

September 16, 2024

The Honorable Ron Wyden
Chairman
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Jason Smith
Chairman
Committee on Ways and Means
United States House of Representatives
1139 Longworth House Office Building
Washington, D.C. 20515

The Honorable Mike Crapo
Ranking Member
Committee on Finance
United States Senate
239 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Richard Neal
Ranking Member
Committee on Ways and Means
United States House of Representatives
372 Cannon House Office Building
Washington, D.C. 20515

Dear Chairmen Wyden and Smith, Ranking Members Crapo and Neal:

The undersigned American agricultural and food organizations write to urge you to promptly advance legislation to reauthorize the Generalized System of Preferences (GSP) program and restore certainty amongst key trading partners of the United States. Agriculture, food, and related industries contributed roughly \$1.530 trillion to U.S. gross domestic product (GDP) in 2023 and help support over 22 million jobs¹, so our united voice on this issue demonstrates the importance of making GSP reauthorization a top priority.

The GSP program is the oldest and largest trade program in the United States with its establishment by the Trade Act of 1974. Over 119 countries and territories are beneficiaries. Unfortunately, the GSP program expired on December 31, 2020, and additional delays in reauthorization threaten to undermine the decades of advancements achieved and disrupt future market access opportunities.

The GSP program is intended to provide developing countries opportunities to export certain products duty free to the United States. This generates business investment, economic dynamism, reduces poverty, and increases regional stability. Further, as countries continue to develop and middle classes grow, consumers desire more protein sources which increases demand for livestock and in turn, grain to feed those livestock populations. Without the benefits of GSP, these nations and territories may seek market opportunities from partners that do not adhere to international trade rules or uphold our high standards. When relationships with bad actors lead to economic dependence, this can saddle developing nations with unending debt and increase the prevalence of coercive tactics to achieve certain outcomes.

American food and agriculture enterprises are continuously looking to diversify export opportunities, and the GSP program offers a starting point to broaden and deepen trading

¹ <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/ag-and-food-sectors-and-the-economy/#:~:text=In%202022%2C%2022.1%20million%20full,1.2%20percent%20of%20U.S.%20employment.>

relationships with countries. Our nation's farmers and ranchers depend on an ongoing dialogue with our partners to compete on a global stage. With challenges emerging in key markets, exploring market access opportunities in new regions of the world will be imperative to keep American agriculture as a leader in global exports.

GSP is also an important leverage tool to encourage countries to eliminate unjustified trade barriers and follow international standards. Participation in the GSP program should continue to be conditional on criteria that supports U.S. market access into GSP beneficiary countries. Those criteria should include but not be limited to the following:

- Maintain reasonable and equitable market access to U.S. food and agricultural goods, including grains, oilseeds, feed, meat and dairy products, produce, and other specialty crops.
- Uphold science-based and non-discriminatory sanitary and phytosanitary import requirements for agricultural goods.
- Refrain from excessive domestic agricultural subsidies that decrease U.S. market access.
- Refrain from imposing prohibitions on common food and beverage terms like “parmesan” and “bologna”.

America's farmers and ranchers rely on foreign market access to thrive and grow their businesses. Allowing signature trade programs to expire for years on end hurts the United States' credibility as a trusted trade partner. Therefore, we strongly urge you to advance and pass legislation to reauthorize GSP and return to building goodwill with potential customers. We stand ready to assist and support your efforts on this front.

Sincerely,

National Corn Growers Association
National Pork Producers Council
Agricultural Retailers Association
Almond Alliance
American Feed Industry Association
American Seed Trade Association
American Soybean Association
Biotechnology Innovation Organization
Corn Refiners Association
Crop Life America
Farmers for Free Trade
Independent Bakers Association
International Fresh Produce Association
Meat Institute
National Association of State Departments of Agriculture
National Cattlemen's Beef Association

National Council of Farmer Cooperatives
National Grain and Feed Association
National Milk Producers Federation
National Sorghum Producers
National Turkey Federation
North American Millers' Association
Society of American Florists
U.S. Dairy Export Council
USA Dry Pea and Lentil Council
USA Rice

CC:

The Honorable Debbie Stabenow, Chairwoman, Senate Committee on Agriculture,
Nutrition, & Forestry

The Honorable John Boozman, Ranking Member, Senate Committee on Agriculture,
Nutrition, & Forestry

The Honorable Glenn “GT” Thompson, Chairman, House Committee on Agriculture

The Honorable David Scott, Ranking Member, House Committee on Agriculture

The Honorable Charles Schumer, Majority Leader, United States Senate

The Honorable Mitch McConnell, Minority Leader, United States Senate

The Honorable Mike Johnson, Speaker, United States House of Representatives

The Honorable Hakeem Jeffries, Minority Leader, United States House of Representatives