



March 29, 2011

The Honorable Kevin Brady, Chairman
Subcommittee on Trade of the Committee on Ways & Means
United States House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

The Honorable Jim McDermott, Ranking Member
Subcommittee on Trade of the Committee on Ways & Means
United States House of Representatives
1139E Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Brady and Ranking Member McDermott:

The National Corn Growers Association (NCGA) appreciates the opportunity to provide testimony as part of the Subcommittee on Trade of the Committee on Ways & Means' hearing regarding the pending trade agreement with Colombia. NCGA represents 35,000 corn farmers from 48 states, as well as the interests of more than 300,000 growers who contribute through corn checkoff programs in their states.

The United States is the largest corn producer in the world, and the export of corn and corn products is essential to producer income. During the 2009-10 marketing year, the United States exported 50.4 million metric tons of corn worldwide. Additionally, corn increases the value of U.S. beef, pork and poultry exports. Corn co-products such as dried distiller's grain represent a growing export market for domestic producers.

Colombia is traditionally one of the top ten export markets for U.S. corn. During marketing year 2007-08, the United States exported 114 million bushels of corn to Colombia, with an estimated value of nearly \$627 million. Unfortunately, U.S. corn exports declined dramatically during the 2009-10 marketing year. Only 36 million bushels of corn were exported to Colombia during that time, valued at \$152 million. The decline in exports reflected a loss of \$475 million to the U.S. economy.

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Under the Colombia Free Trade Agreement, U.S. corn producers would gain immediate access to the Colombian market for 2.1 million metric tons of corn at zero percent duty. Over the course of the 12 year phase out of corn's 25 percent over-quota base tariff, the rate would be reduced each year by 2 percent, while the volume of the tariff rate quota would increase by 5 percent, compounded annually.

Currently, Colombia is importing corn from U.S. competitors including Argentina, Brazil, Paraguay and the majority of Mercosur members because of an import duty preference. We cannot afford to watch important export markets slip away, particularly to our largest competitors, Brazil and Argentina. Failure to implement a trade agreement with Colombia will place U.S. corn producers at a competitive disadvantage in the world market.

NCGA supports a consistent U.S. trade policy so that corn and corn co-products are not disadvantaged for the benefit of another sector. We support the pending Free Trade Agreement with Colombia, as well as those with Korea and Panama. In finalizing these agreements, NCGA emphasizes the need to eliminate sanitary and phytosanitary barriers that are not based on the unique science of agriculture products derived from biotechnology.

NCGA remains committed to the development and maintenance of fair and open global trade policies. We appreciate efforts by U.S. trade negotiators to increase meaningful and achievable access to foreign markets. Moreover, U.S. corn producers stand ready to develop and provide corn products to meet the demands of modern global consumption.

Sincerely,

A handwritten signature in black ink, appearing to read "Barton Schott". The signature is fluid and cursive, written over a white background.

Barton Schott
President