

March 16, 2023

Dear Member of Congress:

For decades, the United States has exported dramatically more food and agricultural products than we have imported. For 2023, the U.S. Department of Agriculture now forecasts that the U.S. will run a food and agriculture trade *deficit* of \$14.5 billion.

This should be a wake-up call regarding America's declining economic influence in the world due to our failure to advance new tariff-reducing trade agreements. We respectfully urge you to advance legislation to establish new Trade Promotion Authority and to provide direction to the Executive Branch about the importance of expanding new markets for America's food and agriculture products.

Agriculture-related industry is a driver of the American economy, but it is being thwarted by barriers to market access. With 95% of the world's consumers overseas, the advantages of being the world's most efficient and sustainable agricultural system are not being fully realized. Of course, the effects of this limitation reach far beyond the farm. While over one million American jobs exist because of agriculture trade, approximately 750,000 of those jobs are off-farm. Indeed, twice as many Americans now work in the manufacturing of agricultural products as in the manufacturing cars and trucks.

We appreciate the efforts of the Biden administration to advance trade relations, particularly through the Indo-Pacific Economic Framework (IPEF). To the extent that this initiative is able to address specific sanitary/phytosanitary and other non-tariff barriers to trade, it can be highly constructive. We urge that the U.S. build on this initiative by also undertaking negotiations in pursuit of new tariff-reducing trade agreements.

The essential question is not only whether the U.S. is working for new market access, but also how well the U.S. is doing so relative to our economic competitors. Regrettably, America is falling badly behind. Between 2010 and 2020, China and the European Union enjoyed over twice as much advantage from trade agreement tariff reductions as the U.S. In this decade, our situation to date is far worse. The U.S. has not implemented a comprehensive trade agreement that opens new markets in over a decade. Meanwhile, just over a year ago, China added the Regional Comprehensive Economic Partnership to its portfolio of trade agreements and displaced the U.S. as the European Union's largest trading partner. China, the world's largest trader, is establishing major economic ties in Southeast Asia, Latin America and Africa, and has requested participation in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a U.S. led strategic initiative from which the U.S. precipitously withdrew in 2017.

Falling badly behind in global economic influence has serious, enduring consequences. Taking markets from established competitors is far more difficult than establishing footholds as markets open. Further, economic competitors use trade agreements to establish rules of trade that give them long term structural advantages, such as the European Union's monopolistic geographic indications trade policies. Thus, in establishing

trade relationships, first movers have a major advantage. We note that even before economic sanctions achieved current prominence as a foreign policy tool, foreign policy experts frequently cited economic influence as a critical element of strategic capability.

We submit that a new Trade Promotion Authority can and should respect domestic economic needs of the U.S. The overwhelming bipartisan support for ratification of the U.S.-Mexico-Canada Agreement (USMCA) stand as a model for more robust standards in many areas.

Thank you for your consideration.

Sincerely,

Agribusiness Association of Iowa  
Almond Alliance  
American Farm Bureau Federation  
American Feed Industry Association  
American Seed Trade Association  
American Soybean Association  
Animal Health Institute  
Carolina Feed Industry Association  
Center for Dairy Excellence  
Colorado Dairy Farmers  
Corn Refiners Association  
Dairy Producers of New Mexico  
Edge Dairy Farmer Cooperative  
Farmers for Free Trade  
Fresh Produce Association of the Americas  
Global Cold Chain Alliance  
Grain and Feed Association of Illinois  
Idaho Dairymen's Association, Inc.  
International Dairy Foods Association  
International Fresh Produce Association  
Kansas Livestock Association  
Minnesota Milk Producers Association  
National Association of State Departments of Agriculture  
National Association of Wheat Growers  
National Corn Growers Association  
National Council of Farmer Cooperatives  
National Grain & Feed Association  
National Milk Producers Federation  
National Oilseed Processors Association  
National Pork Producers Council  
National Turkey Federation  
Nebraska State Dairy Association  
North American Meat Institute

North Carolina Dairy Producer Association  
Northeast Agribusiness & Feed Alliance, Inc.  
Northwest Horticultural Council  
Ohio AgriBusiness Association  
Oregon Dairy Farmers Association  
Oregon Women for Agriculture  
Pacific Northwest Grain & Feed Association  
Professional Dairy Managers of Pennsylvania  
Sweetener Users Association  
Texas Association of Dairymen  
Texas Grain and Feed Association  
U.S. Apple Association  
U.S. Dairy Export Council  
U.S. Dry Bean Council  
United Dairy Farmers of Florida  
USA Poultry & Egg Export Council  
USA Rice  
Vermont Dairy Producers Alliance  
Virginia State Dairymen's Association

Cc: President Joe Biden, The White House  
Katherine Tai, United States Trade Representative