



INSTITUTE FOR AGRICULTURE AND TRADE POLICY

The Honorable Michael Froman
United States Trade Representative
600 17th Street NW
Washington, DC 20508

December 11, 2015

Dear Ambassador Froman,

While we recognize the complexity of the many issues being negotiated in the lead up to the December 15-18, 2015 Nairobi Ministerial of the World Trade Organization (WTO), as faith, development and food policy organizations, we especially want to weigh in on issues related to global food security. We should learn from the 2008 food price crisis, as well as the persistent rounds of price volatility that have followed. These problems will be exacerbated by climate change, financialization of agricultural commodities, and competing demands (especially among crops used for food, fuel or feed) that make it hard for the poorest countries to rely on trade for an affordable supply of basic grains. We urge you to:

- Support developing country efforts to confront volatility in international markets for agricultural goods. The WTO Agreement on Agriculture failed to provide workable proposals to end dumping or import surges. As a starting point, the U.S. should support a functional Special Safeguard Mechanism, without making that support dependent on other concessions on market access. The surges are a documented reality under the current rules, not a prospective risk should further market access be granted.
- Agree to a permanent decision on the G33 proposal regarding food stocks programs to support food security that allows developing countries to provide support to small-scale farmers and poor consumers, while keeping in mind the need for rules that restrict every country from dumping excess supplies in external markets. Several of the groups listed below weighed in on this in a letter to the White House dated October 15, 2015.
- Agree to the revision of the baseline figures on public spending on agriculture so that they reflect current prices and are sufficiently flexible to cope with differing levels of inflation. Countries that now provide more support to their farmers than in the past (although still at dramatically lower levels per capita than in the U.S.) should not be prevented from doing so by outdated rules that reference no longer relevant data. No country should be prevented from supporting programs to ensure local food production to feed their people, something that is likely to become even more critical in an era of climate change. Discussions of dumping and appropriate responses would be much more constructive if based on current data.
- Agree to the modest disciplines proposed by the EU and others on the U.S. practice of monetizing international food aid. As you know, our organizations and many others as well have long called for the U.S. to join the rest of the international community in ending this practice, which has a high risk of disrupting local markets for small-scale producers. Those disruptions often worsen the long-term problems of food insecurity and rural livelihoods that that it is food aid's short-term objective to alleviate. There are other, smarter and more efficient ways for the U.S. to support food security around the world.
- More generally, we urge you to support a transparent and inclusive multilateral process to resolve these pressing issues. U.S. trade policy should enhance countries' rights to feed their peoples. It should not advance negotiations that leave most countries out of decisions that they then may have to adopt as a fait accompli at a later time. Many of us have expressed serious concerns about elements of the Doha Round that favor increased flows of capital and goods without any binding

rules to ensure local and national development. However, calling on countries to simply abandon multilateralism and accede to other mega-regional or plurilateral agreements that do not reflect their interests is no solution. The U.S. should take leadership to call for an open process involving all stakeholders to arrive at solutions for these urgent concerns in ways that include the interests of developing and developed countries alike.

Sincerely,

Action Against Hunger

ActionAid USA

American Jewish World Service

Bread for the World

Church World Service

Institute for Agriculture and Trade Policy

Maryknoll Office for Global Concerns

Medical Mission Sisters Alliance for Justice

Mercy Corps

NETWORK: A National Catholic Social Justice Lobby

Oxfam America

PLANT (Partners for the Land & Agricultural Needs of Traditional Peoples)

Presbyterian Church USA

Sisters of Notre Dame de Namur

United Church of Christ Justice and Witness Ministries

United Methodist Church, General Board of Church and Society

World Food Program USA

Cc: Ambassador Michael Punke