



Steve Troxler
Commissioner

North Carolina Department of Agriculture and Consumer Services

October 2, 2015

Deputy Secretary Krysta Harden
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Deputy Secretary Harden:

Following up on my letter dated March 5, our subsequent conversation on March 20 and my letter dated July 30, I want to express my disappointment in the press reports that the Obama administration has presented language in the Trans-Pacific Partnership agreement to carve out tobacco. This effort to single out a specific agricultural product and to limit the rights of any commodity in a trade agreement sets a dangerous precedent for future trade negotiations. By excluding this important component of North Carolina's agricultural industry, this trade agreement is counterproductive to the intent of the Trans-Pacific Partnership to open markets for farmers throughout the 12 member countries.

These actions are counter to the messages from the Office of the United States Trade Representative that this process would be transparent. There has been no indication that any type of tobacco carve-out has been requested by a negotiating member country. By all appearances, these efforts seem to be driven by the Office of the U.S. Trade Representative to ultimately limit market opportunities for our farmers who provide the tobacco for a finished product.

I want to reiterate that in North Carolina, the implications of excluding leaf tobacco and tobacco products from the Trans-Pacific Partnership are significant and far-reaching. While harvest and marketing of the 2015 crop is underway, the 2014 crop yield was in excess of 453 million pounds. Tobacco remains vital to North Carolina's economy and the fabric of our rural communities. Trade agreements are of significant interest to over 2,000 growers in our state since nearly 75% of all tobacco grown here is to specifically supply export markets. Opportunities for tobacco exports remain of great importance to our farm economy and are a large driver of our state's economy. On all levels, the tobacco industry supports more jobs than any other export commodity.

Again, I am disappointed in the current efforts to discriminate against tobacco within the context of the Trans-Pacific Partnership and am concerned about the dangerous precedent this establishes for excluding specific commodities in future trade negotiations.

Sincerely,

Steven W. Troxler
Commissioner

cc: Senator Richard Burr, North Carolina
Senator Thom Tillis, North Carolina

