

Enclosure B

January 21, 2004

Ms. Sharon Bomer Lauritson
Deputy Assistant U.S. Trade Representative
Office of Agricultural Affairs
Office of the U.S. Trade Representative
600 17th Street
Washington, D.C. 20508

Dear Sharon:

I am writing in response to a January 16 memorandum from Assistant USTR Chris Padilla inviting comment on U.S market access proposals for beef, dairy, peanuts, cotton, and tobacco in the ongoing negotiations aimed at concluding a free trade agreement between the U.S. and Australia. His memo requests that comments be submitted to you.

I am assuming that the absence of an U.S. offer on sugar in this package signals the Administration's intent to exclude sugar from the proposed FTA. In that regard, I am enclosing a copy of a letter sent to Ambassador Zoellick and Secretary Veneman on November 22, 2003, on behalf of the Agricultural Technical Advisory Committee for Processed Foods. You will note that the Committee emphasized its opposition to "...any product exclusions from the U.S.-Central American Free Trade Agreement (CAFTA) and other evolving FTAs."

Since you briefed the Committee during its November 12-13, 2003, meeting on the status of the U.S.-Australia FTA negotiations, the Committee was well aware when this letter was submitted that (a) an FTA with Australia was in the pipeline, and (b) that sugar would be a critical issue in those negotiations. Thus, the U.S.-Australia FTA is clearly intended to be covered by the reference to "...other evolving FTAs."

The Committee asked me to write the attached letter on its behalf to ensure that Ambassador Zoellick, Secretary Veneman and appropriate USTR and USDA staff are aware of the group's strong feelings against excluding sugar or any other product from the negotiations. As the Administration considers final strategies in the FTA negotiations with Australia, officials should be aware that the Processed Foods ATAC is unlikely to support an U.S.- Australia FTA that excludes sugar and provides minimal additional access and no over-quota tariff relief for beef and dairy products.

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I appreciate the opportunity to comment on the proposed submission.

Sincerely,

A handwritten signature in cursive script that reads "Leonard W. Condon".

Leonard W. Condon
Chairman
Processed Foods ATAC

Enclosure

cc: Processed Foods ATAC Members