

2023 USDA EXPLANATORY NOTES – OFFICE OF THE CHIEF ECONOMIST

Table of Contents

Agency-Wide 2

 Purpose Statement 2

 OIG and GAO Reports 3

 Available Funds and FTEs 3

 Permanent Positions by Grade and FTEs 4

 Shared Funding Projects 5

Account 1: Salaries and Expenses 6

 Appropriations Language 6

 Lead-Off Tabular Statement 6

 Project Statement 6

 Geographic Breakdown of Obligations and FTE 9

 Classification by Objects 10

 Status of Programs 11

 Summary of Performance 17

AGENCY-WIDE**PURPOSE STATEMENT**

The Office of the Chief Economist (OCE) was created by the Secretary of Agriculture on October 20, 1994, under the authority of the Department of Agriculture Reorganization Act of 1994, Public Law 103-354. OCE advises the Secretary of Agriculture on the economic implications of changes in Department policies and programs, proposed legislation, and market conditions, by providing unbiased information and data-driven analyses of current and emerging issues impacting agriculture and rural America.

OCE provides economic expertise, analysis, and coordination on a wide range of Departmental activities and initiatives. The office provides economic analysis to inform development of agricultural policy and key U.S. trade initiatives and serves as a focal point for the Nation's agricultural economic intelligence and the commodity outlook for U.S. and world agriculture. OCE is responsible for coordinating economic analyses and reviewing Department decisions involving policies and programs that have substantial economic implications. The office also coordinates the Department's analysis of issues and activities involving agricultural labor, climate change, renewable energy, bioenergy, biobased products and markets, sustainable development, biotechnology, and food loss and waste.

OCE is responsible for coordinating interagency development of the Department's agricultural commodity short-term forecasts and long-term projections. OCE's World Agricultural Outlook Board prepares the monthly *World Agricultural Supply and Demand Estimates* report, which is a Principal Federal Economic Indicator and is the most widely used source for domestic and global commodity market estimates and forecasts, as measured by the number of downloads on the OCE website. It underpins management information used across the Department for budgeting, policy development, and program evaluations and is also the anchor for other Departmental and private sector commodity forecasts. OCE also coordinates, reviews, and clears all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department.

OCE reviews and clears all regulatory impact and risk analyses of economically significant major rules in the Department to ensure that they are based on objective, appropriate, and sound economic and risk analyses. OCE also assists agencies in complying with Executive Orders and OMB guidance on regulatory analysis.

OCE also coordinates USDA's global change research program and conducts policy analysis on climate change, renewable energy, biobased products, and environmental markets. OCE supports the development of technical guidelines that provide science-based methods to quantify the greenhouse gas and other environmental service benefits from renewable energy production and use, resource conservation, and land management activities. This work will enable farmers, ranchers, and forest landowners to participate in emerging carbon markets, USDA's Climate Smart Partnership Initiative, and other environmental services markets. OCE coordinates activities with other Federal agencies on climate change research and policy efforts; represents USDA domestically and internationally in discussions of climate risks and vulnerabilities; oversees Department-wide efforts to address risks and build resilience to climate variability and change; and facilitates communication and outreach to producers and agricultural interest groups on climate change mitigation and adaptation.

In addition, the Office is responsible for the development and coordination of Departmental policy and services related to pest management, pesticides, biotechnology and related topics. It coordinates research, extension, and education activities regarding the development, availability, and use of economically and environmentally sound pest management tools and practices. The Office assists other agencies of the Department in fulfilling their responsibilities related to pest management or pesticides, as well as ensuring coordination of interagency activities with the Environmental Protection Agency, the Food and Drug Administration, and other Federal and state agencies. The Office also administers multiple crop and pesticide usage surveys to collect data for the purpose of informing risk assessment modeling and mitigation.

OCE Headquarters is located in Washington, D.C. As of September 30, 2021, there were 59 full time permanent employees, all stationed in Washington, DC.

OIG AND GAO REPORTS

Table OCE-1. Closed GAO Recommendations from FY 2021

ID	Title
102595	Date Labels on Packaged Foods: USDA and FDA Could Take Additional Steps to Reduce Consumer Confusion (GAO-19-407)
102502	Food Loss and Waste: Building on Existing Federal Efforts Could Help to Achieve National Reduction Goal (GAO-19-391)

AVAILABLE FUNDS AND FTEs

Table OCE-2. Available Funds and FTEs (thousands of dollars, FTEs)

Item	2020 Actual	FTE	2021 Actual	FTE	2022 Estimated	FTE	2023 Estimated	FTE
Salaries and Expenses:								
Discretionary Appropriations.....	\$24,413	57	\$24,692	58	\$24,692	62	\$32,012	70
Balance Available, SOY.....	500	-	500	-	455	-	-	-
Total Available.....	24,913	57	25,192	58	25,147	62	32,012	70
Lapsing Balances.....	-354	-	-481	-	-	-	-	-
Balance Available, EOY.....	-500	-	-455	-	-	-	-	-
Total Obligations, OCE.....	24,059	57	24,256	58	25,147	62	32,012	70
Other USDA:.....								
Annual Outlook Forum.....	138	-	193	-	152	-	225	-
Joint Data Procurement.....	25	-	-	-	26	-	26	-
National Science Foundation.....	363	-	363	-	363	-	-	-
Environmental Markets.....	650	-	700	-	700	-	-	-
Climate Hubs Coordinator.....	-	-	68	-	175	-	175	-
Payment for Staff Details.....	206	-	102	-	-	-	-	-
EFF Challenge.....	100	-	40	-	-	-	-	-
WASDE Support	-	-	226	-	313	-	200	-
Cattle and Beef Supply Chain Transportation (AMS).....	-	-	225	-	-	-	-	-
Meat and Poultry (ERS)	-	-	838	-	-	-	-	-
Total, Other USDA.....	1,482	-	2,755	-	1,729	-	626	-
Total Available, OCE.....	25,541	57	27,947	58	26,876	62	32,638	70

PERMANENT POSITIONS BY GRADE AND FTES*Table OCE-3. Permanent Positions by Grade and FTES*

Item	2020 Actual Total	2021 Actual Total	2022 Estimated Total	2023 Estimated Total
SES.....	6	6	6	6
SL.....	2	2	2	2
GS-15.....	24	28	29	32
GS-14.....	16	13	13	18
GS-13.....	-	3	5	-
GS-12.....	2	4	4	4
GS-11.....	3	-	-	2
GS-10.....	1	-	-	4
GS-9.....	1	1	2	-
GS-8.....	2	-	-	1
GS-7.....	-	2	1	1
Total Perm. FT EOY.....	57	59	62	70
FTE.....	59	58	62	70

SHARED FUNDING PROJECTS**Table OCE-4. Shared Funding Projects (dollars in thousands)**

Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Working Capital Fund:				
Administrative Services:				
Material Management Service.....	\$12	\$13	\$18	\$17
Mail and Reproduction Services.....	166	164	97	97
Integrated Procurement Systems.....	18	9	12	12
Procurement Operations Services.....	23	22	26	29
Human Resources Enterprise Management Systems.....	1	1	1	1
Subtotal.....	220	209	154	156
Communications:				
Creative Media & Broadcast Center.....	29	324	16	10
Finance and Management:				
National Finance Center.....	18	27	15	15
Financial Management Systems.....	27	20	29	31
Subtotal.....	45	47	44	46
Information Technology:				
Client Experience Center.....	323	382	456	472
Department Administration Information Technology Office.....	177	159	435	450
Digital Infrastructure Services Center.....	79	29	65	66
Enterprise Network Services.....	33	28	27	25
Subtotal.....	612	598	983	1,013
Office of the Executive Secretariat.....	3	33	42	42
Total, Working Capital Fund.....	909	1,211	1,239	1,267
Department-Wide Shared Cost Programs:				
Agency Partnership Outreach.....	5	4	4	5
Medical Services.....	2	15	14	14
Office of Customer Experience.....	4	6	5	5
Personnel and Document Security Program.....	1	2	2	2
Physical Security.....	4	2	3	3
Security Detail.....	3	3	3	3
Security Operations Program.....	4	4	4	4
TARGET Center.....	1	1	1	1
TARGET Center NCR Interpreting Services.....	-	-	6	7
USDA Enterprise Data Analytics Services.....	5	3	3	3
Total, Department-Wide Reimbursable Programs.....	29	40	45	47
E-Gov:				
E-Rulemaking.....	-	-	2	2
Geospatial Line of Business.....	13	13	13	13
Integrated Acquisition Environment.....	1	-	-	-
Total, E-Gov.....	14	13	15	15
Agency Total.....	952	1,264	1,299	1,329

ACCOUNT 1: SALARIES AND EXPENSES**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

For necessary expenses of the Office of the Chief Economist, [~~\$31,050,000~~]\$32,012,000, of which not more than \$8,000,000 shall be for grants or cooperative agreements for policy research under 7 U.S.C. 3155 and \$6,500,000 shall remain available until expended for climate change, including coordinating such activities across the Department.

LEAD-OFF TABULAR STATEMENT**Table OCE-5. Lead-Off Tabular Statement (In dollars)**

Item	Amount
Estimate, 2022	\$24,692,000
Change in Appropriation	+7,320,000
Budget Estimate, 2023	<u>32,012,000</u>

PROJECT STATEMENT**Table OCE-6. Project Statement Appropriations (thousands of dollars, FTEs)**

Item	2020		2021		2022		2023		Inc. or Dec.	FTE Inc. or Dec.	Chg Key
	Actual	FTE	Actual	FTE	Estimated	FTE	Estimated	FTE			
Discretionary Appropriations:											
Office of the Chief Economist.....	\$24,013	57	\$24,192	58	\$24,192	62	\$32,012	70	+\$7,820	+8	(1)
Food Loss and Waste Liason	400		500		500				-500	-	(2)
Subtotal.....	24,413	57	24,692	58	24,692	62	32,012	70	+7,320	+8	
Bal. Available, SOY.....	500	-	500	-	455	-	-	-	-455	-	
Total Available.....	24,913	57	25,192	58	25,147	62	32,012	70	6,865	8	
Lapsing Balances.....	-354	-	-481	-	-	-	-	-	-	-	
Bal. Available, EOY.....	-500	-	-455	-	-	-	-	-	-	-	
Total Obligations.....	24,059	57	24,256	58	25,147	62	32,012	70	+6,865	+8	

Table OCE-7. Project Statement Obligations (thousands of dollars, FTEs)

Item	2020		2021		2022		2023		Inc. or Dec.	FTE Inc. or Dec.
	Actual	FTE	Actual	FTE	Estimated	FTE	Estimated	FTE		
Discretionary Obligations:										
Office of the Chief Economist	\$23,659	57	\$23,711	58	\$24,192	62	\$32,012	70	+\$7,820	+8
Food Loss and Waste Reduction Liaison	400		500		500				-500	-
Subtotal Disc oblig.....	24,059	57	24,211	58	24,692	62	32,012	70	+7,320	+8
Mandatory Obligations:										
Multiple Crop and Pesticide Use Survey	-	-	45	-	455	-	-	-	-455	-
Subtotal Mand Oblig.....	-	-	45	-	455	-	-	-	-455	-
Total Obligations.....	24,059	57	24,256	58	25,147	62	32,012	70	+6,865	8
Add back:.....										
Lapsing Balances.....	354	-	481	-	-	-	-	-	-	-
Balances Available, EOY:										
Multiple Crop and Pesticide Use Survey	500	-	455	-	-	-	-	-	-	-
Total Available.....	24,913	57	25,192	58	25,147	62	32,012	70	6,865	8
Bal. Available, SOY.....	-500	-	-500	-	-455	-	-	-	455	-
Total Appropriation.....	24,413	57	24,692	58	24,692	62	32,012	70	7,320	8

Office of the Chief Economist

A net increase of \$7,320,000 and 8 additional FTEs for the Office of the Chief Economist (\$24,692,000 and 62 FTEs available in FY 2022).

1. The funding change is requested for the following items:

A. An increase of \$307,000, which includes \$128,940 for pay inflation and \$178,060 for FERS for 2022 Pay and FERS:

This increase supports the pay increase which went into effect January 1, 2022, of a 2.7 percent Cost of Living pay increases for civilian employees, and a 1.1 percent increase to cover the expenses for the mandated increase of USDA's contribution to FERS.

B. An increase of \$581,000 for 2023 Pay:

This increase will support the annualization of the 2022 2.7 percent Cost of Living pay increase and the 2023 4.6 percent Cost of Living pay increase. Without additional funding to support mandated federal pay increases, OCE will have to make cuts to its contracts and agreements portfolio in order to cover increased payroll costs and prevent a Reduction in Force. Cutting contracts and agreements would have significant impacts to the mission of OCE and its ability to meet Congressional and Departmental priorities for economic expertise and analysis.

C. An increase of \$31,000 for Working Capital Fund and Shared Costs:

This increase supports uncontrollable costs associated with the USDA Working Capital Fund and other Departmental Shared Costs. Without additional funding, OCE will be unable to meet its obligations to support necessary administrative, information technology and managerial costs incurred by its interagency partners.

D. An increase of \$401,000 for Information Technology support for the World Agricultural Outlook Board (WAOB):

The WAOB produces the monthly World Agricultural Supply and Demand Estimates (WASDE) Report, a Principal Federal Economic Indicator. WASDE has significant impacts on agricultural commodity markets. The monthly WASDE release requires specialized application support to maintain its data integrity, confidentiality, and security – and these are significant, highly specialized IT needs that cannot be supported through the Department's centralized general IT support function. Due to an immediate need for specialized IT support, OCE hired one GS-14 IT professional and receives reimbursement from partner agencies to cover his salary. OCE would like to have this position as part of its base. This increase represents the salary and benefits for a GS-14 IT professional (2210 job series) of approximately \$185,000. The remainder of the request represents additional necessary contractor support for data integrity and implementation of OPEN Government Data Act requirements. Without additional funding for IT support for the WASDE, OCE and USDA are vulnerable to IT risks that could jeopardize the timely and accurate release of WASDE report and would be unable to comply with OPEN Government Data Act requirements.

E. An increase of \$6,500,000 and 8 FTEs for Climate Research and Analysis:

The increase will provide technical support for the implementation of incentives for climate smart agriculture and forestry practices and oversee the production of the Department's resilience and climate change adaptation plan. OCE will support the infrastructure necessary to quantify, track, and analyze impacts from adoption of climate smart agriculture and forestry practices and technologies through the Office's Greenhouse Gas Inventory and Assessment Program. These investments will ensure that the many facets of the Department's climate change program are coordinated and meet Departmental and Administration priorities. New funds will be used for the following priorities:

- i. Greenhouse Gas (GHS) Quantification Systems. OCE will develop detailed reference values for the GHG benefits of practices and technologies for the agriculture and forest sectors. This will include program-ready tools and tables for the range of climate-smart measures. These products will be used by the Department to encourage the voluntary adoption of climate-smart agricultural and forestry practices through programs, partnerships, funding and financing capacities, and other authorities.
- ii. Updated Agriculture and Forestry GHG Inventory. New funding would allow OCE to generate estimates of greenhouse gases from the agriculture and forest sectors on an annual basis. EPA

currently updates these estimates every other year. Funding would be used to incorporate the data that will be collected by NASS, make critical improvements to methods, and ensure that the latest climate-smart agriculture and forestry practices are included in inventory estimates.

- iii. Analysis, projections, and reporting. OCE will invest in new capabilities to analyze, forecast, and report on current and potential policies and measures. The decision to re-join the Paris Agreement will require the U.S. to establish a Nationally Determined Contribution and submit biennial reports on policies and measures to the United Nations. OCE will lead USDA’s technical responses to these new requirements.
- iv. Adaptation and resilience planning. The new Executive Order on combating the climate crisis requires USDA to prepare an adaptation and resilience plan. USDA also has a Departmental Regulation with similar requirements. Under DR 1070-001, OCE is the lead for USDA in preparing the Department’s climate adaptation plan.
- v. OCE will work to improve greenhouse gas measurement, monitoring reporting and verification capabilities, in order to assess the effectiveness of GHG reduction efforts at national and subnational levels; track progress in meeting the US GHG reduction goals; inform local- to national-scale GHG emission mitigation efforts.
- vi. Conduct synthesis and assessments of the Department’s efforts to incentivize climate-smart commodity production and catalogue the lessons-learned from new approaches. OCE will evaluate data from federal, state, local, and private sector efforts, evaluate the costs and benefits of various approaches, and identify opportunities to improve efficiencies and lower costs. OCE will continue to evaluate new and emerging technologies and practices to reduce greenhouse gas emissions and increase carbon sequestration in the agriculture and forest sectors.
- vii. A shift of \$500,000 for a Food Loss and Waste Reduction Liaison provided under a General Provision in FY 2021 and FY 2022 to the appropriated base in FY 2023. The Agricultural Improvement Act of 2018 instructs USDA to establish a Food Loss and Waste Reduction Liaison to coordinate Federal, State, local, and nongovernmental programs, and other efforts, to measure and reduce the incidence of food loss and waste. In the last three years, OCE has funded one FTE through funds provided to USDA in the General Provisions. However, significant progress to address food loss and waste cannot be made without a permanent staff and budget for this initiative. OCE is unable to hire a permanent coordinator unless the necessary funds are added to OCE’s base. Ensuring consistency and excellence in the program over the long term requires permanent appropriated funding for the program. The allocation of funding would provide stability in achieving the Department’s goals and enable OCE to continue to implement the Department’s strategy to reduce food loss and waste, a major contributor to US methane emissions. Food loss and waste activities are a Secretary priority and USDA is consistently called upon by Congress to provide updates on progress related to Food Loss and Waste reductions.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs

Table OCE-8. Geographic Breakdown of Obligations and FTEs (thousands of dollars, FTEs)

State/Territory/Country	2020		2021		2022		2023	
	Actual	FTE	Actual	FTE	Estimated	FTE	Estimated	FTE
District of Columbia.....	\$24,059	57	\$24,256	58	\$25,147	62	\$32,012	70
Lapsing Balances.....	354	-	481	-	-	-	-	-
Bal. Available, EOY.....	500	-	455	-	-	-	-	-
Total, Available.....	24,913	57	25,192	58	25,147	62	32,012	70

CLASSIFICATION BY OBJECTS**Table OCE-9 Classification by Objects (thousands of dollars)**

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Personnel Compensation:					
	Washington D.C.....	\$7,979	\$9,209	\$10,795	\$11,182
11	Total personnel compensation.....	7,979	9,209	10,795	11,182
12	Personal benefits.....	2,742	3,159	3,541	3,733
13.0	Benefits for former personnel.....	-	2	-	-
	Total, personnel comp. and benefits.....	10,721	12,370	14,336	14,915
Other Objects:.....					
21.0	Travel and transportation of persons.....	74	64	94	94
22.0	Transportation of things.....	-	1	1	1
23.1	Rental payments to GSA.....	3	3	3	4
23.3	Communications, utilities, and misc. charges.....	190	-	190	190
24.0	Printing and reproduction.....	80	81	101	101
25	Other contractual services.....	291	-	323	323
25.1	Advisory and assistance services.....	2,561	1,481	903	2,361
25.2	Other services from non-Federal sources.....	28	9	14	14
25.4	Operation and maintenance of facilities.....	597	1,235	100	3,717
25.5	Research and development contracts.....	8,780	8,922	8,922	10,032
26.0	Supplies and materials.....	723	50	107	207
31.0	Equipment.....	11	40	53	53
	Total, Other Objects.....	13,338	11,886	10,811	17,097
99.9	Total, new obligations.....	24,059	24,256	25,147	32,012
	DHS Building Security Payments (included in 25.3)....	\$21	\$13	\$13	\$13
Information Technology Investments:.....					
Major Investment 1..... SO-OCE-Local Area Network					
Related Mission Area PPA #1.....					
11	Internal Labor.....	-	-	-	-
	External Labor (Contractors).....	34	22	22	-
	Total Major Investment 1.....	34	22	22	0
	Mission Area Standard Investment Totals.....	70	39	40	42
25.3	Mission Area WCF Transfers.....	909	914	911	1,086
	Total Non-Major Investment	979	953	951	1,128
	Total IT Investments.....	1,013	975	973	1,128
Position Data:					
	Average Salary (dollars), ES Position	\$180,200	\$183,300	\$183,300	\$183,000
	Average Salary (dollars), GS Position	\$125,415	\$144,807	\$150,678	\$150,678
	Average Grade, GS Position	14.2	14.6	14.7	14.7

STATUS OF PROGRAMS

The Office of the Chief Economist (OCE) is the focal point for economic and policy-related research and analysis for the U.S. Department of Agriculture. OCE aims to inform public and private decision makers by providing unbiased information and data-driven analyses of current and emerging issues impacting agriculture. OCE provides economic expertise and coordination on a wide range of Departmental activities and initiatives.

Current Activities

OCE's Immediate Office (IO) staff provide policy and program analyses and advice to the Secretary on major issues affecting agriculture and rural America. The IO staff focus on: agricultural policy, including analyses of alternative farm program, conservation and crop insurance options; trade initiatives and disputes; developments in agricultural commodity markets, such as the effects of global weather and changes in production and trade patterns; economic issues related to plant and animal diseases; sustainable agriculture; and agricultural labor issues.

The World Agricultural Outlook Board's (WAOB) primary mission is to provide reliable and objective economic forecasts for farmers and other participants in the food and fiber system. Key WAOB activities are coordinating USDA forecasts of domestic and international agriculture; providing economic analysis related to global commodity markets; monitoring markets and agricultural weather; and disseminating relevant information.

OCE clears all USDA significant, economically significant regulations for their regulatory impact analyses. OCE's Office of Risk Assessment and Cost-Benefit Analysis (ORACBA) reviews and approves statutorily required risk assessments for all major proposed USDA regulations. ORACBA is a focal point for Departmental activities related to risk analysis, including inter-Departmental activities; regulatory reviews to ensure science-based regulations; and the integration of economic analysis and risk assessment.

The Office of Energy and Environmental Policy (OEEP) serves as a focal point for the Department's energy, environmental markets, and climate change research, mitigation and adaptation planning and policy development. OEEP aims to improve understanding of the complex interactions between agriculture systems and the environment, and to transfer the resulting knowledge to producers and land managers through information, tools, and decision support. In the energy area, OEEP analyzes and evaluates existing and proposed policies and strategies. In the climate variability and change area, OEEP coordinates analysis, long range planning, research, and response strategies to climate change. In the environmental markets area, OEEP establishes uniform guidelines for the development of science-based methods to measure the ecosystem services benefits from conservation and land management activities. OEEP carries out USDA responsibilities under the Global Climate Change Prevention Act of 1990, and coordinates USDA's contributions to the quadrennial U.S. National Climate Assessments, as required under the 1990 Global Change Research Act.

The Office of Pest Management Policy (OPMP) leads the development and coordination of Departmental policy on pest management and pesticides, provides Departmental coordination on agricultural biotechnology, and ensures coordination of interagency activities with the Environmental Protection Agency (EPA), the Food and Drug Administration (FDA), and other Federal and State agencies. OPMP collects data to on individual growers' pest management practices to improve the information available to EPA on the potential benefits of specific pesticides.

Selected Examples of Recent Progress**Immediate Office of the Chief Economist**

Provided economic and policy analysis in support of key initiatives, including:

Agricultural Policy

- Provided significant rapid-response economic analyses and assessments of many policy proposals and regulatory actions, as well as scoring of pandemic-related support programs, enabling USDA to quickly provide support to stabilize the agricultural and rural sectors during the COVID-19 pandemic.
- Provided timely analysis of various economic conditions to inform Administration officials about impacts on the agricultural and rural sectors.
- In support of Executive Order 13990 on *Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis*, OCE represented USDA in the Federal-wide effort to update the social cost of greenhouse gas emissions. These values will be used in regulatory cost-benefit analysis government wide. The current values have not been updated (except for inflation) in almost a decade.

- Provided economic context and analysis on disasters for USDA leadership and Congress, including winter freezes, hurricanes, the JBS food processing plant fire, and California emergency curtailment measures to address acute water shortages of the Sacramento-San Joaquin delta watersheds. OCE also served on USDA’s Multi-Agency Coordination group (ongoing). These efforts ensured that USDA decision-makers had timely, accurate economic information for decision making during disaster response and the potential provision of financial assistance.
- Advised on the economic analyses for regulatory actions for several rulemaking and related actions across USDA and provided feedback to help ensure the rule functions as intended and that the economic evidence is accurate and complete.
- Led research and fostered high priority research conducted by others on the economic impacts of the coronavirus pandemic on the agricultural economy, increasing the knowledge base to inform the design and ensure impactful outcomes of future assistance programs (ongoing).

World Trade Organization (WTO) and Trade Policy Support

- Supported the maintenance of a U.S. position of leadership in the WTO via timely and accurate reporting of the U.S. domestic support for agriculture.
- Shaped the conversation in the Working Party on Agricultural Policies and Markets of the Organization for Economic Co-operation and Development (OECD) Committee for Agriculture to provide the U.S. perspective and direction on policy discussions and research and papers under development by the OECD.
- OCE staff member serves as Vice Chair in the bureau of OECD’s Group on Commodity Markets (GCM); key contributions and serves as U.S. spokesperson for the OECD’s Agricultural Outlook.
- Represented USDA in numerous interagency meetings on multilateral and bilateral trade issues, including WTO and bilateral trade negotiations, WTO and other enforcement actions, such as Section 301 investigations (e.g., Vietnam timber).
- Provided economic analysis and/or guidance on several WTO/Free Trade Agreement (FTA) disputes or potential disputes and monitored antidumping and countervailing duty (AD/CVD) investigations impacting U.S. agriculture.
- Analyses of various trade sanctions informed policy makers of the impacts of trade actions on the agricultural sector.
- Reviewed and contributed to briefing and other materials for WTO dispute settlement, committee meetings, and negotiations, as well as U.S. bilateral agricultural trade negotiations, meetings, and submissions.

Agricultural Labor Activities

- Ensured USDA interests were represented in Department of Labor rules impacting the H-2A program.
- Pursuant to the 2021 Appropriations Act House Report, submitted a report to the Agricultural Appropriations subcommittees on the size of the agricultural workforce in the United States, including the current agricultural labor force and the number of agricultural job vacancies.

Analytical Assistance to Congress and Other Federal Agencies

- Conducted and spurred research to inform future analytical needs for policy support to satisfy interest (by Congress and others) in ex-post evaluation of policy impacts, and to inform future Farm Bill debates.
- Provided economic analysis of the effects of COVID-19 on agricultural trade. Presented findings in interagency meetings, as well as at various conferences and external venues.
- Provided economic analysis for retaliatory tariffs on U.S. agricultural exports.
- Developed a workshop in advance of the next Farm Bill that engaged members of the Agricultural & Applied Economics Association with policy professionals to bring together knowledge and experience of the policy process with new approaches and ideas.
- Supported a multi-day workshop that brought together leading academics to present current research on cattle market pricing and related issues; papers were published as a book that was delivered to Congress.
- Identified and developed new data sources to support analytic needs across OCE and USDA in the agricultural and rural sector.

Crop Insurance

- The Chief Economist, as Chairman of the Board of Directors of the Federal Crop Insurance Corporation (FCIC), presided over quarterly public board meetings during FY 2021 (ongoing). The FCIC meets four times a year and on an ad-hoc basis, as needed.
- The FCIC Board of Directors approved several products to improve the risk management safety net on a wide variety of farms in 2021.
- Announcements of new and or improved products in FY 2021 include:

- Agricultural producers who have coverage under most crop insurance policies are eligible for a premium benefit via the RMA’s Pandemic Cover Crop Program.
- Improvements to the Livestock Risk Protection Insurance Program, including increasing head limits for feeder and fed cattle and increasing the endorsement lengths for swine.
- Rolling out a new insurance option specifically for agricultural producers with small farms who sell locally. The new Micro Farm policy offered through Whole-Farm Revenue Protection simplifies record keeping and covers post-production costs like washing and value-added products.

Sustainable Development Activities

- OCE staff member served as lead subject-matter expert and negotiator on the Committee for *World Food Security’s Voluntary Guidelines for Food Systems and Nutrition (VGFSyN)*. The VGFSyN were extremely complex to negotiate given the breadth of topics covered.
- Led (with FAS) the successful development and execution of three National Food Systems Dialogues in the lead up to the UN Food Systems Summit (January 13, May 19, and June 30, 2021). These Dialogues, which were intended to facilitate inclusive dialogue in the United States on sustainable food systems, included more than 200 participants from diverse food and agricultural groups, including farmers, food industry members, environmental groups, nutrition and food security advocates, unions and advocates for farm and food systems workers, and researchers from universities and think tanks. The United States was the first country to host a National Dialogue.
- Played an instrumental role in developing the USG’s position for the *United Nations Food Systems Summit (UNFSS)* held in September 2021, an effort to promote sustainable food systems that is expected to have lasting domestic and international impact.
- Proposed and supported the formation of a *Coalition of Action on Sustainable Productivity Growth for Food Security and Resource Conservation (SPG Coalition)*. This initiative elevated productivity growth as a critical component for building more sustainable food systems. As of September 30, 2021, there are over 40 coalition supporters, including 5 countries (with more pending) and the UN Food and Agricultural Organization.

Food Loss and Waste

- Fostered interagency collaboration with EPA and FDA, which has resulted in an expansion (to 35) of the number of large U.S. companies pledging to reduce food loss and waste (FLW) in their supply chains by 50 percent by 2030.
- Led several efforts to promote awareness of FLW and spur innovations, including USDA’s first ever Innovation Fair and other public events such as roundtables, and a constant stream of outreach materials (blogs, newsletters, etc.)
- Represented USDA in numerous dialogs with industry stakeholders, international organizations, local governments and community groups.
- Led USDA’s Food Loss and Waste Working Group, with representatives from 10 USDA agencies.
- Pursuant to Section 12504 of the 2018 Farm Bill, submitted a report to the House and Senate Committees on Agriculture that contains an estimate of the quantity of food waste during the past year and the results of the food waste reduction and loss prevention activities carried out or led by the Department.

World Agricultural Outlook Board (WAOB)

Agricultural Supply and Demand Monitoring and Reporting

- Published the monthly *World Agricultural Supply and Demand (WASDE)* reports, a Principal Federal Economic Indicator report, providing USDA’s official world and U.S. supply and utilization estimates and forecasts for grains, oilseeds, and cotton; and official estimates and forecasts for U.S. sugar, red meat, poultry, eggs, and milk. The WASDE report receives between 1.5 million and 2 million downloads annually. After each WASDE release the Secretary briefing presentations were posted on the OCE website for public use, ensuring fair and equitable access to the information.
- Cleared all USDA/Economic Research Service Commodity Outlook reports for public release on schedule following the WASDE release (ongoing activity).
- Modified the soybean oil balance sheet in the WASDE report to incorporate new data related to the use of soybean oil as a feedstock for renewable diesel production, a rapidly growing use category.
- Represented the United States on FAO’s Agricultural Market Information System (AMIS) information group, including information sharing and monthly participation in commodity outlook sessions intended to support food market transparency and encourage coordination of policy action in response to market uncertainty.

USDA Baseline Projections

- Managed the development of the USDA interagency 10-year baseline economic projections and cleared the estimates for publication and release. The projections provide timely insight and strategic planning information for the President’s Budget, agricultural producers, other agribusinesses, and policy officials.
- Provided economic analysis in support of Farm Production and Conservation farm program budget estimates for the Office of Management and Budget.

USDA Agricultural Outlook Forum

- Designed, managed, and executed the 2021 *Agricultural Outlook Forum*, the first time ever held on a virtual platform. The Forum is a unique event where key stakeholders from the agricultural sector in the United States and around the world come together every year to discuss current and emerging topics and trends in the sector. The Forum aims to facilitate information sharing among stakeholders and generate the transparency that supports well-functioning open markets. Attendance reached 4,500 people in 2021, by far the largest attendance ever, and more than 2.5 times the average attendance of the previous five years. The Chief Economist provided a keynote speech on the state of the U.S. agricultural economy. The two-day program included 30 sessions on issues affecting rural America and agriculture, including the food price and farm income outlook, U.S. trade and the global marketplace, new frontiers in agriculture, managing risk and ensuring sustainability, the rural economy, and commodity outlooks.

Agricultural Weather Monitoring and Analysis

- Meteorologists collaborated closely with the World Agricultural Outlook Board and analysts from Foreign Agricultural Service (FAS), Economic Research Service (ERS), and other partner agencies to provide crop weather impact analyses in support of 12 Monthly WASDE Reports.
- Collaborated with the National Weather Service to prepare and publish 52 *Weekly Weather and Crop Bulletins (WWCB)*, issue 260 *Daily U.S. Agricultural Weather Highlights*, and to provide authorship for or contribute to 52 weekly *U.S. Drought Monitors (USDM)*.
- Leveraging 7 U.S. Code § 3155 (Agricultural and Food Policy Centers), partnered with the National Drought Mitigation Center to improve drought services to the American public and provide support for other OCE mandates, including Farm Bill priorities and obtaining metrics to determine the economic impacts of drought. Deliverables included historical U.S. Drought Monitor statistics in Tribal lands.
- Provided leadership in support of several White House led or supported activities, including the National Drought Resilience Partnership, the Interagency Working Group on Western Drought, and the Interagency Council for Advancing Meteorological Services. Provided timely information for decisionmakers on drought and served as an expert source to numerous news outlets to communicate the impacts of extreme weather events on agriculture.
- Actively supported relevant international projects, either directly with the World Meteorological Organization and Global Water Partnership or in collaborations with NOAA or FAS. Actively supported the World Meteorological Organization (WMO) Commission for Agricultural Meteorology (CAGM), which promotes the use of weather and climate information to improve sustainable food production worldwide.

The Office of Risk Assessment and Cost-Benefit Analysis (ORACBA)*Risk Analysis Leadership and Consultation*

- Provided guidance to USDA agencies developing risk assessments and economic analyses related to environmental health and safety, including extensive assistance to the Office of Pest Management Policy in review of several pesticide risk assessments. Provided guidance and consultation to USDA and other Federal agencies on risk assessments for dietary contaminants, pesticides, foodborne pathogens, endangered species, plant and animal pests, and environmental contaminants (ongoing).
- Participated in the Interagency Risk Assessment Consortium (IRAC) to enhance communication and coordination among agencies with food safety responsibilities. Substantially participated in the peer review of the Food Safety and Inspection Service (FSIS) non-inferiority test resulting in a more robust discussion of equivalence between FSIS testing and practices of foreign petitioners.
- Coordinated a peer review of Natural Resource Conservation Service’s Windows Pesticide Screening Tool (WIN-PST), resulting in a robust set of comments to strengthen the program.

Risk Communication and Outreach

- Participated in the EPA-USDA-FDA Interagency Risk Communication Working Group examining PFAS contamination keeping USDA apprised of new developments in EPA regulatory, and other actions, and prepared for further engagement.

- Disseminated 11 newsletters informing Departmental subscribers of risk assessment and economic/regulatory analyses educational opportunities on emerging issues and techniques.

Risk Assessment Education and Training

- Sponsored two Science, Policy and Risk seminars on risk assessment methods and two seminars on economic analysis. Of note, one of the seminars was restricted to federal employees to initiate discussion on the using EPA's EJScreen to address the Executive Order on Advancing Racial Equity and Support for Underserved Communities and the White House's January 20, 2021, memo on Modernizing Regulatory Review requiring that regulatory impact analyses better address impacts on underserved communities.
- Made presentations at the Society for Risk Analysis annual meeting on "Development of a PFOS Plasma Depletion Model in Dairy Cattle" and the Society for Benefit Cost Analysis annual meeting on "Round-Table Discussion: Challenges and Innovations in Effectiveness Estimation."

The Office of Energy and Environmental Policy (OEEP)

USDA Climate Strategy and Leadership on Executive Order 14008

- Organized the Department's response to Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*. Created a plan that encompasses multiple deliverables and new responsibilities, worked with agencies and offices across the Department to ensure a coordinated response and engaged with Department and White House leadership on planning and implementation.
- Managed the Department's preparation of USDA's Action Plan for Climate Adaptation and Resilience, called for in Section 211 of Executive Order 14008. The Adaptation Plan identifies the most significant risks that climate change poses to the agriculture and forestry sectors and lays out Department-scale actions to best prepare our stakeholders to address these current and future climate change threats. Organized a USDA-wide workforce development climate change science seminar series that will establish the risks, challenges, vulnerabilities, and opportunities that climate change poses for USDA's mission.
- Compiled data on current conservation trends and synthesized data from multiple USDA datasets to provide a snapshot of current rates of conservation in support of the America the Beautiful provision announced under Executive Order 14008, which sets a goal of conserving 30 percent of US lands and waters by 2030. Provided technical analysis to support decision making on options for quantifying baseline land conservation across the US.
- Published the USDA Climate Smart Agriculture and Forestry 90-day Report, which contains recommendations for expanding the deployment of climate-beneficial practices and technologies across the forest and agriculture sectors. This Report is the first major public-facing document prepared in response to Executive Order 14008 on how USDA can position the agriculture and forestry sectors to be part of the climate solution.
- Issued a Request for Public Comment on a range of topics included in EO 14008. Hosted 10 listening sessions with stakeholders and the public, including over 100 participants. USDA received over 2,700 comments including 2,200 comments from individuals and 500 comments from organizations. Managed the synthesis of comments and organized briefings for leadership on the range of views, key insights, and overarching implications for USDA's work.

Climate Smart Agriculture and Forestry

- Worked with Department and Office of Management and Budget leadership to design and launch a new USDA Climate-Smart Partnership Initiative, a directive from Secretary Vilsack to provide targeted incentives to encourage climate action in the agriculture sector. Collaborated on a draft Request for Information (RFI) on the program, potential example projects, and options for program administration.

International

- Contributed the agriculture and forest analysis to support the establishment of the U.S. Paris Agreement Commitment. Prepared the economic analysis and projections of U.S. greenhouse gas emissions and sinks for the agriculture and forest sectors used in setting the U.S. commitment under the Paris Agreement. The analysis was used at senior levels of government to quantify baseline emissions and carbon sequestration as well as the effects of actions to reduce emissions and store additional carbon.
- Supported the development of a diplomatic approach to address global methane emissions from the agriculture sector to ensure consistency with U.S. policy. Helped design a new international consortium that seeks to strengthen climate change related innovation within the agriculture sector. The Agriculture Innovation Mission for Climate (AIM-4C) will accelerate global agricultural innovation on climate change through increased research and development.
- Coordinated USDA technical contributions for three major US submissions that are due under the Paris Agreement in November 2021. The reports detail current US actions to address climate change, projections of emissions and sinks and the effects of policies and measures through 2030 and through 2050. Provided extensive analysis of baseline emissions and sinks for the agriculture and forest sectors, worked across

USDA to quantify the benefits of current programs, and projected the benefits of expected future actions. Drafted major sections of each report for the agriculture and forest sectors.

Greenhouse Gas (GHG) Inventory Improvements

- Evaluated all current sources of conservation data used in the US greenhouse gas inventory to fill data gaps in the U.S. agriculture sector. Efforts to address key uncertainties and improve the timeliness of GHG estimates will improve policy choices and ensure that the benefits of actions are understood consistently evaluated.

Congressional Support

- Provided technical assistance to the House and Senate on the Growing Climate Solutions Act (GCSA). The GCSA aims to establish a greenhouse gas technical assistance provider and third-party verifier program at USDA. Staff worked with members of Congress and staff to answer questions on the legislation and worked with USDA leadership on options for implementation, challenges, and required resources.
- Provided a 2-hour Carbon Markets 101 briefing to House Agriculture Committee members. The briefing provided an overview of voluntary carbon offset markets, current market activity, definitions of key terms, roles and responsibilities for various participants, issues facing farmers, and barriers and shortcomings of current markets.
- Coordinated USDA engagement with EPA on Third Triennial Report to Congress on Biofuels (RtC3). The report examines the potential unintended effects of the Renewable Fuel Standard (RFS) Program on the environment, including effects to air, land and water.
- Quantified the greenhouse gas benefits of policies and programs under consideration by Congress. Reviewed draft bill language and provided annual and cumulative estimates of greenhouse gas reductions associated with increases in conservation, energy, and forest programs.
- Supported the U.S. Global Change Research Program (USGCRP) 10-year strategic plan. As mandated by Congress, USGCRP develops a new strategic plan every ten years. The Plan has been outlined and cross-cutting issues have been identified for expert technical peer review by the National Academy of Sciences and for public comment.

Renewable Fuel Standard Volume Obligations

- Provided an in-depth review of Draft EPA Renewable Fuel Standard volumes for 2020, 2021, and 2022, and coordinated the Department's response.

Tracked Biofuels Markets

- Maintained key statistics on biofuels and the bioeconomy during a period of significant economic turmoil. The statistics were prepared weekly and used by senior USDA officials to understand the impacts of changing economic conditions on ethanol, biodiesel, and related markets.

The Office of Pest Management Policy (OPMP)

Pesticide Risk Assessment and Regulatory Analysis

- Worked actively with EPA on the registration and reevaluation of pesticide active ingredients and submitted comments on 180 pesticide regulatory actions—a record number driven by the increased pace at which EPA has been issuing decisions with broad-reaching implications for U.S. agriculture. OPMP's comments resulted in re-consideration of several impactful restrictions and informed EPA's consideration of benefits to growers, resulting in less onerous interim decisions for a number of pesticide cases.
- Analyzed and provided recommendations on several biological evaluations and biological opinions (triazines, glyphosate, malathion, neonicotinoids, salmonids) under the Endangered Species Act (ESA) consultation process. Commented on EPA guidance and rules for toxicity data waivers, minimum risk pesticides, the Worker Protection Standard, and groundwater models.
- Responded to 12 detailed information requests from EPA on the uses and benefits of critical fungicides, herbicides, and insecticides used by U.S. specialty crop growers. These responses helped to inform EPA regulatory proposals and account for important agricultural benefits, which reduces the need for additional input at the proposed interim decision stage during the regulatory decision process.
- Prepared three legal declarations to support the U.S. government's responses to pending pesticide litigation. Legal outcomes are still pending, but stakeholders have indicated to OPMP that these declarations are helpful in defending continued grower access to crop protection tools that were petitioned by plaintiffs for vacatur and/or remand.
- Launched a pilot pesticide usage survey—the first to be administered under the provisions of Farm Bill Section 10109. Data from this survey was useful for working on endangered species consultation between EPA and FWS. Data helped inform consideration of ecological exposure mitigation options for malathion uses on vegetables that minimize grower impacts and disruptions.

Agricultural Biotechnology

- Reestablished the USDA Biotechnology Coordinating Group (BCG) and established the first BCG Charter in FY 2021. Through the BCG, coordinated the development of strategic USDA messaging points on genome editing.
- Led the U.S. delegation to several meetings of the APEC High Level Policy Dialogue on Agricultural Biotechnology and coordinated USDA's engagement with the joint USDA/EPA/FDA "Feed Your Mind" outreach campaign for biotechnology.

Critical Information Exchange with Stakeholders

- Organized and exchanged information with growers, pesticide registrants, and regulators at multiple Town Hall meetings and a multi-stakeholder workshop on the ESA consultation process. Coordinated within USDA to support cherry growers battling Little Cherry Disease. Delivered presentations on the pesticide regulatory process to Regional IPM Centers, State lead agencies, and industry trade associations.
- Launched a webinar series to highlight pest management successes and challenges. Webinars attract a diverse audience from within and beyond USDA (including regulators from EPA and FDA) to learn about agriculture and pest management-related issues.

Federal Leadership in Integrated Pest Management (IPM)

- Convened four meetings of the Federal IPM Coordinating Committee (FIPMCC), which brings together 10 Federal agencies to promote IPM strategies that reduce economic, environmental, and public health risks from pests and pest management tools. Created new IPM and FIPMCC webpages that house the National Roadmap for IPM. Worked closely with USDA-funded Regional IPM Centers to prioritize Pest Management Stewardship Plans for specialty crops.

Departmental Coordination on Pest Management Policy

- Collaborated across USDA to provide policy guidance and technical input to inform research and education priorities.
- Provided analysis of pesticide supply chains to support implementation of Executive Order 14017. Peer reviewed NRCS's pesticide hazard analysis tool to support development of pest management conservation plans.
- Provided ongoing advice on research for critical and emerging pests and diseases and pest management needs for specialty crops. Supported USDA efforts to clarify regulations for plant biostimulants.

Interagency and International Collaboration

- Led USDA engagement with other Federal agencies around pest management- and biotechnology-related issues. Facilitated meetings between USDA and Federal regulators to ensure continued availability of effective pest management tools for USDA quarantine and forestry biocontrol programs.
- Continued ongoing role in the interagency ESA consultation process, working closely with EPA and the Services to prepare reports to Congress and support incremental improvements to this complex processes.
- Represented USDA on an interagency working group led by FWS that is developing policies on use of biotechnology in conservation of threatened and endangered species and provided key input via the Interagency International Biotechnology Communications group.
- Provided technical support to address international trade issue related to pesticide maximum residue limits (MRLs). Reviewed USITC report on the global economic impact of low and missing pesticide MRLs and served as USDA's lead reviewer for a UNEP report on pesticides and fertilizers.

Provided ongoing support to the Codex Taskforce on Antimicrobial Resistance, which in FY 2021 culminated in completion of two international documents (a code of practice and guidance on monitoring and surveillance) that are well-aligned with U.S. priorities and best-available science.

SUMMARY OF PERFORMANCE**Introduction**

The USDA Climate Hubs are a unique cross-agency program that connects climate science to management linking USDA’s research and program agencies to enhance climate-smart management with science-based information and technologies. The Hubs leverage USDA’s investments and promote climate-smart practices among USDA’s customers and stakeholders through innovative outreach and extension efforts. OCE hosts the Climate Hubs Executive Secretariat and will coordinate with ARS, FS, and NRCS to fully support this objective through stakeholder engagement, outreach, and education.

Alignment to USDA 2022 – 2026 Strategic Plan

OCE activities contribute to the success of USDA’s overall mission to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues using sound public policy, the best available science, and effective management, to the benefit of all Americans. OCE is responsible for achieving and measuring results with respect to the following 2022 – 2026 Strategic Goal and Objectives:

- Strategic Goal 1: Goal 1: Combat Climate Change to Support America’s Working Lands, Natural Resources and Communities
 - Objective 1.1: Use Climate-Smart Management and Sound Science to Enhance the Health and Productivity of Agricultural Lands

SUMMARY OF PERFORMANCE

A more detailed report of the performance plan can be found at <https://www.usda.gov/our-agency/about-usda/performance>. The following table summarizes the results for the Departmental Key Performance Indicators (KPIs) for which OCE is responsible.

Table OCE- 10 KPI-Climate Outreach and Education

Strategic Objective 1.1		Baseline	2022	2023
Climate Outreach and Education	Results	24,773	TBD	-
Number of stakeholders supported through Climate Hubs capacity building activities	Target	=	+2.5%	+5%

Expected Performance Progress Towards the Achievement of Strategic Objectives:

1.1 Use Climate-Smart Management and Sound Science to Enhance the Health and Productivity of Agricultural Lands.

Climate Outreach & Education: OCE hosts the Climate Hubs Executive Secretariat and will coordinate with ARS, FS, and NRCS to fully support this objective through stakeholder engagement, outreach, and education. Stakeholders reached have been and are highly variable and resource-dependent. A major role of the Hubs is developing and communicating science-based information with a diverse set of partners. This theme covers a broad range of activities, from factsheets and trainings to podcasts and media interviews. It includes developing relevant information about, and providing exposure to, the latest climate science and its implications for working lands, as well as information regarding tools, practices, resources, and benefits to implementing climate mitigation and adaptation actions. The Hubs convene and engage with partners and communities in innovative and interactive ways to help increase climate literacy and lower the barriers to climate adaptation and mitigation, climate-related risk management, and rural productivity enhancement.