

Testimony of Ambassador Ron Kirk
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Senate Committee on Agriculture
Hearing on Promoting U.S. Agricultural Exports
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Chairman Lincoln, Ranking Member Chambliss, and members of the Committee, thank you for this opportunity to discuss agricultural trade issues. Because 95 percent of the world's consumers live outside of the United States, exports and trade are vital to the long-term health and viability of American agriculture.

Despite the recent global economic downturn, U.S. agricultural exports have continued to expand, more than doubling from about \$50 billion in fiscal year 2000 to a projected \$105 billion for fiscal year 2010. Last year, America exported \$97 billion in agricultural products, supporting a \$23 billion agricultural trade surplus.

Every \$1 billion in agriculture exports supports roughly 8,000 jobs in the United States. The Obama Administration is committed to strengthening American agricultural exports and supporting the jobs that come with them.

In this year's State of the Union Address, the President set a goal to double American exports over five years, supporting up to two million additional American jobs. To that end, he created the National Export Initiative to leverage resources across the Administration to help more American farmers, ranchers, businesses, manufacturers, and workers to succeed through trade.

At USTR, we are taking the lead in pursuing new trade opportunities, with a special focus on the world's fastest-growing markets, through initiatives with individual trading partners, across economically significant regions, and with all World Trade Organization Members in the Doha round.

USTR is seeking to resolve outstanding issues on the pending agreements with Korea, Colombia, and Panama. These agreements hold significant opportunities for our farmers and ranchers. In 2009, Colombia was among the largest Central and South American markets for American farm exports, and Korea was our fifth largest agricultural export market. At the President's direction, USTR is focused on resolving outstanding issues with the Korea agreement by the G20 Summit in November.

In the Asia-Pacific, USTR is leading negotiations of a new, high-standard, 21st century Trans-Pacific Partnership (TPP) Agreement that will ensure American farmers and ranchers access to the region's dynamic and growing markets for decades to come.

Globally, USTR remains committed to a balanced and ambitious Doha round. Success will depend particularly on engagement by emerging markets such as China, Brazil, and India, which must make contributions commensurate with their position in the global economy.

As we pursue new market access, the Obama Administration is also ensuring that American farmers and ranchers benefit more fully from existing trade agreements.

American farmers and ranchers now have greater access to world markets because we resolved long-standing disputes and addressed other barriers to U.S. agricultural products – for instance, we succeeded in reopening the markets in Russia, China, Ukraine, Korea, Honduras and Thailand to U.S. pork and/or live hogs after the H1N1 influenza outbreak. Last year, we also took a huge step forward in a 20-year-long dispute with the EU over beef by securing significant additional access at zero duty for America’s farmers and ranchers resulting in \$48 million in beef sales to the EU from the time the agreement went into force through May.

We are working with Russia on implementation of its June agreement to permit the resumption of U.S. poultry exports to its market – which is potentially worth hundreds of millions of dollars to our poultry farmers. We are also moving forward with a WTO case against Europe’s ban on U.S. poultry.

As we press trading partners to open their markets to American agricultural products, USTR is developing new tools to aid enforcement of farmers’ and ranchers’ trade rights. In March, we published the first USTR reports focused specifically on unjustified technical barriers to trade and non-science based sanitary and phytosanitary standards that unfairly keep our agricultural products out of foreign markets. We are using this information to expand exports of safe, high-quality U.S. agricultural products.

Among our most pressing concerns on agricultural non-tariff measures are Chinese and Indian certification requirements for U.S. dairy exports, and unjustified barriers on beef, pork, and poultry products in China, Japan, Taiwan, and elsewhere.

The Obama Administration is committed to trade policies that keep American farmers and ranchers supplying high quality food and fiber around the world.

Chairman Lincoln, Ranking Member Chambliss, and members of the Committee, thank you again for the opportunity to testify, and I look forward to your questions.