MILLIE GRANT, SENIOR MANAGER FOR
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BEFORE THE HOUSE BUDGET COMMITTEE
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INTRODUCTION

My name is Stefani Millie Grant and I am Senior Manager, External Affairs and Sustainability for Unilever. Unilever is a global company selling fast-moving consumer goods. Our purpose is to make sustainable living commonplace. On any day, 2 billion people use Unilever products to look good, feel good and get more out of life – giving us a unique opportunity to build a brighter future.

When consumers reach for nutritionally balanced foods or indulgent ice creams, affordable soaps that combat disease, luxurious shampoos or everyday household care products, there's a good chance the brand they pick is one of ours. Seven out of every ten households around the world contain at least one Unilever product, and our range of world-leading, household-name brands includes Lipton, Knorr, Dove, Axe, Hellmann's and Ben & Jerry's.

Whatever the brand, wherever it is bought, we're working to ensure that it plays a part in helping fulfill our purpose as a business – making sustainable living commonplace. We want our business to grow but we recognize that growth at the expense of people or the environment is both unacceptable and commercially unsustainable. Sustainable growth is the only acceptable model for our business.

Our Unilever Sustainable Living Plan (USLP) is central to our business model. It sets out how we are decoupling our growth from our environmental impact, while at the same time increasing our positive social impact.

Our USLP has three big goals:

- Help more than a billion people to improve their health and wellbeing.
- Halve the environmental footprint of our products.
- Source 100% of our agricultural raw materials sustainably and enhance the livelihoods of people across our value chain.

We know that our products must be sustainable at every stage in their life-cycle, not just in our factories. That means working with others, including our suppliers, consumers, governments, NGOs and other businesses to help create the major changes that are needed to address the biggest challenges facing our world.

Members of the Committee, it is an honor to talk with you today about "The Costs of Climate Change: From Coasts to Heartland, Health to Security" as it relates to agriculture and supply chains. I am also excited to share with you the work Unilever does with our suppliers and their growers to assist farmers in becoming resilient to today's extreme weather while at the same time creating more resilient healthier soils and other environmental benefits.

HISTORICAL EXTREME WEATHER EVENTS AND AGRICULTURE

From June 2018 to May of this year, the contiguous U.S. suffered through its wettest 12-month period going back to 1895, when the federal government first began keeping formal records. These types of weather events are not uncommon and seem to be occurring more frequently.

Looking back during the past century, there have been many agricultural events that have caused an economic impact, both negatively and positively, in the United States. I think it's important to highlight a few of these events and explain the history so we, as a country, can re-examine these defining events and take the necessary precautions to ensure our farmers and agriculture industry have the resilience to sustain these extreme weather events.

The first event I'd like to highlight is The Dust Bowl, which was a period of severe dust storms that greatly damaged the agriculture of the American and Canadian plains from 1933-1940. Starting in November of 1933, a strong dust storm stripped topsoil from South Dakota farmlands in the first of many dust storms that year. The following year, a two-day dust storm removed large amounts of Great Plains topsoil in what is known as one of the worst storms to happen during The Dust Bowl. The dust, which accumulated to 12 million pounds, blew from the Great Plains to Chicago. ¹ In 1935, another major storm happened, which is known as "Black Sunday." Twenty "black blizzards" occurred across the Great Plains, from north to south, and caused widespread damage, including major droughts. Visibility was less than five feet, according to accounts of the event. Due to this, many people were forced to relocate in order to find work. While The Great Depression was happening nationwide, The Dust Bowl intensified the economic impact, and many people in this region were left in poverty. The Dust Bowl caused the largest migration in American history within a short period of time, with approximately 3.5 million people moving out of the Plains states in a seven-year period.²

On an economic scale, there was long-term economic impact across the United States. By the end of the Dust Bowl in 1940, counties that had experienced the most significant levels of erosion had a greater decline in agricultural land values. Per-acre, value of the farmland itself had declined by 28% in high-erosion counties, and 17% in medium erosion counties. In terms of agriculture value, there was decline as well. In high-erosion counties, less than 25% of the original agriculture losses were recovered. ³ The economic impacts continued throughout the next two decades, mainly due to farmers choosing to not use more appropriate crops for highly eroded areas. There are many causes as to why the farmers did not switch crops, such as lack of education or lack of financial funds due to the Great Depression, and we will never know the true cause; however, it is important to bring up this event to paint the greater picture of agricultural events in the United States and how it relates to the greater economy.

In response to all the loss mentioned above, many government programs were created in order to aid those affected. Under President Franklin Roosevelt's Administration, programs were created to conserve soil and restore the ecological balance of the nation. Interior Secretary Harold L. Ickes established the Soil Erosion Service in August 1933 under Hugh Hammond Bennett. In 1935, it was restructured under the Department of Agriculture and renamed the Soil Conservation Service, which is now known as the Natural Resources Conservation Service (NRCS). As part of the New Deal, Congress

¹ <http://www.pbs.org/wgbh/americanexperience/features/dustbowl-transcript/>

² Worster, Donald (1979). *Dust Bowl: The Southern Plains in the 1930s*. Oxford University Press. p. 49.

³ <https://dash.harvard.edu/handle/1/11303325>

passed the Soil Conservation and Domestic Allotment Act in 1936, which required landowners to share the allocated government subsidies with the laborers who worked on their farms. Also, the Federal Surplus Relief Corporation (FSRC) was established to regulate crop and other surpluses. Because of the government's assistance, most farmers were able to recover from this catastrophic event. These programs are the beginning of the farm safety net that is in place today to help farmers stay solvent when extreme weather occurs.

While farmers struggled to recover, the thirty years following The Dust Bowl and The Great Depression, America experienced a boom in agriculture and farming. Farmers witnessed revolutionary advances in agricultural technology-new machinery, seeds, pesticides, fertilizers, resulting in greater efficiency and greater productivity. During the 1950s and '60s, American agriculture's biggest problem was what to do with huge surpluses of grain.⁴

All that changed in the 1970s as the massive stockpiles were drawn down, and as a result, commodity prices rose. At the same time, global demand for U.S. agricultural products exploded. The boom of the 1970s created a downfall in the 1980s. Due to increased surplus production, land prices, and farmers' debts, interest rates were soaring, and the government did not want to provide support to farmers. The result: marginal farmers were forced off their land, and the size of the average farm became increasingly larger. The summer of 1980 experienced drought conditions for central and eastern U.S., causing \$20 billion in damages/costs to agriculture and related industries. But this was only a sign of what was to come. Additional droughts occurred in 1986 in the southeast; 1988 in central and eastern U.S.; and 1989 in the northern plains causing an estimated total of \$42 billion in agricultural related damages.⁵

These losses, along with increasing interest rates led to the farming crisis in the mid-80s. Over one-third of all farmers were in danger of losing their farms and caused significant economic depression in rural America.⁶ The farm economy began to recover in the 1990's and early 2000's, and in 2006, the next farm boom began as China began to import large amounts of American crops and ethanol demand grew. This boom peaked in 2013 as the global supply of commodities began to overtake demand and global economies started to slow.

While the farm economy began to improve, farmers still had to deal with extreme weather events. Per the National Oceanic and Atmospheric Administration, the U.S. has experienced 16 heatwaves/droughts between 1980 and 2011 causing over \$210 billion in total estimated damages.⁷ And in 2012, over half of the contiguous U.S. fell in the moderate to extreme drought categories by the end of June. In 1993, Midwest flooding caused 48 deaths and \$30 billion in damages, affecting 41,400 square kilometers of farmland, with Nebraska, Iowa, and Michigan hardest hit. In July, the Mississippi River flood crest at St. Louis, Missouri broke the previous record. Over 10 million acres ⁸ were flooded. And it is estimated that over 1 million acres of farmland was flooded after the "bomb cyclone" occurred in March of this year. Extreme

⁴ <http://www.iptv.org/mtom/classroom/module/13999/farm-crisis>

⁵ <https://www.ncdc.noaa.gov/monitoring-content/billions/docs/lott-and-ross-2003.pdf>

⁶ https://livinghistoryfarm.org/farminginthe70s/money_05.html

⁷ <https://www.ncdc.noaa.gov/monitoring-content/billions/docs/smith-and-katz-2013.pdf>

⁸ <https://digitalcommons.unl.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsedir=1&article=2316&context=usdaarsfacpub>

climate swings have created 10 million abandoned acres due to floods this year, which roughly equals about \$6.5 billion in lost revenue, according to Sara Menker⁹ 10¹¹

	Number of Disaster Events	Adjusted Damages (\$ Billions)	Percent Damage	Percent Frequency
Tropical Cyclones	31	417.9	47.4%	23.3%
Droughts/Heatwaves	16	210.1	23.8%	12.0%
Severe Local Storms	43	94.6	10.7%	32.3%
Non-Tropical Floods	16	85.1	9.7%	12.0%
Winter Storms	10	29.3	3.3%	7.5%
Wildfires	11	22.2	2.5%	8.3%
Freezes	6	20.5	2.3%	4.5%
Total	133	881.2	100.0%	100.0%

Table 1 Damage, percent damage, frequency, and percent frequency by disaster type across the 1980-2011 period for all billion-dollar events (adjusted for inflation to 2011 dollars)

Studies on climate are reflecting what farmers have been experiencing. In 2007, the Intergovernmental Panel on Climate Change (IPCC) released its Fourth Assessment Report, which stated that very dry areas have more than doubled since the 1970s due to a combination of events happening in interacting weather systems, such as the El Niño-Southern Oscillation, and global surface warming. This report also stated that very wet areas declined by about 5% globally. The report declared that trends in severe droughts and heavy rains showed that hydrological conditions were becoming more intense in some regions.¹²

In 2012, the IPCC issued a new report stating that “there are still large uncertainties regarding observed global-scale trends in droughts.” In 2014, the IPCC released its most recent climate assessment, which stated that for North America, decreases in snowpack already are influencing seasonal stream flows. However, the report had medium-to-high confidence that recent droughts (and floods, and changes in mean streamflow conditions) cannot yet be attributed to climate change.

⁹ <https://fortune.com/2019/07/16/land-o-lakes-big-data-farm/>.

¹¹ <https://www.ncdc.noaa.gov/monitoring-content/billions/docs/smith-and-katz-2013.pdf>

¹² <https://fas.org/sgp/crs/misc/R43407.pdf>

History suggests that severe droughts are a part of natural climate cycles and are inevitable. Just as The Dust Bowl of the 1930s happened, and the droughts of the 1980's, there will be more droughts in the future. And more extremely heavy rains causing flooding. It is imperative that Congress prepare for extreme weather through policies and legislation to help make farms more resilient and able to adapt to the changing conditions. The USDA Economic Research Service (ERS) released a report this week that predicts for the three major commodities – corn, soy and winter wheat – effects of climate change will cause crop insurance costs to increase between 3.5 percent and 22 percent by 2080, depending on the severity of greenhouse gas emissions. And under extreme climate change without farmers able to adapt, the costs could increase 37 percent. Crop insurance accounts for approximately half of the government's annual \$12 billion expenditures on agriculture risk management.¹³

HOW GLOBAL CLIMATE CHANGE AFFECTS LOCAL COMMODITY AND FOOD PRICING

Food prices are dependent on several factors, with crop availability being a large part. While increased temperatures may provide a longer growing season in some regions and higher CO₂ may help to increase yields in some crops, it is very likely that “any benefits will be offset by the negative effects of increased ozone, less water availability and increased salinity.”¹⁴ According to a draft U.N. report to be released next month, climate change could drive up commodity prices nearly 30 percent and disrupt global food chains. The recently release ERS report, “Climate Change and Agricultural Risk Management Into the 21st Century,” estimates the cost for soybeans increases by about 27 percent under the moderate-emissions scenario but jumps to 65 percent under the higher emissions scenario, reflecting increases in soybean prices and price risk, as well as more uniform and higher proportional increases in yield risk.¹⁵

However, it is difficult to predict exactly how climate change will affect food prices. Dr. Brian Gould, a professor in the Agricultural and Applied Economics Department at the University of Wisconsin—Madison has noted, “. . . In the short term, weather patterns will impact supply. Long term, it really depends on the extent of the changes. However, increased drought risk will affect the stability and prices of food.”

Regarding how U.S. consumers will be affected by climate change, Gould said, “There is going to be a reallocation of household budgets. We will probably have to, down the road, change our lifestyles to have a more significant portion of our income spent on food. Maybe up to the level that current developing countries have.”¹⁶ American consumers spent 12.9 percent of their household income on food in 2017 compared to up to 60 percent in developing countries.^{17 18}

As a global company, any extreme weather event affects our business. The more events there are, the more it costs companies. For commodity pricing, shortages in one part of the world affect prices in other parts of the world. For example, soy is used globally for livestock feed and feedstock for biofuels,

¹³ <https://www.ers.usda.gov/webdocs/publications/93547/err-266.pdf?v=9932.1>

¹⁴ <https://www.pnas.org/content/115/26/6804>

¹⁵ <https://www.ers.usda.gov/webdocs/publications/93547/err-266.pdf?v=9932.1>

¹⁶ <https://foodtank.com/news/2016/12/food-prices-will-affected-climate-change-interview-dr-brian-gould/>

¹⁷ <https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=58276>,

¹⁸ https://web.stanford.edu/~mburke/papers/Chap2_overview.pdf.

and swings in production can ripple through global markets, leading to price spikes. The U.S. drought in 2012 brought increased prices in response to lower production. During the 2006-2012 period, rapidly increasing demand for soybeans from China kept supplies relatively tight so even smaller weather events had a big impact on commodity price.

The chart below shows the weekly pricing of U.S. soybeans from June 2015 through June 2019. In March 2016, Argentina experienced flooding, and the U.S. commodity market reacted accordingly with prices starting to increase before peaking in June 2016. While the actual impact on production was minimal, during the flooding the market reacted by increasing the price 37 percent.



As extreme climate events are becoming more of a frequent occurrence, so too are more frequent crop failures. In a study recently released by Columbia University’s International Research Institute for Climate and Society, the International Food Policy Research Institute (IFPRI) and other partners looked at the effects that “well-understood climate patterns have had on global production of corn, soybeans and wheat.” They analyzed how these modes of climate variability influenced drought and heat in major growing regions and found that weather systems such as the El Niño-Southern Oscillation has been responsible for widespread, simultaneous crop failures in recent history. “This finding runs counter to a central pillar of the global agriculture system, which assumes that crop failures in geographically distant breadbasket regions such as the United States, China and Argentina are unrelated. The results also underscore the potential opportunity to manage such climate risks, which can be predicted using seasonal climate forecasts.”¹⁹

At Unilever, we are also looking to better understand how the climate and extreme weather events will affect our sourcing of key ingredients in the future, as we prefer to source our ingredients as locally as

¹⁹ <https://www.ifpri.org/news-release/new-study-how-much-do-climate-fluctuations-matter-global-crop-yields>

possible. Given this, we use crop forecasting models which provides data on predicted yield changes around the world to allow better planning of crop sourcing. The crop models vary in how they handle rising temperature, changing water availability, increasing CO2 & nutrient stresses. The results have shown that yields may decline in some countries and increase in others.

In addition, commodity price risk is actively managed through forward buying of traded commodities and other hedging mechanisms. Trends are monitored and modelled regularly and integrated into our forecasting process. As referenced above, the cost of our products can be significantly affected by the cost of the underlying commodities and materials from which they are made. Fluctuations in these costs cannot always be passed onto the consumer through pricing.

ENERGY PRICING AND AGRICULTURE

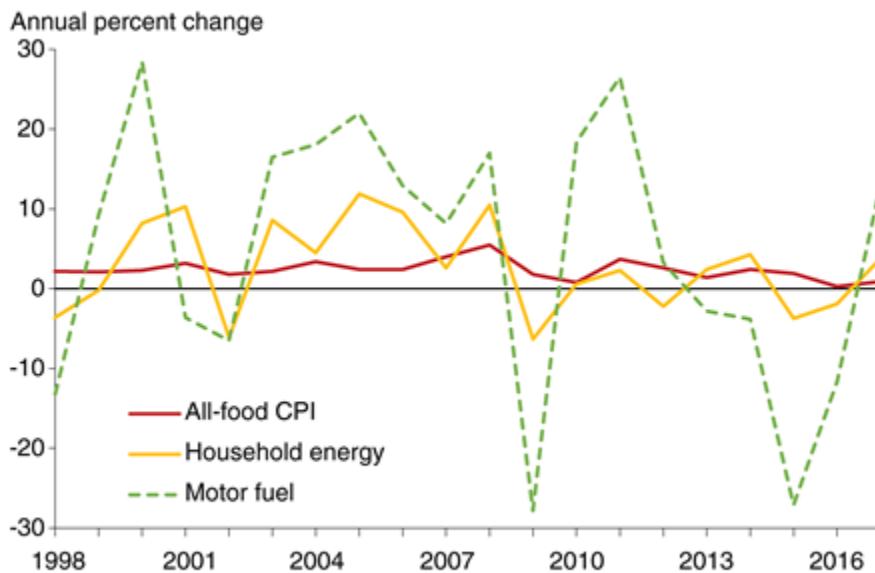
As climate and extreme weather events affect energy pricing, there is a link to agriculture pricing. The chart below is a 10-year monthly chart of the S&P GSCI (Goldman Sachs Commodity Index) Energy Index (green) vs the S&P GSCI Agri Index (black) normalized as of Jan 3, 2005 (covering the life of the bull commodity cycle). Energy pricing can affect agriculture inputs and commodity pricing, especially in times of extreme price trends. The bull commodity cycle of the late 1970's shows a similar trend.



Per USDA ERS, food prices typically move in the same direction as fuel prices, often with a slight lag as it takes time before fuel costs are incorporated into food prices. While the direction is often the same, the sizes of the price swings differ. Over the last two decades, motor fuel and household energy prices have

experienced double-digit annual price swings, while food prices have posted annual increases of between 0 and 6 percent, for an average annual increase of 2.4 percent.²⁰ (Image below)²¹

Changes in food and energy prices, 1998-2017



Source: USDA, Economic Research Service using data from the U.S. Bureau of Labor Statistics.

UNILEVER PERSPECTIVE

At Unilever, we believe tackling climate change requires transformational changes to the broader systems in which we operate. For us, the business case for action on climate change is clear. The effects of climate change damage the crops and water systems we rely on for our products, and our business and consumers are affected by increases in energy and food prices caused by changes in weather patterns. We believe that a strong government policy that creates the right context for change and business action is needed to address this important issue.

We have joined groups, such as the Climate Leadership Council, CEO Climate Dialogue and CERES to advance the discussion of climate change and move the needle on this vital topic. We support policies that accelerate change towards a low-carbon economy, drive growth and reduce risk.

Internally, we have set targets to become 'carbon positive' in our operations by 2030 by eliminating fossil fuels from our operations – and directly support the generation of more renewable energy than we consume and make the surplus available to the markets and communities in which we operate. In

²⁰ <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-prices-and-spending/>

²¹ <https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=58358>

2016, we began our own internal carbon tax - internally pricing the emissions from our manufacturing operations and subtracting that from the capital budgets allocated to each business division at the start of the year. That money instead goes into a fund – worth about €50 million a year now – which we use to install clean technologies at our sites.

Additionally, our Ben & Jerry's business has taken a different approach. Since 2015, It has set an internal fee on its carbon for every ton of emissions, from farm to landfill. This generates more than \$1 million annually which, in the early stages of its carbon reduction program, is mainly used to help its farmers develop and implement carbon footprint-reducing strategies. The fee is at a lower price than what Unilever uses, but Ben & Jerry's has extended it across the whole value chain. Also, our Love, Beauty & Planet business contributes \$40 per carbon ton to a carbon tax fund which goes to support third party programs that help reduce carbon emissions and landfill waste.

In 2010, Unilever, and other organizations, committed to achieving a zero net deforestation associated with four commodities palm oil, soy, paper and board and beef by 2020. We are the world's largest single buyer of palm oil – purchasing 3% of global production each year – so we're focusing on playing a leadership role in breaking the link between palm oil production and deforestation. We also buy other commodities associated with a risk of deforestation, including soy and paper and board. However, we believe that transparency helps us to build a more sustainable supply chain, which is why we have disclosed our direct suppliers of all these commodity groups.

Much work has been done to deliver our commitment to achieve zero net deforestation by 2020 in soy, palm oil, paper and pulp and beef supply chains. But we currently stand to fall short of this target at a time when the Intergovernmental Panel on Climate Change (IPCC) is telling the world that we need ever more urgent action. We want to shine a light on issues in supply chains so that they can be remediated, which is why we have committed to publish our full supply chains for palm oil, soy, paper and board and tea in 2019.

In addition to the internal work mentioned above, we realize that we cannot do this alone. This is why we are a founding member of The Sustainable Food Policy Alliance along with Danone North America, Mars Incorporated, and Nestle USA. As four of the largest food companies in the world, we realize our responsibility to our consumers, suppliers and our planet. We advocate for innovative, science-based solutions to act against the costly impacts of climate change, build more resilient communities, promote renewable energy, and further develop sustainable agriculture systems, which is why we released our [Climate Policy Principles](#) earlier this year. We believe that food has the potential to be a driving force for social and environmental progress. Food companies like ours, the farmers who grow our ingredients, and consumers who buy our products sit at the cross section of communities most impacted by climate change, which poses an existential threat to all living things. The food and agriculture value chain also hold potential solutions to our share of the global climate challenge.

Through these principles, we urge Congress to adopt policies, and work with USDA to amplify policies already in law (for example from the farm bill) needed to support food and agriculture, as we, as an Alliance, implement solutions to address the global climate concern. We believe there needs to be inclusion of the land sector, via agriculture and forestry, as part of an incentives-based strategy to reduce emissions and sequester greenhouse gases from the atmosphere to meet global and national

targets. There should be additional strategies that consider how to leverage resources and technical assistance for the myriad of landowners who are already contributing vital solutions.

While we are global company, we have taken a local sourcing approach. In my role at Unilever, I work with our brands, procurement, suppliers and farmers to design and implement our sustainable sourcing programs in the U.S. and Canada. We have been working with farmers in the U.S. since 2013, learning their practices and listening to understand issues they face. In 2017 we shifted our sustainable sourcing programs in the U.S. from studying field level data and holding educational sessions to working with farmers to design impact programs that we invest in to help them become more resilient for both today and the future.

Our Hellmann's Sustainable Soy Program, which we launched in 2013, was relaunched in 2018 to focus on the issues affecting Iowa. As many are aware, Iowa is one of the top contributors to the dead zone in the Gulf of Mexico. Iowa's nutrient reduction strategy lays out several practices needed to reduce nutrient runoff. One of those practices is planting cover crops. Cover crops not only are a great tool for farmers to help reduce nutrient run-off, they are also a great tool for farmers to build resilient soils and use less inputs (fertilizers and chemicals) over time.

In working with our farmers, we heard an interest in planting cover crops, so we developed a pilot program to gauge interest and over 140 farmers participated in our pilot cost share program. Our Hellmann's Sustainable Soy Program now provides cost share, local technical assistance through Practical Farmers of Iowa, and a peer network for farmers to plant cover crops. We are also working to encourage other companies to join us as partners, either through joining our program, or using our program as a model in their sourcing region.

Farmers that have been using cover crops for several years have been able to better withstand the heavy spring rains Iowa experienced. Many were able to get into their fields to plant earlier than their neighbors. One farmer shared with me that he can tell the soil health of a field when he drives onto it with his tractor by the firmness of the ground. In fields with healthy soils, the ground is firm under the tractor. In fields without as healthy soil, he can feel the ground give under the weight of the tractor.

For our Knorr brand, we are working with rice farmers in Arkansas and wheat farmers in North Dakota. For rice, the state of Arkansas is estimated to have water supply issues by 2040 and rice is a very water intensive crop, using 35 percent of the state's irrigation water. We are currently in the second year of a two-year pilot to help our farmers try different practices that use less water. Working with the growers we identified several practices they could test, such as alternative wetting and drying; leveling their fields for more even application of water; or row cropping rice. Water savings have been shown from 25% to 50% depending on the practice. Our local partner is the University of Arkansas, and they collect data throughout the growing season and then analyze the practices, water usage and yields and share back with the growers.

In North Dakota, excess levels of salts in the soil are increasingly becoming a problem for farmers, with an estimated 5.8 million acres affected in the state. The salts limit crop's ability to take up water resulting in symptoms similar to drought-stress and leaves barren areas in fields that are susceptible to soil erosion. We launched in June 2019 a new partnership program with our Knorr wheat growers and Pheasants Forever to improve revitalize salinized soils through planting of new habitat and cover crops.

HOW CAN CONGRESS HELP?

Since the 1930s, there has not been a piece of legislation that has single-handedly focused on soil resiliency for farmers. While there have been conservation programs included throughout the years, most of the legislation for agriculture enacted has focused on production and yields, commodity programs and farmer safety net. We believe that focusing on soil resiliency, not as a “good conservation practice” but as a “good farming practice” will not only assist farmers in the ways they need moving forward but will also help to ensure that we do not have the issues stated above in the years to come.

Funding and policies for farmer resiliency have traditionally been held within the farm bills. Funding programs under the Conservation Title of the farm bills have expanded over the last three decades, as more farmers are interested in learning and trying new practices, thereby investing in the long-term health of our soil, water and climate, and build a more resilient agricultural system in the face of climate change. The 2018 Farm Bill provides \$60 billion over ten years for conservation (6.8 percent of the total \$867 billion legislation), and increases payment for cover crops, crop rotations and advanced grazing management within the Conservation Stewardship Program (CSP) and authorizes payment for comprehensive conservation planning. The bill also includes new research priorities around soil health. However, more needs to be done.

- **Funding for Resilient Practices.** We encourage Congress to increase funding for National Resource Conservation Service (NRCS) programs and grant programs for farmers to test resilient soil health practices. The 2018 Farm Bill establishes cuts over the long term for CSP past the year 2023, amounting to over \$5 billion in advance cuts to the CSP and Environmental Quality Incentives Program (EQIP) for the next farm bill. These are two programs that already have waiting lists. We ask that these cuts be restored.
- **Funding for Research.** Increased funding is needed for coordinated national research on soil health and resilient practices. Continued research into long term cropping systems are crucial to the agricultural industry. Congress should appropriate additional funding toward programs like Sustainable Agriculture Research and Education (SARE), Organic Agriculture Research and Extension Initiative (OREI), and Regional Cover Crop Councils that conduct research on soil health.
- **Remove Barriers for Resilient Practices.** Because cover crops are proven as a sound agronomic practice, their management should not be segregated from fertilizer, crop protection, and seed selection choices under Risk Management Agency (RMA) policy approval (for crop insurance). We believe that RMA should treat cover crops as any other crop input and allow farmers and their agronomic advisors to make the relevant management decisions.

In closing I want to share a story from a farmer we work with through Practical Farmers of Iowa who helps to advise our Hellmann’s farmers on cover crops. His name is Nathan Anderson and he farms in Northwest Iowa, alongside his dad. Nathan’s story in his words:

“While often working together, my Dad and I have a “brains of the day” and “brawn of the day” award. This award serves to affirm the work of each other and sometimes lighten the pressure of working in

close quarters with a parent daily. In 2013, after a few years of no-till and cover crops, we had a devastatingly heavy rainfall event. The water from a neighboring field was streaming off with enough force you could take a kayak across the field. Once that water entered our field, the force of the water slowed, the sediment it was carrying dropped out, and its impact was lessened. My Dad looked out the window through the pouring rain at the stream of water and said matter-of-factly, "That may be the brains of the year award."

This is one of many examples I hear from growers on the need to build soil health to help become more resilient to the increasing extreme weather events. As a company we believe it is important to invest in our farmers and help them become more resilient. And we call on Congress to do the same.