Former Ambassador Kip Tom Testimony to the US House of Representatives Committee on Agriculture-March 20, 2024

Honorable Chairman Thompson, Ranking Member Scott, and Distinguished Members of the House Committee on Agriculture. As a lifelong farmer and the former Ambassador to the Rome Based UN Food and Agriculture Organizations, I would like to share my perspective with you today on the threat of China to America's Food and Agriculture systems.

Americans need to understand that our national security is dependent upon our food security; Americans cannot take our food systems for granted.

After experiencing multiple famines in the last century, Xi Jinping and the Chinese Communist Party recognize the importance of food in relation to their position of power in the world. To meet their goals, they are strategically growing their agriculture production domestically and globally at the expense of the United States.

There are many threats by the Chinese. I will highlight just a few:

First, cybersecurity threats to US agriculture are diverse and can have significant impacts on the industry. Some of the key concerns include:

Intellectual Property Theft: The Chinese have targeted proprietary farming data, such as crop yield data, seeding or fertility algorithms, breeding information, and biotechnology research which will lead to a loss of competitive advantage for the US. I have seen this firsthand in the seed production industry in which we are involved. Several Chinese nationals were stealing proprietary seeds from production fields and shipping them back to China. The Chinese nationals were caught and convicted, but how many were not caught? According to the American Seed Trade Association, it takes 5-15 years to develop a new seed variety at a cost of over U\$S100 million. It is also estimated that the annual value of agriculture seed production in the US is over \$11 billion annually.

Data-Driven Attacks: Precision agriculture relies heavily on data. As an example, farms like ours produce over a terabyte of data annually that is exclusive to our farm and is a major driver to our sustainability and productivity. We are at extreme risk of the theft or attack of this data which could alter or disrupt our systems and lead to incorrect farming decisions and likely harm yields. There have

been numerous attempts by the Chinese to steal this data but fortunately they have been caught and convicted. Again, how many were not caught?

Infrastructure Attacks: Critical infrastructure from the electrical grid to supply chain logistics and broadband could be targeted disrupting food supply chains.

Ransomware: Farming operations could be halted by ransomware attacks, demanding payments to restore access to essential digital systems. We all can remember the ransomware attack on JBS several years ago which disrupted the entire supply chain from livestock production operations to the consumer. The \$11 million Ransome was paid but the cost to JBS and the agriculture supply chains was many multiples greater.

Espionage: Spans all the prior mentioned risk and undermines the agriculture sector competitiveness.

Although the US government is aware of these threats, we need to strengthen protection for America's food supply and economic advantages. This includes identifying vulnerabilities and improving the protective measures of government and private entities against cyber threats.

Next, portions of our supply chain have been offshored, including several critical building blocks for our food systems such as crop protection products and crop nutrients. These are the basic elements that nourish crops and protect them from weeds, insects, and diseases.

A recent USDA Supply Chain Report indicates that 70% of the crop protection products are produced by the Chinese. Imagine if they shut off our supply? The economic impact of not using crop protection products in the US would be significant. Without crop protection products, crop yields would decrease, requiring more land to maintain current production levels. This would lead to higher consumer prices, and food insecurity in the US and around the world. This would be a national security threat to the US and our allies.

Additionally, the cost associated with adjusting production practices and the potential loss of access to export markets will have a direct impact on US agriculture and the broader US economy.

Therefore, the absence of crop protection products would have a complex and far-reaching impact. The answer: We need to allow for reasonable regulations to prevail to allow the US to bring this manufacturing capacity back home while supporting those that are

already manufacturing these critical products to feed Americans and the world.

As we look to crop nutrients, nearly 40% of the world's phosphate and 28% of the world's nitrogen is produced by China, and their market continues to grow globally. In the meantime, our US regulators and policy makers impose even greater burdens on our own manufacturers, forcing an offshoring to our advisaries such as China. Again, what if China shuts off our access to these critical inputs?

In summary, whether the impact is from cybersecurity threats, or from minimized access to crop nutrients or crop protection products, the Chinese are strategically attempting to build their dominance in the world over food systems. These moves are coming at the expense of American innovation but are amplified by our burdensome regulatory environment.

We need a national agriculture strategy to eliminate these threats by China to our food systems.

It is time for the United States of America to put our long-term security over our short-term prosperity.

Kip Tom, (Former) U.S. Ambassador

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WORK HISTORY

- <u>United States Ambassador</u> to the <u>United Nations Agencies</u>, in Rome, Italy (2019-2021)
- <u>Tom Farms</u> (1973-2019, 2021-Current)

Chairman of the Tom Family of Companies (2002-2019), (2021-Current)

Director of operations and strategy, Tom Farms, (2000-2015)

Director of development, Latin America, Tom Farms, (2000-2016)

Director of production and supply management, Tom Farms, (1978-2000)

Production technician, Tom Farms, (1973-1978)

 <u>Corteva (DuPont-Dow)</u>in Latin America Consultant, Agriculture Systems Consultant in South America, (1994-1999)

CORPORATE BOARD MEMBERSHIP

- <u>Indigo Agriculture</u>, Chairman of Advisory Board (2016-2019)
- Consileum, Board of Directors (2021-Current)
- GlobalAg, Founder (2021-Current)
- <u>HarpeBio</u>, Board Member (2021-Present)
- AgriNovus Indiana Board Member (2012-2015), (2021-Present)
- Provivi, Advisory Board, (2016-2019, 2021-Present)
- <u>Indiana Economic Development Corporation</u> (2005-2016)
- <u>Elevate Ventures</u>, Board Member (2014-2019)
- Granular Ag, Chairman of Advisory Board (2014-2018)
- AgFunder, Founders Fund Board Member, (2018-2019)

PHILANTHROPIC AND NON-PROFIT AFFILIATIONS

- World Food Program Executive Board, Rome, Italy (2019-2021)
- <u>United States Agriculture Partnership Fund</u>, Board Member (2023-Current)
- <u>U.N. Food Systems Summit Advisory Committee</u>, Northern Hemisphere Rep., New York, NY, (2020-2021)
- Forum for America and the World, Fellow, Washington DC, (2021-Present)
- <u>United States Farmers and Ranchers Alliance</u> (USFRA) Board, (2021)
- Conexus Indiana Council, Board Member (2016-2019)
- Trump Agriculture Committee, Board Member (2015-Current)
- AgriNovus Indiana, Board Member, (2015-2019), (2021-Present)
- Growth Energy, Board Member, (2014-2019)
- National Future Farmers of America Foundation Trustee Member, (2014-2019)
- <u>National 4-H</u> Foundation, Trustee Member, (2014-2019)
- Farm Foundation Board of Directors, (2011-2019) (2021-Current)
- <u>Indiana Chamber of Commerce</u> Board of Directors, (2006-2019)
- Indiana State Department of Agriculture, Board Member (2005-2015)

FOREIGN AGRICULTURE BUSINESS VISITS

• Extensive travel globally on issues revolving around agricultural trade, policy, food security, production, and education in over 62 countries.

HUMANITARIAN VISITS FOCUSED ON FOOD SECURITY

Travel with World Food Programme and other organizations to Iraq, Afghanistan, South Sudan, Kenya, Tanzania, Rwanda, Zimbabwe, Zambia, Lesotho, Swaziland, Sudan, Ethiopia, Lebanon, and South Africa visiting internally displaced camps, developing and developed ag and food sites, while meeting with national leaders in most countries and WFP and FAO field offices and leadership.

ACKNOWLEDGEMENTS

- The Lincoln Leadership Award from the National 4-H Council-2022
- Agriculture Future of America Ag Leader of the Year 2015
- Certificate of Distinction Purdue University-2023
- 4-H National Luminary Award Recipient
- Purdue APEX Ag Management Award -2012 Purdue University Center for Commercial Agriculture
- US. Top Producer of the Yer 2007
- Ernst and Young Entrepreneur of the Year Indiana 2002
- Top Ten People in Precision Agriculture (<u>PrecisionAg.com</u>)

MEDIA QUOTES

- Wall Street Journal, Kip Tom; "Innovation in agriculture and food is the key to global food security," he <u>said</u>, and it's needed "around the world and the United States leads the way".
- Fox News, Kip Tom; Video: "The Trump Tax Proposal will help small family businesses like ours remain in the family."
- Eurativ Media, Kip Tom, "How America could work with the European Union on Food Sustainability."
- RealClearWorld, Kip Tom; "The UN should learn that ideology won't stop a plague of locust."
- GlobalAg Investing, Kip Tom; I think the next big revolution the lever to be pulled if you will will be that of technology and data, and digital science and analytics.
- New York Times, Kip Tom; "Farmers still think tech means physical augmentation more horsepower, more fertilizer. They don't see that technology now is about multiplying information."
- NPR, Kip Tom; "I see Trump being good for agriculture, absolutely."
- Indianapolis Monthly, Kip Tom: When asked by the Secretary of Agriculture Tom Vilsack in 2012 what could the USDA do for producers? Kip responded with "You need to get out of our way. Let private industry do what it does best: conduct business."
- AgFunder, Kip Tom: "Farmers that don't adapt to new technologies will be left behind."
- Oregon Public Broadcasting, Kip Tom; "We can feed, fuel and clothe a growing world but we have to have Global Ag Policy that allows us to."

SPEECHES-RECENT

- <u>USDA Annual AgOutlook Conference Keynote Speech</u>, Washington, DC. Feb-2020
- <u>E.T. York Distinguished Lecture</u>, Auburn University, April-21
- <u>United States Farmers and Ranchers Alliance Annual Forum</u>, Keynote Address, Texas, Sep-2023
- Organization of Economic Co-Operation and Development, (OECD), Paris, FR Nov-2023
- Tri-State Growers Annual Conference-Key Note, Coeur d' Alene, ID, Nov-2023
- Alaska Food and Energy Conference Hosted by Gov. Dunleavy (R), Anchorage, AK. May-2023
- <u>European Biological Industry Council</u>, Keynote Address Brussels, Belgium. Jun-2023
- AgriPulse Ag Outlook Conference, Kansas City, KS. Aug-2022
- Western Growers Association, Keynote address, Dana Point, CA. Jul-2021
- Agri-Pulse Agri-Food Policy Summit, Washington, DC. Sep-2020
- <u>US UN Rome Mission FAO Speech Archives</u> (2019-2021)
- <u>DTN Annual Producer Seminar, Keynote Speech</u>, Chicago, IL. Dec-2020
- Association of Equipment Manufactures (AEM) Annual Meeting Keynote Speech, Washington, DC Nov-2020
- Kansas City Federal Reserve Annual Ag Outlook Conference. June-2018

- National Press Club, Agriculture and Food Innovations, Washington, DC. Aug-2016
- Forbes Agriculture Innovation Conference, Salinas, CA. July-2016
- Global Ag Investing AGTECH Seminar, San Francisco, CA. Jun-2016
- World Oil Seed Conference, Dublin, Ireland. Nov-2015
- Forbes Agriculture Innovation Conference, Salinas, CA. Jun-2015
- Graan South Africa, Johannesburg, South Africa. Mar-2015
- Harvard Business School, Boston, MA. Mar-2015
- Modern Agricultural Trends-Stanford Business School, Stanford, CA. Feb-2015
- The National Forum, Naples, FL. Feb-2015
- Bayer Grains Conference, Frankfurt, Germany. Nov-2014
- Canadian Canola Growers Annual Convention, Saskatoon, Canada. Oct-2014
- Monsanto Science-Tech Community, St. Louis, MO. Jun-2014

COURSES OF STUDY

- Advanced Management Certificate, Texas A&M (TEAPAP)
- Harvard Executive Agribusiness Executive Seminars-HBS
- Purdue Midwest Food and Agribusiness Executive Seminar

REFERENCES (additional contact information available on request)

- Newt Gingrich, (Former) Speaker of the U.S. House of Representatives
- Mike Pompeo, (Former) Secretary of State, United States of America
- Sonny Perdue, (Former) Secretary of Agriculture, United States of America
- Ambassador (Former) Kevin Moley, US State Dept.
- David Beasley, (Former) Executive Director of the World Food Programme,
- Howard G. Buffett, Chairman, Howard G. Buffett Foundation
- Mitch Daniels, (Former) Indiana Governor, (Former) President-Purdue University
- Carl Casale, Board Member Ospray Ag Science Investments
- Hugh Grant, (Former) CEO Monsanto
- Rodrigo Santos, Board of Mgmt. and Head of Crop Science Global, BAYER AG
- Jay Ackridge, Provost, Purdue University,
- Sid Gorham, CEO (retired), Granular

SOCIAL MEDIA ACCOUNTS

- <u>Twitter</u>
- Linkedin

Truth in Testimony Disclosure Form

In accordance with Rule XI, clause 2(g)(5)* of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee:
Subcommittee:
Hearing Date:
Hearing :
Witness Name:
Position/Title:
Witness Type: O Governmental O Non-governmental
Are you representing yourself or an organization?
If you are representing an organization, please list what entity or entities you are representing:
FOR WITNESSES APPEARING IN A NON-GOVERNMENTAL CAPACITY
Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.
Are you a fiduciary—including, but not limited to, a director, officer, advisor, or resident agent—of any
organization or entity that has an interest in the subject matter of the hearing? If so, please list the name of
the organization(s) or entities.

Please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing's subject matter that you, the organization(s) you represent, or entities for which you serve as a fiduciary have received in the past thirty-six months from the date of the hearing. Include the source and amount of each grant or contract.
Please list any contracts, grants, or payments originating with a foreign government and related to the hearing's subject that you, the organization(s) you represent, or entities for which you serve as a fiduciary have received in the past thirty-six months from the date of the hearing. Include the amount and country of origin of each contract or payment.
Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.
☐ I have attached a written statement of proposed testimony.
☐ I have attached my curriculum vitae or biography.

- (5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.
- (B) In the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include—
 (i) a curriculum vitae; (ii) a disclosure of any Federal grants or contracts, or contracts, or payments originating with a foreign government, received during the past 36 months by the witness or by an entity represented by the witness and related to the subject matter of the hearing; and (iii) a disclosure of whether the witness is a fiduciary (including, but not limited to, a director, officer, advisor, or resident agent) of any organization or entity that has an interest in the subject matter of the hearing.
- (C) The disclosure referred to in subdivision (B)(iii) shall include—(i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.
- (D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form 24 hours before the witness appears to the extent practicable, but not later than one day after the witness appears.

^{*}Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides: