

Statement
By
Coalition of Food-Related Trade Associations
Concerning
Senate Agriculture Hearing on Climate Change Legislation
July 22, 2009

WASHINGTON – A group of major national food-related trade associations today cautioned the Senate Agriculture Committee to consider fully the impact climate-change legislation will have on the nation’s ability to provide abundant and affordable food and necessary consumer goods to U.S. and world consumers.

The organizations, whose members encompass food, agricultural commodity, feed, ingredient, beverage and consumer-product processors, manufacturers, distributors and retailers, emit only about 2 percent of the nation’s greenhouse gases, but said they are disproportionately vulnerable to indirect cost increases that would occur under the House-passed version of the climate-change bill. Those costs include increased input, fuel and transportation expenses.

“If not crafted correctly, climate-change legislation could significantly increase the price of food and other household products,” the organizations said. “Congress must take extreme care to avoid adverse impacts on food security, prices, safety and accessibility to necessary consumer products. Congress also needs to consider that increases in food, agricultural commodity and feed prices could reduce the international competitiveness of U.S. agriculture- and food-related companies whose exports are vital to the U.S. agricultural economy and make it one of the sole positive contributors to the U.S. balance of trade.”

At a minimum, the groups said, any climate change legislation should include the following safeguards:

*Carbon-credit allowances should be distributed in a fashion that takes into account the needs of manufacturers, distributors or retailers of food, agricultural commodity, feed or household products.

*If an emissions cap is adopted, the U.S. Environmental Protection Agency should not be allowed to lower the cap in the future or use the Clean Air Act to regulate emissions to levels less than the cap.

*Food processors, agricultural commodity handlers and processors, farmers, ranchers and others should be permitted to generate offsets. A well designed offset system should strike a balance between the need for affordable offsets and the need for productive farmland.

*The legislation should preempt or harmonize state and regional climate-related programs.

*Climate-change legislation should be contingent upon Senate ratification of an international agreement among nations to reduce greenhouse gases.

Any climate change legislation that reduces greenhouse gas emissions also should ensure a safe and affordable supply of food, feed and other agricultural products.

Among the organizations involved are:

American Meat Institute
National Chicken Council
National Council of Farmer Cooperatives
National Grain and Feed Association
National Meat Association
National Oilseed Processors Association
National Turkey Federation
Pet Food Institute

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