



November 30, 2012

Tricia Van Orden
Executive Secretary
President's Export Council
Room 4043
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

Re: *Federal Register* notice "President's Export Council: Meeting of the President's Export Council"

Dear Ms. Van Orden:

The American Feed Industry Association (AFIA) appreciates the opportunity to comment on the Nov. 20, 2012, edition of the *Federal Register* regarding export expansion through streamlined consideration of trade legislation.

AFIA is the world's largest organization devoted exclusively to representing the business, legislative and regulatory interests of the U.S. animal feed industry and its suppliers. Founded in 1909, AFIA represents the total feed industry, and its members include more than 550 companies and state, regional and national associations. Member companies are livestock feed and pet food manufacturers, integrators, pharmaceutical companies, ingredient suppliers, equipment manufacturers and companies which supply other products, services and supplies to feed manufacturers. The U.S. feed industry plays a critical role in the production of healthy and wholesome meat, milk, fish and eggs, and has a long history of providing safe ingredients and animal feed for use domestically and abroad. AFIA member firms manufacture 75 percent of the 165 million tons of U.S. feed annually.

AFIA has and continues to be a strong supporter of Free Trade Agreements; however, the last extension of the Presidential Trade Promotion Authority (TPA) expired in 2007. TPA allows final negotiated trade agreements to be considered on an up-or-down basis and are not subject to amendments. Without Congressional extension of the Presidential Trade Promotion Authority, the nation's current negotiation power is limited. U.S. negotiators lack the authority, ability and leverage they need to negotiate FTAs that will have the greatest value to the U.S. economy and its industries. Negotiating countries must have confidence in the U.S.'s negotiators and their ability to be held to the terms of any negotiated agreement.

The future growth of the U.S. feed industry lies in exports, however, the industry needs the support of the Administration to remove barriers to trade and enforce trade rules. The most opportunistic path for this is through FTAs such as the Trans-Pacific Partnership (TPP), with which the U.S. is currently engaged in negotiations.

In 2010, U.S. exports to the region represented over 60 percent of the total amount of U.S. exports and almost three-quarters of the U.S.'s total agricultural exports. While U.S. exports to the Asia-Pacific region have grown, overall, the share of U.S. trade in the region has declined relative to other countries. This is due mainly to many of the countries in the region concluding bilateral or regional free trade agreements (FTAs) that give their exporters an advantage over their U.S. competitors. While the U.S. already has bilateral agreements with six of the ten TPP partners, the TPP is a means to level the playing field for U.S.

businesses and workers in these important markets. The below table reflects the U.S.'s feed, feed ingredient and pet food exports to three of the four TPP partners with which the U.S. does not currently have a bi-lateral. The U.S.'s current market share is fairly low.

Table 1: U.S. Feed, Feed Ingredient and Pet Food/Ingredient Exports

	2011 Value	2011 Quantity (MT)	2011 Total Imports	U.S. market share
Malaysia	\$21,330	19,344	233,760	8.3 percent
New Zealand	\$36,853	15,859	102,045	15.5 percent
Vietnam	\$21,405	33,792	237,000 *2010	~14 percent

History indicates bilateral and regional trade agreements have had a profound impact on U.S. exports, as demonstrated in Table 2 below.

Table 2: Growth in U.S. Agricultural exports Under Recent Bilateral and Regional Trade Agreements

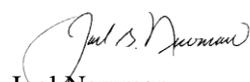
FTA or WTO Accession Agreement	Date Entered into Force	U.S. Agricultural Exports			
		Million Dollars		Percent Growth	
		Year Before Agreement	2010	To Agreement Country	To Non-Trade Agreement Countries
Canada FTA/NAFTA	1/1/89	2,019	16,856	735%	80%
Mexico - NAFTA	1/1/94	3,618	14,575	303%	87%
China WTO	11/12/01	853	17,522	1,954%	77%
Vietnam WTO	12/10/01	52	1,317	2,433%	77%
Chile FTA	1/1/04	144	421	192%	70%
Australia FTA	1/1/05	410	928	126%	69%
El Salvador -CAFTA	3/1/06	239	428	79%	70%
Honduras - CAFTA	4/1/06	249	461	85%	70%
Nicaragua - CAFTA	4/1/06	125	239	91%	70%
Guatemala - CAFTA	7/1/06	455	800	76%	70%
Morocco FTA	1/1/06	164	765	366%	70%
Bahrain FTA	8/1/06	15	44	193%	70%

Source: USDA Global Agricultural Trade System

Extension of the TPA will not only allow the U.S. to negotiate the TPP and other future bi-lateral and multi-lateral agreements with greater authority, but the U.S. will be able to leverage this authority to negotiate more effective and confident agreements on which other countries can depend on in the future.

AFIA appreciates the opportunity to provide comment. If you have any questions or AFIA can provide any other input or assistance, please don't hesitate to contact me.

Sincerely,



Joel Newman
 President & CEO
 American Feed Industry Association