

UNITED STATES SENATE
COMMITTEE ON FINANCE
NOMINATIONS HEARING
NOVEMBER 4, 2009

QUESTIONS FOR DR. ISLAM SIDDIQUI

ANSWERS TO QUESTIONS FROM CHAIRMAN BAUCUS

Question 1

Dr. Siddiqui, you have spent several years working for CropLife America. Several environmental and small agricultural groups have raised concerns about CropLife's representation of pesticide producers. I think it is important that U.S. domestic and international agricultural policy reflect the viewpoints of the various stakeholders. Do you commit to taking these viewpoints into account, if confirmed?

Senator, if confirmed I can commit to you that I will include the viewpoints of both organic and conventional agriculture sectors in any negotiation I undertake on behalf of the United States. I believe that my role is to successfully represent the interest of all US agriculture stakeholders to ensure that everyone can benefit from our trade agenda.

Question 2

Agriculture is one of the lynchpins to a successful Doha round, but I have long said that no deal is better than a bad deal for U.S. farmers and ranchers. And the fate of the agricultural negotiations rests on ensuring significant new market access for U.S. agricultural exporters. How do you intend to ensure that the special treatment afforded to developing countries does not undermine the potential gains for U.S. exporters?

If confirmed, I will work closely with Congress as the Doha negotiations advance, and will ensure that a key U.S. objective remains to secure significant new market access opportunities through a balanced and ambitious Doha outcome. I can assure you that the administration will not conclude a Doha deal that does not work for US farmers, ranchers and agribusinesses.

Question 3

Sanitary and Phytosanitary (SPS) barriers prohibit access for many of our most valuable agricultural exports. BSE-related barriers to our beef exports have cost more than \$10 billion in lost exports since 2003. And Europe uses SPS barriers to block our most valuable agricultural exports, including biotech corn and soy. I am increasingly concerned by the proliferation of new SPS barriers as countries seek mechanisms to protect their agricultural markets during this economic downturn.

Can you assure me that addressing SPS barriers will be a high priority for USTR? What is your strategy to ensure that WTO members will uphold their obligations to use science-

based import standards? Will you work with Congress, your colleagues at USDA, and other agencies to develop a strategy for reducing these barriers in the short and long term?

Sanitary and phytosanitary measures that are not science-based are a key problem for U.S. farm exporters and eliminating such barriers is a high priority for USTR. This Administration is committed to ensuring strong enforcement of existing trade rules, including those governing the application of sanitary and phytosanitary measures. I understand the importance of exports to the U.S. agriculture, and if confirmed, I can assure you that I will work closely with Ambassador Kirk, the Administration, and Congress to address these foreign barriers and will utilize all tools available at the WTO or any other forum to ensure market access for our agricultural products.

Question 4

During your hearing, you noted the need to see meaningful market access improvements for farmers and ranchers in the Doha negotiations before any deal can be struck. I would like to further highlight that careful attention is needed to ensure the market access commitments made are not undermined by restrictive TRQ administration procedures and arbitrary import licensing requirements. The European Union and other countries, while committing to open markets in the Uruguay round, instituted onerous import licensing schemes and tariff-rate quota administration procedures that greatly diminished the true market access U.S. farmers and ranchers gained as a result of the round. We must not allow that to occur again. Will you commit to ensuring that transparent and non-trade distorting TRQ administration and import licensing rules are agreed as part of the agricultural negotiations?

I agree with you that import licensing and tariff-rate quota administration procedures certainly can impact market access. If confirmed, I will work closely with U.S. stakeholders, including Congress, to find a satisfactory way forward on these issues.

Question 5

During the Korea – U.S. Free Trade Agreement negotiations, Korea agreed to a beef import protocol to fully comply with OIE standards. However, Korea has stopped short of meeting that commitment and currently allows only beef from cattle under 30 months old to enter the market. Can I count on you to continue pressing for full opening of Korea’s beef market so that we can move the free trade agreement (FTA) forward?

The April 2008 U.S.-Korea beef import protocol was negotiated separately from the U.S.-Korea Free Trade Agreement negotiations. The protocol is based on science and fully consistent with World Organization for Animal Health (OIE) guidelines. However, U.S. beef exporters and Korean beef importers agreed, as a transitional measure, to limit exports to U.S. beef and beef products from cattle under 30 months of age until Korean consumer confidence improves. I appreciate the importance of gaining full market access for U.S. beef in Korea, and if confirmed, I will work closely with Korea to fully normalize trade in beef.

Question 6

According to OIE guidelines, U.S. beef from cattle of all ages is safe. Unfortunately, many of our trading partners continue to block U.S. beef exports, despite the lack of a scientific basis for doing so. As Chief Agricultural Negotiator at USTR, will you continue to place to full opening of beef markets, particularly in Korea, Japan, and China, at the top of your agenda?

This Administration is committed to ensuring strong enforcement of existing trade rules, including those of the WTO SPS Agreement. I understand the importance of exports to the U.S. beef sector, and if confirmed, I can assure you that I will work closely with Ambassador Kirk, USDA and other agencies to engage with Japan, China, Taiwan, Hong Kong, and Korea as well as other trading partners to normalize our trade in beef in these important markets in a commercially viable manner based on science and international standards. And, where they should fail to do so, I will, together with USTR trade officials, aggressively utilize, in cooperation with other Administration and Congressional colleagues, all available tools in the WTO and other mechanisms

Question 7

The 2008 Farm Bill authorized moves the inspection and regulation of catfish from the Food and Drug Administration (FDA) to USDA's Food Safety and Inspection Service (FSIS). The impact of this provision will depend greatly on how USDA defines catfish and implements this rule. It was neither our intent nor expectation when the Farm Bill was enacted that the definition of catfish would be expanded. I am concerned that a broadened definition could conflict with our international trade obligations and perhaps spark retaliation from our trading partners. Further, I am concerned that a broader definition would likely conflict with the duties of FDA, which has primary responsibility for seafood safety and which has developed the expertise in seafood safety. Can you assure me that you and your staff will work with USDA to implement these measures in a manner that reflects our international trade obligations and bases our regulatory decisions on sound science?

Throughout my thirty-two years of public service, I have made many regulatory decisions on sound science and I can pledge to you that I will continue to do so if confirmed. I will work with my colleagues at USDA to ensure that our regulatory decisions are base on sound science and meet our international obligations. I believe having spent time as an official at USDA will provide me with keen insight on how to coordinate efforts between USTR and USDA to make sure this process goes smoothly.

Question 8

The U.S. sugar program was significantly altered in the 2008 Farm Bill, including by the addition of provisions that require USDA to purchase excess sugar and convert it into ethanol. Current U.S. trade commitments, through NAFTA, the WTO, and other FTAs, require the United States to import significant amounts of sugar. Will you work to ensure that the United States implements its current trade commitments and any new trade

agreements in a manner that does not jeopardize the U.S. sugar program, and does not create unnecessary costs for U.S. taxpayers and USDA?

This Administration fully understands the level of sensitivity associated with sugar. If confirmed, I will work closely with USDA, U.S. stakeholders, and with you regarding international trade commitments related to this commodity. As the Administration develops its trade policy agenda going forward, I fully appreciate the importance of an open and inclusive dialogue with Congress on trade. If confirmed, I can assure you that I will come to you early and often to consult and to listen.

ANSWERS TO QUESTIONS FROM SENATOR GRASSLEY

Question 1

I'm concerned with the current state of agricultural negotiations in the Doha Round. I appreciate that some of our trading partners are now engaging us in bilateral and plurilateral discussions at the WTO, and I hope that these discussions will bear fruit. If confirmed, what approach will you take in advancing agricultural negotiations at the WTO in a way that will provide for increased market access for U.S. farm products?

To break the current logjam in WTO negotiations, my view is that it is critical for the United States to pursue sustained bilateral engagement on Doha issues with our key trading partners. Such direct engagement, in parallel with the broader multilateral process, will give us the best opportunity to secure clarity and to close gaps regarding the critical issue of market-opening contributions from the most advanced developing countries. History has shown that simple reliance on broader-based multilateral engagement will not achieve that key objective and without clarity and gap-closing, we will not have an acceptable outcome for the Doha negotiations. If confirmed, I look forward to being part of this direct engagement.

Question 2

Russia has delisted more than 30 U.S. pork facilities over the past year and a half. Some of these facilities are located in Iowa. Given these delistings, over 50 percent of U.S. pork is ineligible for sale in the Russian market. Russia has implied that it has delisted U.S. facilities due to sanitary concerns, but it has yet to provide reasons for its actions. Before acceding to the World Trade Organization, Russia must demonstrate that it will indeed abide by the WTO's rules and base its agricultural import policies on science, including its policies regarding U.S. pork facilities. If confirmed, will you emphasize this point with Russian officials with whom you will interact?

I am aware of the general frustration of many U.S. agricultural exporters in trying to build and maintain export markets into Russia. My understanding is that there are several issues that affect US exports of pork and other products – for example, Russia's application of its SPS requirements, Russian vets' refusal to abide by an existing plant inspection agreement with the United States, and import licensing regulations that seem to be problematic. If I am confirmed, I will work to resolve SPS barriers to improve market access for US producers and exporters of agricultural products, including pork.

Question 3

Citing alleged concerns about BSE, Japan prohibits imports of U.S. produced bovine-origin gelatin for human consumption. Yet the World Organization for Animal Health recognizes that this product can be traded safely. Japan's ban on U.S. gelatin has led to job layoffs in Iowa. If confirmed, what will you do to see that Japan opens its market to imports of U.S. produced gelatin?

I understand your concern about securing access in Japan for US exporters of gelatin and related products. If confirmed, I will work with US regulatory agencies and US stakeholders, including Members of Congress, to engage with Japan to reopen the market to these products as soon as possible.

Question 4

Some countries continue to block imports of U.S. beef due to unfounded concerns about BSE. For example, Japan limits imports of U.S. beef to beef derived from animals aged 20 months or under. China maintains a complete ban on imports of U.S. beef. Yet the World Organization for Animal Health recognizes that U.S. beef can be traded safely due to safeguards undertaken by the United States. If confirmed, what strategy would you recommend that the Administration take to see that our trading partners lift their scientifically unsubstantiated barriers to imports of U.S. beef?

This Administration is committed to ensuring strong enforcement of existing trade rules, including those of the WTO SPS Agreement. I understand the importance of exports to the U.S. beef sector, and if confirmed, I can assure you that I will work closely with Ambassador Kirk, USDA and other agencies to engage with these trading partners to normalize our trade in beef in a commercially viable manner based on science and international standards. And, where they should fail to do so, I will, together with USTR trade officials, aggressively utilize, in cooperation with other Administration colleagues and Congress, all available tools in the WTO and other mechanisms.

Question 5

China and Taiwan prohibit imports of pork produced with ractopamine, a growth promotant. China maintains this policy although it has yet to conduct a risk assessment on this product. Taiwanese officials have acknowledged that pork containing trace amounts of this product does not pose health risks. Ractopamine is indeed safe and is approved for use in the United States and over 20 other countries around the world. If confirmed, what will you do to see that China and Taiwan drop this scientifically unfounded barrier to imports of U.S. pork?

In the case of barriers to U.S. pork, sanitary measures that are not science-based, including bans on the use of a veterinary drug that is commonly used in the United State such as ractoapmines, are a key problem for U.S. exporters. If confirmed, I will assist Ambassador Kirk in taking appropriate actions, to address barriers against U.S. pork and other agricultural producers.

ANSWERS TO QUESTIONS FROM SENATOR LINCOLN

Question 1

The U.S – Colombia FTA would likely be beneficial for much of agriculture, including rice and poultry, commodities grown by producers across my state.

Any expectation on when the Administration plans to submit the Colombia FTA to Congress for approval and are there discussions underway between the two governments on how to address issues that are holding up its consideration?

I am not aware of a timeline for submitting the Colombia FTA to Congress for approval. It is my understanding that USTR and an interagency team visited Colombia over the summer to review the current conditions on the ground and is conducting stakeholder outreach to get a better sense of the progress the government has made on labor violence and impunity and the labor regime. USTR has also issued a Federal Register notice and received several hundred public comments which it is currently reviewing.

Question 2

The Food and Agriculture Organization of the United Nations (FAO), recently estimated that there are just about 1 billion people in the world who are chronically hungry, a figure that has jumped up a couple of hundred million in the past two years due first to the spike in world food prices and then second to the global economic recession. The FAO also recently projected a need for a 70 percent increase in food production by 2050, an alarming number to say the least.

Given the serious concerns being raised about the adequacy of world food supplies, Shouldn't we be encouraging food production and will you work to protect the U.S. farm safety net that helps ensure safe, affordable, and abundant supplies?

If confirmed, I will work to ensure that we maintain a safe, affordable, and abundant supply of food – in the United States and work within the administration and with Congress to assist in achieving global food security.

Question 3

The European Union has long been a corner stone of export business for long grain rice from Arkansas and other Southern states. Sales as recently as a few years ago of brown rice averaged 250,000 metric tons annually, but virtually disappeared in late 2006 with the discovery of the Liberty Link 601 genetically engineered trait which was accidentally introduced into the U.S. long grain crop. Southern rice farmers have nearly cleaned up this problem caused by others, and our exporters are now ready for the hard job of recovering the EU market.

Despite the rice industry's successful efforts to remove the LL 601 trait, the EU continues to keep in place "Emergency Measures" requiring origin testing of all long grain rice shipped to the EU for the LL601 trait.

The EU also refuses to compensate completely the United States for withdrawing a WTO trade concession in 2004 called the Margin of Preference or the MOP. If the MOP were in place today, EU import duties on U.S. brown rice would be zero. Instead, our exporters face exorbitant duties of between 30 euros and 65 euros per ton. It is critical to our producers and exporters that USTR defends the U.S.'s WTO rights and negotiates a new fixed and low EU import duty.

Dr. Siddiqui, Can I have your commitment that if confirmed, you will work immediately with USTR staff to address both of these issues at the highest political level necessary to bring about resolution?

I understand that USTR and USDA are currently working with the EU to lift the emergency measures. I also understand that USTR has sought negotiations with the EU to replace the current tariff mechanism for brown rice with a fixed tariff. If confirmed, you have my commitment to work with you and the U.S. rice industry to address these issues and help restore exports of U.S. rice to the EU market.

Question 4

In the ongoing WTO talks, certain nations have demanded that the United States give up its cotton program as an "early harvest", before the agriculture negotiations have concluded. Would USTR ever agree to reform or terminate the US cotton program, or any U.S. agricultural support program, as an "early harvest" before we've received commitments from other nations in a final agriculture deal?

My personal view is that a so-called "early harvest" on cotton is not in the U.S. interest. The agricultural negotiations, along with the rest of a potential Doha package, are highly complex, requiring a delicate balance of potential benefits and concessions across a broad range of issues. If confirmed, I look forward to consulting often to make sure your views and the views of the U.S. cotton industry are taken into consideration.

Question 5

In the ongoing WTO talks, certain nations have demanded that the United States give up its cotton program as an "early harvest", before the agriculture negotiations have concluded. Can you assure the committee that cotton negotiations will remain part of the overall agriculture negotiations and not be considered independently?

As I stated above, my personal view is that an early harvest on cotton is not in the U.S. interest.

Question 6

Please update the committee on the ongoing activities by US government agencies in West Africa, specifically related to the West Africa Cotton Improvement Program. In your opinion should the program be continued?

The USG is actively involved in agricultural development activities in west Africa, including through work by the MCC and USDA. Since 2006, USAID's West Africa Cotton Improvement Program (WACIP) has worked with Burkina Faso, Benin, Chad, Mali and Senegal on cotton-related programs. Implementation of the program focuses on the themes of (a) reform of cotton sector policies and institutions; (b) higher valued added in cotton processing and transformation; and (c) increased yields in cotton production. WACIP activities are implemented through a partnership with U.S. agricultural universities, numerous regional organizations, government agencies, farmer organizations, and private businesses.

I understand that WACIP has been a good program. If confirmed, I will work with USAID and USDA to discuss the future of our cotton-specific assistance activities in West Africa.

Question 7

China, as well as other emerging markets have recently enacted measures that increase trade barriers to US exports in cotton and other sectors. Are you familiar with these measures which include a longstanding refusal to administer cotton TRQs in accordance with the accession agreement, as well as, application of a variable levy on imports and implementation of a new registration and performance requirement for cotton exporters. What steps would you take to deal with these developments?

I understand the importance of market access for cotton and other agricultural exporters into China. If confirmed, I will work closely with U.S. stakeholders, including Members of Congress, on this issue.

Question 8

The Senate-confirmed position of Chief Agricultural Negotiator has been vacant since May 2007, when Dr. Richard Crowder resigned from that position. While Dr. Joe Glauber, now USDA's Chief Economist, did an admirable job in his capacity as Special Doha Agricultural Envoy, that position did not extend beyond Doha Round negotiations to other agricultural trade issues and disputes that would otherwise be the responsibilities of the Chief Agricultural Negotiator. The United States is a party to a number of ongoing bilateral agricultural trade disputes, some of which have been going on for many years.

If you are confirmed to this position, I would ask you to commit to briefing the Committees of jurisdiction in both the Senate and the House on where things stand on these various disputes, and what steps are being taken to resolve them.

Throughout my tenure in public service, I have always maintained a commitment to an open-door policy. I can commit to consulting with Congress early and often to ensure that our Committees of jurisdiction are fully aware and up to speed on all USTR's current disputes and options for moving forward.

Question 9

Food aid in the Doha Round

While a lot of attention has rightfully been paid to U.S. problems with the lack of balance between the domestic support language and the market access language in the Doha Round draft agricultural text, especially with respect to the commitments of advanced developing countries, there is another area of the draft text that I would also like to raise concerns about. The treatment of U.S. in-kind food aid programs in the current draft language would seriously constrain our ability to operate those programs as intended, especially with respect to providing development assistance through monetizing U.S. commodities and restrictions on the roles of private voluntary organizations which run our projects on the ground in recipient countries. This language was never agreed to by our negotiators. However, I understand that since that language is not bracketed in the text, the new chair of the agricultural negotiations regards the food aid text as closed and does not intend to hold additional discussions on these matters.

The United States has been the single largest contributor to humanitarian relief around the world for a very long time, and I would hate to see restrictions imposed on our programs through WTO rules that would constrain our ability to address these needs.

I would ask for your commitment that if you are confirmed as the Chief U.S. Agricultural Negotiator by the Senate, you will fight in the Doha Round negotiations to maintain our ability to run our food aid programs in a way that addresses both emergency needs and chronic needs through development assistance around the world in keeping with rules to minimize adverse impacts on local production and commercial trade flows, either for in-kind or cash assistance.

The United States has a long track record in providing humanitarian food assistance, and this activity is very important. While USDA is responsible for running those programs, you have my commitment that, if confirmed, I will work with USDA and interested stakeholders, including you and others in Congress, to ensure the United States maintains the ability to run a robust humanitarian food aid program.

Question 10

Dr. Siddiqui - As you know, our Congress, in cooperation with this Administration, recently lifted a ban on imports of Chinese poultry products. This issue had been a sore spot for the Chinese and was impeding progress in a number of trade areas. However, we still have several outstanding poultry issues with China: including China's WTO case related to our ban, which is clearly moot, and should be withdrawn; antidumping and countervailing duty cases against the U.S. poultry industry; and continued bans on poultry

products from a number of U.S. states, including Arkansas, that have tested positive for low pathogenic avian influenza, even though the World Animal Health Organization has determined that presence of low path AI does not warrant trade restrictions.

Given the significant movement on our part with regard to Chinese poultry products, I hope that this Administration is now pressing China hard to resolve these outstanding issues. If confirmed as Chief Agricultural Negotiator, I would ask you to commit to making this a top priority.

If confirmed, I will join Ambassador Kirk and the Administration in on-going efforts to resolve these serious trade issues with the Chinese.

Question 11

Dr. Siddiqui - As you know, a very important trade issue involves access of the U.S. beef industry to key export markets like Japan and China. The U.S. beef industry has literally lost billions of dollars in export opportunities since the first case of BSE was discovered in the United States in 2003. This is very unfortunate since many of the restrictions put in place by our trading partners are not based on the accepted science for BSE, as established by the World Organization for Animal Health (OIE).

I can tell you that my cattlemen in Arkansas, and this industry in general, expects our trading partners to both recognize the guidelines on BSE as established by the OIE, and ultimately, to comply with these guidelines. However, our cattlemen also know this may have to occur in phases and that an "all or nothing" approach to these negotiations has not been very successful in the last few years. The most important thing is to re-establish a foothold for U.S. beef products in key foreign markets. To this goal, we should consider phased agreements that allow U.S. beef exports from cattle under 30 months, both bone-in and boneless, as a starting point. These agreements could include benchmarks, or commitments to negotiate further, that would ultimately lead to full market access consistent with OIE guidelines. I know am confident that you understand the importance of this issue, and if you are confirmed, I hope that you will commit to approaching beef negotiations in a flexible manner such as I have described in order to maximize future market opportunities for U.S. beef.

This Administration is committed to ensuring strong enforcement of existing trade rules, including those of the WTO SPS Agreement. I understand the importance of exports to the U.S. beef sector, and if confirmed, I can assure you that I will work closely with Ambassador Kirk, USDA and other agencies to engage with Mexico, as well as other trading partners – particularly those in Asia, to normalize our trade in beef in these important markets in a commercially viable manner based on science and international standards.

ANSWERS TO QUESTIONS FROM SENATOR WYDEN

Question 1

You are quoted as suggesting that EU practice with respect to Genetically Modified Organisms has the effect of “denying food to starving people.” Is this quote accurate? If you wish, please elaborate, clarify, or correct your statement in any way.

The statement is quoted in full below. It was made in June 2003 in support of the U.S. decision to file the biotech complaint against the EC at the WTO regarding their moratorium on approval of biotech products. The contextual reference is that a number of Sub-Saharan African countries were experiencing drought and famine, but U.S. food aid was curtailed due on EC policy on biotech corn. There was a concern that if they accepted U.S. biotech corn, their fears were that the EU would ban their exports of agricultural products:

"EU's illegal moratorium has had a negative ripple effect of creeping regulations and non-science based decisions, which have resulted in denying food to starving people" said Isi Siddiqui, CropLife America's vice president, biotechnology and trade. "The WTO requires that international trade rules be based on sound science, and today's decision will send that strong message to the EU, and other countries in Asia, Africa and Latin America.." (Quoted from the Southeast Farm Press, entitled Farm Groups Support WTO case filing, dated June 3, 2003).

Biotechnology offers important opportunities for benefits to farmers, producers and consumers. Biotech food crops require extensive data and thorough review for food and environmental safety by USDA, EPA and FDA before they can be planted by U.S. farmers in the United States. I believe the WTO made an important statement on this technology when it found in favor of the United States in its challenge of the European Communities moratorium on approval of these products. If confirmed, I will support appropriate application of both biotechnology and promotion of trade in these products.

Question 2

CropLife has taken some positions that many find to be controversial. Are there major positions that CropLife has taken, or views that CropLife is perceived to hold, that are inconsistent with your own or with those you will represent, should you be confirmed? If so, please elaborate.

As discussed in #4 below, if any matter specifically involving CropLife came to USTR, I would refrain from participating in it.

Question 3

What type of positions or policies will you support in order to be sure that America's trade objectives do not cause harm to those living world's poorest developing countries? I am particularly interested in learning your views about how the U.S. can facilitate responsible agricultural development and food production in poor countries and how the delivery of food aid can be improved to assist this objective.

I am supportive of the United States' commitment to work as part of a collaborative global effort centered on country-led processes to improve food security. Momentum is building for global action on this issue, as evidenced by the 2009 L'Aquila G8 Summit statement on Global Food Security. If confirmed, I will work as part of the Administration's effort on this issue and seek the advice of interested US stakeholders, including Members of Congress.

Question 4

Are you committed to ensuring that your past ties with CropLife do not influence your ability to place the interests of the public and the nation above your former employer's, should you be confirmed? If so, how will you ensure your former employer's positions don't influence your own?

Absolutely. If confirmed, my sole duty would be to serve the interests of American people without regard to any effect my actions might have on CropLife. Moreover, as provided for in my ethics agreement of September 25, 2009, I will fully comply with "Ethics Pledge" signed by all President Obama's appointees. Pursuant to that pledge, for two years after the date of my appointment, I will not participate in any particular matter involving specific parties that is directly and substantially related to CropLife.

ANSWERS TO QUESTIONS FROM SENATOR SCHUMER

Question

Increased opportunities for New York's dairy industry to participate in fair trade are very important to helping my farmers recover from the financial crisis they have been experiencing this year. As such, I am concerned about trade barriers that prevent U.S. dairy products manufacturers from exporting to India. Since 2006, India's market has been completely closed to U.S. dairy products. India's continued stonewalling of U.S. efforts to resolve this issue is deeply concerning, and I was pleased to hear from Ambassador Kirk that the issue of dairy market access would be a top issue on the agenda at the October 26th meeting in India of the U.S.-India Trade Policy Forum.

What progress was made on this issue at the TPF?

Has the United States raised this issue in the WTO? What has been India's response?

What steps will you take to help ensure that the recent discussions with India will translate into useful steps towards resolution of this issue that has been plaguing my dairy products manufacturers for so many years?

What steps will you take to resolve this issue if continued discussions fail to resolve this issue within the next several months?

I certainly appreciate the importance of improving market access for U.S. producers of high quality dairy products, including products from New York State. I fully recognize the importance of job creation, and, if confirmed, will make market access for U.S. products a top priority in our dialogue with India. As you note, last month the United States held the annual Trade Policy Forum in India, which provided the United States with the opportunity to convey to the Indian Government concerns regarding market access for U.S. dairy products. Please be assured that, if confirmed, I will monitor the situation closely and will continue to consult with U.S. stakeholders, including Members of Congress.

ANSWERS TO QUESTIONS FROM SENATOR STABENOW

Question

I am concerned about the potentially damaging impact the inclusion of US-New Zealand dairy trade would have on Michigan's dairy producers under a Trans-Pacific Economic Partnership Agreement.

New Zealand's dairy industry is virtually one dairy company controlling around 95% of the milk produced there. Additionally, New Zealand exports almost all of its production, and is expected to dump its product onto world markets when times get tough like they are this year.

What will you be doing to help avoid negative impacts on our dairy industry if the Administration decides to move forward with the Trans-Pacific Economic Partnership?

I understand that Michigan dairy producers have concerns regarding potential U.S. participation in the Trans-Pacific Partnership Agreement. If confirmed, I will work closely with you and your dairy producers to address their sensitivities and priorities in any initiative that the Administration pursues in its trade policy agenda.

ANSWERS TO QUESTIONS FROM SENATOR NELSON

Question 1

The Florida citrus industry is the State's second largest, contributing over \$9 billion to our economy and 90,000 direct and indirect jobs throughout Florida and the country. Florida accounts for 67 percent of total U.S. citrus production and ranks first in the value of production of oranges, grapefruit, and tangerines. Given your long tenure the California Department of Food and Agriculture, how do you view import sensitive crops such as citrus?

I recognize the importance of citrus to Florida agriculture. If confirmed, I look forward to consulting often to make sure I fully understand and take into consideration your views and the views of the Florida citrus industry as well as those of industries representing other import sensitive crops.

Question 2

Recently, a sugar industry group comprised of the American Sugar Alliance and the National Chamber of Sugar and Alcohol Industries in Mexico offered a set of recommendations to improve and facilitate government cooperation and coordination between the United States and Mexico on sugar trade policy. These recommendations include improved data collection, improved government coordination of U.S. – Mexico sugar policies, improved coordination on U.S. - Mexico sugar production levels and the creation of a Mexico-U.S. Sugar Commission to resolve trade disputes between the two countries. What are your views on these recommendations?

I understand that USTR is reviewing the recommendations we received from the American Sugar Alliance and consulting with other United States agencies. I understand that a bilateral government-to-government sugar working group has been meeting regularly for the last few years and its work has improved the flow of data regarding sweetener trade between the two countries. I will work to continue to this dialogue with Mexico to ensure we have the best data possible as the U.S. and Mexican sweetener markets become more integrated.

Question 3

Dr. Siddiqui, you currently serve as the Vice President for Science and Regulatory Affairs at CropLife America, a consortium of pesticide producers. If confirmed, what steps would you take to assure that there is no conflict of interest between your work for the pesticide industry and your new role as chief agricultural negotiator in the Office of the U.S. Trade Representative?

If confirmed, my sole duty would be to serve the interests of American people without regard to any effect my actions might have on CropLife America. Moreover, as provided for in my ethics agreement of September 25, 2009, I will fully comply with “Ethics Pledge” signed by all President Obama’s appointees. Pursuant to that pledge, for two years after the date of my

appointment, I will not participate in any particular matter involving specific parties that is directly and substantially related to CropLife America.

ANSWERS TO QUESTIONS FROM SENATOR BUNNING

Question 1

Dr. Siddiqui, I assume you are familiar with legislation recently passed by Canada that would effectively ban cigarettes made with U.S. burley tobacco. My understanding is that Canada's legislation is intended to ban tobacco products that are appealing to youth. Are you aware of any evidence that cigarettes made with U.S. burley tobacco are more appealing to youth than purely flue-cured cigarettes?

I share your understanding that Canada's legislation (C-32) is aimed at protecting youth against the dangers of smoking. I am not aware of any studies that indicate that cigarettes made with burley tobacco are more appealing to youth than purely flue-cured cigarettes.

Question 2

The Canadian legislation does not ban purely flue-cured cigarettes, which make up vast majority of the Canadian market, but it bans American blend cigarettes – a distinctively American product. In your opinion, did Canada choose the least trade-restrictive means of accomplishing its goal of reducing youth smoking?

As I understand it, Canada's legislation (C-32) seeks to reduce youth smoking by prohibiting cigarettes from being marketed if they contain any listed food flavorings or additives. I am not in a position to measure the specific trade effects of C-32 at this time or other alternatives that Canada might have adopted. However, I would note that the United States and other countries have enacted more focused measures that prohibit the sale of flavored cigarettes of the type most directly marketed to children. If confirmed, I will continue to monitor this matter closely as Canada develops implementing regulations and will work with you and your staff on this issue of importance to you and your constituents.

ANSWERS TO QUESTIONS FROM SENATOR CRAPO

Question 1

Many of us recognize the importance of a well-negotiated World Trade Organization (WTO) Doha agreement, but we need a deal that is going to work for the American economy, including American agriculture. There are many industries in Idaho, including the dairy industry which depends on good trade agreements to help create jobs and opportunities. How does USTR plan to ensure that in any final Doha agreement we are not moving backward with respect to current market access opportunities and instead are improving the status quo, including in key developing country markets?

I agree that it is important for a Doha agreement to work for the American economy, including American agriculture. I think the Administration has been very clear on the need for greater market access contributions by key emerging markets which are some of the fastest growing and increasingly important in today's global economy. If confirmed, I will insist on a deal that achieves significant new opportunities for U.S. exporters, including American farmers and ranchers.

Question 2

How will you work with the U.S. Department of Agriculture (USDA) and the White House to ensure that all three are sharing information and coordinating messages on restoring beef trade, especially with our Asian partners?

In my role as Senior Trade Advisor to Secretary Glickman, I served as a liaison to USTR and therefore have a good working knowledge of how to coordinate with our sister agencies and the White House. If confirmed, I will continue to ensure that all three are on the same page particularly as it relates to expanding beef markets in Korea, Japan and China.

Question 3

Mexico is the U.S. beef industry's number one export market. However, we are still missing a lot of value because Mexico is not accepting product from cattle over 30 months of age. What will you do as the Chief Agricultural Negotiator to address this issue and get full access for U.S. beef into Mexico?

This Administration is committed to ensuring strong enforcement of existing trade rules, including those of the WTO SPS Agreement. I understand the importance of exports to the U.S. beef sector, and if confirmed, I can assure you that I will work closely with Ambassador Kirk, USDA and other agencies to engage with Mexico, as well as other trading partners, to normalize our trade in beef in these important markets in a commercially viable manner based on science and international standards. And, where they should fail to do so, I will, together with USTR trade officials, aggressively utilize, in cooperation with other Administration and Congressional colleagues, all available tools in the WTO and other mechanisms.

Question 4

How will you work with the U.S. beef industry to engage them in the process during trade negotiations and dispute resolution?

I understand that U.S. beef industry representatives are active members of the formal Advisory Committee system in both the Agricultural Policy Advisory Committee and the Animal and Animal Product Agricultural Technical Advisory Committee with which USTR and USDA consult regularly. I also understand that U.S. beef industry representatives regularly submit comments in response to USTR requests for comments and views with regard to both trade negotiations and WTO dispute settlement cases. As an informal matter, I understand that Ambassador Kirk and other USTR trade officials have met with U.S. beef industry representatives frequently. If I'm confirmed, I can assure you that I will continue this high level of engagement and regularly consult with the U.S. beef industry.

Question 5

Trade commitments already made in the WTO and in free trade agreements are likely to result, in most years, in the U.S. sugar market being over-supplied. Additional import commitments would only make management of the domestic sugar program even more difficult and could result in substantial costs to the government. Given this situation, shouldn't U.S. trade negotiators make clear that they will not offer any new trade concessions that would increase the inflow of sugar into the U.S.?

This Administration fully understands the level of sensitivity associated with sugar. If confirmed, I will work closely with USDA, U.S. stakeholders, and with you regarding international trade commitments related to this commodity. As the Administration develops its trade policy agenda going forward, I fully appreciate the importance of an open and inclusive dialogue with Congress on trade. If confirmed, I can assure you that I will come to you early and often to consult and to listen.

Question 6

The costs faced by U.S. farmers have risen dramatically in recent years. Given these changes in cost structure, and the strong concern about the adequacy of world food supplies, does it make sense to undertake commitments in the WTO that could result in undercutting the safety net established for U.S. farmers by the new Farm Bill? Will you work to ensure that any commitments made will not undercut this safety net?

The WTO negotiations on agriculture are intended to address three areas: domestic supports, market access and export competition. If confirmed, I will work with you to ensure a balanced and ambitious Doha outcome across these three areas that works for America's farmers, ranchers and agribusinesses.

ANSWERS TO QUESTIONS FROM SENATOR ENZI

Question

As the Chief Agricultural Negotiator, you may be pressured by some countries to allow livestock and high-risk ruminant products into the United States from nations known to have foot-and-mouth disease. Animal health safeguards must be based on internationally recognized scientific standards, especially for a disease as contagious and economically threatening as foot-and-mouth disease. Do you believe that FMD poses a significant threat to our domestic livestock industry and that our trade policies need to reflect this risk?

I agree that it is extremely important to ensure that our SPS measures are based on international standards, including those established by the World Organization for Animal Health (OIE). The use of science-based guidelines helps to ensure the safety of domestic and imported products. FMD is one of many significant threats to our domestic industry, and, if confirmed, I will work with Ambassador Kirk, USDA, and Congress to ensure that all U.S. SPS measures, like the ones related to FMD, are science-based, reduce the risk to the food supply from various animal and plant diseases, and ensure the safety of the American food supply.