



# HOUSE AGRICULTURE COMMITTEE

## FARM BILL: AGRICULTURAL TRADE

- Given other countries' increasing use of trade distorting subsidies and tariffs and the threat of unjustified retaliation from our global trading partners, the farm bill provides tools necessary for U.S. producers to remain competitive on the global stage.
- America's farmers and ranchers are incredibly efficient and can compete with anyone in the world on a level playing field, but they cannot be expected to compete with foreign treasuries.
- While the U.S. is now among the lowest ranked nations in in the Organization for Economic Cooperation and Development (OECD) in terms of providing support to producers, other countries like China are doing the opposite. According to USTR, in 2015 for three commodities (corn, rice and wheat), China illegally exceeded permitted spending levels by more than \$100 billion —just in one year.
- Despite the actions of our competitors, U.S. farm policy fully complies with U.S. trade obligations, and the farm bill requires the administration ensure that U.S. farm policy never violates WTO permitted support levels.
- In addition to maintaining and strengthening the farm safety net, the farm bill restores and increases funding for critical trade promotion efforts.
- Our trading partners—like the EU, which spend more promoting wine than the U.S. spends promoting all crops combined—have been substantially increasing publicly funded support for export promotion in recent years.
- In an effort to keep American agriculture competitive, the farm bill streamlines existing authorities for the Market Access Program (MAP), the Foreign Market Development (FMD) Program, the Technical Assistance for Specialty Crops (TASC) program, and the Emerging Markets Program (EMP) under one International Market Development Program, restoring funding for FMD and TASC, and establishing overall funding at \$255 million per year moving forward.
- This streamlining effort is intended to complement the recent reorganization within USDA by ensuring the newly established Under Secretary for Trade and Foreign Agriculture Affairs has the tools necessary to continue tearing down barriers to trade and opening up new markets to U.S. agricultural products.
- Finally, the Consolidated Appropriations Act of 2018 fully restored the emergency authorities available to the Secretary under the Commodity Credit Corporation (CCC) Charter Act, providing USDA with the tools needed to address the current threat of any trade retaliation.