Ambassador Mike Froman United State Trade Representative Office of the United States Trade Representative 600 17th Street NW Washington, DC 20508

The Honorable Thomas Vilsack Secretary of Agriculture United States Department of Agriculture 1400 Independence Ave SW Washington, DC 20250

Dear Ambassador Froman and Secretary Vilsack:

The undersigned food and agricultural organizations and companies wish to congratulate Ambassador Froman on becoming United States Trade Representative. We greatly appreciate the view that both of you have expressed that trade can make an important contribution to America's economic recovery, and we are committed to working with you and your staffs to assist in the Administration's efforts to increase exports of U.S. goods and services and enforce the trade rights of U.S. producers and exporters.

With this in mind, we are attaching a Statement of Core Principles for a Successful TPP Agreement, which has been endorsed by groups representing the vast majority of U.S. producers, processors and exporters of food and agricultural goods. These principles are aimed at ensuring that the Trans-Pacific Partnership negotiations fulfill the promise of a high-quality agreement that can serve as a standard for future trade agreements.

We stand ready to discuss these with you at your earliest convenience, and we look forward to working with you and your trade policy teams in the coming weeks and months to ensure that the principles we have outlined are taken fully into account as the negotiations move forward with the full complement of participating nations.

## Sincerely,

American Farm Bureau Federation
American Feed Industry Association
American Frozen Food Institute
American Meat Institute
American Peanut Product Manufacturers, Inc.
American Sheep Industry Association
American Soybean Association
Animal Health Institute
Blue Diamond Growers

Cargill, Incorporated

Corn Refiners Association

Grocery Manufacturers Association

International Dairy Foods Association

JBS USA

Kraft Foods Group, Inc.

National Cattlemen's Beef Association

National Chicken Council

National Confectioners Association

National Corn Growers Association

National Fisheries Institute

National Milk Producers Federation

National Oilseed Processors Association

National Pork Producers Council

National Potato Council

National Renderers Association

National Turkey Federation

North American Meat Association

Northwest Horticultural Council

Pet Food Institute

**Smithfield Foods** 

Sweetener Users Association

U.S. Apple Association

U.S. Dairy Export Council

U.S. Grains Council

U.S. Livestock Genetics Export, Inc.

U.S. Meat Export Federation

USA Poultry & Egg Export Council

## Statement of Core Principles for a Successful TPP Agreement Agreed To By The Food and Agricultural Sector

The undersigned organizations, representing the vast majority of the nation's producers, processors and exporters of food and agricultural products, and in being in support of a high quality trade agreement that can serve as the standard for all future trade agreements, hereby issue the following Statement of Core Principles for the TransPacific Partnership negotiations:

<u>One:</u> A TPP agreement must cover all elements of trade and investment, including agriculture, goods, services, digital trade, competition policy, and intellectual property. TPP must be comprehensive.

<u>Two:</u> There must be no product or sector exclusions, including in agriculture. Exclusions would limit opportunities in each of the member countries to reach new markets, grow businesses and generate economic growth and jobs.

<u>Three:</u> All tariffs and other market access barriers must be phased out by the end of the negotiated transition period. Allowing any access restrictions to be maintained by one member would lead to demands for similar treatment by others leading to a second class trade agreement, at best. Transition periods must have commercially meaningful timeframes, which should be short and not back-loaded.

<u>Four:</u> Risk based scientific decision making, regulatory convergence, and equivalence are critically important. Comprehensive tariff elimination must be supported by robust SPS outcomes. Non-science based SPS measures cannot continue to restrict trade.

<u>Five:</u> A "Rapid Response Mechanism" (RRM) is needed in TPP to provide for shipment specific trade facilitative obligations that address frustration of trade in perishable and time sensitive shipments of agricultural products as result of implementation of SPS and TBT measures.

<u>Six:</u> Obligations that go beyond those in the WTO must be subject to TPP enforcement provisions, including in the Sanitary and Phytosanitary chapter. Since TPP members would not have recourse to WTO dispute settlement to enforce enhanced TPP disciplines, failure to include an enforcement mechanism would render new TPP disciplines valueless.

<u>Seven:</u> The agreement must be a single undertaking. All elements of the negotiation, including both tariff and nontariff SPS measures, are part of an indivisible package and cannot be agreed upon separately. In other words, nothing is finalized until everything is finalized.

These principles do not cover all elements of the TPP negotiations. They are intended to affirm those that must be upheld for the final TPP agreement to be judged worthy of the full support of the undersigned groups. In some cases, organizations' support of a TPP containing these core elements also hinges on attainment of key sector-specific priorities not cited above.