

For: State and County Offices

2003 Final Counter-Cyclical Payment (CCP) Calculations for Soybeans

Approved by: Deputy Administrator, Farm Programs



1 2003 Final CC Payments

A Background

The Farm Security and Rural Investment Act of 2002 (the Act) provides CCP's for covered commodities and oilseeds beginning with crop year 2002. DCP regulations were published on October 21, 2002, at 7 CFR Part 1412. Notice DCP-117 announced final CCP rates for several crops including soybeans. The CCP rate calculation chart provided in DCP-117 provided erroneous data on the calculation of the 2003 final CCP soybean rate.

B Purpose

This notice provides the correct calculation for the 2003 final CCP soybean rate. The 2003 final CCP soybean rate is still 0. A final 2003 CCP will not be issued for soybeans.

Disposal Date	Distribution
October 1, 2005	State Offices; State Offices relay to County Offices

Notice DCP-124

2 Calculating 2003 Final CCP's for Soybeans

A Payment Rate for Soybeans

The final 2003 CCP rate for soybeans is calculated in the following chart. The effective price equals the direct payment rate plus the higher of the national average loan rate or the national average farm price. The final CCP rate is the target price minus effective price.

Item	Dollars Per Bushel
Target Price	5.80
National average loan rate	5.00
National average farm price	7.34
Higher of loan rate or farm price	7.34
Direct payment rate	<u>±.44</u>
Effective price	7.78
Final CCP Rate	0
Less 1st advance	
Equals	
Less 2nd advance	
Equals balance (if first and second advance received)	0

B National Average Farm Prices

The national average farm prices for commodity crops can be found at:
http://www.fsa.usda.gov/pas/farmbill/mya_entry.htm.