February 22, 2017

Dear Mr. President,

International trade is critically important to the economic vitality of the U.S. agriculture and food industry and a major engine of U.S. economic growth. Trade currently accounts for more than 25 percent of U.S. farm receipts, and the production from one out of every three acres planted is exported. Our vast and efficient export system, including handling, processing and distribution of our food and agriculture products, creates millions of U.S. jobs and helps feed hundreds of millions all over the globe. Our $17 billion net trade balance in agriculture and food products in 2016 represented the single largest contribution to our balance of payments.

Despite this enormous success, the trade organizational structure at the U.S. Department of Agriculture (USDA) has remained unchanged since it was last reorganized in 1978. Over this period, the value and nature of U.S. agriculture exports has changed dramatically. In 1978, U.S. agriculture exports totaled $29 billion whereas in 2016, they reached $130 billion. In 1978, grains and oilseeds amounted to 60 percent of all U.S. agriculture exports while meat and poultry accounted for 3 percent and produce 6 percent. Now grains and oilseeds account for 36 percent of all agriculture exports while meat and poultry constitute 15 percent and produce 13 percent. Meanwhile, over the last nearly 40 years the challenges that U.S. agriculture faces in global markets have increased and markedly changed from primarily tariff barriers to phytosanitary and other non-tariff trade barriers.

The U.S. agriculture and food industry is ideally positioned to experience significant growth in the decades ahead given projected population growth of an additional 2.5 billion people by 2050. Yet with these opportunities will also come significant changes to keep existing foreign markets open and gain access to new emerging markets for U.S. farm and food products. It is precisely for this reason that we, the undersigned organizations – representing farmers, ranchers, food processors and exporters – support the provision contained in the 2014 Farm Bill requiring the Secretary to establish an Under Secretary for Trade and Foreign Agricultural Affairs. Such a position will bring unified high level representation to key trade negotiations with senior, foreign officials and within the Executive Branch. It will also allow the Administration to recruit an Under Secretary who has extensive experience in international trade negotiation and policy issues. Furthermore, the creation of this Under Secretary position would help modernize USDA’s trade structure, streamline management, create greater efficiencies and enhance emphasis in the Office of the Under Secretary responsible for key domestic programs.

We believe it is vitally important for U.S. agriculture to fully capitalize on the long-term, increased global demand for farm and food products in an increasingly competitive marketplace. Overseas markets represent 73 percent of the world’s purchasing power, 87 percent of the economic growth, and 95 percent of the world’s customers. We can take a major step towards that goal by ensuring that the trade structure at USDA is effectively positioned to address the trade challenges and enormous opportunities that await us in the decades ahead. To this end, we strongly urge the Department to move forward with establishing the Under Secretary for Trade and Foreign Agricultural Affairs.
Sincerely,

American Farm Bureau Federation
American Feed Industry Association
American Frozen Food Institute
American Soybean Association
Animal Health Institute
Corn Refiners Association
International Dairy Food Association
National Barley Growers Association
National Cattlemen’s Beef Association
National Chicken Council
National Corn Growers Association
National Council of Farmer Cooperatives
National Oilseed Processors Association
National Pork Producers Council
National Potato Council

National Renderers Association
National Sunflower Association
National Turkey Federation
North American Meat Institute
United Fresh Produce Association
U.S. Apple Association
U.S. Canola Association
U.S. Cattlemen’s Association
U.S. Dry Bean Council
U.S. Meat Export Federation
USA Dry Pea & Lentil Council
USA Poultry & Egg Export Council
USA Rice
Western Growers Association