Congress of the United States

Washington, **DC** 20515 February 21, 2012

His Excellency the Minister of Trade Khair Alla Babaker Ministry of Trade Baghdad

Dear Mr. Minister,

As you may know, the United States' rice industry has always been a reliable supplier of high-quality rice. In the current marketing year, the U.S. rice industry has made enough rice available to accommodate Iraq's import needs. We write today to encourage you and the Iraqi government to pay close attention to the following issues that are affecting the U.S. rice trading partnership with Iraq.

The U.S. rice industry would be very capable of meeting Iraq's rice import requirements under generally-accepted commercial trade standards. Grain length, chalk content, and broken-kernel levels are quality specifications that Iraq sets for its rice imports. As we understand, Iraq's quality terms are very stringent relative to chalk content and brokens. Iraq is also requiring rice to be delivered pre-bagged while most other foreign markets allow bagging at destination. These unreasonable quality terms increase risk to shippers, causing them to hedge uncertainty with price premiums, which creates a competitive disadvantage.

Not long ago Iraq represented the largest market for U.S. rice. Sales have continued in recent years, but for the January-November period of 2011 the latest U.S. export data concludes that U.S. rice sales to Iraq have dropped 77 percent when compared to the same period in 2010. We are hopeful that the U.S. rice industry and your government can reestablish high levels of trade activity. Over the years, the U.S. rice industry has taken a number of steps in working with Iraq to establish and operate a commercial rice market, including conducting numerous meetings and workshops with Iraqi Grain Board officials. Grain Board officials and others have travelled to the United States to see our rice fields and mills, as well as other facilities involved in export trade.

We respectfully request your assistance in facilitating cooperation between the Government of Iraq and the U.S. rice industry to build a stronger trading partnership. It is our hope that we will bring rice trade beyond the high levels it once achieved based upon normal and reasonable commercial trade conditions.

We look forward to working with you on this very important matter.

Ted Poe

Member of Congress

Sincerely,

Rick Crawford

Member of Congress

Dennis Cardoza

Member of Congress

Bill Cassidy

Member of Congress



Alan Nunnelee Member of Congress

Doris Matsui
Member of Congress

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Mike Ross Member of Congress

Charles Boustany Member of Congress Jo Ann Emerson Member of Congress

> Dan Lungren Member of Congress

Bob Goodlatte Member of Congress