

May 6, 2019

Honorable Sanford Bishop, Chairman  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Honorable Jeff Fortenberry, Ranking Minority Member  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Bishop and Ranking Member Fortenberry:

As members of the Coalition to Promote U.S. Agricultural Exports, we are writing to urge your strong support for maintaining vital funding for USDA's important agricultural export programs, including the Market Access Program (MAP) and Foreign Market Development (FMD) Program, when the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies considers the FY 20 Agriculture Appropriations bill. As part of the new 2018 Farm Bill, Congress provided \$255 million for Agricultural Trade Promotion and Facilitation, under which MAP and FMD are to be funded at no less than \$200 million and \$34.5 million respectively for FY 20. We strongly urge that you put no limitations on this authorized funding. MAP has been funded annually at this level since 2006 and FMD at its level since 2002. We greatly appreciate the strong support annually expressed by Congress in fully funding these vital export promotion and market development programs and urge that you continue doing so.

The 2018 Farm Bill also authorizes such sums as are necessary to carry out MAP and FMD. These administrative costs, which totaled over \$7 million in FY 19, currently come out of program money. We strongly urge the subcommittee to cover these costs with discretionary funds, thereby allowing additional resources for program use.

MAP, which is administered by USDA's Foreign Agricultural Service (FAS), forms a highly successful partnership between non-profit U.S. agricultural trade associations, farmer cooperatives, non-profit state-regional trade groups, small businesses and USDA to share the costs of international marketing and promotional activities such as trade servicing, market research, trade shows, and consumer promotions. The FMD program benefits U.S. producers, processors, and exporters by assisting their organizations in developing new foreign markets and increasing market share in existing markets. Overseas promotions are targeted toward long term development. MAP and FMD are distinct, separate programs that address different aspects of market development and promotion and are examples of some of the most successful public-private partnerships.

American agriculture and American workers continue to face increasingly strong international competition supported by government sponsored activities. While real funding for MAP and FMD has been reduced by sequestration and administrative costs in recent years, the 2019 European Union (EU) budget provides 191.6

million euros for the promotion of European agri-food products by European trade organizations, producer organizations, and agri-food bodies. This is an increase of 12 percent compared to the 2018 EU budget, and it is the EU's intention to have a budget of 200 million euros available by 2020 for food promotion. Many other competitor countries have announced ambitious trade goals and are shaping export programs to target promising growth markets and bring new companies into the export arena.

Exports are a vital part of the U.S. economic engine, and agricultural exports continue to be among its strongest components. The export forecast for FY 19 is estimated to be approximately \$141.5 billion. While this is below the all time record level of \$152.3 billion set in FY 14, it is important to note that average exports over the past five years have increased to nearly four times the level of the mid 1980's. Since its creation in 1985, MAP has proven to be highly successful in helping to boost U.S. agricultural exports, protecting and creating American jobs, and increasing farm income. Today, over 1.1 million Americans have full time jobs that depend on these exports. Thousands of small to medium size enterprises throughout the country, including family farms, depend on MAP and FMD for export markets.

A July 2016 econometric study<sup>1</sup> of export demand by Informa Economics IEG, working with Texas A&M University and Oregon State University economists, showed that MAP and FMD generated a remarkable return on investment between 1977 and 2014 of \$28.30 in export gains for every additional \$1 spent on foreign market development, which is consistent with previous study results. In addition, the study showed the programs are responsible for 15 percent of total agricultural export revenue, equal to \$309 billion, since 1977. MAP and FMD also returned an average annual increase in farm net income of \$2.1 billion while creating 239,800 new full and part-time jobs between 2002 and 2014, according to study results.

MAP and FMD, it should be emphasized, are **cost-share programs** under which farmers and other participants are required to contribute as much as a 100 percent match of their own resources to be eligible. They have been and continue to be excellent examples of very effective public-private partnerships. While government is an important partner in this effort, industry funds are now estimated to represent about 73 percent of total annual spending on market development and promotion, up from roughly 45 percent in 1996 and less than 30 percent in 1991. Clearly, U.S. producers and industry are committed to the programs.

By any measure, MAP and FMD have been tremendously successful and extremely cost-effective in helping maintain and expand U.S. agricultural exports, protect and create American jobs, strengthen farm income and help to offset the government-supported advantages afforded international competitors. MAP and FMD are two proven tools U.S. agriculture has to compete in the international marketplace, and are even more important today as our competitors continue to use their considerable financial resources to gain market share.

We appreciate this opportunity to express our views and look forward to working with you to achieve the goals of expanding U.S. agricultural exports, increasing farm income, and protecting and creating American jobs.

Sincerely,

Coalition to Promote U.S. Agricultural Exports (See attached.)

cc: Members, House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

<sup>1</sup>*Economic Impact of USDA Export Market Development Programs, Informa Economics, IEG, July 2016*

**ORGANIZATIONS SIGNING COALITION TO PROMOTE U.S. AGRICULTURAL EXPORTS**  
**LETTER TO HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE**  
**MAY 6, 2019**

Alaska Seafood Marketing Institute	Georgia Poultry Federation
Almond Alliance of California	Ginseng Board of Wisconsin
American Cotton Shippers Association	Global Food & Nutrition, Inc.
American Cranberry Growers Association	Hardwood Federation
American Feed Industry Association	Hardwood Manufacturers Association
American Hardwood Export Council	Hop Growers of America, Inc.
American Peanut Council	Idaho Grain Producers Association
American Pistachio Growers	Illinois Corn Growers Association
American Pulse Association	Indian River Citrus League
American Quarter Horse Association	Kansas Livestock Association
American Seed Trade Association	Lake States Lumber Association
American Sheep Industry Association	Leather Industries of America, Inc.
American Soybean Association	Michigan Apple Association
American Walnut Manufacturers Association	Missouri Corn Growers Association
Appalachian Hardwood Manufacturers Association	Missouri Forest Products Association
Atlantic Seaboard Wine Association	National Association of Egg Farmers
Blue Diamond Growers	National Association of State Departments of Agriculture
Brewers Association	National Association of Wheat Growers
California Agricultural Export Council	National Barley Growers Association
California Apple Commission	National Cattlemen's Beef Association
California Avocado Commission	National Chicken Council
California Blueberry Association	National Confectioners Association
California Blueberry Commission	National Corn Growers Association
California Canning Peach Association	National Cotton Council
California Cherry Export Association	National Council of Farmer Cooperatives
California Date Commission	National Grape Cooperative Association, Inc.
California Dried Plum Board	National Hardwood Lumber Association
California Farm Bureau Federation	National Hay Association
California Fig Advisory Board	National Milk Producers Federation
California Fresh Fruit Association	National Oilseed Processors Association
California Pear Growers	National Peanut Buying Points Association
California Raisin Marketing Board	National Pork Producers Council
California Strawberry Commission	National Potato Council
California Table Grape Commission	National Renderers Association
California Walnut Commission	National Sorghum Producers
Cape Cod Cranberry Growers' Association	National Sunflower Association
Cherry Marketing Institute	National Turkey Federation
CoBank	National Wood Flooring Manufacturers Association
Cranberry Institute	Nebraska Wheat Board
Decorative Hardwood Association	Nebraska Wheat Growers Association
Distilled Spirits Council of the United States, Inc.	Ney York Apple Association
Florida Citrus Mutual	New York Wine & Grape Foundation
Florida Citrus Packers Association	North American Blueberry Council
Florida Citrus Processors Association	North American Meat Institute
Florida Department of Citrus	North Dakota Wheat Commission
Florida Peanut Producers Association	Northeast Loggers Association
Florida Tomato Exchange	Northwest Horticultural Council
Food Export Association of the Midwest USA	Northwest Wine Coalition
Food Export USA - Northeast	Ocean Spray Cranberries, Inc.
Fruit Growers Supply Company	

Ohio Corn and Wheat Growers Association  
Olive Growers Council of California  
Oregon Winegrowers Association  
Organic Trade Association  
Pet Food Institute  
Rural & Agriculture Council of America  
Softwood Export Council  
Southern Forest Products Association  
Southern U.S. Trade Association  
Sunkist Growers  
Sun Maid Growers of California  
Sunsweet Growers, Inc.  
Texas Cattle Feeders Association  
Texas Wheat Producers Association  
The Popcorn Institute  
United Egg Association  
United Egg Producers  
United Fresh Produce Association  
USA Dry Pea and Lentil Council  
USA Poultry & Egg Export Council  
USA Rice Federation  
U.S. Apple Association  
U.S. Apple Export Council  
U.S. Cattlemen's Association  
U.S. Dairy Export Council

U.S. Dry Bean Council  
U.S. Hide, Skin & Leather Association  
U.S. Livestock Genetics Export, Inc.  
U.S. Meat Export Federation  
U.S. Pecan Growers Council  
U.S. Rice Producers Association  
U.S. Wheat Associates, Inc.  
Valley Fig Growers  
Washington Apple Commission  
Washington Association of Wheat Growers  
Washington State Fruit Commission  
Washington State Potato Commission  
Washington Winegrowers Association  
Washington Wine Institute  
Welch Foods Inc., A Cooperative  
Western Hardwood Association  
Western U.S. Agricultural Trade Association  
West Texas Pecan Association  
WineAmerica (The National Association of American Wineries)  
Wine Institute  
Wisconsin Corn Growers Association  
Wisconsin State Cranberry Growers Association  
Wood Component Manufacturers Association  
World Perspectives, Inc.