

**Marketing and International Trade Policy Committee**  
**Florida Commissioner Charles Bronson, Chair**  
**2003 Annual Meeting**  
**September 21, 2003**

**Committee Report**

**Summary of Committee Action:**

**Update on Country of Origin Labeling:** Bill Sessions, Associate Deputy Administrator, Livestock and Seed Division, Agricultural Marketing Service, briefed the committee on the country of origin labeling law. He provided an overview of the law, current thinking for the mandatory program and the current status of the proposed rule. He talked about labeling of blended products. For instance, a lettuce mix may be labeled “Product of U.S.A. and Mexico” and ground beef may be labeled, “Product of Mexico, Raised and Slaughtered in U.S.A.,” “Product of U.S.A.,” or “Product of Australia.” He informed the committee that country of origin labeling allows labeling for marketing programs such as “California Grown,” Idaho Potatoes,” or “Iowa Pork,” but country of origin labeling is also required. His presentation also covered compliance requirements, audit verification and enforcement. The proposed rule will most likely be issued in October 2003 with a 60-day comment period and final rule expected in Spring 2004. More information can be found at <http://www.ams.usda.gov/cool/> .

**USDA Marketing and Regulatory Programs:** Under Secretary Bill Hawks discussed the principles of sound science and the how he depends on them while working with U.S. trading partners. He re-emphasized that the proposed rule on country of origin is a priority and will be out soon for comment. The relationship with NASDA has provided many opportunities for input and he continues to look forward to strengthening the relationship between NASDA and the USDA Marketing and Regulatory Programs. He also briefly discussed the latest on BSE, chronic wasting disease and animal identification. Additional information on animal ID may be found at [www.animalagriculture.com](http://www.animalagriculture.com) .

**Update from the Foreign Agricultural Service:** Pat Sheikh, Deputy Administrator, International Trade Policy, FAS, provided an overview of the World Trade Organization (WTO) process, the Free Trade Agreement of the Americas (FTAA), ongoing free trade agreements (FTAs), the Consultative Committees on Agriculture (CCA) with Canada and Mexico, the Bioterrorism Act, and the Trade Adjustment Act. The next step, after the WTO talks in Mexico concluded without consensus, is a Geneva meeting in December to take stock of the WTO discussions. The U.S. will continue to work on multiple fronts, including FTAs. Her presentation will be available to NASDA members.

**Europe and Agricultural Biotechnology:** Charlotte Hebebrand, Special Advisor for Agriculture, Fisheries, Food Safety and Consumer Affairs, for European Commission (EC) briefed the committee on the present situation in the European Union (EU) on the use and regulation of GMOs. The EC has developed a new legislative framework that provides transparency and consumer choice. Among the directives are: mandatory labeling and traceability at all stages of placing on the market and mandatory environmental monitoring.

Also, all food and feed products consisting of or produced from GMOs are subject to authorization and authorizations are valid for 10 years. Her presentation is also available for NASDA members.

**Report on National Conference of State Legislatures and Foreign Agricultural Service:**

Robert Tse, FAS Office of Outreach, informed the committee that FAS can provide State legislative briefings on economic benefits of trade. Among the states that have made use of the FAS briefing are Oregon, Michigan and Colorado. He also discussed the State Ag Share Conference that was held early this year and chaired by Idaho State Representative Doug Jones, Chair, Idaho House Agriculture Committee. In addition, the State Legislator Trade Mission Trip Program sponsored by FAS through the National Conference of State Legislators (NCSL) can provide financial assistance to send state legislators on trade missions. Another highlight for states to consider is the celebration of NAFTA's 10-year anniversary next year. FAS has several events in the planning stages and he requested that states send him NAFTA success stories.

**Update on Specialty Crops Task Force:** Elaine Trevino, California Deputy Secretary of Agriculture briefed the committee on the latest activities of the task force. Twenty-eight states were represented in the task force meeting on Saturday and it received an update on drafted legislation, "The Specialty Crop Competitiveness Act of 2003." Additional details will be provided in a conference call for task force members on September 29. She also informed the committee that NASDA had hired Tad Bell as the Specialty Crops Coordinator and will be spearheading the development of the Specialty Crops Report to Congress.

**Report on Tri-National Agricultural Accord:** Texas Commissioner Susan Combs, Co-Chair, U.S./Mexico Working Group and Montana Director Ralph Peck, Co-Chair, U.S./Canada Working Group each reviewed the work plan for their respective working group. Commissioner Combs highlighted the work related to farm labor and rural economic development issues, including a meeting with the U.S. Department of Labor next week. Director Peck informed the committee that the U.S./Canada Working Group would be meeting in Boise September 24 on animal health issues, including a discussion on BSE.

**Action Items approved by the committee:**

- NASDA will send a letter to Agriculture Secretary Veneman concerning the National Organic Program and bringing it into compliance with the International Standards Organization (ISO) regulations.
- NASDA will continue to urge Congress to fund continuation of the Specialty Crops Block Grant Program.

**Policy Amendments approved by the committee:**

- No. 18, to create a new section in "Domestic Marketing and Promotion" concerning organic agriculture, the National Organic Program and organic marketing, research and statistics.

- No. 19, to add a new subsection to “Seed Health and Regulation” concerning increased investigation of origin labeling of seed shipped in interstate commerce.
- No. 27, to add a new subsection to “New Uses of Agricultural Products” related to industrial hemp.

**Legislative and Regulatory Priorities:**

The committee re-affirmed that funding for the Specialty Crops Block Grant Program, the Market Access Program and the Foreign Market Development program were high priorities. In addition, NASDA staff will continue to monitor trade developments, including WTO, FTAs, and FTAA, and activities related to children’s nutrition and obesity.