

**AGRICULTURAL TECHNICAL ADVISORY  
COMMITTEE FOR TRADE IN PROCESSED FOODS**

November 11, 2005

The Honorable Robert J. Portman  
United States Trade Representative  
600 17<sup>th</sup> 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 hereby transmit the report of the Agricultural Technical Advisory Committee for Trade in Processed Foods on the U.S.-Oman Free Trade Agreement. This report reflects the Committee's consensus opinion on the proposed Agreement.

Sincerely,

A handwritten signature in cursive script that reads "Leonard W. Condon".

Chairman

Enclosures

# **The U.S.-Oman Free Trade Agreement**

**Report of the  
Agricultural Technical Advisory Committee for Trade in Processed Foods**

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# **AGRICULTURAL TECHNICAL ADVISORY COMMITTEE FOR TRADE IN PROCESSED FOODS**

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## **Report of the Agricultural Technical Advisory Committee on Trade in Processed Foods 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**

On October 17, 2005, President Bush notified Congress that he intends to enter into a free trade agreement with the Sultanate of Oman. Section 2104 (e) of the Trade Act of 2002 requires that advisory committees provide the President, the U.S. Trade Representative, and Congress 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 sign 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 principle negotiating objectives set forth in the Trade Act of 2002. The report 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 Agricultural Technical Advisory Committee for Trade in Processed Foods hereby submits the following report:

### **II. Executive Summary of Committee Report**

The Processed Foods ATAC supports this agreement and urges Congress to approve appropriate implementing legislation as soon as possible. While Oman is not a significant export market for U.S. processed foods, the Committee strongly endorses the Administration's strategy to establish a U.S. - Middle East Free Trade Area by 2013. The proposed Agreement with Oman is an important milestone toward achieving that objective, building on agreements that already have been concluded with Israel, Jordan Morocco, and Bahrain. The Committee endorses the fundamental goal of opening markets, promoting trade and investment, expanding economic growth and opportunity, and encouraging economic and political stability throughout the Middle East. The Committee is especially pleased that the proposed Agreement covers all agricultural products. It notes that Oman will provide immediate duty-free access for U.S. agricultural products covered by 87 percent of its agricultural tariff lines. Tariffs on the remaining 13 percent of Oman's agricultural tariff lines will be phased out over ten years. The ATAC is pleased to endorse this comprehensive proposed Agreement with an important partner in a strategically important region.

### **III. Brief Description of the Mandate of The Agricultural Technical Advisory Committee on Trade in Processed Products**

The Processed Foods Agricultural Technical 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 ensure that representatives of the private sector have an opportunity to provide input to U.S. Government negotiators regarding all tariff and trade matters. The committee provides a formal mechanism through which the U.S. Government may seek advice and information. It is part of network of statutorily established committees that provide advice on trade negotiations to the President, the Office of the U.S. Trade Representative, the U.S. Department of Agriculture and the U.S. Department of Commerce. Established in 2003, the Processed Foods ATAC provides advice and information regarding trade in processed foods, one of the fastest growing segments of U.S. agricultural trade. The Committee furnishes advisory opinions and reports and performs other technical functions that are appropriate or are requested by the U.S. Trade Representative and/or the Secretary of Agriculture. In carrying out its functions, the Committee draws upon the technical competence and experience of its members who represent a broad cross-section of the U.S. processed food industry.

### **IV. Negotiating Objectives and Priorities of The Agricultural Technical Advisory Committee on Trade in Processed Products**

On November 21, 2003, following the third meeting of this newly-charted advisory Committee, I was directed by the Committee to write to the U.S. Secretary of Agriculture and the U.S. Trade Representative outlining the group's trade policy priorities. This communication expressed the ATAC's opposition to "...any product exclusions from the U.S.-Central American Free Trade Agreement (CAFTA) and other evolving FTAs." The letter also reflects ATAC concern about the creation of special rules of origin and stresses the importance of resolving existing sanitary, phytosanitary, and technical barriers to trade in the CAFTA and other pending FTAs. Finally the letter urged a proactive strategy for reinvigorating the Doha Development Agenda. In that regard, we highly commend Ambassador Portman for his continuing efforts to advance the WTO negotiating process.

### **V. Advisory Committee Opinion on Agreement**

The Agricultural Technical Advisory Committee on Processed Products supports the U.S. - Oman Free Trade Agreement. The ATAC urges Congress to quickly approve the implementing legislation so that U.S. companies, farmers, and workers can begin accruing benefits from the proposed Agreement as soon as possible.

The ATAC strongly endorses the Administration's objective of completing a U.S.-Middle East Free Trade Agreement by 2013. The Middle East is home to almost 350 million people and currently supports a \$70 billion trading relationship with the U.S.

We are very gratified that no products were exempted from this Agreement, as comprehensiveness is a critical threshold matter for the Processed Products ATAC.

ATAC members also are pleased that the Agreement reaffirms each party's rights and obligations under the *Uruguay Round Agreement on the Application of Sanitary and Phytosanitary Measures* (SPS Agreement) and establishes the Joint Committee, or a subcommittee created under the Joint Committee, as a forum for addressing sanitary and phytosanitary matters affecting trade between the two parties. Processed foods are especially vulnerable to sanitary, phytosanitary barriers. The ATAC urges the elimination of any and all SPS and technical trade barriers.

## **VI. Membership of Committee**

Attached is a list of members of the Agricultural Technical Advisory Committee on Processed Foods along with their respective affiliations.

# Agricultural Technical Advisory Committee for Trade

## Processed Foods

<b>NAME</b>	<b>COMPANY</b>
Robert B. Anderson	Sustainable Strategies
Elizabeth H. Avery	PepsiCo, Inc.
Robert P. Bauer	Association of Food Industries
Marietta E. Bernot	International Trade Services Corporation
Alison R. Bodor	National Confectioners Association
Karl B. Brown	SB Global Foods, Inc.
Catherine A. Caponi	H.J. Heinz Company
Leonard W. Condon	Altria Corporate Services, Inc.
Nancy K. Cook	Pet Food Institute
Donna J. Denison	Cassidy & Associates
Mark A. Dunn	J.R. Simplot Company
Elizabeth C. Fay	Cargill, Inc.
James P. Finkle	Constellation Brands, Inc.
M. Troy Flanagan	ConAgra Foods, Inc.
Robert L. Garfield	American Frozen Food Institute
Ronald P. Graf	Hershey Foods Corporation
Ann M. Grappin	Yum! Restaurants International
Steven F. Grover	Burger King
Vijai P. Gupta	Jyoti Cuisine India
Timothy F. Hamilton	MIATCO, Inc.
Gary J. Johnson	McDonald's Corporation
Kelly D. Johnston	Campbell Soup Company

Robert J. Kapuscinski	Global Export Marketing Co., Ltd.
Steven P. Krikava	Land O'Lakes
Deborah A. Lamb	Distilled Spirits Council of the U.S., Inc.
John F. McDermid	International Business-Government Counsellors, Inc.
Joseph T. Plesha, III	Trident Seafoods Corporation
John B. Reynolds	The IAMS Company
Peggy S. Rochette	Food Products Association
Jeffrey A. Shapiro	General Mills, Inc.
Ronald W. Tanner	National Association for the Specialty Food Trade, Inc.
Sarah F. Thorn	Grocery Manufacturers of America