

NOMINATION OF DOUGLAS J. McKALIP

HEARING

BEFORE THE

COMMITTEE ON FINANCE

UNITED STATES SENATE

ONE HUNDRED SEVENTEENTH CONGRESS

SECOND SESSION

ON THE

NOMINATION OF

DOUGLAS J. McKALIP, TO BE CHIEF AGRICULTURAL NEGOTIATOR,
UNITED STATES TRADE REPRESENTATIVE,
EXECUTIVE OFFICE OF THE PRESIDENT

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JULY 28, 2022
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**NOMINATION OF DOUGLAS J. MCKALIP,
TO BE CHIEF AGRICULTURAL NEGOTIATOR,
UNITED STATES TRADE REPRESENTATIVE,
EXECUTIVE OFFICE OF THE PRESIDENT**

THURSDAY, JULY 28, 2022

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC.

The hearing was convened, pursuant to notice, at 10:15 a.m., in Room SD-215, Dirksen Senate Office Building, Hon. Ron Wyden (chairman of the committee) presiding.

Present: Senators Stabenow, Cantwell, Cardin, Brown, Bennet, Hassan, Cortez Masto, Crapo, Grassley, Thune, Portman, Lankford, and Young.

Also present: Democratic staff: Sally Laing, Chief International Trade Counsel; Ian Nicholson, Investigator and Nominations Advisor; and Joshua Sheinkman, Staff Director. Republican staff: James Guiliano, Policy Advisor; and Gregg Richard, Republican Staff Director.

**OPENING STATEMENT OF HON. RON WYDEN, A U.S. SENATOR
FROM OREGON, CHAIRMAN, COMMITTEE ON FINANCE**

The CHAIRMAN. We are now going to turn to the nomination of Doug McKalip to serve as the Chief Agricultural Negotiator in the Office of the United States Trade Representative. He brings vast experience to this job, nearly 30 years of public service, including in a variety of roles focused on ag policy and the well-being of rural communities in America.

He is now a top advisor to the Assistant Secretary of Agriculture, and Secretary Vilsack on trade, ag safety, national security, and other issues. He has held other leadership positions at the Department of Agriculture with the Domestic Policy Council, and his service there has been exemplary. He has a lot of fans on both sides of the committee, and his nomination comes at a key time.

As our nominee knows, our families are understandably furious about the proposition that they are paying more for groceries and they are getting less. Farmers and ranchers are being oppressed by drought and hammered by increased costs. Across the world, people are desperate at the prospect of widespread hunger as crops fail and basic food items are in short supply. War, climate change—all of this is compounded by shortsighted trade policies and supply chain disruptions that have created fear all over the world about the possibility of a 21st-century hunger catastrophe.

The Finance Committee has authority over one key part of how we are going to wrestle this crisis to the ground: smart trade policy that promotes affordable, abundant food here at home and abroad. This policy—no pressure, Mr. Nominee—has got to support our farmers and ranchers and allow for maximum production by busting through trade barriers and lowering costs for key inputs like fertilizer. We also have got to focus on opening and expanding export markets to ensure our farmers can continue to do what they do best: keeping the world fed. This Ag Negotiator position is essential, because we have got to insist on the elimination of foreign regulations that hamper food distribution wherever it takes place, because—and this is what it is all about—that is what you have to do to reduce hunger.

The Ag Trade Negotiator has other responsibilities for ensuring American interests in trade agreements. To that point, the Trump administration rushed the new USMCA into effect, and Canada and Mexico are failing to live up to key commitments. For example, Canada is propping up barriers to our dairy products. Mexico is unfairly blocking American-grown corn and soybeans; pretty much a similar story with respect to China. The Trump administration grabbed lots of headlines when it introduced a new trade deal, but it failed to set up real enforcement and let many of the Chinese Government's key trade rip-offs just go unaddressed. China failed to meet its commitments to import American agricultural products, only buying 58 percent of the total goods and services that it agreed to buy in 2021. That is less than it was buying before the Trump trade policy and this trade war was launched.

U.S. farmers are telling us they do not want handouts. They want real opportunities to sell their products around the world. And as I told the nominee, that can only happen if this position and the policies advanced finally lead to a level playing field. That is the bottom line.

The committee is also interested in discussing how our farmers and ranchers can benefit from the new Indo-Pacific Economic Framework. And, if confirmed, our nominee will play a key role in these issues.

I want to thank our nominee for joining us and for his willingness to continue his career in public service. As I mentioned, he has been fighting for farmers for decades, and farmers and ranchers know of your work. And we appreciate the chance to have you here, and we look forward to your answers.

Senator Crapo?

[The prepared statement of Chairman Wyden appears in the appendix.]

**OPENING STATEMENT OF HON. MIKE CRAPO,
A U.S. SENATOR FROM IDAHO**

Senator CRAPO. Thank you, Senator Wyden. And welcome, Mr. McKalip, and congratulations on your nomination.

First let me say I took the opportunity to listen to your band, BoxCartel, and you are hitting the right notes there. With your trade policy experience, I hope that, if confirmed, you will also hit the right notes on improving opportunities for our farmers and ranchers.

America's farmers continue to prove their resilience and productivity every day, and will keep doing so. But it is not easy. Americans are painfully aware that gas prices are up 42 percent from a year ago. What fewer people may know is that the price for diesel rose by an even greater margin: 68 percent. And that hits our farmers hard.

Back in March, a fourth-generation farmer in Meridian, ID explained that the cost of filling up his tractor had doubled in a year to \$800. However, one bright factor for America's farmers right now is exports, with sales of agricultural products overseas reaching \$177 billion in 2021. America's farmers sell more high-quality products to consumers around the world than ever before.

In Idaho, if we kept what our 24,000 farms produced within the State, each Idahoan would have to eat 209 slices of bread, 40 potatoes, 3 pounds of sugar, 2 pounds of cheese, 2 pounds of beef, and a cup of beans every single day.

Fortunately, Idaho's agricultural products also feed the Nation and the world, exporting one of every six rows of Idaho's potatoes and 50 percent of Idaho's wheat. Nationally, one in three acres planted in the United States will be exported, but we can sell even more.

What is holding us back is, again, a misplaced Biden administration policy, a moratorium on new trade agreements and limited enforcement of existing agreements. The administration is crystal clear that it prefers not to pursue real trade agreements in favor of something it calls frameworks, which lack crucial market access obligations.

This is confusing, since market access is the main problem our farmers and ranchers face. A lot of our potential trading partners maintain high agricultural tariffs and regulatory measures that are essentially a guise for protectionism. We need to tear them down.

For example, India applies an average agricultural tariff of 36 percent. It also applies a number of non-science-based restrictions on U.S. agriculture, such as unreasonable GMO certifications on apples, potatoes, soybeans, wheat, and other crops.

If America wants to sell crops in India, these are exactly the types of issues that must be addressed. Moreover, the need to find new markets is particularly compelling because we must diversify our customer base. China is currently our largest agricultural export destination, but we need new markets to reduce our dependency and increase our leverage.

Securing these markets will require more than frameworks where the government officials can just talk. It requires binding commitments that ensure our farmers can sell. Put plainly, our farmers and ranchers deserve our trading partners' markets to be open to our commerce, as ours is to theirs. Hopefully we can start a conversation today on how to apply our nominee's experience and talents toward that goal.

With that, I look forward to hearing the nominee's testimony and his responses to our questions, and I also look forward to your next album when that comes out.

Thank you, Mr. Chairman.

[The prepared statement of Senator Crapo appears in the appendix.]

The CHAIRMAN. Very good. There is no question that the music appeal is very powerful.

Mr. McKalip, welcome. Let's hear from you, and then we will have some obligatory questions. But let's go with your opener.

STATEMENT OF DOUGLAS J. MCKALIP, NOMINATED TO BE CHIEF AGRICULTURAL NEGOTIATOR, UNITED STATES TRADE REPRESENTATIVE, EXECUTIVE OFFICE OF THE PRESIDENT, WASHINGTON, DC

Mr. MCKALIP. Thank you, Chair Wyden, and thank you, Ranking Member Crapo and members of the committee.

My name is Doug McKalip, and I am honored to appear before you as the President's nominee for Chief Agricultural Negotiator for the Office of the United States Trade Representative. I am joined here today by my wife Debbie and our two children, Brooke and Brendan, as well as my mom Gloria, who shares the same northwestern Pennsylvania roots as I do.

In a Federal career spanning nearly 3 decades, I have served in a wide range of capacities at the United States Department of Agriculture, which have built upon my roots and positioned me to ensure that farmers and farm workers throughout the supply chain are successful and advance our economy.

Most recently I have served as Senior Advisory for Trade and National Security to the Secretary of Agriculture, Tom Vilsack. In this role, I have stood toe to toe and worked hand in hand with trading partners to ensure international market access for our products.

If confirmed to this position, I will build upon this progress, as Ambassador Tai and USTR aim to deliver more U.S. goods to customers in markets around the world. I would like to highlight two initiatives that I have worked on recently that underscore our commitment to farmers and ranchers.

Recently at USDA, I helped spearhead negotiations that led to greater market access in Mexico for U.S.-grown potatoes. This meant aligning our trade and regulatory experts to reach a successful outcome on a trade issue that was more than 10 years in the making. I am proud of the results, and believe that we need to double down in our resolve to get similar tangible outcomes for our producers on a wide range of commodities.

This win was a result of close collaboration between USDA and USTR. And it is vital for our agricultural industry and our producers that we maintain this partnership. And based upon my history at USDA, I look forward to doing exactly that.

I have also been directly involved in negotiations with my Canadian counterparts on dairy policy. This experience has provided me a direct appreciation for the difficult steps and the tenacity that we must exhibit to ensure that the promises of past trade agreements are fully realized.

I know many Americans, including those from my home State of Pennsylvania, have grown somewhat weary of trade and question whether the promises in various agreements will benefit their bottom line. That is why Ambassador Tai has emphasized the importance of trading partners following through on their commitments in bilateral and multilateral engagement.

Earlier this month, we celebrated the second anniversary of the USMCA. And if confirmed, I can assure members of this committee that utilizing full enforcement authority under USMCA and other trade commitments and initiatives around the globe will be a top priority for me.

I also look forward to ensuring that farmers and ranchers are front and center as the USTR looks to strengthen our trade relationships, execute new initiatives, and address challenges like China.

Initiatives such as the Indo-Pacific Economic Framework present an excellent opportunity to knock down regulatory barriers and help our producers expand exports. And as we all know, China has failed to live up to its commitment under Phase One. And as Ambassador Tai works to realign the U.S.-China trade relationship and partners with allies to confront China's unfair trade policies, I will use my position as Chief Agricultural Negotiator to ensure that American farmers and ranchers get a fair deal.

Additionally, farmers in the U.S. need an advocate to help ensure that they have affordable access to input materials that they need to operate. These are times of tremendous opportunity in international trade. But if the bills that farmers have to pay for their inputs negate those gains, we will have missed an opportunity.

Finally, these are important times around the globe. Never before have food security and national security been as directly linked as they are today. It is vital that the Chief Agricultural Negotiator be on the job and be equipped to deal with all of the assets and the challenges and opportunities that lie ahead.

I am uniquely qualified for that task. I look forward to working with all of you in the Congress. The Congress is the executive branch's constitutional partner on trade, and if confirmed, I look forward to close collaboration with the members of this committee and with Congress, since our strength in international trade depends upon our unity and strength here at home.

I value the opinions and expertise of the members of this committee, and I look forward to benefiting from our dialogue going forward. I look forward to responding to any questions that members may have, and I thank you very much.

[The prepared statement of Mr. McKalip appears in the appendix.]

The CHAIRMAN. Thank you very much, Mr. McKalip, and we do have a little bit of a process to go through to get off to the races here.

First, is there anything that you are aware of in your background that might present a conflict of interest to the duties of the office to which you have been nominated?

Mr. MCKALIP. No, sir.

The CHAIRMAN. Do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office to which you have been nominated?

Mr. MCKALIP. No, sir.

The CHAIRMAN. Do you agree, without reservation, to respond to any reasonable summons to appear and testify before any duly constituted committee of the Congress, if you are confirmed?

Mr. MCKALIP. Yes, I do.

The CHAIRMAN. Finally, do you commit to provide a prompt response in writing to any questions addressed to you by any Senator of this committee?

Mr. MCKALIP. Yes, I do.

The CHAIRMAN. I will start with my questions. And we have the good fortune to have the chair of the Agriculture Committee here and the chair of the Commerce Committee on our side; and as you know, our former U.S. Trade Representative, and of course my partner, Senator Crapo.

So in my State—and we talked a little bit about this—we do a lot of things well. But what we do best is, we grow things. And we do that because it is so important to put affordable foodstuffs on the kitchen table of Americans, and we understand that the world is fearful, of course, of the prospect of global hunger.

We start with the proposition that our farmers and ranchers are just the most competitive, the most efficient, and the hardest-working people around. They can feed a hungry country, and they can lead a global effort to feed a hungry world. And a big part of putting this strategy together is to have a smart trade policy.

We need an export strategy that provides new markets for our farmers. That is what they want. They want new markets to sell their products around the world and get food in the hands of the needy, both folks here at home and around the world.

Second, we have to work with our trading partners to eliminate the policies that disrupt trade and prevent ag products from getting to market; that limit access, for example to fertilizer, a very key input, obviously, for farmers; and distort global trade so that families go hungry unnecessarily.

So we have to have a win-win for farmers and ranchers in our country, and we need to have policies that work around the world to avert the prospect of a global hunger crisis.

So, no pressure, but that is a big order. And tell us a little bit about how you are going to ensure U.S. ag products are exported to markets and international programs that need them, while generating profits for our farmers. And in my State, one out of three jobs revolves around trade.

Mr. MCKALIP. Thank you very much for that question, Chairman Wyden. I really appreciate that. I have spent 3 decades of my career fighting on behalf of our farmers, ranchers, fishermen, foresters, et cetera. And you are right: these are unprecedented times. The conflict in Ukraine, issues relating to drought in many parts of the globe mean a bigger challenge than we have faced in quite a long time, in terms of both food security and making sure that everyone is fed.

I believe the unwritten narrative in what is emerging every day out there means that the American farmer really is going to make the difference in the years ahead with respect to these crises. Our farmers have proven to be resilient, even in the face of difficult climate and precipitation challenges. They can produce. So what I would like to do, and what I plan to do, if confirmed as Chief Agricultural Negotiator, is to help ensure that we have open lines of commerce.

Unfortunately, given the war, we have seen many countries sort of working in an insular fashion to try to erect export barriers, and to try to shut down cooperation. But what will really get us through this crisis is sharing, the same as we would in any community that endures tough times. We need to work with each other.

The CHAIRMAN. Let's do this. Let's talk about specific trade barriers for a moment. So I think if I was having a roundtable—and I bet my colleagues do these as well with the farmers—they would talk about fertilizer. What about export challenges that are going to make it possible for them to get more affordable fertilizer? And what can you do, and what will you pursue?

Mr. MCKALIP. You bet. So, one of the challenges relating to fertilizer—and that is a major driver for farmers' bottom lines because it is a major cost that they have when they grow. One challenge that we face right now is that China, for example, has shut down exports of urea, another nitrate-based material that is used in the manufacturing of fertilizer.

So, if confirmed to this position as Chief Agricultural Negotiator, I would want to work, directly engaged with my Chinese counterparts, to see how we can open up the flow of key inputs and minerals that can be used here at home for the manufacture of fertilizer. Because having those be shut off is, quite frankly, affecting the marketplace. And it is ultimately affecting the bottom line.

The CHAIRMAN. I am out of time. What about stock-holding and those kinds of barriers?

Mr. MCKALIP. Thank you, Chairman Wyden. Yes, we have, as a Nation, very good information about the stock-to-use ratio for grains in many countries around the world. Unfortunately, we have a few actors out there—China is one of them, I think India is another—that do not openly share what their stock-to-use ratios are.

And so, as Chief Agricultural Negotiator, I would push for greater transparency to ensure that we have a better understanding of the marketplace and are in a better position to help everyone who has a food security challenge.

The CHAIRMAN. Make that a real priority, because I just think that it is unacceptable to be withholding that kind of information when we are looking at the need to have a policy that works for our farmers, and also to address the prospect of global food shortages.

Senator Crapo?

Senator CRAPO. Thank you, Mr. Chairman.

And, Mr. McKalip, both Senator Wyden and I have noted that many of our trading partners maintain measures, ostensibly for food safety, that are really just disguised protectionism to keep out U.S. agricultural products.

I really appreciate what you have emphasized in your opening statement about your role in helping to address one of those relating to U.S. potatoes in Mexico. As you indicated, that has been a 10-year battle, and frankly it is still going on, but we have made some good progress, and I appreciate that.

I strongly believe that such safety measures must be supported by legitimate science. With respect to the IPEF process that the administration is currently pursuing, do you think it makes sense to

pursue rules to ensure health and food safety measures that are based on science, like those found in the WTO SPS agreement?

Mr. MCKALIP. Yes, thank you, Ranking Member Crapo.

My experience working as a regulator in the Animal, Plant, and Health Inspection Service has given me a firsthand experience into what it means for plant health, animal health, and how those plug in, or do not plug in to international trade.

So, as we begin to work in the Indo-Pacific area, which presents a tremendous opportunity for U.S. farm products—there are huge markets there that we need to capitalize on. I would like to be a strong advocate for ensuring that we have alignment, compatibility of the sanitary and phytosanitary provisions to ensure that there are not barriers to our farmers getting their fruits, vegetables, meat products, et cetera, into those markets based upon a regulator in another country that has made a determination that is not consistent with science.

Senator CRAPO. So here is the question I am kind of going to drive at. As I indicated in my opening statement, the administration will not engage in trade negotiations for new trade agreements right now, and instead is pursuing this framework in the Indo-Pacific.

But the rules that we have both just talked about now are enforceable under trade agreements. How do we make them enforceable in the context of the IPEF framework?

Mr. MCKALIP. Senator Crapo, I believe, given the structure of IPEF and the pillars that are present in it, that we have a lot of flexibility to go forward and include provisions that will provide us the kinds of tools and leverage that you are looking for. Even if the three letters, FTA, are not necessarily there, the actual agreements on ag products and the work they will do on market access can achieve the same effect. And that is going to be incumbent upon me. I will be responsible for doing the advocacy necessary to build that into those.

Senator CRAPO. But if you have it in the form of some kind of an executive agreement, how is that enforceable? I mean, as we have talked about with regards to the potatoes in Mexico and other circumstances around the globe, we are constantly in need of enforcing the agreements. How does that happen under IPEF?

Mr. MCKALIP. Yes, I think whether there are enforcement measures in IPEF and what they look like is yet to be determined. So I would, if confirmed, be an advocate within the process to push for actual enforcement mechanisms. As you have mentioned and referenced, USMCA has given us very clear enforcement mechanisms which we have now begun to use on a few commodities. Having that lever in the toolbox is important, and I certainly would, if confirmed, advocate for as much leverage and things we can point to and utilize.

Senator CRAPO. All right; I appreciate that. I think that is a really critical issue.

There is bipartisan concern that the USTR is not adequately consulting with Congress on trade policy. And that is particularly a shame when it comes to agricultural trade policy, because Congress is very close to our farmers and our ranchers. I believe we both agree that U.S. trade policy is strongest when Congress and the ad-

ministration are working together. And so to that end, I want to ask you, do you agree that Congress must see all administration proposals for binding trade obligations before they are provided to our trading partners, so that we can have meaningful input?

Mr. MCKALIP. Yes. Senator Crapo, in my 30-year career, I think I have been really effective on behalf of farmers and ranchers. And my positions themselves did not always carry a great level of authority, so my authority basically was derived from the ability to speak on behalf of the U.S. Government, and on behalf of principals. And if confirmed, I will become a principal, and I look forward to that opportunity.

But I believe if I am standing toe to toe overseas with a trading partner, having the voice of the executive branch and the legislative branch unified on farm issues puts me in the strongest position to get results on behalf of farmers and ranchers. And I would certainly want to cooperate closely with you and other members here and make sure that we have that kind of unified message. That is the only way we can be fully successful.

Senator CRAPO. I agree with you on that, and I appreciate that answer. Thank you.

The CHAIRMAN. Senator Portman is next.

Senator PORTMAN. Thank you, Mr. Chairman.

Mr. McKalip, I wanted to come today, come up to see you and thank you for your willingness to step up and serve at a new and important level as one of the ambassadors for the United States, and in this case an ambassador for farmers, and for our legitimate ag interests that are not being fairly treated around the world.

The “level playing field” term gets thrown around a lot, but it is so appropriate with regard to agriculture. We have some of the most productive farmland in the world and the most efficient farmers in the world, and yet so many countries put in place barriers, whether they are tariff barriers or non-tariff barriers. And so you are going to have your hands full.

I must say, I appreciate your response to Senator Crapo, but I think we have to be honest here. We are not talking about trade-opening agreements when we talk about IPEF or other frameworks. If you are Vietnam or another country in that framework and the United States is not willing to talk about trade-opening on both sides of the equation, there is no prospect—in my view, from my experience as USTR—that you are going to get a good agreement.

They open their markets to our agricultural products often in exchange, as you know, for other openings that they get into our market, or other countries’ markets. And that is not part of the IPEF, as you know. So that is my big concern.

You know, I am pleased you stepped up, and I think you have the ability to make a difference here, but I hope that you will agree today to be an advocate for changing the policy. I mean, it is shooting ourselves in the foot not to have a single trade negotiating agreement going on today, not to have a single ounce of effort being expended toward getting Trade Promotion Authority expanded, which is necessary for Congress to have its rightful role.

You said earlier that you thought that there could be some enforcement mechanisms in IPEF. I guess that means that Congress

gets cut out of that. And again, we have a role here to play that can be very constructive, as you saw with USMCA, where this committee played an essential role, including the chairman and ranking member.

So I am looking at how agriculture today—our fertilizer and diesel costs have both doubled; fertilizer often even more than that. We are looking for foreign markets. We are glad to see some openings in some places. We have a great opportunity this year, because we have, at least in most parts of the country, including Ohio, some really positive conditions for a great crop. And yet these barriers exist.

So when you talked earlier about how you want to be able to open lines of commerce in terms of talking to the countries, I would just suggest we need to open markets for export, not just open lines for commerce. I am not sure what that means.

So, can you respond to that? What would you do, if confirmed, to try to get us back into the situation where we are actually attempting to achieve market access, and actually remain successful in achieving it?

Mr. MCKALIP. Yes. Thank you, Senator Portman. I really appreciate that.

My home town in Pennsylvania, by the way, is about 12 miles from the Ohio border, so I have had an opportunity to spend time and definitely understand a lot of the same issues that your farmers are interested in—the same ones farmers from my home area are interested in as well.

With respect to IPEF, which you particularly referenced, I believe there are tremendous market access opportunities. And we have seen with Vietnam—for example, their recent switch in policy on biotechnology and becoming a little bit closer aligned with where the U.S. is—a sign that we can get better flow of U.S. goods to these marketplaces.

Right now, just using biotechnology policy as an example, the positions that many Asian countries have with respect to biotech approvals do not represent the current science. They do not represent where the science is heading, for example, on genome editing. So we have an opportunity to basically advance and get those policies more closely in alignment with reality, which will provide a fair and open way for our row crops and other products to get into those marketplaces.

But certainly, if confirmed, I would be an advocate within the administration to push for as many leveraging tools as we can possibly have to actually hold countries accountable in those relationships that we have.

Senator PORTMAN. Leverage for farmers in America comes from our willingness to engage and have market access. That has been our experience, and so you are going to have your hands full. And I hope you will be an advocate for changing the current policy. It just makes no sense. It makes no sense to any agricultural interest in America, but even on a political basis, or a partisan basis. You know, we should be back in the game.

One specific question, and I will let you go, about the UK. We have worked our way toward an agreement with the United Kingdom. They have made huge concessions in agriculture to New Zea-

land and Australia in the last years. We are not taking advantage of those because we will not complete that agreement. We are four-fifths of the way there. This is with the UK, arguably our greatest ally in the world. The geopolitical significance is clear. But even in agriculture, obviously we should take advantage of what they are giving to these other countries.

What are your thoughts on that? Are you willing to sit down with the UK and complete that agreement?

Mr. MCKALIP. So, in my role with USDA, I actually flew over to Europe and met with many of my regulatory counterparts from the UK. And you are absolutely correct. There is a tremendous opportunity. As they have left the EU, they are now forming their own systems and their own programs. So this is the time to capitalize on making sure we have market access, and have market alignment there.

Senator PORTMAN. My time is up. In making agreements with other countries, giving them agricultural access that we should have, and yet we are not able to take advantage of it because we will not complete that agreement—

Mr. MCKALIP. No, I would work for access for our farm products and ranch products to the UK. And if confirmed, that will be a major regional focus for me as Ag Negotiator.

Senator PORTMAN. Thank you, Mr. Chairman.

The CHAIRMAN. I thank my colleague.

Next is Senator Thune.

Senator THUNE. Thank you, Mr. Chairman and Ranking Member Crapo. Thanks for holding today's hearing. And, Mr. McKalip, thank you for your service to USDA.

We are now a year and a half into the Biden administration, and we are just now getting a nominee for Chief Ag Negotiator before the committee. And while the administration has dragged its feet on making this position a priority, our Nation's agricultural producers have been without a leading voice on the global stage, which I think is simply inexcusable. It is all the more inexcusable when our ag community is dealing with 40-year-high inflation, rising input costs, supply chain challenges, and increased international competition.

I hope Mr. McKalip's nomination serves as a turning point to the administration when it comes to trade, and especially for America's farmers and ranchers.

Mr. McKalip, I remain deeply concerned that the Indo-Pacific Economic Framework fails to include market access for agriculture. For generations, a large part of our Nation's economic success has been based on the U.S. advocating for more, not less, open markets.

For example, the U.S.'s food products exports grew from \$46.1 billion in 1994 to more than \$177 billion in 2021, which was largely due to greater market access opportunities for American exporters. In this administration, however, there are no trade agreements under discussion, and increased market access for any U.S. products seems to be a taboo subject.

Meanwhile, other countries, including China, are driving ahead with new trade agreements and opening market access for their agricultural products. So, if confirmed, how will you advocate for market access opportunities for U.S. farmers and ranchers? And what

are some specific access opportunities and tariff reductions that would benefit U.S. agricultural interests?

Mr. MCKALIP. Thank you, Senator Thune. I appreciate that question. And you referenced the position being vacant, and I assure you, if you talk to anyone who has worked with me, they know that I will pedal harder to make up for lost time to make sure that we get the kind of results for market access that our farmers want.

IPEF has four pillars, and trade is one of those four pillars. And when I initially studied how the structure was set up, I thought that trade only being one of the four doesn't really balance what farmers would expect in terms of getting results for sending their products over to Asia.

The way, if confirmed, that I would be an advocate within the administration is to not think of it the way we think of it in the traditional four-pillar building, but to think of a lodgepole structure where trade is the centerpiece and the most central to the actual structural integrity of IPEF.

So, if confirmed, I would push very hard for, number one, trade to be a much larger percentage of the results compared to, you know, clean economies or the connective economies, the other sections of IPEF. Because again, I think that if we are able to, as we so far have gotten better access to beef in Japan, better access to pork in India, we can triple our efforts and essentially ensure that IPEF contains the kinds of market access that your ranchers are expecting in South Dakota.

I believe I am the advocate to help get that done, and I look forward to pushing for that within the IPEF structure. Another one that we have underway right now—

Senator THUNE. So you agree that greater market access is a fundamental component of American agriculture, if we are going to compete in the Indo-Pacific?

Mr. MCKALIP. Yes, absolutely. Not just in the Indo-Pacific, but around the globe. I think a lot of the things that our farmers are providing—I think our farmers' products sell themselves; that they are the best quality of anywhere in the world, the best reliability. And there are consumers around the globe who want those products that we have.

The governments in those countries are standing essentially between your farmer, your rancher, and that consumer over there. So it is going to be my duty to break down those barriers and to give our farmers a chance to sell their products and see what they can do.

Senator THUNE. That it is. And we need free-trade agreements. I mean, this is an area of the world where we ought to be competing, and competing hard. But in order for that to happen, we've got to focus on market access and not a lot of the other stuff that oftentimes gets mentioned in the IPEF.

Let me ask you one question about an issue that is important in my State of South Dakota. We have cattle producers who work hard every day to produce high-quality beef. Americans recognize this, and they want to know where their food is coming from, which is why I am a long-time supporter of mandatory country-of-origin labeling, or what we call COOL.

Last year I introduced the American Beef Labeling Act, which would direct the Office of the U.S. Trade Rep to develop a WTO-compliant means of reinstating COOL for beef. If confirmed, would you commit to working with me and my staff on finding a path forward on COOL to help address the concerns of livestock producers in South Dakota and across the country?

Mr. MCKALIP. Thank you, Senator Thune. For part of my career I actually worked on implementation of COOL at USDA, so I see the value. Consumers want knowledge and transparency, and certainly the American brand sells itself, when the consumer has a chance to know, when they are able to get American products.

So my priority as Chief Agricultural Negotiator would be to arrive at a policy and an approach that can withstand future challenge, so that we don't have a system where the pendulum is swinging back and forth, but that we can get something in place that can be more permanent, and something that our consumers can gain trust in and know will be there for them as a signal in the marketplace.

Senator THUNE. We will look forward to working with you on that, and I expect that you will be a fierce advocate for us on this issue.

The CHAIRMAN. Very good.

Senator Bennet is next.

Senator BENNET. Thank you. Thanks, Mr. Chairman. Thank you, Mr. McKalip, for your willingness to serve.

Ambassador Tai was kind enough to participate in a roundtable with farmers and ranchers in Colorado to talk about the importance of trade to our State's agricultural economy.

As you probably know, our top agriculture export product is home-grown Colorado beef. Our cattle ranchers gladly welcome the U.S.-Japan beef safeguard deal that was struck earlier this year, and I just want to tell you that they said that to her. We appreciate it.

I also, of course, share the view that our growth is going to come from market access. And a lot of that is going to be in the Indo-Pacific region. But you have covered that already today, so let me go to something of specific importance to me.

You mentioned potatoes and your work on potatoes. Colorado's San Luis Valley is the second largest fresh potato-growing region in the country. Our potato farmers have long struggled, as you know, with market access into the Mexican marketplace. In May, after 25 years of disputes, as you mentioned, the USDA and the USTR had a positive breakthrough, allowing exports of Colorado potatoes into Mexico. However, there are additional legal fights that may block this new access.

I just want to know how you plan to ensure that U.S. potatoes maintain access to the Mexican market, and whether you will commit to using every tool at USTR's disposal, including mechanisms of USMCA, to hold Mexico accountable so that we actually get this implemented properly, and the farmers in the San Luis Valley have the chance to sell their incredible product in Mexico.

Mr. MCKALIP. Yes, Senator Bennet. I appreciate that question. You know, a lot of blood, sweat, and tears went into getting that market access on the part of all of us. So maintaining it—I think

every tool would be on the table to make sure that there is no back slippage or any loss of that access that we now have for our potatoes.

Something I want to share is a little personal, but I think it is really illustrative of the importance for potato growers. My wife Debbie here behind me, her uncle, who is a life-long resident of Foxborough, MA, an Army veteran—he was in the Signal Corps and learned Spanish as part of his service. After his wife passed away, he decided on a drier climate, a warmer climate; he decided to move to San Miguel, Mexico. And after the potato agreement was reached, he called me and he asked, “How soon are the potatoes going to be here?” And I said, “Well, you know, I am not going to tell you anything that you can’t read in the paper, but very soon you are going to see them down there. Why are you asking me this question?” He said, “The potatoes that we have access to here are not the same consistency. They have a different starchiness. They cook differently.” He said, “When I come back up to the U.S. for Thanksgiving, for holidays, I can’t wait to get an American potato. How soon am I going to see American potatoes down here in our marketplace?”

And it was a reminder to me, as a lot of us worked tirelessly on agricultural trade, that we think about offering maybe a lower price, et cetera, to form a market. But there really are consumers out there who want what your growers in Colorado make. And that is something for them to be proud of, but it is something for people like me to work on double-time to make sure that we are not placing barriers to them getting their product to those consumers.

Senator BENNET. Well, I appreciate that answer. I just have a second left, but I think the chairman and the ranking member might appreciate this. In the San Luis Valley in Colorado, which of course was once part of Mexico, and once part of Spain, there is a marker there that identifies the very first agricultural ditch in Colorado that waters everything in Colorado and the West. And on that post are the names of the people who were entitled to draw water from that ditch. It’s called “The People’s Ditch,” the first ditch in Colorado. And on that post is the name “Salazar,” which belongs to my predecessor, Ken Salazar, who was elected from Colorado to represent us in the U.S. Senate, and now happens to be the United States Ambassador to Mexico.

So I know this is an issue that is near and dear to his heart, and I thought I would mention that connection. But thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Bennet, for a very important set of questions, and we have such fond remembrances of our colleague who served on this committee, Senator Salazar.

Senator Stabenow, the chair of the Agriculture Committee, our go-to person.

Senator STABENOW. Well, thank you, Chairman Wyden and Ranking Member Crapo, for the hearing. And welcome, Mr. McKalip. We are so glad to have you in front of us, and to have your nomination in front of us. We definitely need a Chief Agricultural Negotiator as soon as possible.

I know that from the Agriculture Committee’s standpoint, with myself and Senator Boozman, we have been urging them to have

this happen as quickly as possible. And I know the breadth of knowledge that you have, what you bring to the role from your career working on a wide range of issues at USDA. It is incredibly important that we get your talent and skills to work as soon as possible for our farmers and ranchers in our rural communities. So I look forward to supporting your confirmation.

Obviously enforcement is very, very important, as well as how we negotiate opening up markets. Our farmers need markets, as we talked about today, we all know—safest, most affordable food supply in the world. And we need markets to be successful.

I wonder if you might talk specifically about Canada, our friends in Canada, and the dairy market access commitments that we were able to negotiate under USMCA. Dairy is our top commodity in Michigan, and it is really critical that Canada follows through. We know that Ambassador Tai has been focused on the issue. The first trade case that she brought, which was great—as you know, Canada's response on a lack of meaningful changes has been very, very disappointing in this area.

So how can we make sure that this second dairy case is successful and results in the real change we need to see from Canada so our dairy farmers see the full benefits of this agreement that we fought so hard to get?

Mr. MCKALIP. Yes. Thank you, Chairwoman Stabenow. It is nice to see you. The dairy farmers in this country are the hardest-working farmers there are. I think if you talk to anybody in agriculture, they would all agree that there are no harder workers than dairy.

And all of us, you all up here, USDA, fought really hard for those provisions of USMCA. And this is really one of our first opportunities to utilize those tools and to make sure that USMCA will be effective going down the path.

So, we were successful in the first phase, but Canada's response to that decision fell far short of the mark. They absolutely did not provide the kind of market access that our dairy producers deserve. And we will fight fully for full retail access to the market in Canada for our dairy products.

So USDA cooperated very closely with USTR to file the second round. The kind of tenacity that we showed on potatoes, I assure you, Chairwoman Stabenow, we will utilize on dairy. This is not something that we will let rest, and we will continue to work directly with the Canadians until we get the kind of market access that our farmers believe that they deserve, that we believe they deserve.

And quite frankly, you know—I mentioned in my opening statement, with some weariness, we have a lot of dairy folks in our home area in Pennsylvania, and in our family, involved in and around dairy. We need to be successful on trade agreement enforcement because, if we are not, it just is a way for folks to question what they can believe in terms of government.

So I take that very strongly in my responsibility to make sure that we deliver results, and that farmers see the kind of access that they deserve.

Senator STABENOW. Thank you so much.

And we have talked a lot about the unscientific SPS, or the phytosanitary barriers, other technical barriers, nontariff trade barriers that we face when we are selling abroad. This is a continual issue for us. For years and years I have been focused on this for various kinds of commodities. We in Michigan grow more diversity of crops than actually any other State but California. So we are faced with this all the time, as you know.

So it is very important that you are focused on that going forward. There is another piece, though, while we are trying to sell abroad. We also have to make sure, particularly, that our fruit and vegetable growers do not face unfair competition of imports here at home. This is the other side of that.

So we have had this problem with asparagus and tart cherries and blueberries, where we see unfair subsidized foreign imports, essentially dumping in our country, increasing very, very difficult situations for our farmers.

Michigan farmers have really been concerned about being successful with these unfair imports and subsidizing of imports. So could you talk a little bit from that end? How do we keep our domestic fruit and vegetable growers in business and ensure a fair market price in the U.S.?

Mr. MCKALIP. Yes. Thank you, Chairwoman Stabenow, for that question. I have spent a lot of time thinking about this, especially with respect to fruit and vegetable producers in particular.

Having worked at APHIS, we have a world-class system of ensuring plant health, ensuring that our plants are free of pests, et cetera. And I believe we should hold foreign importers to the same standards that we hold our own producers to here.

And so, if confirmed, I would want to work closely with you, and I would want to work closely with my team at USTR and the USDA. Cooperation, I think, would be critical to making sure that there is not a back door, and if there is, that we close it, and that we are a lot tighter on our requirements to make sure that what is good for one is good for everybody, and that there are not two different standards out there.

So that is something that I think should be an area of focus, and it will be for me, if confirmed to this position.

Senator STABENOW. Thank you very much.

Mr. Chairman, I would just say I hope we are able to move this nominee as quickly as possible. Our farmers and ranchers need to have the advocate there at the USTR.

The CHAIRMAN. Very well said. The chair of the Agriculture Committee has made a number of important points, and I just want to come back to one that is central. Because a number of us mentioned this very issue.

We heard some of our colleagues on the other side talk about new trade agreements, and I want everybody to understand that market access is important to a lot of us. But what Senator Stabenow raised, as chair of the Agriculture Committee, is you also have got to enforce the laws on the books. In other words, trade is a two-part exercise. Absolutely look for new ways to expand access to markets; put me down for being interested in that every time. Also put me down for the point that Senator Stabenow just made: you have got to enforce the laws on the books. And I will be home soon

having town meetings around the State. I will hear from dairy farmers, as Senator Stabenow mentioned, about whether or not we are going to enforce the USMCA provisions. So I thank her.

We have another trade champ. Senator Cortez Masto is next, and then she will be followed by Senator Young.

Senator CORTEZ MASTO. Thank you, Mr. Chair. Mr. McKalip, congratulations on your nomination.

I am going to talk about the cattle industry, which you probably already addressed, but I was in a cryptocurrency hearing in Banking, so I am going to ask you, if you do not mind, to further discuss it a little bit. In Nevada, and really across the country, U.S. cattle producers have a personal stake in, we know, protecting our public lands and the environment. And cattle producers in Nevada are a leading example of that.

If confirmed, how would you work at USTR to further promote U.S. beef across the globe?

Mr. MCKALIP. Thank you very much for that question, Senator. One area that I think is incredibly important is that, as issues like sustainability and climate become more of an international topic—not only in trade discussions but in a variety of forums—that the U.S. take better credit and that we help tell the story of our farmers and ranchers better, because I will put the stewardship of our ranchers and our farmers—what they do for soil quality, water quality, putting ground cover out there—up against any producer around the globe.

And I don't think we have been aggressive enough at telling that story and making sure that we get credit, whether it is in carbon accounting, or if you are doing modeling, that we use a system that adequately shows what our folks are doing and have done. And we are going to make more investments, and so it is even more important that we get the systems set up right so that we are not disadvantaged essentially, and that our folks end up having—well, it's a new thing, even though they have been practicing soil stewardship since 1985, or wetland protection since 1990. They should get adequately recognized for that in the marketplace.

The other thing as Chief Agricultural Negotiator that I am concerned about has to do with licensing, and essentially renewals of this licensing, because what I find now is that you have a country—suddenly we have our export licenses expire, or there is a new system set up. And there have been situations in the last year where we have had boats on the water shipping and exporting to a country, and we have been scrambling around to make sure that when they got to the port of entry, that the licensing was in place.

So, if confirmed to this position, I would work really hard to map out and make sure that we have better long-term arrangements, so that we are not fighting fires when we ought to be gardening new markets and cultivating new long-term markets out there.

Senator CORTEZ MASTO. Thank you. I appreciate your comments.

In your written testimony, you mention that you would seek to build on Ambassador Tai's and USTR's work to bring more U.S. goods to customers in markets around the world.

With various trade negotiations underway, how would you work to leverage all of our tools in the toolbox to assist our agriculture producers, if confirmed?

Mr. MCKALIP. Yes. So, using USMCA as an example, the types of phytosanitary provisions that are there. Another provision of the USMCA is the ability to do some rapid response. And there are templates that I would like to try to apply to various regions and various types of commodities.

Since we are talking about beef in this conversation, the ability for Japan to raise its safeguard and allow, under their quota system, additional beef, having those kinds of flexibilities and provisions really came in handy when Japan realized it wanted more beef. We certainly had beef to sell. So that solution was something that was due to the fact that there was a mechanism there that could be utilized.

So, as Chief Agricultural Negotiator, that kind of flexibility would be something I would advocate for so that we are not stuck, if we have a willing buyer and we have willing ranchers and farmers here, that we always have the ability to keep trade flowing and to keep the marketplace moving.

Senator CORTEZ MASTO. Thank you. I appreciate your comments. Congratulations, again.

Mr. MCKALIP. Thank you so much.

The CHAIRMAN. I thank my colleague.

Senator Grassley is next and then Senator Young.

Senator GRASSLEY. Thank you for the time you spent in my office this morning at 8:15. I appreciate that very much.

Our farmers rely on exports for their business. When they hear the Biden administration promote what is called worker-centered trade policies, farmers feel forgotten. The U.S. is creating a leadership vacuum that is being filled by China and the European Union. And by the way, the European competitors do not think that free trade agreements are a 20th-century tool, like our present administration does. The European Union is working on securing market access for its agriculture producers through comprehensive trade agreements.

So for you, in a very general question, how do you intend to promote a trade agenda that will serve American farmers and producers, and will that include advocating for free trade agreements?

Mr. MCKALIP. Thank you, Senator Grassley. And thank you very much for the time this morning. I enjoyed our conversation very much as well.

So, as Chief Agricultural Negotiator, if confirmed, I would advocate for farmers. The same as when you talked about worker-centered policy, farmers are absolutely workers. And so that would be front and center in terms of my agenda.

I think, regardless of whether the three letters FTA appear in any of the regional initiatives that we would do on trade, I promise you that I will fight for absolute full-market access for American agriculture in those regions, regardless of what the actual agreement name is, or what the initiative's name is.

The way I look at it—and I've been 30 years in this business—I agree that free trade agreements are kind of the Eagle Scout level of attainment in terms of what we can do to give farmers market access out there. But I also feel that some of the things we have done, like Japan beef, India pork, Mexico potatoes, are sort of the merit badges of the uniform, so to speak. And so I will work dili-

gently and tirelessly to make sure that my team at USTR are fighting to get a full jacket, sash, everything covered with merit badges, and that at the end of the day we get the same level of market access for farmers, whether or not the agreement has a certain title, or what the name of that agreement may be.

Senator GRASSLEY. Mexico's non-science-based treatment of agriculture biotechnology is undermining the development of products in the United States, and our farmers suffer as a result of that. This is coming at a time when the world is facing a global shortage of food, a problem best solved by agriculture innovations and technology. So let's assume you are confirmed.

What are you going to do about enforcing USMCA biotechnology provisions to prevent disruption to North American grain markets and on-farm innovation?

Mr. MCKALIP. Yes, sir, Senator Grassley. If confirmed, this will be a key area of priority for me. Biotechnology and agricultural innovation are how we are getting through drought. It is how we get through difficulties in terms of production. And maintaining market access for those products is absolutely vital. I feel that it is necessary for us, if we have to, to use USMCA provisions to enforce on biotechnology, that every tool should be at our disposal. This is a key time to have this conversation, because as countries—as you referenced—face food inflation and pressures on supply, we recognize that it is actually ag innovation that is ensuring continued supply.

And so we need to make sure that our farmers, if we are asking them to do practices that are helping with sustainability and climate—usually it is elite gene lines and seeds that are helping to do that. The U.S. Government reformed its biotechnology policy, and so we want to make sure that other countries have access not just for plants, but for animal-based biotechnologies.

These are all key areas for us, and they will definitely be a priority for me as Chief Agricultural Negotiator.

Senator GRASSLEY. Let me end with the unjustified trade barriers on exports of ethanol. This is a matter both for corn growers and ethanol producers. Currently there is an ongoing countervailing duty order on U.S. ethanol exports to Columbia. I understand that the Columbian Government is currently deciding whether to terminate these duties through sunset review.

Can you commit to work with your colleagues at the USDA and State to make sure that the Columbian Government does the right thing and terminates these unjustified tariffs?

Mr. MCKALIP. Yes, if confirmed, Senator Grassley, I would work with your team, work with our team at USTR and USDA, to lay out a strategy in dealing with the Columbian issue that you raised.

There are so many opportunities for biofuels right now. Mexico has just gone to E10, recently, or allowed for E10. Japan has committed to doubling its imports of biofuels. So there are a lot of opportunities out there right now for biofuels. And, if confirmed, I will be an advocate to make sure that those bobbers that are out there moving on the water result in us getting some fish into the boat.

Senator GRASSLEY. Thank you.

The CHAIRMAN. I thank my colleague.

Senator Young?

Senator YOUNG. Thank you, Mr. Chairman. I want to thank my colleagues.

Senator Grassley is leaving the room right now, but I do want to point out that he has been a great advocate for his State's corn growers. And he told me he was going to vote for the semiconductor bill, if we could figure out a way to produce those semiconductors out of Iowa corn, all right? We have not done that yet, but, yes, sir.

You just affirmed that you believe in science, which I think is really important. I know you have a strong background in that area. And for me, that is really important as I consider whether or not to support your nomination and confirm you to this post.

USMCA, as you indicated, opens up all kinds of possibilities for our ag tech, including gene editing. Mexico has made all sorts of approval delays, and they really lack a science-based approach; at least they do not fulfill the expectations of my ag producers and my constituents. And this of course hurts our own ag community. So I am glad you are making that a top priority.

I also get the sense by some of your comments that you believe in trade. And to me that is pretty fundamental, in light of the position that you have been nominated for. Trade benefits consumers, our ag producers, our rural communities, and really it furthers our national security as well.

Do you agree with my last statement?

Mr. MCKALIP. Absolutely. I believe that national security and food security and trade are probably more closely aligned right now than they have been in my 30-year career, and maybe in an unprecedented manner.

Senator YOUNG. I am highly refreshed to hear that. I have held some hearings on this topic in the past, something I am very interested in, because it is indeed so important.

I would just publicly indicate that I have had some interactions, my office has had interactions with USTR—and you are not responsible for this, so I am not going to pull you into this, sir, but it is important to go on the record and say that there are staff members at USTR who work for Ambassador Tai who say that trade is not a national security issue. Nothing could be further from the truth, from my standpoint. You have just affirmed your belief, and I appreciate that, sir.

Along those lines, I think it is also important to understand that the administration, at least so far, has indicated they are not going to be pursuing a free trade agreement that has market access, or looking to renew Trade Promotion Authority that would give them the opportunity to negotiate new free trade agreements.

That undermines our national security, in my view, and we need to change that policy. And at a time of high inflation—let me see, inflation reached 10.4 percent in June for food—we ought to be thinking about negotiating with our counterparties, other countries, about increasing access for our producers to their markets, and vice versa. It can lower costs for consumers. It can help benefit our ag economy enormously.

So you have the skill set, the requisite skill set, sir, I think, to assist. But it is going to require a higher-level decision to pursue TPA and free trade agreements.

Now I will get into the questions. Despite U.S. ag exports to Korea reaching an all-time high in 2021, I agree with Ambassador Tai that there is still room to grow there. Do you share Ambassador Tai's commitment to improving the regulatory process for ag biotech in Korea, Mr. McKalip?

Mr. MCKALIP. Absolutely, Senator Young. Unfortunately, biotech has been a barrier to market access in many countries, not just in Asia, but around the globe. And you referenced genome editing earlier in your opening there.

This is a time to have that conversation, because what is happening with genome editing and the way it is being utilized essentially mimics what could be done in breeding in a greenhouse. So the risks are commensurate with that, which from a greenhouse perspective we have been doing that—we have had experience with that for hundreds of years.

So we need to work hard to make sure there are not unscientific barriers being put on our farmers' products that are being sent abroad.

Senator YOUNG. Very good. That was my follow-up. I appreciate it.

Recently the Director-General of the World Trade Organization suggested the idea of holding a members' retreat this September. And the idea here would be to find ways to rejuvenate ag negotiations which have been stalled for years.

If confirmed, should the U.S. be involved in the retreat? What do you believe are the main priorities to the United States with respect to the WTO's food security challenges?

Mr. MCKALIP. Yes. So looking at WTO, I think even before we start to dig in on specific tweaks or changes, getting the body to be more proactive, more responsive, and to act quicker with actual results, is really a key.

I have tremendous respect for Ambassador Pagán, who is our WTO person there. I would want to work very closely, if confirmed, with her to advocate for the farmer. I think farmers look at WTO, the ones I talk to—we used to have a tractor that had a throttle; it had a rabbit at the top, and it had a turtle at the bottom.

I think, you know, farmers are very impatient with the inaction. I think they look at WTO not quite as a turtle sometimes. So you know, there are some good outcomes from the recent meeting there. Ambassador Tai, Ambassador Pagán worked really hard to get some outcomes there. But we have to invigorate that body to get faster results, to get outcomes on behalf of farmers. And that is something I would like to work with the USTR team on.

Senator YOUNG. That sounds like a really important priority. So I will look forward to doing some good together, should you be confirmed, sir. Thank you.

The CHAIRMAN. I thank my colleague for his questions. And in particular, my colleague raising the point with respect to food and national security is absolutely key, because there is no question in my mind about the possibility of food being weaponized with the challenges that we are facing around the world. So I appreciated

that discussion between my colleague from Indiana and our nominee.

The Senator from Oklahoma has arrived. He might be out of breath, but whenever he is ready, he may go ahead.

Senator LANKFORD. Thank you very much, Mr. Chairman. I appreciate that, coming in from another hearing. The back and forth is always a joy—going back and forth.

Thanks for your service to the Nation already and working with USDA, but I have concerns on this, and I am just trying to figure out where this is going.

We have had the USTR here in this room multiple times. We have had Secretary Raimondo to be able to talk about trade negotiations and what is happening on the Commerce side, and the very clear message that we have heard over and over again is, “We are not going to do trade deals. The President has instructed us. We are not going to do trade deals.”

Now, the first year we were all asking questions about what are we going to do with the UK, what are we going to do in Asia, where are we expanding to? Every ag producer in my State—and I have a lot in my State of Oklahoma—asked me the same question. Well, two questions. When is it going to rain next? That is the first one. The second one is always, what is the new trade agreement that we’ve got working? What new country? We are overly dependent on China for soybeans. We are overly dependent on certain countries.

What new countries are we developing trade agreements with? And I hear from the Biden administration, we are not going to. We are kind of working on the edges of tweaking a few things.

So my biggest question for you is, what new trade agreements are we going to organize? And for you—you have worked on domestic policy—how are you prepared to be able to help work with countries to be able to go get new trade agreements? Because we need new places to send pork. We need new places to send beef. We need new places to send wheat. We need new places to send soybeans.

We’ve got great supply. There are customers that are out there. We are just not developing those relationships intentionally.

Mr. MCKALIP. Thank you, Senator Lankford. I really appreciate that question. And I cannot make it rain for your farmers in Oklahoma—

Senator LANKFORD. I can’t either, but that’s all right.

Mr. MCKALIP. But what I can do is make some rain in terms of trade access. And the farmers I have talked to in my 30-year career with USDA, I think the reason that they associate those three letters, FTA, or Free Trade Agreement, with market access is, they look back at past performance and what that has done for them.

My role as Chief Agricultural Negotiator will be to get them the kind of market access that they are expecting and that they need, regardless of what the title at the top of the document says.

I would not be taking this job, I would not be interested in it, if I did not think I could make a difference for farmers. So what they need, your ranchers, in terms of meat products, your farmers in terms of row crops—it is going to be incumbent upon me to deliver the kinds of results and to be an advocate within the system and abroad to make sure that, at the end of the day, things that

were not sent to these countries previously now have an opportunity there.

Quite frankly, we have had a few trade missions already this year. We just had one in the Philippines that completed. Really impressive opportunities are opening up there. I think this is a time when our farmers can really capitalize on sending things abroad in ways they haven't before. So I want to be their advocate—

Senator LANKFORD. Yes, there is no doubt this is a good time for us to be able to expand. Obviously what is happening worldwide when everyone is looking for reliable customers, the reason those letters, FTA, matter to them is because it is certainty. It outlives an administration. It is something consistent. We know what the trade policy is going to be. Congress has agreed to it. The American people have agreed to it. They can put supply chains in order. They can get delivery systems in order to be able to do it. And there is a consistency.

If it is only an executive agreement, it only lasts as long as that administration. And they have no idea if it is going to keep going. So why would you develop all of your systems to be able to ship to a certain country and all the relationships that need to be done, if you do not know if it is going to last longer than 2 years?

So it is important to get some kind of certainty. And my concern is that the administration is focused on executive agreements rather than lasting agreements. And farmers are looking for lasting agreements.

With that, what region, and what products are kind of first on your list? We have had first-on-the-lists that we thought were really ready; for instance, the UK is one of those areas. And they were primed and ready, saying, "Hey, we want to be able to make the deal on this." And we are just not seeing the effort being put into that.

There are lots of areas of Southeast Asia that are very interested in engaging with us in our agreements. There are other countries that are even looking at the latest agreement that we made 3 years ago, and saying, "We will take that deal," but we are not even trying at that point.

So who is first on the list?

Mr. MCKALIP. So I think we need to be absolutely—you mentioned the UK. I have flown over and met with my regulator counterparts there, and there are a lot of opportunities that are not far from being realized.

Senator LANKFORD. Right.

Mr. MCKALIP. And so we need to get there. Southeast Asia, for sure, is a big one. Latin America—and there are some areas in Africa as well that need to be a major focus for us.

And the agricultural commodities differ depending upon which of those areas that you are referring to. So I would want to make sure we have the boots on the ground and work on behalf of all of those to get some results as early as we can in the process.

With respect to IPEF, I think the ink is not dry regarding whether or not there are enforcement mechanisms in there, the kinds that your farmers want to see and expect. So it would be my responsibility and duty to advocate to get those kinds of commit-

ments for agriculture to have lasting power, certainly beyond a few years, or 8 years.

Senator LANKFORD. Well, I appreciate that. Mr. Chairman, I appreciate the conversation on this.

Let me just put this hat on and say to you, I am skeptical—and it is not you, because I do not know you well enough—but it took 18 months for the Biden administration to even put someone in this role, and they have been very vocal with us that they are not looking for free trade agreements.

And when they say they are not looking for a free trade agreement, and then take 18 months to even nominate someone to be able to deal with ag policy, our ag folks are really looking for results on this, and are not hopeful. And I know that is putting a lot on you as you are stepping into this, but showing some of those results and showing we can actually move from it “being nice if” to actually getting it done will be very hopeful and helpful to the folks in the ag community in my State.

So if you can check off the low-hanging fruit in the UK and in other places to show progress, and then go get some more deals done, that is going to be helpful to the country’s economy. So thank you.

The CHAIRMAN. We are waiting for potentially one or two more colleagues. I would just say to my friend from Oklahoma, you know this is a position that is going to concentrate solely on the question of agriculture and trade. And this is long overdue.

So, like my colleague, I want us to step up and deal with some of these issues. Before my colleague came, we were really pretty far down in the weeds in terms of agriculture policy. My constituents really want to know what can be done to make fertilizer more affordable and more accessible. And we talked about dairy and the like.

So we understand our colleague needs a strong trade policy. I want to make sure that we have both market access, and that we tap the potential for American farmers all over the world. We care deeply about everything from wheat, dairy, and the like. I also want to get somebody with our nominee’s experience and expertise honed over 30 years in this area, I want to get him in place now, and then hold him accountable around the kind of issues that I think my colleague and I agree on. And that is, our farmers are the best on the planet. Let’s just give them a level playing field. And that is what we are going to be working with our nominee on.

Let me just check with both sides. Do we have other members on their way?

Senator CRAPO. No.

The CHAIRMAN. Well, I will do a lengthy closing statement, and we will see what happens with others. No, I will be very brief.

The point, I would just say again to our nominee, Mr. McKalip, is we need a smart trade policy. And it is a trade policy that says from the get-go, from the day you show up, if you are confirmed—and I am going to be supporting you very strongly—you are going to be all-in on the fight to expand access to new markets. Because our farmers can compete with anybody all over the world, and we want to get a level playing field to get access to those markets.

As I indicated, market access and enforcing the rules, enforcing the law, is key. I come from a State that cares so much about market access. We have the geographical advantage with Asia. What we want to do is, we want to grow things. We want to make things. We want to add value to them. And then we want to ship them all over the world. And with the geographic advantage we have, this is an area where we have great opportunities, and a lot of these opportunities pay better than do the non-trade jobs because they have a higher value added.

So you have sent us the message today in a very strong and clear way that you are going to be all-in on the fight to expand access to markets, and also to enforce the rules. And we are going to have to mobilize some of our trading partners to do more as well, because too many of them in my view—I think perhaps waiting to see what would happen with this position—were waiting to see where we were headed in terms of agricultural trade. And I believe you are going to take us in a positive direction.

So let me just check with my friend from Idaho. Is there anything else you wanted to add?

Senator CRAPO. No; we are ready.

The CHAIRMAN. All right.

With that, we tell our nominee we thank you. We wish you well. I would also like to say to members with respect to our process for additional questions, the deadline for members to submit questions for the record will be tomorrow, Friday, July 29th, at 5 p.m. This is a firm deadline.

And with that, I thank our nominee, and the hearing is adjourned.

[Whereupon, at 11:30 a.m., the hearing was concluded.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF HON. MIKE CRAPO,
A U.S. SENATOR FROM IDAHO

Welcome, Mr. McKalip, and congratulations on your nomination. I took the opportunity to listen to your band BoxCartel. You're hitting the right notes there. With your trade policy experience, I hope that—if confirmed—you'll also hit the right notes on improving opportunities for our farmers and ranchers.

America's farmers continue to prove their resilience and productivity every day, and will keep doing so. But's it not easy. Americans are painfully aware that gas prices are up 42 percent from a year ago. What fewer people may know is that the price for diesel rose by an even greater margin—68 percent. This hits our farmers hard.

Back in March, a fourth-generation farmer in Meridian, ID explained that the cost of filling up his tractor had doubled in a year to \$800. However, one bright factor for America's farmers right now is exports, with sales of agricultural products overseas reaching \$177 billion in 2021. America's farmers sell more high-quality products to consumers around the world than ever before.

In Idaho, if we kept what our 24,000 farms produced within the State, each Idahoan would have to eat 209 slices of bread, 40 potatoes, 3 pounds of sugar, 2 pounds of cheese, 2 pounds of beef, and a cup of beans—every single day. Fortunately, Idaho's agricultural products also feed the Nation and the world, exporting one of every six rows of Idaho potatoes and 50 percent of Idaho's wheat.

Nationally, 1 in 3 acres planted in the United States will be exported. But we can sell even more. What is holding us back is, again, a misplaced Biden administration policy: a moratorium on new trade agreements, and limited enforcement of existing agreements.

The administration is crystal clear that it prefers to not pursue real trade agreements in favor of something it calls "frameworks," which lack crucial market access obligations. This is confusing, since market access is the main problem our farmers and ranchers face.

A lot of our potential trading partners maintain high agricultural tariffs and regulatory measures that are essentially a guise for protectionism. We need to tear them down. For example, India applies an average agricultural tariff of 36 percent. It also applies a number of non-science-based restrictions on U.S. agriculture, such as unreasonable GMO certifications on apples, potatoes, soybeans, wheat, and other crops.

If America wants to sell crops in India, these are exactly the types of issues that must be addressed. Moreover, the need to find new markets is particularly compelling, because we must diversify our customer base.

China is currently our largest agricultural export destination. But we need new markets to reduce our dependency and increase our leverage. Securing these markets will require more than frameworks where government officials can just talk. It requires binding commitments that ensure our farmers can sell. Put plainly, our farmers and ranchers deserve our trading partners' markets to be as open to our commerce as ours is to theirs. Hopefully, we can start a conversation today on how to apply our nominee's experience and talents toward that goal.

With that, I look forward to hearing the nominee's testimony and his responses to our questions. I also look forward to the nominee's next album when that comes out.

PREPARED STATEMENT OF DOUGLAS J. MCKALIP, NOMINATED TO BE CHIEF AGRICULTURAL NEGOTIATOR, UNITED STATES TRADE REPRESENTATIVE, EXECUTIVE OFFICE OF THE PRESIDENT

Chair Wyden, Ranking Member Crapo, and members of the committee, my name is Doug McKalip. I am honored to appear before you as the President's nominee for Chief Agricultural Negotiator for the Office of the United States Trade Representative. I am joined here today by my wife Debbie, our two children ages 17 and 19, and my mom Gloria, who shares the same rural roots in northwestern Pennsylvania as I do.

In a Federal career spanning nearly 3 decades, I have served in a wide range of capacities at the United States Department of Agriculture, which have built upon my rural roots, and positioned me to ensure that farmers and farm workers throughout the supply chain are successful and can advance rural economies. Most recently, I have served as Senior Advisor for Trade and National Security to the Secretary of Agriculture, Tom Vilsack. In this role, I have stood toe to toe and worked hand in hand with trading partners to ensure international market access for our products.

If confirmed to this position, I will build on this progress as Ambassador Tai and USTR aim to bring more U.S. goods to customers and markets around the world.

I would like highlight two initiatives that I worked on that underscore our commitment to our producers, farmers, and ranchers.

Recently, at USDA, I helped spearhead negotiations that led to greater market access in Mexico for U.S.-grown potatoes. This meant aligning our trade and regulatory experts to reach a successful outcome on a trade issue that was more than 10 years in the making. I am proud of the results and believe that we need to double down in our resolve to get similar tangible outcomes for our producers on a wide range of commodities.

This win was the result of close collaboration between USDA and USTR. It is vital for our agriculture industry and our producers that we maintain this partnership—and based on my history at USDA, I look forward to doing exactly that.

I have also been directly involved in negotiations with my Canadian counterparts on dairy policy. This experience has provided me a direct appreciation for the difficult steps and tenacity that we must exhibit to ensure that the promises of past trade agreements are realized. I know that many Americans have grown weary of trade and question whether the promises in various agreements will benefit their bottom line.

That is why Ambassador Tai has emphasized the importance of our trading partners following through on their commitments in bilateral and multilateral engagement. Earlier this month, we celebrated the second anniversary of the United States-Mexico-Canada Agreement's entry into force. If confirmed, I can assure members of this committee that utilizing full enforcement authority under USMCA and our other trade commitments and initiatives around the globe will be a top priority for me.

I also look forward to ensuring farmers and ranchers are front and center as USTR looks to strengthen our trade relationships, execute new initiatives, and address challenges like China. USTR initiatives such as the Indo-Pacific Economic Framework for Prosperity present an excellent opportunity to knock down regulatory barriers and help our producers expand exports. And as we all know, China has failed to live up to its commitments under the Phase One agreement. As Ambassador Tai works to realign the U.S.-China trade relationship and partners with allies to confront China's unfair trade policies, I will use my position as Chief Agricultural Negotiator to ensure American farmers and ranchers get a fair deal.

Additionally, farmers and ranchers in the U.S. need an advocate to help ensure they have affordable access to input materials they need to operate. These are times of tremendous opportunity in international trade. But if the bills that farmers have to pay for their inputs negate those gains, we will have missed that opportunity.

Finally, these are important times around the globe, and never before have food security and national security been as directly linked as they are today. It is vital that the Chief Agricultural Negotiator be on the job and be equipped to deal with all the facets of the challenges and opportunities ahead. I am uniquely qualified for the task ahead.

Congress is the executive branch's constitutional partner on trade. If confirmed, I look forward to close collaboration with this committee and Congress, since our strength in international trade depends upon our unity and strength here at home. I value the opinions and expertise of this committee and benefiting from our dialogue going forward.

I look forward to responding to questions that members of the committee might have. Thank you.

SENATE FINANCE COMMITTEE

STATEMENT OF INFORMATION REQUESTED OF NOMINEE

A. BIOGRAPHICAL INFORMATION

1. Name: Douglas James McKalip.
2. Position to which nominated: Chief Agricultural Negotiator, USTR.
3. Date of nomination: June 8, 2022.
4. Address:
5. Date and place of birth: January 8, 1971, Greenville, PA.
6. Marital status:
7. Names and ages of children:
8. Education (list all secondary and higher education institutions, dates attended, degree received, and date degree granted):
University of Pittsburgh (1989–1993); Bachelor of Arts, 1993.
The American University (1993–1995); Masters of Public Policy, 1995.
9. Employment record (list all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment for each job):
Senior Advisor to the Secretary of Agriculture (Trade, National Security, Animal and Plant Health); March 2021 to the present.
Senior Advisor, Biotechnology Regulatory Services, USDA–APHIS, October 2017 to March 2021.
Director, Bioengineered Food Disclosure and Acting Director, Country of Origin Labeling, USDA–AMS, September 2016 to October 2017.
Acting Chief of Staff, United States Department of Agriculture, August to September 2016.
Senior Advisor to the Secretary, Office of the Secretary, United States Department of Agriculture, March 2015 to September 2016.
Senior Policy Advisor for Rural Affairs, Domestic Policy Council, Executive Office of the President, the White House, February 2011 to March 2015 (Senior Executive, Level III).
Confidential Assistant to the Secretary, United States Department of Agriculture, February 2009 to March 2011 (GS–15).
Director of Legislative and Public Affairs, USDA Natural Resources Conservation Service, January 2001 to February 2009.

Legislative Specialist, USDA Natural Resources Conservation Service, June 1994 to January 2001.

White House Intern, January 1994 to June 1996.

Legislative Fellow, United States Senator Arlen Specter (R-PA) and the Senate Appropriations Committee, 1992.

10. Government experience (list any current and former advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments held since college, including dates, other than those listed above):

None.

11. Business relationships (list all current and former positions held as an officer, director, trustee, partner (*e.g.*, limited partner, non-voting, etc.), proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution):

None.

12. Memberships (list all current and former memberships, as well as any current and former offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations dating back to college, including dates for these memberships and offices):

President, Pi Sigma Alpha Honor Society, 1992–1993, University of Pittsburgh.

Licensed Marriage Officiate, District of Columbia (since 2004).

Member of country music band “BoxCartel” since 2010.

13. Political affiliations and activities:

- a. List all public offices for which you have been a candidate dating back to the age of 18.

None.

- b. List all memberships and offices held in and services rendered to all political parties or election committees, currently and during the last 10 years prior to the date of your nomination.

None.

- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years prior to the date of your nomination.

None

14. Honors and awards (list all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement received since the age of 18):

Executive Fellow, Harvard Kennedy School of Government, 2020.

Fellow, California Agricultural Leadership Foundation, DC Exchange, 2018.

Honoree, NRCS Chief’s Circle of Excellence Award, 2007 and 2005.

Graduate, Leadership for a Democratic Society, Federal Executive Institute, Charlottesville, VA, 2005.

Recipient, USDA Civil Rights Award (for expansion of Farm Bill conservation programs to Tribal lands), 2005.

Berg Fellow, Soil and Water Conservation Society, 1998.

Participant in the Student Council for U.S. Affairs (SCUSA) at the United States Military Academy, West Point, NY, 1991.

15. Published writings (list the titles, publishers, dates and hyperlinks (as applicable) of all books, articles, reports, blog posts, or other published materials you have written):

Co-author, “A Watershed Effort: The 20th Anniversary of the Watershed Rehabilitation Act.” Published by the Association of State Dam Safety Officials, 2021, https://damsafety-prod.s3.amazonaws.com/s3fs-public/Caldwell_Rehab%20Legislation%2020th%20Anniversary_1.

Author, "As Pittsburgh as They Come," *Pittsburgh Post Gazette* (2020), <https://www.post-gazette.com/opinion/Op-Ed/2020/12/21/The-Next-Page-Pittsburgh-Dave-Lander-Doug-McKalip-Pirates-game-baseball-Squiggy/stories/202012210080>.

16. Speeches (list all formal speeches and presentations (e.g., PowerPoint) you have delivered during the past 5 years which are on topics relevant to the position for which you have been nominated, including dates):

Advanced Bioeconomy Leadership Conference (Spring, 2022), https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=video&cd=&cad=ria&uact=8&ved=2ahUKEwilm8_4rez3AhUHqXIEHXAwwAyMQtwJ68AgKEAl&url=https%3A%2F%2Fvideo.ibm.com%2Frecorded%2F131531053&usg=AOvVaw1Ge0WgfbzVp42Rs7ag27mV.

Bio-Cyber Challenges, hosted by Colorado State (Fall, 2021), https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=video&cd=&cad=rja&uact=8&ved=2ahUKEwiG6aW_ruz3AhXNnnLEHXMGA1sQtwJ6BAgFEAl&url=https%3A%2F%2Fwww.youtube.com%2Fwatch%3Fv%3DUoXZ3xg3Qqw&usg=AOvVaw0k56ig1fSNOTksNH7feFU3.

17. Qualifications (state what, in your opinion, qualifies you to serve in the position to which you have been nominated):

I am a both well prepared and uniquely qualified to serve as Chief Agricultural Negotiator position for the United States Trade Representative. With almost 3 decades of experience in Federal agriculture policy, I have worked on all aspects of farm production—from soil conservation and seed technology up through the supply chain, with a specialty in international trade. My strength has always been getting to know and understand farmers, and advocating on behalf of U.S. farm products, which I have done on six continents. I have also repeatedly demonstrated an ability to find common ground and sort through difficult negotiations when opposing views arise.

I have experience serving at the highest levels of the Executive Office of the President and will be a strong advocate for agriculture trade within the White House organization. I have extensive contacts and friendships in farming around the country and will draw upon that strength to identify and realize gains for rural economies. I have extensive experience in farm conservation practices at a time when American farmers need an international advocate to demonstrate the sustainability, investments, and quality of U.S. food products. I also understand the historic opportunities and challenges presented by current geopolitical tensions and alliances and am equipped to ensure that the U.S. realizes its goals in times of adversity. If confirmed, I will serve as an effective and reliable advocate on behalf of the United States farmers around the globe.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections (including participation in future benefit arrangements) with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

Yes.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.

No.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No.

4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next presidential election, whichever is applicable?

Yes.

C. POTENTIAL CONFLICTS OF INTEREST

1. Indicate any current and former investments, obligations, liabilities, or other personal relationships, including spousal or family employment, which could in-

volve potential conflicts of interest in the position to which you have been nominated.

My spouse is a defense/intelligence contractor with the Office of the Director of National Intelligence under contract with Leidos Inc. I do not believe her employment in this capacity would present a conflict of interest.

2. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years (prior to the date of your nomination), whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None.

3. Describe any activity during the past 10 years (prior to the date of your nomination) in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal Government need not be listed.

None.

4. Explain how you will resolve any potential conflict of interest, including any that are disclosed by your responses to the above items. (Provide the committee with two copies of any trust or other agreements.)

None.

5. Two copies of written opinions should be provided directly to the committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

None.

D. LEGAL AND OTHER MATTERS

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency (*e.g.*, an Inspector General's office), professional association, disciplinary committee, or other ethics enforcement entity at any time? Have you ever been interviewed regarding your own conduct as part of any such inquiry or investigation? If so, provide details, regardless of the outcome.

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county, or municipal law, regulation, or ordinance, other than a minor traffic offense? Have you ever been interviewed regarding your own conduct as part of any such inquiry or investigation?

No.

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation?

No.

4. Have you ever been convicted (including pleas of guilty or *noto contendere*) of any criminal violation other than a minor traffic offense?

No.

5. Please advise the committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None.

E. TESTIFYING BEFORE CONGRESS

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

Yes.

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

Yes.

QUESTIONS SUBMITTED FOR THE RECORD TO DOUGLAS J. MCKALIP

QUESTIONS SUBMITTED BY HON. MIKE CRAPO

SPS RULES POTENTIAL FOR THE INDO-PACIFIC ECONOMIC FRAMEWORK (IPEF)

Question. Many of our trading partners maintain SPS measures which are ostensibly used to protect health, but are really just a form of disguised protectionism to keep out U.S. agricultural products. You helped address one such barrier, which was Mexico's restrictions on the importation of U.S. potatoes. I strongly believe that such safety measures must be supported by legitimate science.

With respect to IPEF, do you think it makes sense to pursue rules to ensure health and food safety measures that are based on science—like those found in the WTO SPS agreement?

Answer. Absolutely. If confirmed I will pursue high-standard commitments from IPEF partners to advance the implementation of science and risk-based agricultural policies, and improve transparency in the development of import rules and regulations.

Question. Such rules are enforceable under free trade agreements—but how do we make them enforceable in the context of this new “framework,” or executive agreement?

Answer. If confirmed, I would pursue elements in the IPEF trade pillar to include high-standard, science-based commitments on agriculture that promote U.S. competitiveness and inclusive prosperity. USTR expects to develop the enforcement framework for the trade pillar through discussions and robust engagement with Congress, stakeholders, and our foreign partners.

TRANSPARENCY AND CONGRESSIONAL CONSULTATION

Question. There is bipartisan concern that USTR is not adequately consulting with Congress on trade policy. That's particularly a shame when it comes to agricultural trade policy because Congress is very close to our farmers and ranchers. I believe we both agree that U.S. trade policy is strongest when Congress and the administration are working together.

To that end, do you agree Congress should see all administration proposals for binding trade obligations, before they are provided to our trading partners, so members can provide meaningful input?

Answer. I believe that the administration should share negotiating text with Congress before sharing it with outside stakeholders and trading partners.

In addition, in my 30-year career, I have been an effective advocate for America's farmers and ranchers. I recognize that having the voice of both the executive branch and the legislative branch unified on farm issues puts me in the best position to continue to get results for farmers and ranchers. Therefore, I would certainly plan to consult closely with Congress and solicit input that would inform my work.

CARBON TAXES

Question. Farmers are paying higher costs for a number of inputs including diesel fuel. The Biden administration wants the United States to be open to consideration of carbon border adjustment—or carbon tariffs. In fact, in a number of initiatives, the Biden administration urges “de-carbonization.”

Do you agree the administration should first analyze and share with Congress the potential impact of any carbon tariffs on our farmers and agricultural interests, before trying to advance any such tax initiative?

Answer. I understand the importance of close consultation with Congress including on any potential issues regarding carbon border tariffs and would consult with Congress on the impact to farmers and agricultural interests should USTR move forward with action related to carbon border tariffs.

USMCA AND BIOTECH APPROVALS

Question. You have a great deal of familiarity with the issues concerning biotech crops. American innovation helps our farmers achieve extraordinary productivity. However, a number of countries—including Mexico—are utilizing that very innovativeness as an excuse to restrict our products. In particular, Mexico has stopped approving U.S. biotech products. USMCA included rules to reduce barriers to U.S. biotech crops.

If confirmed, would you make market access for biotech crops into Mexico a priority?

Answer. If confirmed, I would prioritize Mexico returning to a science- and risk-based regulatory approval process for biotech products. I am familiar with the critical role of biotech products in helping U.S. farmers meet their sustainable production goals and in increasing crop yield and farm incomes. I would carefully consider strategy on Mexico's biotech policies, including looking at all the tools under the USMCA.

CHINA AND PHASE ONE AGREEMENT

Question. Earlier this year during a House Agriculture Committee hearing, Secretary Vilsack stated that China did not come through on several commitments it made under the Phase One agreement. Clearly, China has not met its purchasing commitments, but there are also questions about whether China met its structural commitments for agriculture, including reforming its agricultural biotech approval process.

If confirmed, will you prioritize Phase One enforcement, including the structural commitments?

Answer. I recognize that China is an important market for U.S. agriculture, and not just for the major commodities, but for a variety of U.S. food and agricultural producers. If confirmed, I intend to hold China accountable for its structural commitments in the Phase One agreement, including China's commitment to maintain transparent, predictable, science-based regulatory policies regarding agricultural biotechnology approvals.

I would intend to engage with China, as well as work with trading partners, to ensure that the terms of competition are fair with respect to agricultural trade. I also intend to work to expand and diversify the opportunities for U.S. agricultural producers to export their goods to reliable trading partners worldwide.

MEXICO POTATO ACCESS

Question. After 25 years in dispute, the U.S. potato industry had a positive breakthrough this past May, in shipping fresh potatoes to all of Mexico. Now that Mexico received what it wanted, I am concerned it may backslide its commitments for our potato exports. In fact, just last week, we saw the Mexican potato industry continue a legal battle to overturn this new access.

Will you commit to using every tool at USTR's disposal to ensure that U.S. potatoes maintain access to the Mexican market?

Answer. At USDA, I helped spearhead negotiations that led to expanded market access for U.S. fresh potatoes and, if confirmed, I would work with USDA to closely monitor developments in Mexico and use the appropriate tools to ensure there is transparent and predictable access for U.S. growers.

U.S.-CANADA DAIRY

Question. Canadian tariff-rate quotas (TRQs) for U.S. dairy products under USMCA have been a consistent point of frustration for U.S. dairy exporters who have been waiting to see the access promised under the agreement be fully realized. Now in addition to the first dispute, which the U.S. won, New Zealand has launched their own consultations on Canadian dairy TRQs under CPTPP, and the U.S. has launched a second set of consultations on the same issue under USMCA.

What are you going to do to make sure the second consultations on this matter result in improved access and actual outcomes for U.S. stakeholders?

How do you intend to ensure the first-ever dispute under USMCA—and U.S. win—is not lost in a cycle of consultations and disputes?

Answer. Having been directly involved in negotiations with Canadian officials on dairy policy, I share the frustration of U.S. dairy exporters that the market access for U.S. dairy products Canada committed to under the USMCA has been undermined by its allocation measures. If confirmed, I would strategically consider next steps to ensure Canada lives up to its USMCA commitments.

QUESTIONS SUBMITTED BY HON. MARK R. WARNER

Question. Here in Virginia, we are particularly proud of our poultry industry, which plays a pivotal role in the Commonwealth agricultural economy. Virginia is consistently a top-10 poultry producing State (9th in broilers and 6th in turkeys as of 2021).

The poultry industry in Virginia directly employs over 17,000 individuals and generates an additional 37,000 jobs in businesses supporting the industry. The industry also directly supports the livelihood of nearly 1,100 farm families. I know this industry is also incredibly important to many other State economies represented by members of this committee.

I have long sought to protect the interests of our poultry producers and expand market access for our producers overseas. In recent years, I worked with a large bipartisan coalition to help reopen the Chinese market for Virginia/U.S. poultry products after a multiyear bar that negatively impacted the industry. Now, with your help, I am hoping we can continue to expand market access for our poultry producers.

One area I would like to see improvement is our trade relationship with India, particularly as it relates to agriculture/poultry. As you know, our poultry growers face an almost insurmountable barrier to entry in India.

While India has signaled their willingness to accept trade on U.S. poultry products, it maintains a trade-restrictive tariff rate that effectively keeps U.S. poultry out of that market—despite not having a robust domestic turkey industry.

In this position, how would you work with India to reduce these barriers to entry and work to increase access and lower tariffs for U.S. food and agricultural products—particularly poultry?

Will you commit to prioritizing U.S. poultry in conversations/negotiations within USTR and with your Indian counterparts?

Answer. In November 2021, Ambassador Tai and Indian Trade Minister Goyal relaunched the United States-India Trade Policy Forum (TPF), with a view to advancing the goal, announced by both presidents to “develop an ambitious, shared vision for the future of the trade relationship.” The Ministers underlined the significance of the TPF in forging robust bilateral trade ties and enhancing the bilateral economic relationship to benefit working people in both countries. They agreed that reconvening the TPF and regular engagement under the forum would help in addressing outstanding bilateral trade concerns and allow the two countries to explore important, emerging trade policy issues. Since that time, USTR has continued to raise agricultural market access issues through the TPF and in other bilateral engagement. If confirmed as Chief Agricultural Negotiator at USTR, I intend to engage with India through the TPF, the WTO, and other forums, to improve agricultural market access for U.S. poultry and other products, including through the reduction of applied tariffs.

QUESTIONS SUBMITTED BY HON. BEN SASSE

Question. In January 2020, the U.S. and China signed the Phase One trade deal. Since then, China has fallen well short of its commitments, including those in the ag sector. What actions should the administration take to hold China accountable to its commitments?

Answer. I recognize that China fell short of meeting its Phase One purchase commitments. I also believe that an overreliance on the China market, given China’s use of economic coercion, often targeted at agricultural products, can threaten the livelihoods of U.S. agricultural producers. If confirmed as Chief Agricultural Negotiator, I intend to engage with China as well as work with other trading partners to ensure that the terms of competition are fair with respect to agricultural trade.

I also intend to work to expand and diversify the opportunities for U.S. agricultural producers to export their goods to reliable trading partners worldwide.

Question. Phase One of the U.S.-China trade deal also requires China to provide more transparency in the area of meat trade. How successful has the U.S. been in enforcing this requirement?

Answer. If confirmed as Chief Agricultural Negotiator, I intend to hold China accountable for its structural commitments in the Phase One agreement, including those related to the trade in meat and meat products, where transparency has been lacking.

Question. The EU is pursuing a European Green Deal that could significantly increase barriers for U.S. exports. A USDA analysis also found that these EU actions could reduce food production and increase global food prices. What concrete steps should the administration take to counter these EU actions in order to preserve U.S. ag export access to EU markets?

Answer. If confirmed, I will work with my EU counterpart to advocate for U.S. agriculture and to bridge any issues that may appear during the EU's implementation of their Green Deal. Many of our farmers and ranchers have taken steps to lower their carbon footprint and increase sustainability and, if confirmed, I will work to ensure our trade negotiations seek to give them credit for these actions.

Question. Which countries would you prioritize with regard to reaching new trade agreements?

Answer. As I mentioned during my hearing, the Indo-Pacific region provides tremendous opportunity for our farmers and ranchers. If confirmed, I would work to ensure the Indo-Pacific Economic Framework (IPEF) increases export opportunities for our farmers and ranchers by knocking down barriers and establishing clear and fair rules for our exporters.

Question. Establishing a trade deal with Kenya could create a model for future agreements in Africa and create additional markets for U.S. ag products. What is the status of negotiations with Kenya on a new trade agreement?

Answer. On July 14, 2022, USTR announced the launch of the U.S.-Kenya Strategic Trade and Investment Partnership (STIP). Ambassador Tai and Kenyan Cabinet Secretary Maina agreed that their governments will pursue enhanced engagement leading to high-standard commitments in a wide range of areas with a view to increasing investment; promoting sustainable and inclusive economic growth, benefiting workers, consumers, and businesses; and supporting African regional economic integration. If confirmed, I will work with our farmers and ranchers to make sure their interests are served by this initiative.

Question. The USTR has been actively engaging with the UK on a number of trade issues and the USDA recently concluded a trade mission there. However, a number of tariff and non-tariff trade barriers remain, including those affecting beef and pork. Will you work toward persuading the UK to adhere to Codex and other international production standards?

Answer. As a food import-dependent country, the UK has an opportunity to enhance its food security by adopting international, science-based standards that facilitate the trade and import of agricultural products. If confirmed, I will take every opportunity to encourage our UK colleagues to adopt science-based policies and, where possible, consider unilateral tariff reductions for non-sensitive products, to facilitate U.S. agricultural exports and increase our bilateral trade.

BIOTECH

Question. How best can the U.S. promote a science-based approach to harmonizing biotechnology in ag trade?

Answer. I am committed to working together with our trading partners and international allies to uphold science- and risk-based, transparent, and predictable policies that support commercialization and trade of innovative biotechnology products that enable sustainable agriculture; provide new tools to farmers to address drought, diseases, and pests; reduce food loss and waste; and supply consumers with healthier and more sustainable products. I fully intend to engage with U.S. trading partners to ensure that they fulfill their trade obligations and address issues that affect the commercialization of agricultural biotechnology products. At the same time, I intend to work with like-minded countries to ensure consumers and pro-

ducers have access to accurate information on the safety of agricultural biotechnology products.

THAILAND PORK BARRIERS

Question. Thailand has put in place trade barriers that constitute a de facto ban on U.S. pork exports to the country. These barriers include a ractopamine ban, restrictions on uncooked pork products and offal, and permit refusals. How do you plan to address the access of U.S. pork to the Thailand market?

Answer. The United States already removed approximately one third of Thailand's GSP benefits at the end of 2020 due to Thailand's failure to provide equitable and reasonable market access for U.S. pork. I pledge to work tirelessly to remove Thailand's multiple restrictions on the importation of U.S. pork, and to advocate that the import requirements that U.S. producers face in Thailand and around the globe be based on science and risk, minimally burdensome, and consistent with our trading partners' WTO obligations.

QUESTIONS SUBMITTED BY HON. RON WYDEN

AG TRADE AND INNOVATION

Question. Oregon farmers grow and ship the best ag products in the world—from blueberries to wheat to alfalfa—that make their way into supermarkets and onto tables everywhere from Canada to China. Access to the latest innovations and best practices on everything from biotech to soil conservation makes our farmers and ranchers back home the best and most productive in the world.

This same technology and innovation has, unfortunately, become a quick and easy target for foreign regulators trying to protect their domestic producers from U.S. competition. For instance, our trading partners in Mexico, the EU, and China have a long history of dragging their feet on approving products of biotechnology.

If confirmed, how will you ensure U.S. innovations are not used against our farmers? How will you ensure these regulatory barriers do not prevent our exports?

Answer. I agree this is a major issue and pushing our trading partners to eliminate unfair regulatory barriers will be a top priority for me. If confirmed, I will promote production practices that support U.S. farmers and workers, including through provisions in U.S. trade agreements. I fully intend to engage with China, Mexico, the EU, and others to ensure that U.S. trading partners fulfill their international trade obligations and address issues that affect the commercialization of agricultural biotechnology products.

MARKET ACCESS

Question. As previously mentioned, Oregon's farmers and ranchers grow the world's best products. If confirmed, you'll be tasked with identifying and eliminating any barriers that block these world-renowned products from markets abroad.

In some cases, those barriers might be tariffs. But, more often than not, our farmers and ranchers are shut out of foreign markets by regulation and red tape. These are things like SPS measures, technical standards, and bureaucratic customs procedures. They might sound innocent enough, but they inflict real pain on U.S. exporters.

This administration has announced a range of new and innovative trade initiatives in big, bustling markets—like the Indo-Pacific—that aim to bulldoze non-tariff barriers to trade for U.S. farmers and ranchers.

If confirmed, how will you ensure that these efforts produce real, tangible benefits for the potato farmer in Malheur County, the wheat farmer in Umatilla County, or the mid-Willamette Valley farmers growing berries and grass seed?

Answer. If confirmed, I will seek tangible results for U.S. agricultural producers. Within the trade pillar of the Indo-Pacific Economic Framework (IPEF), I would encourage our trading partners to implement science-based measures and eliminate non-tariff barriers that prevent American producers from accessing markets in the region, where demand for U.S. food and agricultural products is rapidly increasing.

QUESTIONS SUBMITTED BY HON. MARIA CANTWELL

Question. The administration has told us that the Indo-Pacific Economic Framework will not have enforcement mechanisms, which will make it harder to ensure foreign markets are open to American exports. I'm not sure of the value of principles or frameworks if at the end of the day you don't have binding commitments to provide preferred access between trading partners. I fought for enforceable labor rights in USMCA and intellectual property rights in the Korea-U.S. free trade agreement. Importantly, trade agreements allow agriculture in my State—whether apples, fish, French fries, or wheat—to be exported across the globe. Similarly, as you noted in your opening statement, China is not living up to its commitments made in the Phase One agreement.

What specific steps do you believe the United States—and USTR specifically—should take, first, in the context of IPEF, and second, with regard to Phase One, to ensure American agricultural products do not face barriers to market access and are well positioned in the global marketplace?

Answer. In the context of the Indo-Pacific Economic Framework (IPEF), USTR expects to develop the enforcement framework for the trade pillar through discussions and robust engagement with Congress, stakeholders, and our foreign partners. To better position U.S. producers in the Indo-Pacific region, USTR is seeking high-standard agricultural commitments from IPEF members to advance the implementation of science-based policies and improve transparency in the development of import rules and regulations. If confirmed as Chief Agricultural Negotiator, I would work to reduce longstanding impediments to safe, wholesome U.S. agricultural products, and thereby increase market access in China and the Indo-Pacific for U.S. farmers, ranchers, and producers. I would also work to enforce existing trade agreements, using all available tools.

INDIA APPLES

Question. Washington apple exports to India have declined quickly after India placed retaliatory tariffs on the product in June 2019, declining from a \$120 million market in 2018 to \$21 million in 2021. Right now, India is increasing apple imports from Iran, Chile and Turkey, markets that do not have high labor and environmental standards. This is directly impacting apple growers in Washington State who have seen exports to India drop.

I believe this is another reason we need to work to get the retaliatory tariffs dropped. We need to be focusing on reopening and making gains in huge markets like India.

What does the U.S. need to do to get India to eliminate its retaliatory tariffs against U.S. producers? Don't you agree that eliminating these tariffs should be USTR's focus?

Answer. I appreciate you raising India's retaliatory tariffs on apples. In November 2021, Ambassador Tai and Indian Trade Minister Goyal relaunched the United States-India Trade Policy Forum (TPF), with a view to advancing the goal, announced by both presidents to “develop an ambitious, shared vision for the future of the trade relationship.” The Ministers underlined the significance of the TPF in forging robust bilateral trade ties and enhancing the bilateral economic relationship to benefit working people in both countries. They agreed that reconvening the TPF and regular engagement under the forum would help in addressing outstanding bilateral trade concerns and allow the two countries to explore important, emerging trade policy issues. Since that time, USTR has continued to raise agricultural market access issues, including tariff reductions through the TPF and in other bilateral engagement. If confirmed as Chief Agricultural Negotiator, I intend to engage with India through the TPF, the WTO, and other fora to improve agricultural market access for U.S. apples and other products, including through the reduction of applied tariffs.

Question. I understand that apples will be a topic in side discussions at the regional trade meetings in the fall.

What steps need to be taken at this meeting to improve market access in India?

If confirmed to serve as Chief Agricultural Negotiator for USTR, can you commit to working on ways to reduce or eliminate tariffs to improve market access for apples in India?

Answer. In November 2021, Ambassador Tai and Indian Trade Minister Goyal relaunched the United States-India Trade Policy Forum, with a view to advancing the goal, announced by both presidents to “develop an ambitious, shared vision for the future of the trade relationship.” The Ministers underlined the significance of the TPF in forging robust bilateral trade ties and enhancing the bilateral economic relationship to benefit working people in both countries. They agreed that reconvening the TPF and regular engagement under the forum would help in addressing outstanding bilateral trade concerns and allow the two countries to explore important, emerging trade policy issues. Since that time, USTR has continued to raise agricultural market access issues, including tariff reductions through the TPF and in other bilateral engagement. If confirmed as Chief Agricultural Negotiator, I intend to engage with India through the TPF, the WTO, and other fora to improve agricultural market access for U.S. apples and other products, including through the reduction of applied tariffs.

Question. I know it is not your decision, but as someone focused on increasing trade in agriculture, I know the farmers in my State, and I am fairly sure farmers across America, want to get rid of the policies that have led to tariffs that are hurting them.

Can you commit to me that in this new position, when you are in the discussions within USTR, with the Department of Agriculture, and across the administration, you will advocate for U.S. farmers with regard to the elimination of tariffs?

Answer. If confirmed, I will advocate for farmers, ranchers, fishermen, and agricultural producers, just as I have done in my lengthy civil service career. Current food security challenges have shed a new light on importance of agricultural trade to ensure access to safe and affordable food worldwide. If confirmed as Chief Agricultural Negotiator, I intend to advocate for the removal of trade barriers to help U.S. farmers supply food and agricultural commodities to meet demand all over the world.

Question. Exports by the Washington State dairy industry have grown to \$627 million in 2021, including about \$300 million to Southeast Asia. Washington State dairy producers have grown exports markets despite international competitors increasing their market access through new trade agreements. This has been particularly true in Southeast Asia and the United Kingdom, where domestic dairy consumption is supported by imported dairy products. We need to secure more access in markets that are in demand of dairy products.

If you are confirmed to serve as the Chief Agricultural Trade Negotiator at the Office of the United States Trade Representative, how you will work with Ambassador Tai and your colleagues to target markets that are in demand of dairy products and reduce trade barriers that impede Washington State dairy exports in these demand markets?

Answer. If confirmed, I will use all of the tools in our toolbox to ensure that U.S. agricultural exporters, including dairy exporters, can access markets around the world. I intend to address foreign barriers to U.S. agricultural exports through existing agreements, and in ongoing and future initiatives to reach trade-facilitating agreements with trading partners. This includes negotiations under the Indo-Pacific Economic Framework to establish science- and risk-based disciplines to help facilitate U.S. agricultural exports. At the same time, I intend to hold trading partners accountable to their international commitments and ensure U.S. dairy exporters can continue supplying the growing demand for U.S. dairy products around the world.

Question. Like numerous other agricultural products, U.S. wine exports continue to face retaliatory tariffs in critical markets like China. At the same time, foreign competitors are expanding market access in other top markets around the world through free trade agreements. The United Kingdom is a good example where U.S. wine producers have seen great success, wine is the number one US agricultural export to the UK. However, U.S. wineries lack the same market access as many competitors and face significant challenges growing their market share as a result.

In the absence of an FTA, how will the Biden administration expand UK market access for highly value-added specialty crops like wine so that U.S. producers can build on their success there?

Answer. If confirmed, I will engage with my UK counterparts to identify opportunities to deepen our bilateral trade ties, particularly for products like wine for which there is clear demand in the UK for access to American-made products.

WWTG

Question. The U.S. just recently assumed the chairmanship of the World Wine Trade Group (WWTG), a unique, treaty-level organization that works to expand export opportunities and reduce trade barriers for U.S. wine exporters. For many years, USTR's Office of Agricultural Affairs has led the U.S. Government delegation to the WWTG and as chair will be in a position to advance key priorities during the U.S. chairmanship.

What priorities will you focus on during your time as Chair of the WWTG?

Answer. For over 20 years after the establishment of the WWTG in 1998, the group focused on concluding agreements among the members. If confirmed, I would focus on tapping into the deep technical and trade policy expertise and strong relationships in the group to coordinate on tackling trade barriers in third-country markets.

QUESTIONS SUBMITTED BY HON. ROBERT P. CASEY, JR.

Question. As you know, the WTO's 12th ministerial conference just concluded with agreement on many of the issues that were before the body. One area that members did not reach a substantive agreement on is agriculture. We both know that when WTO members break the rules with outsized agricultural subsidies, it crowds out small farmers and threatens the food security of less developed countries. Farm workers right here in the United States and across the globe are often the victims.

Could you please describe your approach to future WTO negotiations on agricultural subsidies and how that strategy will support agricultural workers here at home?

Answer. If confirmed, I intend to pursue agricultural negotiations in the WTO to reflect current challenges, and to seek ways to encourage members to recommit to adherence to a rules-based system, as well as transparency, which is essential and fundamental for creating and strengthening resiliency in global agricultural markets and achieving food security.

Question. Our home State of Pennsylvania ranks seventh in the Nation in total milk production. In fact, the dairy industry in Pennsylvania supports nearly 52,000 jobs and contributes \$14.7 billion to the State's economy. Trade plays a big role in demand for Pennsylvania's high-quality dairy products. Our trade relationship with the European Union (EU) as it regards dairy is becoming increasingly imbalanced, with the United States importing more than \$2 billion worth of dairy products from the EU last year while U.S. farmers have difficulty accessing their market.

How can we better tackle our trade relationship with the EU to create a more level playing field for dairy farmers here in the United States?

Answer. If confirmed, I intend to build trust and facilitate needed dialogue on various agricultural issues and utilize every opportunity for our two sides to begin exploring ways to strengthen our trade relationship, remove unjustified trade barriers, and level the playing field for all our farmers, including for U.S. dairy farmers.

Question. Plant and animal diseases are a significant risk to both the U.S. and global food system. New pathogens like tar spot, which was first found in Pennsylvania in 2020, present significant risks to agricultural yields. This year, Indonesia has been suffering a major outbreak of foot-and-mouth disease, estimated to cause an annual loss of \$1.37 billion to the Indonesian economy.

How will you work to ensure that U.S. trade policy incorporates provisions to protect the United States against plant and animal pathogens, especially those that are zoonotic, while balancing the interests of American farmers and ranchers?

Answer. Science-based SPS measures protect people, animals and plants. If confirmed, I will support the development and implementation of SPS measures that are necessary to protect the United States, and I will support the inclusion and enforcement of robust SPS provisions in our trade agreements. At the same time, I will work to identify and remove SPS measures implemented by our trading partners that are discriminatory, unduly burdensome, or not based on scientific evidence.

Question. The number of people affected by hunger rose in 2021 to 828 million, an increase of about 150 million since 2019.

How will you work to negotiate agreements that address rather than exacerbate this unprecedented global food security crisis?

Answer. The United States is in a position of strength as a major agricultural producer to address the current challenges facing global food security. If confirmed as Chief Agricultural Negotiator, I would be front and center advocating for maintaining strong, rules-based and open markets that provide consumers and producers the needed predictability in these uncertain times, and allow us to tackle any food security challenges in the future.

Question. Fraudulent imported organic products not only affect our country's trade integrity, but they have the potential to harm overall consumer confidence in U.S. grown organic products. Additionally, when fraudulent imported organic products enter our domestic market, U.S. farmers struggle to remain competitive if offering higher-quality, higher-priced U.S. certified products.

How will you work to ensure there is stronger oversight for fraudulent imported organic products? What steps will you be taking to enhance and strengthen organic equivalency agreements, so that U.S. consumers can be confident they are purchasing high-quality organic products equivalent to domestic products?

Answer. I share your concerns regarding the impact of fraudulent imported organic products on the U.S. organics industry. If confirmed, I will work with USDA to explore ways to develop improved organic agreements to uphold the integrity of high U.S. organic standards, including for imported products.

Question. For decades, the United States led the world in the production and promotion of organic agriculture and products. More recently, however, our investment in organic production, research, and promotion has lagged, whereas the EU's investment has dramatically increased.

What investments and strategies would you suggest here to keep the U.S. competitive on organic?

Answer. If confirmed, I intend to work with USDA to identify ways to keep the U.S. competitive, level the playing field for trade in U.S. organic food and agricultural products, and uphold the integrity of high U.S. organic standards, including for imported products.

QUESTIONS SUBMITTED BY HON. JOHN BARRASSO

VITAL ROLE OF AGRICULTURE IN TRADE

Question. The role of Chief Agricultural Negotiator is critically important for farmers and ranchers across the country and in my home State of Wyoming. Wyoming produces some of the highest quality beef, barley, lamb/wool and sugar beets in the world. And our producers are eager to expand to new international markets.

Unsurprisingly, Wyoming's farmers and ranchers aren't impressed with this administration's lack of focus or clear direction on trade policy. We are 18 months into the Biden presidency and we are only now considering your nomination for this critical role. China continues to aggressively pursue new trade agreements while America sits on the sidelines. This is a mistake and one I hope you'll help correct if you're confirmed.

In your testimony, you noted USTR's "aim to bring more U.S. goods to customers and markets around the world."

Can you explain how USTR will accomplish this without aggressively pursuing traditional bilateral or multilateral trade agreements?

And do you think free trade agreements still have an important role to play for American Agriculture?

Answer. If confirmed, I will advocate for the use of all available tools in our toolbox, as well as potential new tools, to ensure that U.S. agricultural stakeholders, including Wyoming farmers and ranchers, can access markets around the world. I intend to advocate for U.S. farmers, ranchers, and food producers by addressing any unjustified barriers to agricultural exports, through the use of bilateral and multilateral consultative mechanisms provided for in our existing FTAs, Trade and Investment Framework Agreements (TIFAs), and multilateral forums, including the WTO, to hold trading partners accountable to their international commitments and

ensure U.S. producers can continue supplying growing demand for various U.S. agricultural products around the world.

CHINA

Question. I believe we need to move quickly to reassert American global influence and strengthen our economic and national security ties with our allies. Agriculture trade has a big role to play in this effort. While the administration continues to ponder what a worker-centric trade policy looks like, China is running circles around us. They are signing trade deals as quickly as they can. They are expanding their global footprint and asserting economic influence in all corners of the globe.

How can the U.S. use agriculture exports to counter Chinese influence and strengthen economic ties with our allies?

Can we successfully counter China if we fail to secure additional market access commitments for U.S. producers?

Answer. The United States produces the world's best quality agricultural products at competitive prices, and trading partners have come to depend on the reliability of U.S. agricultural exports to feed a growing global population. As a result, U.S. food and agricultural producers have created powerful linkages with other countries, and this helps to promote the U.S. role as the global economic partner of choice and blunt China's efforts to expand its influence through economic coercion and other means. If confirmed, I intend to create and expand export opportunities for U.S. producers and workers in ways that sustain the United States' position in global agricultural markets and counter efforts to advance non-science-based or coercive approaches to agricultural trade.

MARKET ACCESS

Question. Earlier this month, I joined with several Senators on a letter asking you to prioritize and include market access commitments in U.S. trade discussions. I've discussed my concerns with this administration's lack of focus on market access in previous business before this committee. Instead of debating new trade deals, Congress has been left to decipher the Indo-Pacific Economic Framework. The framework fails to provide market access or increase market share for U.S. producers.

If confirmed, will you prioritize and include market access commitments in your work as Chief Ag Negotiator?

Answer. If confirmed as Chief Agricultural Negotiator, I am committed to opening markets and increasing market access for U.S. agricultural products around the world and remaining in close consultation with members of Congress during my tenure. In particular, I will seek to utilize the Indo-Pacific Economic Framework (IPEF) negotiations to seek high-standard commitments from IPEF partners and knock down barriers to secure tangible benefits for U.S. farmers, ranchers, and producers.

AGRICULTURE AND INFLATION

Question. Wyoming's agriculture producers are struggling with a number of challenges: skyrocketing inflation, unaffordable energy/fuel prices, labor shortages, broken supply chains, fertilizer shortages, prolonged drought, and recession.

Despite these challenges, Wyoming's hardworking farmers and ranchers continue fighting to put food on our tables—but many are wondering just how much longer they can hang on. You noted in your testimony how critical it is to ensure U.S. producers have affordable access to input materials they need to operate.

What happens to our agriculture producers if input prices continue to rise—if we don't get the price of energy (gas/diesel) down?

And what impact will a prolonged recession have on American agriculture, both at home and in the global marketplace?

Answer. The supply chain disruptions that have led to the significant rise in input and commodity prices demonstrate the need for long-term investment to rebuild a resilient, secure, and sustainable economy. I understand the importance of keeping input costs low so our Nation's farmers and ranchers can compete globally. If confirmed, I see my role as ensuring farmers and ranchers have a strong voice within the administration that is advocating to reduce the input costs that hurt their bottom line.

SUGAR

Question. The current world sugar market has incredible challenges, including trade distorting practices. It is more important than ever that the United States maintain sugar policies that stabilize the economic environment U.S. producers of sugar.

If confirmed, will you work with your counterparts at the U.S. Department of Agriculture to prevent excessive importations of foreign sugar and unnecessary foreign access to domestic sugar markets?

Can you describe, in detail, the decision-making process across USTR and the U.S. Department of Agriculture respect to sugar importation decisions?

Answer. If confirmed, I will work closely with the U.S. Department of Agriculture to support and defend the U.S. sugar program, including with respect to sugar imports, as prescribed in U.S. farm bills enacted by the U.S. Congress.

For U.S. sugar imports through WTO tariff-rate quotas (TRQs), USDA has the authority to set TRQ quantities, in accordance with U.S. Farm Bills, while USTR has the authority to determine country-specific allocations for the TRQs. For sugar imports through TRQs established under U.S. preferential trade agreements, U.S. sugar imports are permitted to enter in quantities determined according to the terms specified in the individual agreements, as implemented in U.S. law. USTR annually announces its determinations regarding the quantities permitted under the preferential trade agreement sugar TRQs in a Federal Register notice.

SCIENCE-BASED STANDARDS FOR TRADE

Question. U.S. cattle are raised on family-owned farms, ranches, and feedlots—not factories. In fact, 91 percent of operations are family-owned and 80 percent of feed yards are family-operated. The U.S. cattle industry prioritizes animal health and welfare through industry-wide participation in the Beef Quality Assurance (BQA) program. Over 85 percent of the cattle produced in the United States are produced by BQA-certified producers at each segment of production (cow-calf, stocker, feedlots, transportation). BQA prioritizes low-stress animal handling techniques, proper care for livestock, and improvements in biosecurity plans, among other things.

The United States has some of the highest animal health and food safety standards in the world. The World Organization for Animal Health designated the United States as “negligible risk” for bovine spongiform encephalopathy (BSE). Antimicrobials are only used to treat sick cattle, and are done so in compliance with U.S. Government standards. Likewise, commonly used technologies such as hormones and beta agonists are FDA-approved technologies that are carefully applied with scientific precision and with the best interest of livestock and the consumer in mind.

Some countries use non-science based restrictions on production methods and technologies as protectionist measures to restrict U.S. beef access.

If confirmed will you work with the USDA to continue to advocate for science-based standards in trade, especially in our trade agreements and in international forums like Codex Alimentarius and the World Organization for Animal Health where the European Union, China, and Russia continue to undermine science-based standards?

Answer. Farmers and ranchers in the United States and around the world rely on access to safe tools and technologies to feed a growing global population. If confirmed, I will enforce the SPS provisions of our trade agreements and work with USDA and other Agencies to promote the development of international SPS standards that are science- and risk-based. I will also encourage our trading partners to adopt science- and risk-based SPS measures.

 QUESTIONS SUBMITTED BY HON. SHERROD BROWN

Question. Agriculture supports over 1.5 million jobs and nearly \$75 million in wages in Ohio. In 2021, Ohio exported more than \$4.5 billion in agricultural products, led by our top commodities: soybeans and corn.

A quarter of U.S. agricultural exports go to China, a country that imposes regulations with no transparency, cheats our trade laws, fails time and again to honor its

trade commitments, and continues to weaponize agricultural imports in response to our domestic trade enforcement policy.

Our farmers deserve better than to be used as a geopolitical football, left to the whim of the Chinese Communist Party's import controls. We must diversify our trading partners for agricultural products and ensure those markets can offer reliability and sustainability.

As USTR engages with new agricultural trading partners in Asia, Europe, and Africa, how would you incorporate the agricultural provisions of strong trade agreements like USMCA into those negotiations to stand up for Ohio farmers?

Answer. If confirmed as Chief Agricultural Negotiator, I intend to stand up for U.S. agriculture, including for Ohio farmers. I will seek high-standard commitments on agriculture in the Indo-Pacific Economic Framework (IPEF), and in other trade negotiations with trading partners in other regions, in order to increase market access by eliminating barriers to U.S. agricultural exports.

Question. Ohio is fifth in the Nation in the number of certified organic operations and our farmers can beat any overseas producer in a fair competition—but unfortunately organic certifiers in other countries don't always hold their products to the same standards as the U.S.

USTR can help by improving the enforceability of our trade agreements. Some have proposed better information sharing between trading partners about other countries' dishonest organic certification practices.

Could you comment on this idea or other ways that our trade agreements could be improved to enable the effective enforcement of equivalent organic standards?

Answer. I share your concerns regarding the impact of fraudulent imported organic products on the U.S. organics industry. If confirmed, I will work with USDA to explore ways to further improve organic equivalence agreements that hold imported organic products to equivalent high standards found in the United States, and use all other available tools under other trade agreements to further support our high-quality organic exports.

Question. This committee has held several hearings that touched on the Indo-Pacific Economic Framework. As I've said before, we want a worker-centered trade approach that creates good jobs, that raises wages, that rebuilds our industrial base, that protects workers' health and safety, and our planet, and that improves labor rights worldwide.

We want to make sure our agricultural products are not held hostage as leverage when we try to hold countries accountable and enforce our trade laws. Could you discuss the role you'd have as USTR's Chief Agricultural Negotiator in ensuring this framework benefits Ohio farmers?

Answer. If confirmed as Chief Agricultural Negotiator, I am committed to advancing the Biden administration's worker-centered trade policy and working in close consultation with Congress to pursue an Indo-Pacific Economic Framework (IPEF) that benefits American agricultural producers. Agriculture will be an integral component of IPEF's trade pillar, and developed in a way that creates economically meaningful, equitable, and durable market access for American producers across the United States, including those in Ohio.

Question. The growing agricultural bioeconomy is adding more sustainable jobs in rural communities and enabling the production of new crop-based chemicals and materials. Ohio is a leader in this emerging area, but U.S. competitiveness lags behind competitors in Europe and Asia.

As USTR's Chief Agricultural Negotiator, how would you improve U.S. farmers' competitiveness in the global bioeconomy?

Answer. I am committed to working together with our trading partners and international allies to uphold science- and risk-based, transparent, and predictable policies that support commercialization and trade of innovative biotechnology products that enable sustainable agriculture; provide new tools to farmers to address drought, diseases, and pests; reduce food loss and waste; and supply consumers with healthier and more sustainable products. If confirmed, I intend to engage with U.S. trading partners to ensure that they fulfill their international trade obligations and address issues that affect the commercialization of agricultural biotechnology products.

QUESTIONS SUBMITTED BY HON. STEVE DAINES

Question. If confirmed, how will you prioritize increasing market access for U.S. farmers and ranchers and are there particular markets you view as key prospects for new trade agreements?

Answer. If confirmed, I would be front and center advocating for maintaining strong, rules-based and open markets, addressing any barriers to agricultural exports through the enforcement of existing agreements, and holding trading partners accountable to their international commitments. I would also advocate for the use of all the tools in our toolbox to ensure that U.S. agricultural stakeholders can access markets around the world. I also believe IPEF presents a great opportunity to expand exports for farmers and ranchers into the Indo-Pacific region.

Question. As you know, since the onset of Russia's invasion of Ukraine, there has been substantial volatility in both commodity and input prices which has increased uncertainty in the markets as well as brought about a humanitarian crisis.

If confirmed, how would you work to help mitigate the impact of Russia's invasion of Ukraine, whether it be input costs, commodity prices, or Putin's efforts to leverage food insecurity in certain regions against the West?

Answer. Russia's invasion of Ukraine has led to immense volatility for commodities and inputs, which has put a strain on farmers. If confirmed, I look forward to working across the Federal Government to ensure farmers' input costs and global commodity swings are top priorities for the administration. I would also utilize my role to foster working relationships with my counterparts to establish mechanisms to help alleviate food security challenges that may happen in the future.

INDIA MARKET ACCESS

Question. India will play a large role in the Indo-Pacific for years to come, which presents an enormous opportunity for growth for U.S. farmers, especially Montana's pulse crop farmers.

How should the U.S. approach India and its many challenging and longstanding market access issues, whether on a bilateral or multilateral basis?

Answer. In November 2021, Ambassador Tai and Indian Trade Minister Goyal relaunched the United States-India Trade Policy Forum, with a view to advancing the goal, announced by both presidents to "develop an ambitious, shared vision for the future of the trade relationship." The Ministers underlined the significance of the TPF in forging robust bilateral trade ties and enhancing the bilateral economic relationship to benefit working people in both countries. They agreed that reconvening the TPF and regular engagement under the forum would help in addressing outstanding bilateral trade concerns and allow the two countries to explore important, emerging trade policy issues. If confirmed as Chief Agricultural Negotiator, I intend to engage with India bilaterally and through the WTO to improve agricultural market access for U.S. pulses and other products, including through the reduction of applied tariffs.

CHINA PHASE ONE

Question. It is clear that China is not meeting its purchase or regulatory reform commitments under the Phase One deal. How will you work to hold China accountable for its obligations under Phase One?

Answer. I recognize that China fell short of meeting its Phase One purchase commitments, and I believe that all options should be on the table for addressing those shortfalls. If confirmed as Chief Agricultural Negotiator, I intend to engage with China, as well as work with other trading partners, to ensure that the terms of competition are fair with respect to agricultural trade. I also intend to work to expand and diversify the opportunities for U.S. agricultural producers to export their goods to reliable trading partners worldwide.

Question. Given that multiple other trade agreements in the Asia-Pacific are advancing and being implemented without the U.S. at the table in the region, what will be the impact on U.S. exports if the U.S. does not pursue new, high standard agreements that include market access provisions?

Answer. If confirmed as Chief Agricultural Negotiator, I intend to utilize the Indo-Pacific Economic Framework (IPEF) to create economically meaningful, equitable, and durable market access for U.S. farmers and ranchers. I commit to encouraging our IPEF trading partners to implement science-based measures to minimize and

eliminate non-tariff barriers that prevent American producers from accessing markets in the Indo-Pacific region.

Question. As you have spent time in your career both within USDA as well as the White House, how will you work to ensure that U.S. agriculture has a prominent place at the table and coordinate efforts between USTR, USDA, and other agencies?

Answer. In my Federal career spanning nearly 3 decades, I have served in a wide range of capacities at the U.S. Department of Agriculture, which has provided me the opportunity to work with USTR and other government agencies on trade and agricultural issues. If confirmed, I am committed to ensuring that USTR and USDA maintain a close partnership and close collaboration with other government agencies, to benefit U.S. agricultural producers.

QUESTIONS SUBMITTED BY HON. JAMES LANKFORD

Question. Agriculture is one of the few areas where we have a trade surplus—we export more than we import. Maintaining and expanding market access to countries throughout the world is key to sustaining our success as the world’s leading agricultural producer. Many countries have extensive tariffs on U.S. agricultural goods to protect their domestic industries. All of these problems could be resolved in the context of FTA negotiations.

How can we expect to lower tariffs from these countries without the “carrot” of market access to the United States?

Answer. At this time, the administration is seeking to expand market access in ways other than tariff reductions. If confirmed, I will do everything I can to secure a mix of high-standard commitments and principles under the IPEF trade pillar that sets clear and strong regional rules and standards that promote our competitiveness and prosperity.

Question. Other countries have non-tariff barriers for our agricultural commodities such as health and environmental regulations that prevent U.S. products from entering their markets. The EU, for example, blocks imports of antibiotic meat. Mexico now prohibits genetically modified crops. The UK does not allow any imports of chlorinated chicken. Taiwan is trending the right direction and recently lifted its ban on U.S. pork imports back in December 2021.

What are the top countries on your radar for reducing non-tariff barriers like these health regulations?

How do you expect to extract concessions from these countries on health regulations without the “carrot” of tariff-free market access to the United States?

Answer. Non-tariff barriers (NTBs) are a major impediment to market access for U.S. agricultural products in a number of countries, including the EU, Mexico, and China, among others. If confirmed, I will seek to address priority NTBs using a variety of trade policy tools, including through enforcement of existing trade agreements, bilateral negotiations, and in relevant committees in the World Trade Organization, among other forums.

Question. The Indo-Pacific Economic Framework (IPEF) was recently rolled out by the Biden administration, and it is woefully insufficient to seize the economic opportunities that are available to us in Asia. The four pillars of the IPEF are labor standards, digital rules, anti-corruption, and climate—no market access, no agriculture.

Even though agriculture is not one of the four pillars of the IPEF, do you intend to pursue a comprehensive agreement on food standards and market access for agricultural goods with IPEF partners? If not, why not?

Answer. If confirmed, I intend to seek provisions within the trade pillar of the Indo-Pacific Economic Framework (IPEF) to produce tangible benefits for U.S. agriculture. This would include the pursuit of high-standard commitments from IPEF members to advance the implementation of science-based policies and improve transparency in the development of import rules and regulations, to reduce longstanding impediments to safe, wholesome U.S. agricultural products, and thereby increase market access in the Indo-Pacific for U.S. farmers, ranchers, and producers.

Question. Taiwan was not included in the IPEF, which I believe was a mistake. Taiwan is our 11th largest trading partner, and they recently lifted the ban on U.S.

pork imports back in December. They are eager to trade with us, and we should be eager to trade with them. What are your thoughts on a sectoral agreement with Taiwan that specifically addresses agricultural trade?

Answer. On June 1, 2022, the United States and Taiwan launched the U.S.-Taiwan Initiative on 21st-Century Trade. Under the auspices of the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States, USTR will work with Taiwan to develop an ambitious roadmap for negotiations for reaching agreements with high-standard commitments and economically meaningful outcomes. If confirmed, I would work to secure provisions to facilitate agricultural trade through science- and risk-based decision making, and the adoption of sound, transparent regulatory practices.

Question. COVID has shined a light on how China's sanitary measures for agricultural goods are far behind those of American producers. China's human rights abuses and forced labor practices in the agricultural sector have also come to light in recent years. Since 2020, CBP has issued various Withhold Release Orders (WRO's) blocking the import of cotton and tomatoes that are produced with Uyghur forced labor in Xinjiang.

What are your plans to encourage and work with allies to adopt the same posture, block these imports, and cut off this revenue stream for the CCP?

Answer. I am committed to working with allies and partners to address human rights abuses and forced labor practices in global agricultural production and downstream industries such as textile manufacturing. If confirmed, I will prioritize sharing agricultural trade expertise with CBP and other interagency partners to counter these appalling practices and ensure that markets remain open for U.S. and international producers that have worked hard for decades to rid their supply chains of human rights abuses.

MOROCCO FERTILIZER

Question. Fertilizer prices have risen 220 percent from this time a year ago. Those costs are being passed on to the consumer and making food prices more expensive. Morocco is a leading producer of phosphate fertilizer that is currently subject to a 20-percent tariff. Morocco is our oldest ally, a key security partner in Africa, and a member of the Abraham Accords.

In general, what are your priorities for lifting tariffs on goods like fertilizer that farmers and ranchers rely on?

What are your thoughts on reducing tariff barriers on fertilizer imports, particularly from Morocco?

Broadly speaking, what trade opportunities do you see with respect to the Abraham Accords? Do you intend to pursue multilateral discussions with the Abraham Accords countries to discuss agricultural trade and opportunities for our collective benefit?

Answer. If confirmed, I would advocate that the United States maintain resilient, secure, and sustainable sources of fertilizer that do no harm to any U.S. stakeholder. I would also work closely across the Federal Government, including with USDA, which recently announced \$500 million to support independent, innovative and sustainable American fertilizer production to supply American farmers.

The United States has FTA agreements with Israel, Bahrain, Morocco, (and Jordan). While the United Arab Emirates is not an FTA partner, the United States has a Trade and Investment Framework Agreement (TIFA) set up with the Gulf Cooperation Council which includes the United Arab Emirates. As such, if confirmed I intend to work with my counterparts to pursue opportunities to further strengthen our agricultural trade relationships across this region.

Question. Trade and natural resources policy are inextricably linked. Rising fuel prices make it more expensive to operate equipment or move goods via freight. These costs are being passed on to the customer and compounding the inflationary pressures that have led to rising costs for groceries.

How will you be a voice within this administration for a sane energy policy that unleashes production and provides relief to agricultural producers?

Answer. I understand the impact high fuel prices have, not only on U.S. agricultural producers but on every American family. If confirmed as Chief Agricultural Negotiator, I would advocate for the continued use of U.S. ethanol as one part of

any energy solution, to support U.S. farmers, create jobs, and reduce reliance on foreign oil.

Question. Producers in my State have had a hard time with the supply chain challenges plaguing our economy. Semiconductors, tires, farm equipment, and shipping materials have all been delayed due to port bottlenecks.

What are your priorities for easing the supply chain burden for the specific needs of the agricultural sector?

Answer. If confirmed, I plan to focus on increasing the sustainability and resiliency of our supply chains to help mitigate increasing fuel and other farm input costs. To enhance supply chain resilience, I will focus on diversifying our trading partners to build more durable trade flows. Additionally, I will work through regional trade initiatives to support more sustainable supply chains.

Question. Farmers and ranchers need a reliable, skilled workforce. Labor shortages continue to pose a challenge to keeping our agricultural sector fully productive.

How do you intend to coordinate within the interagency to ensure producers have the manpower they need?

Will you advocate against policies that discourage work and limit labor participation?

Answer. I understand the importance of reliable and skilled workforce for our Nation's farmers and ranchers. If confirmed, I intend to coordinate with my interagency counterparts to find ways to ensure that there is a reliable agricultural workforce in place.

QUESTIONS SUBMITTED BY HON. THOMAS R. CARPER

SOY AND POULTRY

Question. One of the biggest issues facing the agriculture industry is expanding market access for U.S. products, which is top of mind for many of my constituents in Delaware. Soybeans and chicken are two of many products that are critical to Delaware's agricultural economy—and these two industries create thousands of jobs and billions of dollars in economic activity. Soybeans are one of the highest produced crops in Delaware, and this product is essential in meeting future food needs for both people and livestock across the globe. And the poultry industry in Delaware also punches above its weight. In fact, in my State there are nearly 300 chickens per person. With nearly 1 of every 5 pounds of American chicken being exported, the U.S. needs a robust international market to sustain the economic health and well-being of the U.S. poultry industry. Unfortunately, during the previous administration, our international trade policy was characterized by chaos and uncertainty—the opposite of what we need for investment in our U.S. producers and farmers.

Can you discuss the export opportunities you will prioritize in your role for soy and poultry products?

Answer. I share your concerns about opening markets for U.S. agricultural exports including U.S. poultry and soy. If confirmed as Chief Agricultural Negotiator, I will work to create agricultural relationships with trading partners that benefit U.S. poultry and soy producers and resolve barriers to trade around the world.

Question. It is clear that while we need to expand international market access for U.S. agricultural products, we also have the opportunity to use trade agreements to prioritize environmentally sustainable practices that nourish our people and our planet. While tools like regenerative agriculture are an important part of the solution, we must also advocate for our trading partners to adopt more sustainable agriculture practices. As the chairman of the Committee on Environment and Public Works, I will continue to advocate for land conservation policies that support both our farmers and our planet.

What opportunities exist to improve sustainability in our agriculture trade policies in order to make progress on global climate goals?

Answer. If confirmed as Chief Agricultural Negotiator, I will work to promote agricultural innovation and biotechnology, which are key tools in making progress on global climate goals and ensuring that the agriculture sector is part of the solution to climate and environmental challenges. I am committed to working together with our trading partners and international allies to uphold science-based, transparent,

and predictable policies that support commercialization and trade of innovative biotechnology products that enable sustainable agriculture, provide new tools to farmers to address drought, diseases, and pests, reduce food loss and waste, and supply consumers with healthier and more sustainable products.

QUESTIONS SUBMITTED BY HON. TODD YOUNG

Question. At the end of 2020, Mexico adopted a decree that progressively bans the use, distribution, and importation of glyphosate by 2024. The decree does not consider regulatory reviews from around the world. The Mexican Government has also referenced another 80 agriculture chemicals that could be targeted in a similar vein.

Relatedly, Mexico's regulatory agency responsible for pesticide registrations, has virtually ceased processing applications for new or existing products farmers greatly need—effectively removing them from the market.

If confirmed, will you consider opening discussions with the Mexican Government to address processing delays?

Answer. If confirmed, I would prioritize Mexico returning to a science- and risk-based regulatory approval processes, to help ensure that U.S. farmers have access to modern tools and technologies necessary to meet their sustainable production goals and to increase crop yield and farm incomes. I would carefully consider strategies to address these challenges, including looking at all the tools under the USMCA.

Question. As the conflict in Ukraine continues, we're seeing growing threats of global food insecurity and huge spikes in grain prices. Unfortunately, these challenges are only inflamed by various trade restrictions and export bans from countries around the world.

If confirmed, and given your current work with Secretary Vilsack, how will coordinate with our allies and trading partners to ease or remove food export bans?

Answer. The United States is in a position of strength as a major agricultural producer to address the current challenges facing global food security. If confirmed as Chief Agricultural Negotiator, I would be front and center advocating for maintaining strong, rules-based and open markets that provide consumers and producers the needed predictability at these uncertain times.

Question. Recently, it's been reported that the U.S. and Japan have replaced China as the largest importers of Taiwanese agricultural products. Furthermore, according to the USDA's Foreign Agricultural Service, Taiwan was the sixth largest foreign market for U.S. agriculture commodities last year.

If confirmed, how do you plan to work cooperatively with Taiwan to prioritize U.S. agricultural products given the new U.S.-Taiwan Initiative on 21st-Century Trade?

Answer. On June 1, 2022, USTR announced the launch of the U.S.-Taiwan Initiative on 21st-Century Trade under the auspices of the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office in the United States (TECRO). I understand that, currently, the U.S. side is working with the Taiwan side to develop an ambitious roadmap for negotiations for reaching agreements with high-standard commitments and economically meaningful outcomes, including in the area of agriculture. If confirmed as Chief Agricultural Negotiator, I would work to secure provisions to facilitate agricultural trade through science- and risk-based decision-making and the adoption of sound, transparent regulatory practices.

PREPARED STATEMENT OF HON. RON WYDEN,
A U.S. SENATOR FROM OREGON

The committee meets this morning to discuss the nomination of Mr. Doug McKalip to serve as the Chief Agricultural Negotiator within the Office of the United States Trade Representative.

Mr. McKalip brings nearly 30 years of Federal public service to his nomination, including in a variety of roles focused on ag policy and the well-being of rural communities in America. He's currently a top advisor to Agriculture Secretary Vilsack on trade, ag safety, national security, and a host of other issues. He's served in several other leadership positions at the Department of Agriculture and with the Do-

mestic Policy Council. He's got a lot of fans on both sides of this committee, and his nomination comes at an absolutely critical time.

Across America, families are paying more for groceries but getting less. Farmers and ranchers are being oppressed by drought and hammered by increased costs.

Across the world, people are desperate at the prospect of widespread hunger as crops fail and basic food items are in short supply. War and climate change, compounded by shortsighted trade policies and supply chain disruptions, have created fears about a 21st-century hunger catastrophe.

The Finance Committee has authority over one important solution to this crisis: a smart trade policy that promotes affordable, abundant food here at home and abroad. This policy must support our farmers and ranchers and allow for maximum production by busting through trade barriers and lowering costs for key inputs, like fertilizer. It must also focus on opening and expanding export markets to ensure our farmers can continue to do what they do best: keeping the world fed.

USTR's Ag Negotiator is the key position that will insist on the elimination of foreign regulations that hamper food distribution wherever it takes place, because that is what is needed to reduce hunger.

The USTR Ag Negotiator also has much broader responsibilities for ensuring American interests in trade agreements are met. To that point, the Trump administration rushed the new USMCA into effect, and Canada and Mexico are failing to live up to key commitments. Canada is propping up barriers to our dairy products. Mexico is unfairly blocking American-grown corn and soybeans.

It's a similar story with China. The Trump administration grabbed a whole lot of headlines with a flashy new trade deal, but it failed to set up real enforcement and let many of the Chinese Government's key trade rip-offs go unaddressed. China has failed to meet its commitments to import American ag products, only buying 58 percent of the total goods and services it agreed to buy in 2021. That's less than it was buying before the Trump trade war began.

U.S. farmers are telling us they do not want handouts; they want real opportunities to sell their products around the world, which can only happen if there is a level playing field.

To that end, the committee is also interested in discussing how our farmers and ranchers can benefit from the new Indo-Pacific Economic Framework. If confirmed, Mr. McKalip will play a key role in these issues, and more.

I want to thank Mr. McKalip for joining us and for his willingness to continue his career in public service fighting on behalf of our farmers and ranchers.

COMMUNICATION

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July 28, 2022

The Honorable Ron Wyden
Chairman
The Honorable Mike Crapo
Ranking Member
U.S. Senate
Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Wyden and Ranking Member Crapo:

On behalf of the U.S. equipment manufacturing industry and the companies that make up the Association of Equipment Manufacturers, we respectfully urge the confirmation of Doug McKalip as Chief Agricultural Negotiator at the Office of the U.S. Trade Representative.

Equipment manufacturers are proud to support 2.8 million family-sustaining jobs—one in eight manufacturing jobs in the United States—that contribute \$288 billion to the nation's GDP and play a critical role in production agriculture and the strength of rural America.

The Association of Equipment Manufacturers has worked closely with Mr. McKalip during his tenure at the U.S. Department of Agriculture to advance trade policies that boost foreign demand and prices for U.S. agriculture commodities. Mr. McKalip has always displayed an unwavering commitment to opening new markets and lowering tariffs on American products so that farmers, manufacturers, and workers can continue to grow and succeed. He has also displayed a keen appreciation for the fact that the equipment manufacturing industry is not only deeply connected to rural America, but a big part of it.

We are confident that his knowledge of foreign markets and the important role they play for the economic health of American producers and equipment manufacturers will be a tremendous asset to Office of the United States Trade Representative. Mr. McKalip is an excellent choice, and equipment manufacturers look forward to working with him in his new role. Please feel free to call on us to expand upon our support for the nomination of Doug McKalip. Thank you for your consideration of our views.

Sincerely,
Megan Tanel
President

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