

United States Senate

WASHINGTON, DC 20510-1804

November 14, 2014

The Honorable John F. Kerry
Secretary of State
U.S. Department of State
2201 C Street NW
Washington, DC 20520

Dear Secretary Kerry:

I am very concerned that on November 6, 2014, the Iraqi Grain Board (IGB) and the Iraqi Minister of Trade, Mallas al-Hussaini, refused to entertain bids from United States long grain rice exporters and instead bought more expensive rice from the countries of Brazil and Uruguay. The decision of the IGB and Trade Minister to pass on competitively-priced rice from the United States and spend an extra \$2.34 million on Brazilian and Uruguayan rice raises several concerns I, on behalf of Louisiana's rice industry, have. Furthermore, the American rice industry has worked for years to build commercial relationships with the IGB to meet their technical and quality specifications, yet the IGB has passed on three consecutive bids from the United States this year.

According to the U.S. Department of Agriculture, the Iraqis have historically been steady consumers of American rice, buying an average of 147,400 metric tons annually over the last ten years. Even with the high quality of rice coming from our country, we are still able to offer our bid to the IGB at the low price of \$637 per metric ton of rice – at least \$23 per metric ton lower than both Brazil and Uruguay. However, for reasons unbeknownst to the rice farmers of our country, the IGB and Iraq's Minister of Trade have refused to buy any U.S. rice from this year's harvest. This puts an undue burden on our hardworking farmers and mill workers in the United States.

Rice farmers across the country rely on sound international partners and are becoming increasingly concerned that the IGB and Minister of Trade are no longer entertaining bids from the United States for long grain rice. For example, Louisiana is the third largest rice producing state in the country with fifteen percent of the total domestic crop production this year and an economic impact in Louisiana of over \$300 million annually. With 30 rice producing parishes and approximately 500,000 producing acres, rice is one of my state's top agricultural exports.

Nearly one-half of the domestic U.S. rice crop is exported every year. Being such a large foreign market where the United States has had a long-time market presence, sustained loss of Iraqi demand will have negative consequences for rice producers and millers, especially in Louisiana. Now that the rice industry in the United States is coming off a bountiful 2014 harvest, I urge you to ask Prime Minister Haider al-Abadi and Minister of Trade al-Hussaini why they abruptly decided to stop buying American long grain rice when it is at a more competitive price than other countries.

The next bid for the IGB occurs this Sunday, November 16, 2014. I appreciate your prompt attention to this issue and welcome any questions you have. Please do not hesitate to contact me if you have any questions.

With warm regards, I am

Sincerely,



Mary L. Landrieu
United States Senator

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