June 13, 2016

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
U.S. Senate  
Washington, D.C. 20510

The Honorable Barbara Mikulski  
Vice Chairwoman  
Committee on Appropriations  
U.S. Senate  
Washington, D.C. 20510

The Honorable John Boozman  
Chairman  
Subcommittee on Financial Services 
and General Government  
U.S. Senate  
Washington, D.C. 20510

The Honorable Christopher Coons  
Ranking Member  
Subcommittee on Financial Services 
and General Government  
U.S. Senate  
Washington, D.C. 20510

Dear Chairman Cochran, Vice Chairwoman Mikulski, Chairman Boozman, and Ranking Member Coons:

The undersigned organizations of the U.S. Agriculture Coalition for Cuba (USACC) represent a broad range of more than 100 agricultural commodity and farm member organizations along with members of the agricultural private sector that support fully lifting the financing, trade, and travel bans for Cuba.

As you are well aware, U.S. agricultural and food products can be exported to Cuba for humanitarian reasons under the Trade Sanctions Reform Act of 2000 (TSRA). While TSRA opened the channel for shipping agricultural commodities and food products to Cuba, restrictions on financing those sales have made it difficult to compete with our foreign competitors in the Cuban market.

U.S. agriculture is at a global disadvantage as we watch foreign competitors continue to take away our market share because of their ability to offer generous credit terms. As recently as 2008, we were selling nearly $700 million in agriculture products to Cuba annually. In 2015, our sales were under $200 million in what is nearly a $2 billion market—U.S. market share is now less than 10% of Cuba’s agricultural imports, despite the superior quality and competitive prices of our products and the logistical advantages we have. Located just 90 miles from the U.S. coast, Cuba should be an obvious and reliable market for American businesses, as it has been in the past.

Since the normalization process between the U.S. and Cuba began in December 2014, successive rounds of amendments to Cuba-related regulations have been made through the Departments of Treasury and Commerce. Those changes have allowed for different industries to explore business opportunities in Cuba and for the authorized export and financing of those exports in particular sectors, such as telecommunications, civil aviation, and entertainment. However, agriculture is at a unique disadvantage owing to the codified restrictions of TSRA that prevent similar regulatory
authorizations from being extended: as of January 2016, there is a general policy of approval for exports and re-exports of some agricultural items, but **not those defined as agricultural commodities**.

Focus is needed on the economic value Cuba provides as a trading partner, allowing for this Congress to weigh-in by moving the critical legislation needed to allow private financing for agricultural exports to Cuba. As legislation is considered during the remainder of this Congress, we urge you to reject any language that would reverse any of the critical progress we’ve made toward a more productive relationship with Cuba. Please refer to the attached document for information on the bills supported by the USACC to advance financing, travel, and trade.

Given that U.S. net farm income fell by 55% from 2013 to 2015, the biggest two-year decline since the 1920s farm crisis, this should be a time for focusing on ways to expand agricultural trade. Providing American farmers and agribusinesses with the tools they need to engage in mutually beneficial commerce with Cuba can contribute to U.S. agriculture’s economic growth.

We appreciate your favorable consideration of any legislation or amendments that would advance the efforts of American agricultural trade with Cuba and encourage your continued support of our vital industry.

Sincerely,

Agriculture Organizations
Agribusiness Council of Indiana
Arkansas Farm Bureau
Arkansas Rice Federation
Arkansas Rice Growers Association
American Farm Bureau Federation
American Soybean Association
American Seed Trade Association
American Feed Industry Association
Association of Equipment Manufacturers
California Rice Producers
Cherry Marketing Institute
Corn Refiners Association
Council of State Governments
CNFA: Cultivating New Frontiers in Agriculture
Dairy Farmers of America
Food Export Association of the Midwest USA
Food Export – USA Northeast
Global Aquaculture Alliance
Illinois Corn Growers Association
Illinois Cuba Working Group
Illinois Soybean Growers
Illinois Farm Bureau
Indiana Farm Bureau
Indiana Corn Growers Association
Indiana Soybean Alliance
Indiana Corn Marketing Council
International Dairy Foods Association
Iowa Farm Bureau
Kansas Wheat
Louisiana Rice Council
Louisiana Rice Growers Association
Louis Dreyfus Company, North America Region
Michigan Agri-Business Association
Michigan Apple Association
Michigan Bean Shippers
Michigan Bean Commission
Michigan Corn Producers Association
Michigan Corn Growers Association
Michigan Soybean Association
Michigan Potato Industry Commission
Mississippi Rice Council
Missouri Corn Growers Association
Missouri Soybean Association
Missouri Department of Economic Development
Missouri Department of Agriculture
Missouri Rice Council
Missouri Forest Products Association
Missouri Farm Bureau
Matter
National Association of Wheat Growers
National Association of Egg Farmers
National Barley Growers Association
National Black Growers Council
National Corn Growers Association
National Council of Farmer Cooperatives
National Farmers Union
National Foreign Trade Council
National Grain and Feed Association
National Milk Producers Federation
National Oilseed Processors Association
National Sorghum Producers
National Turkey Federation
North American Export Grain Association
North American Meat Institute
Ohio Farm Bureau
Rural & Agricultural Council of America
Soyfoods Association of North America
Texas Rice Producers Legislative Group
Texas Farm Bureau
University of Missouri-Fisher Delta Research Center
US Canola Association
US Cattlemen’s Association
US Dairy Export Council
US Dry Bean Council
US Soybean Export Council
US Rice Producers Association
USA Dry Pea & Lentil Council
USA Rice Federation
Virginia Department of Agriculture and Consumer Services

**Agriculture Corporations**
ADM
AGCO
Bunge
Butterball
Cargill, Incorporated
Chicago Foods International
Campbell Farms
Clark AG Company
CoBank
Franklin Electric
GreenStone Farm Credit Services
Hampton Alternative Energy & Feedlot
Hover Farms
Intertek Agriculture Services
Kaehler Agriculture Enterprises
Kerley Nutritional Consulting
Louis Dreyfus Commodities
Missouri BioZyme, Inc
Missouri Burnett Farms
Martin Rice Company
Michigan Allied Poultry Industries, Inc
Net Worth Feeds & Feeding
Orrick Farm Services
Sandy Ridge Cotton Company
Smithfield Foods
South Louisiana Rail Facility
Sun-Maid Growers of California
St. James Winery
Synergy Resource Solutions, Inc.
Thomas E. Jennings and Associates, Inc.
US Wellness Meats

Cc:
Senator Mitch McConnell
Senator Richard Shelby
Senator Lamar Alexander
Senator Susan Collins
Senator Lisa Murkowski
Senator Lindsay Graham
Senator Mark Kirk
Senator Roy Blunt
Senator Jerry Moran
Senator John Hoeven
Senator Shelly Moore Capito
Senator Bill Cassidy
Senator James Lankford
Senator Steve Daines

Senator Patrick Leahy
Senator Patty Murray
Senator Diane Feinstein
Senator Richard Durbin
Senator Jack Reed
Senator Jon Tester
Senator Tom Udall
Senator Jeanne Shaheen
Senator Jeff Merkley
Senator Brian Schatz
Senator Tammy Baldwin
Senator Chris Murphy

Attachment: USACC Support for Cuba-related bills
As of May 15, 2016

The U.S. Agriculture Coalition for Cuba has issued its support for several bills over the last year that advance commercial relations between the United States and Cuba (listed by Chamber and in order by date of issuance).

U.S. Senate

- **S.299 Freedom to Travel to Cuba Act of 2015** introduced on January 29, 2015

- **S.491 Freedom to Export to Cuba Act of 2015** introduced on February 12, 2015 would allow U.S. businesses in the private sector to trade with Cuba without restrictions

- **S.1049 Agricultural Export Expansion Act of 2015**, introduced on April 22, 2015 would lift the ban on private banks and companies offering credit for agricultural exports to Cuba, and help level the playing field for exporters.
  - Sponsor: Sen. Heidi Heitkamp (D-ND); Original Co-sponsor: Sen. John Boozman (R-AK), Sen. Tom Udall (D-NM), Sen. Jeff Flake (R-AZ),

- **S. 1543 The Cuba Trade Act of 2015** introduced on June 11, 2015 would allow U.S. businesses in the private sector to trade with Cuba without restrictions.
  - Sponsor: Sen. Jerry Moran (R-KS); Original Co-sponsor: Sen. Angus King (I-ME)

U.S. House
• **H.R. 3238 – Cuba Trade Act of 2015** introduced on July 28, 2015 would allow U.S. businesses in the private sector to trade with Cuba without restrictions.

• **H.R. 3687 – Cuba Agriculture Exports Act** introduced on October 6, 2015 would allow credit to be used for U.S. agricultural export to Cuba and permit U.S. investment in privately owned Cuban agricultural businesses.

• **H.R. 664 – The Freedom to Travel to Cuba Act** introduced February 2, 2015 allows all U.S. citizens to travel freely to Cuba.

USACC support is based on alignment of legislation with USACC’s Charter and is evaluated in line with USACC’s Legislative Principles (listed below).

**Principles**

Our mission is to re-establish Cuba as a market for U.S. food and agriculture exports. We believe that normalizing trade relations between the United States and Cuba will enhance Cuban citizens’ access to affordable food while providing the U.S. farm and business community with new market access opportunities. We believe that liberalized trade will drive growth in both countries and allow the U.S. farmers, ranchers and food companies to efficiently address Cuban citizens’ food security needs.

Within that framework, we support activities that advance the following:

- Re-establish Cuba as a market for U.S. food and agriculture exports
- Normalize commercial relations between the U.S. and Cuba
- Support two-way trade and investment between the U.S. and Cuba
- Reduce competitive disadvantages and otherwise enhance the ability of U.S. agriculture to compete for increased market access in Cuba
- Allow for travel to Cuba in support of advancing commercial relations
- Remove financing and trade restrictions that inhibit greater U.S. agricultural trade with Cuba
• Enable U.S. banks and private entities to offer credit in Cuba
• Allow the private sector to build capacity in partnership with Cuba and the Cuban people – including agricultural co-ops and independent Cuban farmers