

## Government shutdown could delay aid payments to farmers hurt by the Trump-China trade war

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The U.S. government's payments to farmers as part of trade aid relief will temporarily stop next week if the federal shutdown continues, according to the Department of Agriculture.

The federal government went into its third day of a [partial shutdown](#) Monday during a congressional impasse over approving \$5 billion in funding for Trump's proposed southern border wall. The stalemate impacts thousands of federal workers.

The so-called market facilitation program payments are part of a larger [\\$12 billion emergency aid package](#) the Trump administration announced in July to help farmers affected by retaliatory trade tariffs from China and others. The direct payments are designed to provide compensation to producers of soybeans, corn, cotton, almonds, dairy, hogs, sorghum and wheat.

Soybean farmers stand to get the most direct payments from the roughly \$9.6 billion market facilitation program: more than \$7.2 billion.

China is the world's largest buyer of soy, and the U.S. is usually the country's second-biggest supplier. However, in November, [China's soybean imports from the](#)

[U.S. fell to zero](#), marking the first time since the trade war started that China has imported no U.S. supplies.

The USDA said Friday that after the shutdown various programs it runs “would not be continued and would be shut down in an orderly fashion during a government funding lapse.” For example, it said “after the first week” that would include direct payments and market facilitation payments as well as farm loans.

Last week, the USDA announced it rolled out “the second and final round of trade mitigation payments.” Agricultural producers have until Jan. 15 to sign up for the market facilitation program.

In addition, the partial shutdown also impacts various research functions of the USDA as well as some of its rural development programs. The release of key USDA reports, including the monthly World Agricultural Supply and Demand Estimates report, also could be delayed.

Back in 2013, a government shutdown that lasted 16 days resulted in the USDA canceling its monthly October WASDE report as well as at least 20 other regularly scheduled reports or data releases.