

Dear Member of Congress,

In his State of the Union message, President Obama pledged to double U.S. exports within five years as a means of creating millions of new jobs in this country. The undersigned food/feed and agricultural organizations strongly support this endeavor and we call on Congress to move forward with steps necessary to achieve this goal.

International trade is critically important to the farmers, ranchers, food processors and exporters that our organizations represent. Exports of the goods we produce generate over 20,000 U.S. jobs for every billion dollars we ship overseas. The economic benefits flow not only to rural communities, but also to people working in transportation, processing, and at our ports.

We believe the most effective means of reaching this five year objective is for Congress to move quickly to ensure the prompt passage of the three pending free trade agreements with Colombia, Panama and South Korea. Many U.S. food and agricultural products will become eligible for duty-free treatment in those countries immediately upon entry into force of the agreements, and nearly all will receive duty-free treatment over specified phase-in periods. The agreements will also correct an inequity that U.S. exporters encounter in those markets – the fact that U.S. tariffs are much lower than those our products face in those countries. As a result of the Generalized System of Preferences, the Caribbean Basin Initiative and the Andean Trade Preference and Drug Eradication Act 90 percent of products exported by Colombia to the U.S. already enter duty free. For Panama the number is 95 percent. U.S. tariffs in the agricultural sector are one-fourth the level of Korean tariffs.

It is critically important to our industries that Congress heed the President's call to aggressively expand market access opportunities, as our competitors are doing. The president focused on the need to create new jobs. But if our best markets are lost to our competitors, U.S. jobs will be lost-not gained. The WTO estimates that there will be over 600 bilateral or regional trade agreements in place by 2010. As of the end of 2008, 230 were in force, and of those, the U.S. was a party to a mere 17 of these agreements. The WTO also estimates that about 400 new agreements are either pending notification to the WTO, are being negotiated, or are in the proposal stage. Of those, the U.S. is a party only to the three pending agreements and the TPP. While the U.S. continues to debate approval of its FTA with South Korea that country has already concluded, is negotiating, or is planning FTAs with ASEAN (10 nations), Chile, Australia, New Zealand, Canada, China, the European Union (27 nations), India, Japan, Mexico, Mercosur (4 nations), Peru, Pakistan and Russia. If these countries gain zero duty access to the Korean market while our products continue to face significantly higher non-FTA tariffs, we will lose exports to the fifth largest global market and we will lose many skilled-jobs.

Finally, we must convey our deep concern with legislation recently introduced in both the House and Senate that would, in our view, set our efforts to expand exports back irrevocably. HR 3012 and S 2821 would require the Administration to demand the re-negotiation of all current or pending trade agreements in order to modify provisions to permit inclusion of certain requirements.

Although no doubt well-meaning, these bills and their demands will not be well-received by the global community. They will not have the apparently intended effect of improving trade agreements. Rather, they will have the effect of withdrawing the U.S. from current trade

agreements and eliminating any possibility of being a party to new ones. This would have catastrophic consequences for our economy and for American agriculture.

The undersigned food/feed and agricultural organizations strongly support President Obama's pledge to double U.S. exports within five years as a means of creating millions of new export-related jobs in this country. We stand ready to assist the Administration and the Congress to meet this critically important goal by 2015.

Sincerely,

American Feed Industry Association  
American Soybean Association  
Corn Refiners Association  
Distilled Spirits Council of the United States  
National Association of Wheat Growers  
National Cattlemen's Beef Association  
National Chicken Council  
National Corn Growers Association  
National Council of Farmer Cooperatives  
National Grain and Feed Association  
National Milk Producers Federation  
National Oilseed Processors Association  
National Pork Producers Council  
National Renderers Association  
National Sorghum Producers  
National Turkey Federation  
North American Equipment Dealers Association  
North American Export Grain Association  
North American Millers' Association  
Northwest Horticultural Council  
Sweetener Users Association  
U.S. Dairy Export Council  
U.S. Wheat Associates  
United Egg Association  
United Egg Producers  
US Meat Export Federation  
USA Poultry & Egg Export Council