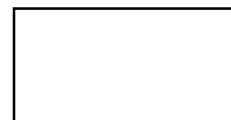


# ACTION ITEM FORM

Subject of Action Item: \_\_\_\_6.7 Dispute Resolution



in Section 6 International Marketing and Trade of Agricultural Products  
(Policy Title)

Submitted By\_\_Commissioner Charles Bronson  
(Name)

Florida  
(State)

Text (Please write legibly):

See attached draft letter regarding the following:

U.S. trade remedy laws, as implemented following the completion of the Uruguay Round, are the minimum tools needed by American producer agriculture to have the opportunity to ensure conditions of fair trade in our market place. Hence, it is critical that the problems created by the WTO dispute settlement system be corrected as mandated by Congress in the Trade Act of 2002. Of most concern is the series of decisions by the WTO Appellate Body which attempt to restrict the ability of the United States to impose duties on all dumped imports (these decisions are referred to as the “zeroing” decisions).

Adopted \_\_\_\_\_  
Adopted w/ Amend. \_\_\_\_\_  
Not Adopted \_\_\_\_\_

DRAFT LETTER

September 2007

The Honorable Charles B. Rangel  
Chairman  
House Ways and Means Committee

The Honorable Jim McCrery  
Ranking Member  
House Ways and Means Committee

The Honorable Sander M. Levin  
Chairman, Subcommittee on Trade  
Room 1102 Longworth House Office  
Building  
Washington, DC 20515

The Honorable Wally Herger  
Ranking Member, Subcommittee on Trade  
Room 1139E Longworth House Office  
Building  
Washington, DC 20515

Dear Congressmen Rangel, McCrery, Levin and Herger:

Farmers across the United States depend on strong trade remedies to ensure fair competition and a level playing field as international trade expands. The National Association of State Departments of Agriculture (NASDA) supports the continued liberalization of agriculture trade, provided that, at the same time, the effectiveness of trade remedies is maintained. NASDA appreciates the work the Congress has undertaken to provide strong negotiating objectives for the Administration in both agricultural market liberalization and to address concerns in the trade remedy area about decisions by dispute settlement panels and the Appellate Body that impose obligations never agreed to by the United States.

Today I write to encourage the House Ways and Means Committee and its Trade Subcommittee to address a matter of great importance to producer agriculture in any trade legislation that may be considered. It is typically more difficult for agricultural producers to bring trade remedy actions because of the highly fragmented nature of agricultural production and the perishability of many of the products produced. U.S. trade remedy laws, as implemented following the completion of the Uruguay Round, are the minimum tools needed by American producer agriculture to have the opportunity to ensure conditions of fair trade in our market place. Hence, it is critical that the problems created by the WTO dispute settlement system in the rules area where obligations have been created that the US did not agree to during the Uruguay Round be corrected as mandated by Congress in the Trade Act of 2002. Of most concern is the series of decisions by the WTO Appellate Body which attempt to restrict the ability of the United States to impose duties on all dumped imports (these decisions are referred to as the “zeroing” decisions). It is critical that U.S. rights, as understood by the United States at the end of the Uruguay Round, be restored as part of the ongoing Doha negotiations. As both the Administration and many members of Congress have recognized, these decisions far exceed the authority of the WTO Appellate Body and threaten to fundamentally change U.S. trade remedy laws. Implementation of these decisions is not an acceptable option to American producer agriculture. H.R. 2714 is an important bill which should be included in any Committee or Subcommittee trade legislation. The bill supports the current Administration efforts to obtain a correction of the erroneous construction of US obligations as part of the ongoing Doha negotiations. The bill also ensure that U.S. law is

not modified pending such correction in the negotiations. Such actions ensure that agricultural producers in fact have potentially useful tools to deal with injurious dumping from trading partners. H.R. 2714 also addresses a construction of U.S. law by the U.S. Court of Appeals for the Federal Circuit which unnecessarily makes injury investigations more costly and relief to domestic producers harmed by unfairly trade imports less likely.

On behalf of American agriculture, we urge you to fulfill the promise of the Trade Act of 2002 and ensure that U.S. trade remedy laws remain strong and effective. Inclusion of the provisions of H.R. 2714 in any trade legislation the House Ways and Means Committee or its Trade Subcommittee may consider is a critical step in that effort.

Sincerely,