

**STATEMENT OF ROGER MIX
MIX FARMS – CENTER, COLORADO
BEFORE THE
UNITED STATES HOUSE COMMITTEE ON SMALL BUSINESS
SUBCOMMITTEE ON AGRICULTURE, ENERGY AND TRADE**

JULY 26, 2012

Chairman Tipton, Ranking Member Critz, and other members of the Committee, thank you for inviting me to testify before you today. It is an honor and privilege to be here.

I am here today representing over 170 potato growers in the San Luis valley of south central Colorado. Colorado produced 21,000,000 hundredweight (cwt) of potatoes in 2011 with an approximate market value of \$200 million. We produce over 100 varieties of potatoes with 95 percent marketed as fresh potatoes which ranks Colorado as the second largest producer of fresh potatoes in the nation. Colorado is the largest United States shipper of fresh potatoes to Mexico but access has been limited to a 26-kilometer deep area along the northern border of Mexico. The opportunity to expand this market represents a significant economic opportunity for Colorado and other U.S potato growers. Currently about one in every five rows of potatoes grown in the United States is exported but in Colorado it is only one in every 20.

I want to thank you for calling this hearing to examine the effects of the application of non-scientifically based sanitary and phytosanitary standards on agriculture products grown in the United States and exported to our valued trading partners. All too often the application of these standards has resulted in reduced market access for the agricultural goods grown by America's family farmers who operate small businesses across the country. As we all understand, these small businesses are the heart and soul of our economy.

In March 2003, the United States and Mexico signed a market access agreement that allowed for the shipment of U.S. fresh potatoes from all 50 states into a 26-kilometer deep area along the border of Mexico. The signed agreement called for increased access to the five

northern Mexican states in 2004 and for consideration of full access by 2005. Presently, the shipping of U.S. fresh potatoes to Mexico is limited to 26 kilometers. In 2011, U.S. potato growers exported \$39 million worth of fresh potatoes to Mexico, making it our second largest export market behind Canada. If our products had full access to all of Mexico, we estimate that it would become our largest market for fresh U.S. potatoes with a value in excess of \$150 million.

Many of the obstacles raised by Mexico to justify their failure to honor commitments in the 2003 agreement have been phytosanitary in nature but were not based in sound science and did not justify trade restrictions. For example, Mexican potatoes produced in areas of the country with identical pest profiles as those in U.S. production areas have been allowed to move throughout Mexico if they are washed or brushed and labeled for consumption only. Yet U.S. fresh potato exports to Mexico are not allowed to move in a similar manner. The application of a different standard for domestic production than for imports clearly violates the globally accepted principle of “National Treatment”.

Mexico also argues that pest finds on U.S. potatoes entering Mexico have been excessive. U.S. growers and shippers apply rigorous production and testing protocols to ensure that shipments to Mexico are free from pests. According to USDA’s Animal and Plant Health Inspection Service, legitimate pest finds on U.S. potatoes entering Mexico are at or below the levels of pest detections for many Mexican agriculture products entering the U.S. The lack of timely and accurate reporting of pest finds is used by Mexico to artificially inflate the number of pest finds.

Recently, U.S. and Mexican negotiators were able to reach agreement on a path forward to develop a market access agreement for U.S. fresh potatoes to Mexico. As Mexico, Canada and other key trading partners seek to become participants in the Trans Pacific Partnership we need to be vigilant in using that process to increase their commitment to science-based resolutions of phytosanitary issues. The trade agreement negotiating process provides an

opportunity to gauge our trading partners' commitment to the scientific evaluation of phytosanitary risk as well as to internationally accepted trade rules and standards.

We are encouraged at the progress toward expanded potato trade with Mexico. And as the TPP negotiations continue, America's family potato farmers believe there is a need for continued and visible progress on a final work plan that will give potato growers and shippers in Colorado and the rest of the U.S. the opportunity to export potatoes to Mexico. A lack of progress on the potato issue would call into question Mexico's commitment to be a responsible partner in the TPP agreement.

Thank you again for the opportunity to testify.