



National Grain and Feed
Association



North American Export
Grain Association

1250 Eye Street, N.W., Suite 1003, Washington, D.C., 20005-3922
NGFA: (202) 289-0873 NAEGA: (202) 682-4030

January 13, 2012

The Honorable Ron Kirk
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street, N.W.
Washington, DC 20508

***Re: Mexico's Expression of Interest in the Trans-Pacific Partnership Trade
Negotiations; Docket: USTR-2011-0020***

Dear Ambassador Kirk:

Thank you for your leadership and interest in further assessment of Mexico's expression of interest in the Trans-Pacific Partnership Trade Negotiations (TPP).

The TPP negotiations represent a great opportunity to support U.S. economic growth and job creation through trade and investment with Asian-Pacific countries, as well with our North American trading partners. The North American Export Grain Association (NAEGA) and National Grain and Feed Association (NGFA) look forward to working with all stakeholders to deploy a TPP that reduces or eliminates impediments to exporting grains, oilseeds, processed grain products and other agricultural products from the United States to countries around the globe, including Mexico.

Both the NGFA and NAEGA, which jointly submit this statement in response to the notice published in the December 7, 2011 *Federal Register*, have a strong tradition of supporting free trade. Established in 1896, the NGFA is comprised of more than 1,050 member companies involved in grain-handling, feed manufacturing, grain milling and processing, and grain exporting that operate in excess of 7,000 facilities and handle more than 70 percent of the U.S. grain and oilseed crop. NAEGA consists of private and publicly owned companies and farmer-owned cooperatives that are involved in and provide services to the bulk grain and oilseed exporting industry. NAEGA's mission is to promote and sustain the development of commercial export of grains and oilseeds and their primary products.

In 2010, the United States and Mexico traded \$393 billion in goods, making Mexico our third largest trading partner. U.S. exports of agricultural products to Mexico totaled \$11.8 billion in 2010, also making Mexico the third largest U.S. agriculture export market. Within agriculture, the leading categories include: coarse grains (\$3.1 billion), red meats, fresh/chilled/frozen (\$2.2 billion), soybeans (\$1.1 billion), and wheat (\$795 million). Mexico is the largest market for U.S.

grains and oilseeds products in the Americas. As of January 1, 2008, the final North American Free Trade Agreement provisions successfully took effect, eliminating tariffs and quotas on all varieties of U.S. grains and oilseeds, including sensitive corn/maize imports. Accordingly, U.S. grains and oilseeds are competitively priced and enjoy preferential market access, effectively solidifying a dominant market share for U.S. products.

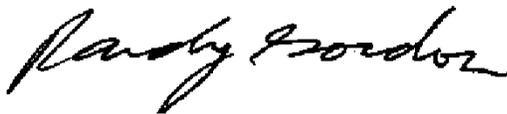
Mexico plays an essential and influential leadership role in key multilateral environments. For example, Mexico will host the seventh meeting of the G-20 heads of government in June 2012. Further, Mexico has strong history and future in development of the Cartagena Protocol on Biosafety to the Convention on Biological Diversity.

Building upon the success of the North American Free Trade Agreement and Mexico's growing influence in international policy venues, its participation in TPP promises to provide for significant gains to both the U.S. and Mexican agricultural economies and consumer interests. With Mexican participation, we believe important elements in the TPP will establish provisions to enhance food security and predictability of supply, while creating provisions to increase and facilitate trade in agricultural products produced with new technologies.

Ultimately, we anticipate that a successful TPP outcome will contribute to a comprehensive agreement that provides for gains in the provision of food safety and security, grain and oilseed product quality, and necessary protection of plant health, while providing for vibrant agriculture economies. Further, we encourage completing a Trans-Pacific Partnership in 2012 that adds Canada, Japan and Mexico by mid-year 2012.

Thank you for your consideration of our comments. We look forward to any opportunity to support the timely completion of TPP.

Sincerely,



Randy Gordon
Vice President, Communications
and Government Relations
National Grain and Feed Association



Gary Martin
President and CEO
North American Export Grain Association