

# "Ag Notes"

*A SUMMARY OF NEWS, EVENTS AND FACTS FROM USDA*

## Veneman-Zoellick talk trade –push for TPA, preview WTO negotiations and Japan, China trip

Agriculture Secretary Ann M. Veneman and U.S. Trade Ambassador Robert T. Zoellick told the nation's farmers about the need for Congress to approve Trade Promotion Authority (TPA) for the President. In a press conference broadcast on the nation's farm radio and television stations, they said TPA is essential for negotiating new trade agreements to expand markets for U.S. farm and food products.

"The President has a very aggressive trade agenda, but first and foremost right now is to get Trade Promotion Authority. And we're hopeful that the Congress will act on it very quickly," said Veneman. "There are times that we talk about turning inward. But we simply cannot do that for the long-term health of our food and agriculture."

"We need Congress to complete action on Trade Promotion Authority as soon as it can," added Zoellick. "It's important for the Congress to hear how important trade is for agriculture so we can help open markets around the world."

The two also discussed the ongoing round of World Trade Organization (WTO) negotiations and the ambitious objectives for the U.S. "We need to bring down tariffs and we need to bring down trade distorting support that interferes with the market flow," said Zoellick.

Veneman added, "We are now beginning to put proposals on the table including one that would call for the elimination of all export subsidies, the most trade distorting in the world. The European Union uses 90 percent of export subsidies."

Secretary Veneman also discussed her travel this week to Japan and China for multilateral and bilateral meetings on agricultural trade and expanded cooperation. In Japan, Veneman will meet with agricultural ministers from Australia, Canada, the European Union and Japan for the 5<sup>th</sup> Quint Agricultural Ministerial. While in Japan, the Secretary will also attend events to promote the export of U.S. beef and other products to the country. She will also lead a discussion on the importance of new technologies, including biotechnology, for global food and agriculture.

Veneman will then travel to China, where she will meet with Chinese leaders to discuss U.S.-China agricultural trade relations, including China's WTO obligations, expanded trade cooperation, and biotechnology. There, she will also speak to the American Chamber of Commerce.

"Biotechnology in particular presents so many opportunities for our food and agriculture system," Veneman said. "When you look at the benefits in terms of fighting hunger, medical advances, drought resistant crops and helping the environment, it is important that we work to help educate consumers around the world about the advantages of biotechnology."



Secretary Veneman and Ambassador Zoellick discuss agricultural trade issues during a press briefing from USDA studios, 7/22.

### Poultry discussions—

"Considerable progress has been made to resolve the long-running poultry trade dispute and the development of a new veterinary certificate for U.S. poultry exports to Russia," Undersecretary of Agriculture J.B. Penn said in a statement today.

"We addressed the few outstanding differences that remain between us and agreed to exchange final documents today related to the veterinary certificate," said Penn. "We should know in a day or so if we have reached final agreement on the certificate. We fully expect to conclude this matter so that U.S. poultry trade to Russia can resume," he said.

## Quotables—

*"Congress can act to create jobs by giving me trade promotion authority, which will allow me to open up foreign markets to American goods and create better American jobs..." President George W. Bush—Radio Address 7/13*



Agriculture Secretary Ann M. Veneman with Aaron R. Morris at an awards luncheon for the 2002 USDA/1890 National Scholars held in Washington, D.C.

~~~~~  
"Without TPA the ability of U.S. negotiators to represent the interests of U.S. agriculture will be fatally weakened. The rest of the world will no doubt see fit to move forward on the basis of other agendas, which are not in the best interests of our farmers and ranchers. Congress must not permit this to happen." Agricultural Coalition for TPA to House-Senate TPA conferees

### **Court Allows Beef Check Off to continue—**

On July 10 the U.S. Court of Appeals for the 8<sup>th</sup> Circuit granted a request for stay that allows the beef promotion program to continue without interruption while the appeal of a June 21 decision declaring the check off unconstitutional is underway.

## VENEMAN REITERATES SUPPORT FOR— DEPARTMENT OF HOMELAND SECURITY

Agriculture Secretary Ann M. Veneman last week reaffirmed her support for President Bush's plan to create a new Department of Homeland Security saying the President's plan is "bold and historic" and said the proposal would "better protect, better prepare and better coordinate" the critical responsibilities of homeland protection.

During testimony in two separate hearings before the House Select Committee on Homeland Security and the Senate Agriculture Committee, Veneman praised the President, saying "In putting forth this proposal, the President made clear the important role agriculture and protecting the food supply plays in homeland security."

The Secretary also said the Administration supported a House Agriculture Committee amendment to refine the President's proposal to move specialized border inspection and enforcement functions of USDA as well as the Plum Island Disease Facility to the new Department.

"The Administration worked closely with the House Agriculture Committee and this amendment is consistent with the President's goal of unifying the border and transportation security functions of many Federal agencies.

Veneman, during her testimony, listed examples of programs that would remain at USDA which include protecting livestock from predators; eradicating boll weevil, fruit flies and brucellosis; control rabies in wildlife; allow negotiations with foreign countries on technical requirements for U.S. exports and imports; regulate biotechnology and animal welfare.

The Secretary also reiterated the role USDA has played in protecting agriculture and the food supply from potential threats saying, "While a great deal of work has been done in a very short amount of time, the job is far from over. We cannot let down our guard...we must continuously improve and strengthen our protection capabilities."

## Farm bill implementation news—

Since President Bush signed the farm bill into law, Secretary Veneman has made a steady stream of announcements and progress regarding implementation.

On July 11, the Secretary made available \$275 million in Environmental Quality Incentive Program funds at county Farm Service Agency offices for the remainder of fiscal year 2002. About \$200 million of the funds "will be available to more land owners because concentration of funding to certain areas is eliminated as is competitive bidding. This will allow small and limited-resource farmers to compete on an equal basis for the funding," said Veneman.

The remaining \$75 million of EQIP funds is earmarked as follows: \$25 million for technical and financial assistance for ground and surface water conservation and \$50 million to carry out conservation activities in the Klamath Basin located in California and Oregon.

The new farm law also allows some farmers to receive Loan Deficiency Payments (LDPs) on 2001 program crops even if they were not enrolled in the 1996 program. (continued on page 3)

## FARM BILL IMPLEMENTATION NEWS CONTINUED—

"This extension means that more farmers, particularly newly established farmers, can benefit from the program," the Secretary said.

This past week, the Secretary announced that peanut producers are being asked to update their peanut acreage history and yield information at local FSA county offices. As well, commodity producers are being asked to verify and update records on planted and prevented planted acres filed with FSA. Letters are being sent to producers across the country requesting these updates, which is required under the new farm bill in order to process payments timely and accurately.

"The new farm bill makes significant changes to various programs," said Veneman. "We are asking producers to review and help update this information now so payments can be issued this fall."

## DROUGHT RELIEF UPDATE—

Secretary Veneman continues to provide "every available program available under USDA's authority" to assist producers impacted by drought and unfavorable weather conditions in various parts of the country.

The Secretary recently opened Conservation Reserve Program (CRP) land for haying and grazing in the entire states of: Arizona, Colorado, Georgia, Idaho, Kansas, Minnesota, Montana, Nebraska, New Mexico, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Texas, Utah, Virginia and Wyoming. State committees must determine that conditions warrant opening the CRP and producers must apply for individual approval at local FSA offices. Annual CRP rental payments will be reduced 25 percent if land is hayed or grazed unless the hay is donated.

In North Dakota, South Dakota, Nebraska and Montana, emergency haying and limited grazing of Water Bank Program acreage is also permitted. Additionally, the Secretary has declared additional counties in Arizona, California, Michigan, New Mexico, North Carolina, Texas and Virginia as agricultural disaster areas, making farmers and ranchers in these states eligible for emergency loans.

As well, earlier this week, the Secretary announced that landowners whose property has been damaged by fire or drought to apply for assistance through the Wildlife Habitat Incentives Program, which can pay for up to 75% of the cost of improving wildlife habitat. This may include planting native grasses and forbs, leaving food plots within existing fields, establishing buffers and stabilizing steep slopes.

## Veneman Names New Food Safety Administrator—

Secretary Veneman announced this week the selection of Dr. Garry L. McKee as administrator of the Food Safety and Inspection Service (FSIS). Dr. McKee brings more than 30 years of public health experience to the position and, "his experience, combined with a solid record in managing public health programs, will be a tremendous asset as USDA continues to protect the public health by strengthening food safety programs," Veneman said.

Since 1999, Dr. McKee has served as the director and cabinet secretary of the Wyoming Department of Health. He was chief of the Oklahoma State Department of Health public health laboratory for 18 years and also been Lt. Commander in the U.S. Public Health Service Reserve. He also serves as a member of the National Public Health Anti-Terrorism Preparedness Task Force with the Assn. Of State Health Officials



Secretary Veneman is joined by top USDA officials in discussing 2002 Farm Bill implementation, trade and other related issues with farm television and radio broadcasters, 7/11.

## AUSSIES TAKE THE GRAPE

U.S. table grapes were on sale in Australian groceries on July 17, signaling the end of a 10-year old ban by that country over differences in plant health regulations. "Now Australians can enjoy the California table grapes available during their winter season when Australian domestic grapes are not available," Secretary Veneman said.

## VENEMAN FORMS WORKING GROUP ON NEWLY CREATED OFFICE OF CIVIL RIGHTS

Secretary Veneman has formed a high-level internal working group to provide guidance and recommendations as the USDA works to establish the new Office of the Assistant Secretary of Civil Rights, which was created by the new Farm Bill. "The creation of this new office will provide additional opportunities to continue strengthening civil rights programs administered by USDA that serve our customers and employees."