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## COMMODITY MARKETS COUNCIL POLICY BRIEF: Trade Liberalization

### Policy Objective

In support of the CMC mission to advocate for open, competitive commerce, we vigorously defend efforts to liberalize trade through trade promotion authority (TPA), bilateral and regional trade agreements, and efforts at the World Trade Organization.

### Implementation

By meeting with members of Congress, issuing public comments, consulting with Administration trade officials, and joining in coalition efforts, CMC provides its members with a forum to voice their support for trade liberalization. Some of the efforts that currently underway include:

#### *South Korea*

CMC uses its membership in the AgTrade Coalition as a platform to support the Administration's most ambitious agreement yet. We voice our support in meetings on the Hill and in consultation with the Administration, while working with industry partners that share our vision for open markets.

#### *Peru*

With the US-Peru Agreement awaiting action by Congress this fall, CMC teamed up with the Agricultural Coalition for US-Peru Trade to show our support for this critical deal. Under the pact, more than two-thirds of current U.S. farm exports would become duty-free immediately. The United States would also gain greater access to the Peruvian market for products such as grains, oilseeds, dairy products, meats and poultry, processed products, and other agricultural products.

#### *Columbia*

CMC actively supports this critical trade deal which would improve market access for US agricultural products and strengthen economic ties to the region. Specifically, the agreement would give immediate duty-free treatment to US wheat, soybeans, soybean meal, cotton, beef, and processed food products.

#### *ASEAN Initiative*

As a member and only agriculture association representative of the US-Thailand FTA Business Coalition, CMC is well-positioned to receive the most up-to-date reports on the status of trade negotiations as well as reports on the political and economic climate.

The US and 10 Southeast Asian nations signed the Trade and Investment Framework Agreement (TIFA) at the end of 2006, but free trade talks with Thailand have been delayed. The US struck a free trade agreement with Singapore in 2003 and continues to engage in negotiations with Malaysia.

#### *Middle East Free Trade Area*

To support the creation of the Middle East Free Trade Area, CMC teamed with other open market advocates in the US-Middle East Free Trade Coalition. In September 2006 President Bush signed an agreement with Oman making it the fifth country in the region to open its trade.

From CMC Bylaws Mission and Objectives:

CMC advocates open, competitive commerce by combining the expertise, knowledge and resources of its members to develop and support market-based policy.

The CMC provides the forum for exchanges and exchange users to take a leadership role in addressing global market and risk management issues. The CMC supports: (1) an open and competitive marketplace in exchange-based and other risk management products, and (2) the self-regulatory structure of exchanges with minimal government interference.

The CMC will address related industry issues focusing on agriculture, energy, finance, transportation, and infrastructure.