September <mark>X</mark>, 2022

The Honorable Charles Schumer, Majority Leader 322 Hart Senate Office Building Washington, D.C. 20510

The Honorable Mitch McConnell, Minority Leader 317 Russell Senate Office Building Washington, D.C. 20510

Dear Leaders Schumer and McConnell,

On behalf of American agriculture, we urge you to work with your colleagues to expeditiously confirm Doug McKalip as Chief Agricultural Negotiator at the Office of the U.S. Trade Representative (USTR).

We write with strong concern over further delay because we are reminded daily of the need for greater attention and emphasis from the Administration on agricultural export market growth. At the end of August, the U.S. Department of Agriculture (USDA) cut its Fiscal Year (FY) 2022 agricultural export forecast and presaged an agricultural trade deficit in FY 2023. The USDA raised the value of exports to \$196 billion but also increased the value of agricultural imports to \$192 billion, narrowing the agricultural trade surplus to just \$4 billion. USDA now forecasts lower agricultural exports for the next fiscal year and again has increased its import projection by another \$5 billion, taking a small trade surplus this year and moving into net deficit territory next year. Agricultural trade deficits, once unimaginable, are now reality, underscoring the need to have in place a Senate-confirmed negotiator dedicated to pushing for new agricultural markets and removing barriers to growth in existing ones.

Over a year has passed since the expiration of Trade Promotion Authority and with it the power to negotiate new, binding agreements to lower tariffs. The competitive landscape, as demonstrated by USDA's latest projections, is moving quickly, and away from the United States. More competitive export nations are negotiating new, long-term deals including the Regional Comprehensive Economic Partnership, which entered into force in January. The 15-member trade block includes 10 Southeast Asian nations and their five largest trading partners, namely Australia, China, Japan, New Zealand, and South Korea. The United States has countered with the Indo Pacific Economic Framework, which is a promising step in the right direction, but the Biden Administration trade team needs more hands and voices to deliver upon its promise. Other new, bilateral opportunities for U.S. agricultural trade await in places like the United Kingdom, India, and Taiwan but their potential can only be realized with the meaningful contribution of the Chief Agricultural Negotiator.

Fortunately, President Biden has nominated a highly qualified professional in Doug McKalip for the position of Chief Agricultural Negotiator. If confirmed, McKalip would bring to the position decades of experience representing the interests of U.S. agriculture, having served in numerous leadership positions at USDA and the White House. The Senate Finance Committee recently recognized Doug's impeccable credentials, voting on September 7 to favorably report his nomination to the full Senate with overwhelming bipartisan support.

With the committee having done its work, we request that you work quickly and closely with all Senators to ensure the confirmation of Doug McKalip as soon as possible. We appreciate your consideration and stand ready to support you in any way we can.

Signed,

National Milk Producers Federation U.S. Dairy Export Council Corn Refiners Association