

March 11, 2020

Senator John Hoeven
Chairman,
Subcommittee on Agriculture, Rural Development,
Food and Drug Administration, and Related Agencies
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

Senator Jeff Merkley
Ranking Member,
Subcommittee on Agriculture, Rural Development,
Food and Drug Administration, and Related Agencies
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

Dear Chairman Hoeven and Ranking Member Merkley,

American farmers and the food, fiber, and fuel they produce need continued investment in the Market Access Program (MAP) and the Foreign Market Development (FMD) Program. This past year has highlighted that need as our groups have rushed to recover from tariff escalation and reestablish commercial ties with our most valued overseas customers. We ask that you provide \$255 million for Agricultural Trade Promotion and Facilitation and that within this amount, MAP receive at least \$200 million and the FMD program receive at least \$34.5 million. Working to rebuild our export market share requires every dollar these programs provide.

Since 2017, exports to China, our fourth largest export market have been halved. Growth in global trade overall sank to 1%, down from 4% in 2018 and 6% in 2017. Our formidable global competitors Argentina and Brazil have raced in to replace US suppliers. China's imports from Brazil are up by \$20 billion since 2017. Moreover, Australia and Russia saw exports to China grow by a similar amount.

With the critical investments of FMD and MAP dollars, U.S. agricultural exports have proven resilient and are poised to reclaim this lost ground. We agree with USDA Secretary Perdue when he says, "we need to continue to expand our markets wherever we can to sell the bounty of the American harvest." And these MAP and FMD investments help us do exactly that as we reclaim lost markets and successfully find new ones.

For instance, the Food Export Association of the Midwest utilized MAP funding to help a 6th generation, family-owned farming operation and business in North Dakota report its first export sales in Canada, Kuwait, Belgium, and the United Arab Emirates. Similarly, the Northwest Hazelnut Company used MAP funding in conjunction with the Western United States Agricultural Trade Association to grow its sales in China by 5% at the same time as the U.S.-China trade relationship was hit with retaliatory tariffs. The U.S. Wheat Associates have used FMD and MAP funding to conduct trade service and technical support in Myanmar where U.S. wheat exports grew from 26,300 MT in 2017/18 to 65,000 MT in 2018/19 and

are expected to increase in the future. These examples highlight how MAP and FMD funds assist small businesses and farmers alike.

Keep in mind MAP and FMD are cost-share programs requiring farmers and participating organizations to contribute as much as a 100 percent match. They continue to be excellent examples of very effective public-private partnerships. While government is an important partner in this effort, industry funds are now estimated to represent about 73 percent of total annual spending on market development and promotion, up from roughly 45 percent in 1996 and less than 30 percent in 1991. For every dollar invested, our coalition partners return more than \$28 in export gains. And over a decade, these programs are responsible for export growth totaling \$309 billion and 240,000 full and part-time jobs. These programs are fueling our nation's food and agriculture engines. With modest increases they could do even more. That's why we're asking that your subcommittee use discretionary dollars to provide \$7 million dollars -- less than 3% of the program investment--- for USDA administrative and operational costs. With administrative and operational funding assured, the full investment of MAP and FMD can be realized for the intended purpose of US agricultural export promotion and long-term market development.

We're grateful for the work of your subcommittee and its continued investment in these proven programs. We look forward to a meeting with you and your staff to discuss this request and to continue our successful collaboration.

Sincerely,

Coalition to Promote U.S. Agricultural Exports (See attached)

cc: Members, Senate Appropriations Subcommittee on Agriculture, Rural Development, and Food and Drug Administration, and Related Agencies

Organizations Signing Coalition to Promote U.S. Agricultural Exports Letter to Senate Agriculture Appropriations Subcommittee

Alaska Seafood Marketing Institute
Almond Alliance of California
American Cotton Shippers Association
American Cranberry Growers Association
American Feed Industry Association
American Hardwood Export Council
American Peanut Council
American Pistachio Growers
American Quarter Horse Association
America Seed Trade Association
American Sheep Industry Association
American Soybean Association
Atlantic Seaboard Wine Association
Blue Diamond Growers
Brewers Association
California Agricultural Export Council
California Apple Commission
California Blueberry Association
California Blueberry Commission
California Canning Peach Association
California Cherry Export Association
California Citrus Mutual
California Dried Plum Board
California Farm Bureau Federation
California Fresh Fruit Association
California Pear Growers
California Raisin Marketing Board
California Strawberry Commission
California Table Grape Commission
California Walnut Commission
California Wild Rice Advisory Board
Cape Cod Cranberry Growers' Association
Cherry Marketing Institute
CoBank
Cranberry Institute
Distilled Spirits Council of the United States
Florida Citrus Mutual
Florida Citrus Packers Association
Florida Department of Citrus
Florida Fruit & Vegetable Association
Florida Peanut Producers Association
Florida Tomato Exchange
Food Export Association of the Midwest USA
Food Export USA – Northeast

Georgia Poultry Federation
Ginseng Board of Wisconsin
Global Food & Nutrition, Inc.
Hardwood Federation
Hop Growers of America, Inc.
Idaho Grain Producers Association
Illinois Corn Growers Association
Illinois Farm Bureau
Indian River Citrus League
Kansas Livestock Association
Leather and Hide Council of America
Michigan Apple Association
Missouri Corn Growers Association
National Association of Egg Farmers
National Association of State Departments of Agriculture
National Association of Wheat Growers
National Barley Growers Association
National Cattleman's Beef Association
National Chicken Council
National Confectioners Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Grange
National Hay Association
National Milk Producers Federation
National Oilseed Processors Association
National Pork Producers Council
National Potato Council
National Sorghum Producers
National Sunflower Association
National Turkey Federation
New York Wine & Grape Foundation
North American Meat Institute
North American Renderers Association
Northwest Horticultural Council
Northwest Wine Coalition
Ocean Spray Cranberries, Inc.
Ohio Corn and Wheat Growers Association
Olive Growers Council of California
Oregon Winegrowers Association
Organic Trade Association
Pet Food Institute

Softwood Export Council
Southern Forest Products Association
Southern U.S. Trade Association
Sunkist Growers
Texas Cattle Feeders Association
The Popcorn Institute
United Egg Producers
United Fresh Produce Association
USA Dry Pea and Lentil Council
USA Poultry & Egg Export Council
USA Rice Federation
U.S. Apple Association
U.S. Apple Export Council
U.S. Cattleman's Association
U.S. Dairy Export Council

U.S. Dry Bean Council
U.S. Livestock Genetics Export, Inc.
U.S. Meat Export Federation
U.S. Rice Producers Association
U.S. Wheat Associations, Inc.
Washington Apple Commission
Washington Association of Wheat Growers
Washington State Potato Commission
Welch Foods, Inc., A Cooperative
Western U.S. Agricultural Trade Association
WineAmerica (The National Association of
American Wineries)
Wine Institute
Wisconsin State Cranberry Growers Association