

July 7, 2023

The Honorable Katherine Tai
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Tai,

The U.S. agriculture community appreciates the administration's focus on advancing American interests through the Indo-Pacific Economic Framework (IPEF). American food and agriculture exports are a vital component of the American economy, totaling nearly \$200 billion in 2022, and providing jobs and economic opportunity in rural communities and throughout the supply chain in every corner of the country. The U.S. food and agricultural sector has historically been a net exporter, a situation that has benefited American workers and expanded opportunities. Yet this dynamic is now shifting. The latest forecast by the U.S. Department of Agriculture for 2023 predicts a food and agriculture trade deficit of \$17 billion for the United States.

In your pursuit of a worker-centric trade policy, enormous untapped opportunity exists through opening new markets to provide for everyone, from farmers and food manufacturing workers to truck drivers, port workers and grain elevator operators. That opportunity to open markets for American workers is particularly notable in the rapidly growing economies represented in IPEF that are hungry for American food and agriculture products.

While the agriculture community views IPEF as an opportunity to advance U.S. trade policy, we also believe that it is not a wholly sufficient avenue to ensure the U.S. agriculture industry's competitiveness and continued growth in the region.

In parallel to IPEF negotiations, it is critical that the United States resume its long-dormant pursuit of comprehensive free trade agreements and redouble its efforts to expand export markets for food and agricultural products made in the United States by reducing tariffs on U.S. agricultural exports. As you know, our competitors – most notably across Europe, South America and Oceania – have aggressively wielded tariff-cutting, traditional free trade agreements to the advantage of their producers, and to the detriment of American farmers and producers. Agricultural products are bought and sold based on price, and U.S. competitors are increasingly getting price advantages over the United States due to these preferential tariffs. In addition to delivering tariff reductions for exporters from those competitor regions, the agreements have provided them the opportunity to shape global trading rules to better align with their policy priorities. The United States must begin to flip the script.

In the interim, a well-designed IPEF could represent a key opportunity for American agricultural producers to reach a significant, growing region, and deliver for farmers and ranchers across the United States and consumers around the world. **As talk of a November deal grows, substance, not timing, must drive the conclusion of negotiations to ensure a commercially meaningful result.**

To fully capture the potential of the framework, IPEF must tackle key nontariff barriers that are hindering American exporters, by securing commitments on:

- Protections for specific common food & beverage terms in order to protect our market access rights to use those important terms;
- Streamlining and expediting overly burdensome facility and product registration/listing requirements which can stymie efficient access to export markets;

- Predictability of product certifications given that changes to export certificates can abruptly upend trade when new attestation requirements are introduced;
- USMCA-style text on sanitary and phytosanitary (SPS) barriers to establish clearer and enforceable expectations for how to handle these types of regulatory measures;
- Addressing uneven regulatory pathways for products of agricultural biotechnology by ensuring authorization procedures are risk proportionate and take into account intended use; and
- Preventing restrictions on marketing, branding, intellectual property rights, trademarks and digital practices, including e-Commerce.

American agriculture is a global leader in sustainable production and utilizes new, innovative, and efficient practices that will enable us to feed a growing world population. Unfortunately, our industry's prowess is being greatly limited by nontariff barriers in key markets. As an early step, we strongly encourage the administration to ensure that the above priorities are resolved so as not to be unwarranted non-tariff barriers. We look forward to working together to secure a framework that works for American farmers, workers, producers, exporters and consumers, while we continue to seek a broader resumption of comprehensive FTAs to more robustly advance a worker-centered trade policy driven by U.S. priorities.

Thank you in advance for your consideration.

Sincerely,

American Farm Bureau Federation

National Milk Producers Federation

American Seed Trade Association

National Pork Producers Council

American Soybean Association

National Oilseed Processors Association

Biotechnology Innovation Organization (BIO)

National Sorghum Producers

Corn Refiners Association

National Turkey Federation

Croplife America

North American Export Grain Association

National Association of State Departments of Agriculture

North American Meat Institute

National Association of Wheat Growers

North American Renderers Association

National Chicken Council

U.S. Apple Association

National Corn Growers Association

U.S. Dairy Export Council

National Council of Farmer Cooperatives

U.S. Grains Council

National Grain and Feed Association

Washington State Potato Commission

cc: Secretary Tom Vilsack, U.S. Department of Agriculture