

January 24, 2014

Ambassador Michael Froman  
United States Trade Representative  
600 17<sup>th</sup> Street, NW  
Washington, DC

Dear Mr. Ambassador:

We write to express our concern with the current state of the Trans-Pacific Partnership (TPP) negotiations. A substantial portion of the organizations representing the vital U.S. food and agriculture value chain have previously expressed strong support for a comprehensive, high-standard TPP agreement. However, we have watched with growing alarm the unwillingness of Japanese negotiators to present a comprehensive market access offer on agricultural products, and we believe this situation is threatening to undermine the negotiations.

In previous negotiations, the United States has demanded and received from its trading partners full and comprehensive liberalization in the agricultural sector. Yet in the TPP negotiations, Japan - a rich, developed country - is demanding special treatment for its agricultural sector. We consider an agreement that includes such special treatment for Japan to be unacceptable.

If Japan is allowed to claim exceptions for sensitive products, other TPP partners will inevitably demand the right to do the same. This could quickly lead to the unraveling of the agreement, as other parties pull their offers on sensitive products, or their concessions on sensitive issues, off the table.

Even if it were possible to prevent the agreement among current parties from unraveling, granting exceptions to Japan, or any other party, would have far-reaching consequences. As the TPP expands to include other countries in the Asia-Pacific region, we can expect other countries with sensitivities in the agricultural sector, such as China, to make similar demands. Moreover, a weak agreement with Japan would inevitably have significant negative implications for our ability to reach an acceptable agreement with the EU in the Transatlantic Trade and Investment Partnership negotiations.

U.S. agriculture has always supported trade agreements and Trade Promotion Authority as the most effective means of eliminating tariff and non-tariff barriers and expanding global trade. However, the market access package you negotiate with Japan has the potential to negatively impact billions in future exports and hundreds of thousands of jobs, and it will be difficult to support an agreement that does not live up to its objectives.

In conclusion, TPP must include comprehensive liberalization in the agricultural sector by all participating countries. If Japan continues to insist on unreasonable protections for a range of agricultural categories, we ask you to consider concluding TPP without Japan. It will

ultimately be difficult for our organizations to support a TPP agreement with Japan that does not include comprehensive trade liberalization for all agricultural sectors.

Sincerely,

American Farm Bureau Federation  
American Meat Institute  
American Peanut Council  
American Potato Trade Alliance  
American Seed Trade Association  
American Soybean Association  
Campbell Soup Company  
Crop Life America  
Greater Omaha Packing Company  
Grocery Manufacturers Association  
Herbalife  
Idaho Grower Shippers Association  
National Association of Wheat Growers  
National Barley Growers Association  
National Cattlemen's Beef Association  
National Chicken Council  
National Corn Growers Association  
National Grain and Feed Association  
National Milk Producers Federation  
National Oilseed Processors Association  
National Pork Producers Council  
National Potato Council  
National Turkey Federation  
North American Export Grain Association  
North American Meat Association  
Northwest Horticultural Council  
Pet Food Institute  
Smithfield Foods  
Trex Corporation  
USA Dry Pea and Lentil Council  
USA Rice Federation  
U.S. Canola Association  
U.S. Dairy Export Council  
U.S. Hide, Skin and Leather Association  
U.S. Grains Council  
U.S. Wheat Associates  
Walmart Stores, Inc.  
Washington State Potato Commission