November 27, 2012

Ms. Tricia Van Orden
Executive Secretary
President’s Export Council
Room 4043
1401 Constitution Avenue, NW
Washington, D.C. 20230
Submitted electronically via http://trade.gov/pec/peccomments.asp

Dear Ms. Van Orden:

On behalf of the National Potato Council (NPC), thank you for accepting these comments in advance of the December 6, 2012, meeting of the President’s Export Council and in response to Federal Register Document 2012-28233.

The NPC is the only national public policy advocacy organization for the U.S. potato industry and represents more than 90 percent of the commercial potato growers in the United States. Thirty-two states are home to commercial potato production. Potato growers, along with the rest of the potato industry, are committed to providing the highest quality, nutrient-dense, and most affordable potatoes to consumers at home and around the world.

The NPC supports the expansion of fair trade of U.S. potatoes throughout the world, particularly in the fast-growing markets of Latin America and Asia. In 2011, the U.S. exported $1.5 billion worth of potato products—an increase of more than $250 million when compared to 2010. The majority of these were frozen processed potatoes, but the U.S. also exports dehydrated potatoes, table stock and seed potatoes.

Continued expansion of trade and increased exports of U.S. potatoes is a priority for the potato industry. Trade Promotion Authority (TPA) for the President is an important tool for achieving those goals. The ability for a President to negotiate free trade agreements is greatly enhanced by having TPA. While Congress is consulted throughout the process of negotiating a new free trade agreement with economic partners around the globe, it cannot amend a final agreement. Instead, a simple up-or-down vote is required. This allows our trading partners to negotiate in good faith that a final agreement will not be adjusted by Congress prior to final approval. Not only does this save time and effort, but it makes the United States more responsive to the opportunities available in a global economy.
During the previous period of TPA that spanned 2002-2007, the United States passed and implemented seven bilateral free trade agreements and a regional one. In seven agreements, U.S. potato exports increased during the time period of 2001-2008. In the eighth (Morocco), there were no U.S. potato exports before or after the agreement. In order of market size, the list includes:

1. the Dominican Republic-Central America-United States Free Trade Agreement (288% increase in value),
2. the United States-Australia Free Trade Agreement (966%),
3. the United States-Singapore Free Trade Agreement (194%),
4. the United States-Chile Free Trade Agreement (246%),
5. the United States-Bahrain Free Trade Agreement (193%),
6. the Peru Trade Promotion Agreement (176%), and
7. the United States-Oman Free Trade Agreement (32%)

The NPC supports the renewal of TPA for the President, especially in light of a possible new regional free trade agreement: the Trans-Pacific Partnership (TPP). The TPP represents an enormous opportunity for U.S. potato growers. In fact, with the inclusion of Canada and Mexico, if passed TPP member countries would represent the single largest export market for U.S. potatoes. In 2010, U.S. potato exports to the TPP region were valued at $519 million, or nearly half the value of all U.S. potato exports that year ($1.25 million). Completing the TPP is a vital step in maintaining the strength of the agricultural economy in the United States, and TPA is an important piece of negotiating the agreement.

Thank you for your consideration of these comments. Please do not hesitate to contact the National Potato Council with any questions you might have regarding specifics associated with these examples.

Sincerely,

John Keeling