





NEWS RELEASE

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Dairy Organizations Seek Congressional Support for Trans-Pacific Partnership Agreement

WASHINGTON, D.C. – The National Milk Producers Federation, U.S. Dairy Export Council and the International Dairy Foods Association asked members of Congress in a letter today to support the Trans-Pacific Partnership (TPP) agreement while also addressing a number of critical implementation and enforcement issues that are key determinants in how the agreement is likely to work in practice. As part of this, the dairy associations urged the federal government to ensure that the other participating countries adhere to their respective commitments within the pact.

The TPP is an historic pact between 12 countries containing features that will help America's dairy farmers and processors in the future. After months of analysis and deliberation, all three organizations have endorsed the pact, saying the agreement presents, on balance, a step forward for U.S. dairy farmers and companies that process and market their milk.

In the <u>letter</u>, the three dairy groups outlined the benefits the agreement could bring to the industry, such as improving the rules of the road governing trade throughout the TPP region. For instance the letter addresses TPP's ground-breaking commitments on sanitary and phytosanitary (SPS) issues, as well as geographical indications (GIs) and common food names.

"The geographical indications provisions in TPP, for the first time, establish a more equitable process for considering GIs and emphasize the importance of safeguarding usage of common food names," the letter said. "This is a key priority for our industry as we face the European Union's global efforts to wield GIs as nontariff barriers to trade in order to limit competition and market access from U.S. suppliers."

However, the three organizations also noted several issues that need to be addressed during the TPP's implementation process, which are vital to ensure that the agreement lives up to its potential to create improved international opportunities. The letter asks Congress to insist that both Canada and Japan be held to their own commitments — both existing ones and new ones under the agreement. It also highlighted the importance of the United States carefully ensuring active enforcement of its own market access provisions.

"TPP can help support the continued growth of a robust U.S. dairy industry, provided not only that the commitments captured in the text of the agreement are fully implemented, but also that countries are not allowed to backtrack on existing market access agreements to offset what has been granted via TPP," the letter continued.

"The fine print in implementing TPP really matters. We are endorsing the outlines of the agreement, but will continue to insist that the terms agreed to need to be followed by the other countries in this agreement. The U.S. needs to be continually vigilant with the TPP signatories and really hold their feet to the fire both now and down the road," said Jim Mulhern, president and CEO of NMPF.

"The SPS and GI commitments in particular should help keep in check the ability of countries to erode existing and future market access for U.S. dairy exporters through arbitrary, unjustified and oftentimes sudden regulatory determinations," said Tom Suber, president of USDEC. "But for them to live up to their potential we need to ensure our trading partners realize we're serious about their compliance with these pieces."

"The successful negotiation and implementation of ambitious trade agreements like TPP are vital to the future growth of America's dairy industry," said Connie Tipton, IDFA president and CEO. "For those benefits to be realized, however, it's imperative that our trading partners be held accountable and live up to their current and future commitments."

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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.