



Institute for
Agriculture &
Trade Policy



April 11, 2022

Ambassador Katherine Tai
Office of the United States Trade Representative
600 17th Street, NW
Washington, D.C. 20508

Re: Comments on the Proposed Trade Pillar of an Indo-Pacific Economic Framework, Docket Number: USTR-2022-0002 submitted by the Institute for Agriculture and Trade Policy and the National Family Farm Coalition (submitted electronically through Regulations.gov)

The Institute for Agriculture and Trade Policy (IATP) and the National Family Farm Coalition (NFFC) appreciate this opportunity to comment on the “Fair and Resilient Trade Pillar” of the proposed Indo-Pacific Economic Framework (IPEF). IATP is a non-profit organization based in Minneapolis, Minnesota with offices in Washington, D.C. and Berlin, Germany. We work locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. The National Family Farm Coalition is an alliance of 30 grassroots farmer- and advocate-led groups representing the rights and interests of independent family farmers, ranchers and fishermen in Washington, D.C. since 1986. Our organizations are members of the multisectoral Citizens Trade Campaign, and we support the broader issues addressed in their comment. We especially urge you to open these talks to public participation and to conduct negotiations that are inclusive and transparent. In these supplementary comments, we focus particularly on issues of food security and agriculture.

We urge you to set negotiating objectives for the IPEF that aim to establish the highest possible public health, food security, environmental and labor standards, and that promote human rights frameworks and sustainable and equitable development in the countries participating in the Framework. We recognize the progress made in the U.S.-Mexico-Canada Trade Agreement (USMCA) to afford greater protections for internationally recognized labor rights and hope that this agreement can build on that achievement. We also appreciate the new limits on Investor State Dispute Settlement (ISDS) in USMCA. Any trade agreement entered into by the U.S. must not include ISDS.

While we recognize the advances in USMCA on labor rights and ISDS, that agreement failed to establish adequate safeguards for environmental protection or any incentives to promote climate adaptation or mitigation. It also set new limits on governments’ ability to enact fair and sustainable farming systems, through its provisions that seek to streamline food safety and agricultural biotechnology oversight and regulation, among others. We oppose efforts to replicate these harmful provisions in the IPEF.

We submit these comments during yet another crisis in food prices and supplies. This time, it was sparked by the Russian invasion of Ukraine, which has disrupted supplies of wheat and fertilizers and increased prices of these and related goods around the world. In 2008, the crisis resulted from the combination of speculation, drought and the abrupt increase in ethanol targets. Meanwhile the ongoing climate emergency is severely impacting the rural communities and food producers we represent in the United States, as well as the communities we work with hand in hand abroad. It is imperative to develop

new approaches to trade policy that help to increase resiliency, reduce volatility in agricultural supplies and prices, and promote investment in local, diversified food systems.

We appreciate the Biden-Harris administration's intention to reframe trade policy so it is sustainable and fair. The United States is well overdue for turning a new page on food and agriculture trade policy that truly shifts the balances of power away from corporate actors, who too often hold near monopsony control over agriculture markets, food workers and family-scale producers. Furthermore, we believe in the context of the massive upheaval in highly concentrated food supply-chains caused by COVID-19 and the disproportionate impacts of increased food insecurity among communities of color in the United States, it is essential that the Biden-Harris administration advance trade policy that specifically supports food access as a human right, in the United States and abroad. Finally, we must learn from the mistakes of the past — we oppose any efforts to link this initiative to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Instead, we urge you to engage with trading partners to examine the reasons behind the current supply chain crisis and those that will undoubtedly occur in the future and to consider new solutions.

Develop new approaches to reduce volatility in prices and supplies. To advance fair and resilient agricultural production, IPEF must support the growing movement for fair prices and supply management of agricultural production that helps to reduce overproduction, supports farmer incomes, stabilizes price volatility for consumers and enhances the resilience of rural economies. Discussions could start with consideration of the experiences with food reserves historically in the United States, and more recently in India, Indonesia and other countries that have been indicated as potential parties to the IPEF. Those talks must include farmers and consumers' organizations in the countries involved.

The Canadian experience with dairy supply management offers important lessons on setting prices and estimating supplies in ways that increase stability, enhance rural livelihoods and lowers environmental impacts, including greenhouse gas emissions. In the United States, the National Family Farm Coalition has developed the Milk from Family Dairies Act, a proposal endorsed by more than 90 organizations that would stabilize supplies at fair prices.¹

Supply management relies on estimates of the appropriate volume of production to meet national demand, which will only work with accompanying trade policies to manage imports. There will certainly be a need for exports, especially to meet the needs of less developed countries that are reliant on those supplies, but an imperative to export should not drive agricultural trade policy.

Support a transition to agroecological production. The trade pillar of an IPEF agreement must respect governments' ability to implement fair and sustainable food and farm systems that support sustainable livelihoods for farmers and food workers and healthy, affordable foods for consumers. Trading partners must be free to increase public spending to support agroecological production, and to implement public policies that establish facially nondiscriminatory food safety, nutrition and labeling standards that meet the objective of the highest levels of consumer protection and environmental and ethical considerations. The trade provisions of the IPEF should not be used to undermine reliance on the precautionary principle or other efforts to raise standards in other countries.

¹ <https://nffc.net/national-call-for-fair-prices-systemic-dairy-policy-reform/>

Decisions on the use or import of agricultural biotechnology should not be constrained by commitments in the trade pillar of the IPEF. The U.S. must not seek to replicate provisions in USMCA that streamline the approval of genetically modified crops and those produced using gene editing and other new technologies with unknown impacts on local ecosystems and crop varieties. USMCA also removes restrictions on unspecified low-level presence of agricultural biotechnology products that have not been approved in the importing country. Trading partners joining the IPEF must not be obliged to accept similar measures. Such provisions could undermine efforts to promote local food security and advance rural livelihoods.

The intellectual property provisions of an agreement must not limit farmers' access to seeds or hide information on agricultural pesticides. The trade pillar of the IPEF must not replicate the approach in USMCA and other recent trade deals where intellectual property provisions protect corporate-led technologies over more sustainable, open-source innovations of seeds and plants. Trade-related patent rules and extended claims of "Confidential Business Information" must not be used to keep safety and public health data on pesticides secret. These provisions promote corporate-controlled agriculture while undermining sustainable and organic practices, and would affect the health and safety of farmworkers, backyard gardeners and consumers of produce, while also limiting effective regulation of toxins in the environment.

The IPEF should prioritize action to address climate change and should ensure that climate measures are not subject to trade disputes. Programs to promote renewable energy and reduce emissions from agriculture in ways that advance climate goals and support rural livelihoods should be encouraged and supported by the IPEF. These programs have previously been subject to trade complaints at the WTO as unfairly benefiting local communities over foreign investors. In addition, ISDS cases have been brought against many countries seeking to limit harmful mining and energy projects. We reiterate that ISDS should not be included in this agreement.

State-to-state dispute resolution mechanisms in trade agreements have also been used to challenge democratically determined measures to reduce emissions and promote a transition to sustainable energy, agricultural and industrial production. While comprehensive solutions to this problem will need to be determined at the WTO, the U.S. and its negotiating partners in the IPEF should use this opportunity to discuss ways to utilize existing authority under that accord to protect local and national governments' ability to advance legitimate programs to respond to the climate emergency. For example, Article XX, section b of the General Agreement on Tariffs and Trade allows for exceptions for measure related to the protection of human lives and health, and section g allows for exceptions related to the conservation of natural resources. We urge you to explore ideas for a climate waiver or other mechanisms to ensure that trade commitments do not undermine climate action.

Conclusion. This is no time to repeat the mistakes of the past. Previous trade agreements have undermined family farmers and increased corporate concentration in agriculture in the U.S. and its trading partners. Trade agreements and trade policy must change course to support democratic decision making, sustainable production and improved livelihoods for all the nations involved.