



October 5, 2007

Major U.S. farm groups fire 'shot across the bow' on trade talks

By Sara Wyant, Agri-Pulse Editor

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Twelve of the nation's major farm organizations and commodity groups sent a letter to President George W. Bush today, saying that they "**remain deeply concerned with the status and direction of the Doha round of World Trade Organization (WTO) agricultural negotiations**" and suggested that they would not support a global trade deal unless significant changes were made.

The letter was signed by the American Farm Bureau Federation, American Soybean Association, American Sugar Alliance, National Association of Wheat Growers, National Barley Growers Association, National Corn Growers Association, National Cotton Council, National Milk Producers Federation, National Sorghum Producers, USA Dry Pea & Lentil Council, USA Rice Federation and the U.S. Canola Association.

The groups called for U.S. negotiators to correct what they described as the "**severe imbalance reflected in the current agriculture text between sharp reductions and limitations on domestic support for U.S. agriculture and undefined or far weaker commitments on market access**" from trading partners. The letter refers to the current negotiating text, outlined in July by New Zealand's ambassador Crawford Falconer, who is serving as a mediator of the global farm talks. The Faulkner text would limit agricultural subsidies to a range between \$13 billion and \$16.5 billion a year.

"Unfortunately, the current text for the agriculture negotiations proposes to **further reduce U.S. domestic support well below the U.S. offer of October 2005**, while the ranges for overall tariff cuts are set lower than those proposed by the United States," the groups noted. "**Even more troubling, the current agriculture text does not address key measures that could seriously erode any market access gains.** These measures include the treatment of Sensitive Products, the extent and treatment of Special Products, and the design and application of a Special Safeguard Mechanism."

"Our current assessment is that, unless very significant improvements are made in each of these areas, the **text offers little hope of achieving balance between what the U.S. is being asked to give up in reduced domestic support and what our trading partners are offering on increased market access,**" they emphasized.

“We have been and continue to be very pro-trade,” says Steve Censky, CEO of the American Soybean Association and one of the lead coordinators of the letter-writing effort. “But we wanted to send a very clear message to our negotiators that **we are very, very concerned with the current direction.**”

“There seems to be an eagerness (among WTO negotiators) to finalize a trade package,” added Censky. “We wanted to let them know that, even though they might be able to reach an agreement, it might not be supported by U.S. agricultural groups. **That’s not a legacy anyone wants.**”

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