

July 14, 2008

The Honorable George W. Bush
President of the United States of America
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

With a decisive Ministerial to be held next week, the undersigned organizations, representing America's farmers and ranchers, wish to express their continuing deep concern about the status and direction of the Doha Round of WTO agricultural negotiations. We are also alarmed by statements, including some reportedly made by Administration officials, suggesting that concessions on U.S. agriculture are to be traded off for gains in NAMA (Non-Agricultural Market Access) and Services.

In our letter of June 1, 2006, we made clear that the level of ambition in cutting trade distorting domestic support must be commensurate with the level of ambition in obtaining agricultural market access to both developed and developing countries. The draft agricultural text now under consideration gives us scant hope that such an outcome will be possible. The domestic support provisions in this text contain clear-cut modalities that would result in major reductions in allowable U.S. support – reductions that go well beyond the U.S. offer of October 2005. Unfortunately, however, the provisions on market access are much less clearly drawn and would result in far less access than was demanded by the U.S. in the October proposal. Not only are the formula tariff cuts less than called for by the U.S. but the exceptions for “sensitive products,” “special products,” and “RAM’s” (Recently Acceded Members) are clearly excessive.

In their totality, these provisions give little promise of truly significant gains in export opportunities for American agriculture. In particular, the application of these provisions to developing countries, as well as the proposed new Special Safeguard Mechanism (SSM), virtually ensure that little or no new access will be achieved in the very important emerging economies. In fact, the SSM provisions could well result in a reduction of existing market access opportunities. Additionally, we are concerned that any benefits to U.S. agriculture deriving from the complex system developed for the calculation of TRQ's (Tariff-Rate Quotas) for sensitive products could be reduced even more by further demands for special treatment by both developed and developing countries.

While we continue to support a Doha agreement that reforms trade distorting agricultural practices and opens world markets to expanded agricultural trade, we urge you to reject any agreement that does not deliver real market access gains in agriculture commensurate with our

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domestic support commitments. In this regard, we must emphasize that U.S. commitments on domestic support cannot be based on an assumption that the current high levels of commodity prices will continue in perpetuity; the historical evidence strongly suggests the contrary. We look forward to working closely with you to achieve a truly successful outcome to these negotiations.

Sincerely,

American Soybean Association
American Sugar Alliance
National Association of Wheat Growers
National Barley Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Milk Producers Federation
National Sorghum Producers
Southern Peanut Farmers Federation
US Canola Association
US Dry Pea & Lentil Council
USA Rice Federation
U.S. Rice Producers Association

cc:

Agriculture Secretary Ed Schafer
U.S. Trade Representative Susan Schwab
Dr. Mark Keenum, USDA Under Secretary for Farm and Foreign Agricultural Services
Dr. Joseph Glauber, USDA Chief Economist and Special Doha Agricultural Envoy
Hunter Moorhead, Special Assistant to the President for Agriculture, Trade and Food Assistance
Senate Committee on Agriculture
House Committee on Agriculture