

Wheat Summit Statement

The following statements represent majority opinions of the participants of the second Wheat Summit, held April 19, 2007 in Kansas City, Missouri. Wheat Summit participants include representatives of the following organizations:

- National Association of Wheat Growers
- American Bakers Association
- AIB International
- National Grain and Feed Association
- National Wheat Improvement Committee
- North American Export Grain Association
- North American Millers' Association
- U.S. Wheat Associates
- USDA Agencies (ARS, GIPSA, FAS)
- Wheat Foods Council

Representatives of input providers (seed, traits, crop protection) and grain transportation also participated in the meeting. Several agencies of USDA participated in the discussions but abstained from taking a position on the policy recommendations of the Summit.

The statements emanated from the four workgroups -- Domestic Competitiveness, Domestic Farm Policy, Exports Transportation & Infrastructure, and Research & Technology.

Exports Transportation & Infrastructure

Transportation capacity, service performance and costs will either foster or constrain the future economic opportunities and growth potential for the U.S. wheat sector and other agricultural sectors. To ensure that transportation continues to facilitate growth, we support:

1. A balanced approach by the federal government investing in expanding the U.S. capacity of all modes of transportation, including incentives for rail infrastructure investment to encourage more rapid expansion of U.S. rail capacity; new rail capacity investments by rail customers must be treated in like manner as railroad investments; and
2. A more reasonable national transportation policy and regulatory approach by the Surface Transportation Board to more effectively address rail rate and service issues that can adversely affect rail performance and pricing for agriculture; and do so in ways that encourages carriers and rail customers to resolve economic performance matters through bilateral business discussions.

Domestic Farm Policy

1. Farm bill commodity programs should be commodity-neutral; one crop should not be provided a real or perceived advantage in supports compared to another. The market, rather than the farm program, should dictate signals for plantings.
2. The market is clearly calling for increased production, and conservation programs - particularly CRP - should be given increased flexibility that will allow productive acres to return to production. Land retirement should be focused only on the most environmentally sensitive land; otherwise, working lands conservation is the preferred approach.

Hard White Wheat

Hard White Wheat is an important market class for the United States to get established and to become a reliable supplier to both export and domestic markets. This class suffers from a shortage of supply and without a reliable supply customers are reluctant to enter into supply contracts; yet without an established market, producers have not increased their plantings of HWW. All segments of the industry will benefit from expanded production of HWW and consideration should be given to ways to encourage producers to increase its production.

Research Priorities

The Wheat Summit endorses the research funding priorities put forward by the National Wheat Improvement Committee and the National Association of Wheat Growers. These include the following:

Maintain Existing Efforts

Congress must maintain funds for existing critical wheat research programs. The Administration FY 2008 budget proposes \$12.2 million in budget cuts to USDA-ARS programs in wheat, barley and oats which will critically undermine the national public sector small grains research infrastructure. We do not support proposals to redirect or continuously 're-compete' the Hatch multi-state awards or redirect McIntire-Stennis formula funds to competitively awarded multi-state grants. Long-term core agricultural research programs cannot be effectively managed or supported through multi-state granting mechanisms.

Priority Requests For New Resources

Cereal Rust Disease Initiative: Highly virulent and aggressive new races of stem, leaf, and strip rust have appeared in the world, which threaten the entire US production of wheat, barley and oats. An aggressive, coordinated research effort must be implemented to identify, develop, and deploy more durable disease resistance in US cereal varieties. This Initiative is designed to support research activities of USDA-ARS and Land-Grant institutions in 29 states, encompassing all cereal producing regions of the US.

USDA-ARS Regional Small Grains Molecular Genotyping Laboratories: Four regional laboratories have the national mandate to provide support for application of DNA molecular marker technologies, which are critical to managing resistance to exotic pests, new pathogens and environmental stress. Additional funds are needed for these laboratories to be fully functional and meet their mission of providing research support to small grains improvement programs in 36 states.

Wheat Quality, Competitiveness and Security Initiative: The ability of US wheat to compete in world market is being compromised by inadequate investments in end-use quality research, variety development, starch modification, and market applicable tests to measure functionality. This initiative is designed to support USDA-ARS Wheat Quality Laboratories and cooperative Land-Grant university cereal quality research efforts in 21 states where personnel, expertise, and facilities are already established.

USDA-ARS Small Grains Germplasm Enhancement, Aberdeen, Idaho: Efficient utilization of germplasm and genes in the National Small Grains Collection is critical to sustain improvements in productivity, disease and insect resistance, stress tolerance, and international competitiveness. This initiative will speed the transfer of novel traits and genes from landrace and wild accessions into field cultivars.

International Research: Current and proposed cuts in Development Assistance and the Bureau for Economic Growth, Agriculture, and Trade (EGAT) will result in devastating cutbacks in international agricultural research programs directed through the Consultative Group on International Agricultural Research (CGIAR). Congress should impress upon USAID the importance of support for the CGIAR network, which should be returned to its FY2006 level of \$25 million from EGAT, and the Global Rust Initiative.

Biotechnology

The Wheat Summit is forming a task force on biotechnology under the Research & Technology workgroup. The group will consider in more depth the challenges of commercializing biotechnology traits in wheat.