

# "Ag Notes"

A SUMMARY OF NEWS, EVENTS AND FACTS FROM USDA



## "A Critical Week Ahead," Veneman says

As Congress prepares to resume work on the farm bill after a two-week recess, Agriculture Secretary Ann M. Veneman told the North American Agricultural Journalists, "this is a critical week for the farm bill."

Acknowledging that farm bill conferees still have many contentious issues to address, Veneman said, "it seems if they can reach agreement on some key issues they could move pretty quickly." The Secretary reiterated administration support for a responsible farm safety net, strong conservation measures; farm savings accounts to help manage risk, provisions that support expanded trade, and spending that concurs with the budget agreement.

While there are still contentious issues such as payment limitations and packer ownership, Veneman said, "the conferees need to come together and determine whether they can make the necessary compromises." The Secretary expressed optimism that agreement could be reached but implementation for 2002 becomes more challenging each week that passes.

Veneman touched on several other issues, including biosecurity, energy policy and trade during her luncheon with the group. Stressing the importance of rural development as a key to prosperity in agricultural areas, the Secretary announced that \$203 million in loans, guarantees and grants is now available through the Rural Development Housing Program to help rural families; \$5 million in business enterprise grants will go to 22 states benefiting 622 businesses; and \$2 million in grants will link rural communities to the internet in Alaska, Louisiana, Michigan, Minnesota, Missouri and Texas.

## President Bush urges Congress to pass TPA—

President Bush last week pressed the Senate to act on trade issues, urging passage of Trade Promotion Authority (TPA) and renew the Andean Trade Preference Act by April 22. Both measures passed the House of Representatives and cleared the Senate Finance Committee last year. Action by the full Senate is the last hurdle to enactment.

"TPA gives the executive branch the right to negotiate trade agreements. But Congress has the final authority to approve the agreements," President Bush told a gathering of diplomats and businessmen at the State Department April 4.

He pointed to the proliferation of bi-lateral agreements that have cropped up worldwide while the U.S. has been without TPA. "While we've been marking time, our competitors have been working and they've been signing agreements," he said. There are over 150 preferential trade agreements in the world today and the U.S. is a party to only three. The European Union is a party to 31 and Mexico is a party to ten.

As evidence that trade is an engine of growth President Bush said we need look no farther than the North American Free Trade Agreement (NAFTA) and the Uruguay Round. "They have improved the average standard of living for Americans."

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Secretary Ann M. Veneman, and Mexico's Secretary of Agriculture Javier Usabiaga celebrate opening of Forum; creation of Consultative Committee on Agriculture Mexico City 4/3

## Upcoming Events with Secretary Veneman—

4/9, Participates in 72<sup>nd</sup> Annual National 4-H Conference, Jefferson Auditorium, USDA

4/10, Attends signing ceremony establishing Federal Wildland Fire Policy Council, Washington, DC

4/11, Address to Sparks Commodities Annual Food and Agricultural Policy Conference, Wash. DC

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## Quotables...

“A prosperous nation is one more likely, much more likely, to be able to afford the technology necessary to protect the environment. And then, of course, trade creates the habits of freedom. And the habits of freedom begin to create the expectations of democracy and demands for better democratic institutions. Societies that open to commerce across their borders are more open to democracy within their borders. And for those of us who care about values and believe in values—not just American values, but universal values that promote human dignity—trade is a good way to do that. It’s a heck of a lot easier to promote human dignity and human rights through trade than it is through lectures...”  
President Bush 4/4

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“We want our cross-border dialogue to be ongoing and all encompassing.”  
Secretary Veneman in Mexico City 4/3

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“Secretary Veneman could not have picked a more qualified and experienced individual than Donna Reifschneider to ensure that producers and consumers are protected in the marketplace...” Dave Roper, National Pork Producers Council president 4/2

## U.S. and Mexico Strengthen Agriculture Partnerships

Secretary of Agriculture Ann M. Veneman traveled to Mexico following a six-state swing for farm meetings and events during the Easter recess. While in Mexico, Veneman signed an agreement with her Mexican counterpart, Javier Usabiaga, establishing a bi-national working group to ensure continued growth of trade between the U.S. and Mexico.

While there, the Secretary opened the second annual Agricultural, Food and Fisheries Outlook Forum and met with President Fox, and the ministers of economics and the environment. Discussions were held between the U.S. and Mexico on NAFTA implementation, biotechnology, and the environment, among other issues.

“Two-way agricultural trade has doubled since the implementation of the agreement, reaching almost \$12.7 billion last year, a new record high. A broad cross-section of products move to Mexico, suggesting the benefits are widely distributed across the food and fiber sector. Mexico purchased record amounts of US agricultural products covering all sectors: including, fruits and vegetables, red meats and poultry. At the same time, we imported record levels of Mexican products,” the Secretary said.

Veneman cited figures that show that during 2000, “U.S. investment in Mexico’s food industry rose to \$5.7 billion. Mexico is now the second most important destination for companies looking to invest in this sector.” At the same time, “Mexico’s investment in the U.S. food industry has grown to more than \$1 billion,” the Secretary said. For full text of her remarks to the Outlook conference go to [www.usda.gov](http://www.usda.gov).

### U.S.-Mexico Consultative Committee on Agriculture established

On April 3, Agriculture Secretary Veneman and U.S. Trade Representative Robert B. Zoellick announced that Mexico has signed a Memorandum of Understanding that creates a Consultative Committee on Agriculture to strengthen cooperation on agricultural trade issues.

“We welcome this new step in further expanding commercial relations between our countries. Agriculture and food are key components in our trade and investment, and this agreement will help expand opportunities on both sides of the border,” Veneman said.

Veneman signed the agreement in Mexico City during a meeting with Secretary of Agriculture Javier Usabiaga. Zoellick and Mexico Trade Minister Luis Ernest Derbez have also signed the agreement.

The consultative committee includes a “rapid response” team, intended to help the two countries deal with trade issues as they first emerge. It establishes a comprehensive early warning and consultation process to enable addressing problems quickly, before they become trade disruptions.

As an example of how bi-national cooperation can benefit U.S. agriculture, Secretaries Veneman and Usabiaga announced an agreement that will allow U.S. stone fruit—peaches, apricots and nectarines—to be imported into Mexico during the 2002 shipping season.

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