

January 24, 2012

Ambassador Ron Kirk
United States Trade Representative
Office of the United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Kirk:

At the November 28 U.S.-EU Summit, President Obama, European Council President Herman Van Rompuy and European Commission President Jose Manuel Barroso announced that the Transatlantic Economic Council (TEC) was being directed to establish a joint High Level Working Group on Jobs and Growth to be co-chaired by you and European Union (EU) Trade Commissioner Karel De Gucht. The new working group will be charged with exploring options to generate jobs and economic growth, as well as improve competitiveness. Included in these options will be the possibility of negotiating a U.S.-EU free trade agreement (FTA).

The undersigned food and agricultural organizations are strongly supportive of this initiative. The removal of impediments to trade between the U.S. and the EU has been an aspiration for many of us for years. Although the idea of a FTA between the two major trading partners has been raised in the past, it has never truly been given serious consideration. We believe, however, that carried out properly, such an agreement would indeed generate economic growth and create many thousands of new jobs on both sides of the Atlantic. Of course, this would require that the EU be prepared to negotiate and implement the type of high-standard, 21st-century agreement that is central to the Administration's trade policy efforts. Free trade deals negotiated by the EU with other countries certainly do not come close to meeting those standards. They are, in reality, preferential trade agreements containing widespread exceptions. Furthermore, EU regulatory measures often conflict with both U.S. interests and WTO rules. Examples run the gamut from GMO approval and labeling regulations that restrict U.S. corn, soy and refined corn product exports to unjustifiable restrictions on production methods in poultry (antimicrobial treatments) and pork (ractopamine).

Notwithstanding the existence of clear WTO rules, the EU has often sought to circumvent such international regulations by using its 27 votes in international standard-setting bodies such as Codex to "legitimize" non-science-based measures, thereby undermining the fundamental principles of these international organizations. The EU has also worked to accomplish in its FTAs what it has been unable to achieve multilaterally. For example, in previous trade agreements, the EU has sought the inclusion of language on geographical indications that would grant it exclusive rights to certain product names widely used outside of Europe for many years. Acceptance of this EU-style agreement would undermine U.S. trade policy and thus would be strongly opposed by our organizations.

The Trans-Pacific Partnership (TPP) negotiation should serve as the template for a U.S.-EU FTA. It is, as you have often pointed out, a high-standard negotiation that aims to achieve a comprehensive agreement providing market access in all sectors. At a recent speech to the U.S. Chamber of Commerce, you said, "... we think TPP will be a deeply ambitious, groundbreaking

trade arrangement, with binding commitments on market access across all sectors.” You added, “TPP is also about building the best trade policy for the future.” We agree with these sentiments and applaud the approach you have consistently taken to achieve those objectives. With the addition of Japan, Canada and Mexico on these terms, the TPP will certainly become the most important regional free trade agreement in the world. A free trade agreement with the EU based on the same principles would validate your policies and help ensure that U.S. trade policy remains on the right path.

As you and Mr. De Gucht begin to look at options for a possible FTA, retreating from key TPP principles must not be one of them. Any suggestion that an agreement might cover only selected sectors should not be taken seriously. To do so would undermine current U.S. efforts in the TPP negotiations as well as with respect to the obligations of new members. It would turn the proposition that the TPP is about “building the best trade policy for the future” on its head. Moreover, deviation from this principle would lose the support of our organizations.

Sincerely,

American Feed Industry Association
American Frozen Food Institute
American Meat Institute
American Seed Trade Association
American Soybean Association
Blue Diamond Growers
California Cherry Export Association
Commodity Markets Council
Corn Refiners Association
Grocery Manufacturers Association
Hormel Foods Corporation
International Dairy Foods Association
National Association of State Departments of Agriculture (NASDA)
National Association of Wheat Growers
National Barley Growers Association
National Cattlemen's Beef Association
National Chicken Council
National Confectioners Association
National Corn Growers Association
National Council of Farmer Cooperatives
National Grain and Feed Association
National Meat Association
National Milk Producers Federation
National Oilseed Processors Association
National Pork Producers Council
National Renderers Association
National Sorghum Producers
National Sunflower Association
National Turkey Federation
North American Equipment Dealers Association
North American Millers' Association

Northwest Horticultural Council
Pet Food Institute
Seaboard Foods
Smithfield Foods
Sweetener Users Association
Tyson Foods, Inc.
U.S. Apple Association
U.S. Canola Association
U.S. Dairy Export Council
U.S. Dry Bean Council
U.S. Grains Council
U.S. Livestock Genetics Export, Inc.
U.S. Meat Export Federation
U.S. Wheat Associates
USA Dry Pea & Lentil Council
USA Poultry & Egg Export Council
USA Rice Federation
Western Growers Association