

November 14, 2005

The Honorable Rob Portman
United States Trade Representative
Executive Office of the President
600 17th Street, N.W.
Washington, D.C. 20508

Dear Ambassador Portman:

Pursuant to Section 2104 (e) of the Trade Act of 2002 and Section 135 (e) of the Trade Act of 1974, as amended, I am pleased to transmit the report of the Agricultural Policy Advisory Committee on the U.S.- Oman Free Trade Agreement, reflecting consensus on the proposed Agreement.

Sincerely,

signed 11/14/05

Charles J. O'Mara
Chairman
Agricultural Policy Advisory Committee for
Trade

THE U.S.-OMAN FREE TRADE AGREEMENT

**Report of the
Agricultural Policy Advisory Committee for Trade**

November 2005

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Agricultural Policy Advisory Committee for Trade (APAC)

Agricultural Policy Advisory Committee for Trade Report to the President, the Congress, and the United States Trade Representative on the U.S.-Oman Free Trade Agreement.

I. Purpose of the Committee Report

Section 2104(e) of the Trade Act of 2002 requires that advisory committees provide the President, Congress, and the U.S. Trade Representative with reports required under Section 135(e)(1) of the Trade Act of 1974, as amended, not later than 30 days after the President notifies Congress of his intent to enter into an agreement.

Under Section 135(e) of the Trade Act of 1974, as amended, the report of the Advisory Committee for Trade Policy and Negotiations and each appropriate policy advisory committee must include an advisory opinion as to whether and to what extent the agreement promotes the economic interests of the United States and achieves the applicable overall and principal negotiating objectives set forth in the Trade Act of 2002.

The report of the appropriate sectoral or functional committee must also include an advisory opinion as to whether the agreement provides for equity and reciprocity within the sectoral or functional area.

Pursuant to these requirements, the APAC hereby submits the following report.

II. Executive Summary of Committee Report

It is the opinion of the APAC that multilateral negotiations on agriculture, under the World Trade Organization Doha Round, remain the highest priority. Parallel to these efforts, the conclusion of bilateral trade agreements will continue to be essential in accelerating improvement of U.S. agricultural market access world wide. In this light, the U.S.-Oman Free Trade Agreement (FTA) will increase opportunities for U.S. agricultural exports through the elimination of tariff and non-tariff barriers. This comprehensive agreement covers all agricultural products and will provide immediate duty-free access on 87 percent of all agricultural tariff lines. This agreement will provide new opportunities for U.S. beef, dairy products, select poultry products, dried fruits and nuts, soybeans and soybean meal. The remaining tariffs will be phased out over ten years. In side discussions, Oman has agreed to implement international standards and remove restrictive government-mandated shelf-life requirements. The rules of origin in this agreement are consistent with those used with other countries in the region (Bahrain), ensuring that only U.S. and Oman goods benefit from the preferential market access. The APAC members believe that this agreement essentially achieves U.S. negotiating

objectives of eliminating tariffs and securing market opportunities for U.S. agricultural products.

III. Brief Description of the Mandate of the APAC

The advisory committee is authorized by Sections 135(c)(1) and (2) of the Trade Act of 1974 (Pub. L. No. 93-618), as amended, and is intended to assure that representative elements of the private sector have an opportunity to make known their views to the U.S. Government on trade and trade policy matters. They provide a formal mechanism through which the U.S. Government may seek advice and information. The continuance of the committee is in the public interest in connection with the work of the U.S. Department of Agriculture (USDA) and the Office of the U.S. Trade Representative. There are no other agencies or existing advisory committees, which could supply this private sector input.

IV. Negotiating Objectives and Priorities of the APAC

The highest priority of the APAC is to improve the market opportunities for U.S. agricultural products by obtaining fairer and more open conditions of trade. The ultimate objective is the elimination of agricultural trade barriers through negotiations at the multilateral, regional, and bilateral levels.

V. Advisory Committee Opinion on Agreement

It is the opinion of the APAC that multilateral negotiations on agriculture, under the World Trade Organization Doha Round, remain the highest priority. Parallel to these efforts, the conclusion of bilateral trade agreements will continue to be essential in accelerating improvement of U.S. agricultural market access world wide. In this light, the U.S.-Oman Free Trade Agreement (FTA) will increase opportunities for U.S. agricultural exports through the elimination of tariff and non-tariff barriers. This comprehensive agreement covers all agricultural products and will provide immediate duty-free access on 87 percent of all agricultural tariff lines. This agreement will provide new opportunities for U.S. beef, dairy products, select poultry products, dried fruits and nuts, soybeans and soybean meal. The remaining tariffs will be phased out over ten years. In side discussions, Oman has agreed to implement international standards and remove restrictive government-mandated shelf-life requirements. The rules of origin in this agreement are consistent with those used with other countries in the region (Bahrain), ensuring that only U.S. and Oman goods benefit from the preferential market access. The APAC members believe that this agreement essentially achieves U.S. negotiating objectives of eliminating tariffs and securing market opportunities for U.S. agricultural products.

V. Membership of Committee

Agricultural Policy Advisory Committee for Trade

NAME	COMPANY
Charles J. "Joe" O'Mara (Chairman)	O'Mara and Associates
Roger J. Baccigaluppi	RB International
Brent A. Baglien	ConAgra Foods
James P. "Patrick" Boyle	American Meat Institute
Carl W. Brothers	Riceland Foods, Inc.
James P. Camerlo	Dairy Farmers of America
Jon D. Caspers	Self-employed pork producer
Stephen L. Censky	American Soybean Association
Thomas M. Cook	National Renderers Association
Leon C. Corzine	LPC Farms, Inc.
Richard T. Crowder	American Seed Trade Association
Paul A. Drazek	DTB Associates, LLP
Michael D. Dykes	Monsanto Company
Audrae Erickson	Corn Refiners Association, Inc.
Thomas A. Hammer	National Oilseed Processors Association
Lucian J. "Jack" Hunt, III	King Ranch, Inc.
Kenneth R. Johannes	Hill's Pet Nutrition, Inc.
Robbin S. Johnson	Cargill, Inc.
John R. Keeling	National Potato Council
Alan R. Kemper	Kemper Farms
Will C. Kinzel	Case New Holland, Inc.
Robert P. Koch	Wine Institute
Mark D. Lange	National Cotton Council of America
Andy LaVigne	Florida Citrus Mutual
Gary C. Martin	North American Export Grain Association
Thomas A. Nassif	Western Growers
Jean-Mari Peltier	National Council of Farmer Coops
Karen B. Ross	California Association of Winegrape Growers

Christian E. Schlect	Northwest Horticultural Council
Christopher E. Schaffer	S. Lightning Farms
Thomas H. (Hunt) Shipman	National Food Processors Association
Mary C. Sophos	Grocery Manufacturers of America
Roy R. "Bob" Stallman, Jr.	American Farm Bureau Federation
Michael J. Stuart	Florida Fruit & Vegetable Association
James H. Sumner	USA Poultry & Egg Export Council
Robert L. Thompson	University of Illinois
Constance E. Tipton	International Dairy Foods Association
Ann B. Wroblewski	International Paper