





NEWS RELEASE

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Dairy Groups Thank Senators for Urging Action on Agricultural Issues in Trade Agreement with Europe

Key Dairy Issues, Including Common Food Names, Must Be Addressed

WASHINGTON, D.C. – The dairy industry today praised a bipartisan group of 26 senators for urging U.S. negotiators to address the needs of agriculture – including key dairy issues – in any free trade agreement with the European Union.

In a <u>letter</u> to U.S. Trade Representative Michael Froman, the senators noted that the United States' share of the European agricultural import market is shrinking due to both tariff and non-tariff trade barriers.

"A final [trade] agreement that does not include a strong framework for agriculture could have a negative impact on Congressional support for this deal," the senators said.

Among other agricultural issues, the letter singled out the need to address restrictive certification requirements on U.S. dairy exports, as well as the EU's efforts to capture the sole use of food names long considered generic in this country. Decades after parmesan, feta and asiago became household favorites in the United States, Europe now argues these names can only appear on cheeses produced in Italy and Greece, blocking U.S. sales of the products to the EU and increasingly affecting sales to various foreign markets. In addition, the EU is seeking a leg up on U.S. food competitors by insisting that the U.S. government shoulder the costs to enforce protection for hundreds of EU geographical indications in the U.S. domestic market.

The senators cited two earlier letters that urged negotiators to oppose European restrictions on the use of common food names. The EU's actions are undermining both current free trade agreements and those under negotiations, they said. They added that the concerns cited in those letters had not been addressed so far in negotiations over the U.S.-EU trade agreement, known officially as the Transatlantic Trade and Investment Partnership (T-TIP).

Jim Mulhern, president and CEO of the National Milk Producers Federation, thanked the senators for highlighting the need to address agriculture concerns, and especially dairy issues, in the T-TIP negotiations.

"In 2015, we had a record \$12 billion agricultural trade deficit with Europe, due largely to barriers erected specifically to limit exports of dairy foods and other U.S. farm products," Mulhern said. "Any successful European free trade agreement must break down those barriers. The U.S. needs to soundly reject the EU's desire to impose new barriers to competition around the world and to create taxpayer-funded advantages for its producers in our market. We should be using T-TIP to level the playing field."

Tom Suber, president of the U.S. Dairy Export Council, said that the opportunity to grow dairy exports and re-balance the two-way trade deficit should be a top priority in T-TIP negotiations going forward. "U.S. negotiators should not conclude a trade agreement with the Europeans without addressing the serious European trade barriers facing the U.S. dairy industry, including both restrictive certification requirements and restrictions on generic cheese names," he said.

"Names like feta and parmesan belong to everyone, not just a small group of producers in Europe," added Connie Tipton, president and CEO of the International Dairy Foods Association. "The EU's bid to gain exclusive rights to these names is totally unjustified, and the Senate letter is right to include this issue as one that must be addressed in any free trade agreement with the Europeans."

Both the United States and the European Union have pledged to conclude T-TIP negotiations this year. All three dairy organizations are very concerned that these critical dairy issues will not be appropriately resolved within that timeline.

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About IDFA

The International Dairy Foods Association (IDFA), Washington, D.C., represents the nation's dairy manufacturing and marketing industries and their suppliers, with a membership of 550 companies within a \$125-billion a year industry. IDFA is composed of three constituent organizations: the Milk Industry Foundation (MIF), the National Cheese Institute (NCI) and the International Ice Cream Association (IICA). IDFA's nearly 200 dairy processing members run nearly 600 plant operations, and range from large multi-national organizations to single-plant companies. Together they represent more than 85 percent of the milk, cultured products, cheese, ice cream and frozen desserts produced and marketed in the United States. IDFA can be found online at www.idfa.org.

About USDEC

The U.S. Dairy Export Council (USDEC) is a non-profit, independent membership organization that represents the global trade interests of U.S. dairy producers, proprietary processors and cooperatives, ingredient suppliers and export traders. Its mission is to enhance U.S. global competitiveness and assist the U.S. industry to increase its global dairy ingredient sales and exports of U.S. dairy products. USDEC accomplishes this through programs in market development that build global demand for U.S. dairy products, resolve market access barriers and advance industry trade policy goals. USDEC is supported by staff across the United States and overseas in Mexico, South America, Asia, Middle East and Europe.

About NMPF

The National Milk Producers Federation, based in Arlington, VA, develops and carries out policies that advance the wellbeing of dairy producers and the cooperatives they own. The members of NMPF's cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of dairy producers on Capitol Hill and with government agencies. Visit www.nmpf.org for more information.