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NMPF, USDEC Urge Trump Administration Not to Cede Export Opportunities as United States Withdraws from TPP, Reconsiders NAFTA Role

ARLINGTON, VA – The National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) today urged the Trump Administration not to retreat from pursuing new trade opportunities in the Pacific Rim, and to protect the agricultural trade relationship between the United States and Mexico.

The dairy groups spoke out Monday as President Trump formally withdrew the United States from the 12-nation Trans-Pacific Partnership (TPP) agreement, which NMPF and USDEC had supported because it contained benefits for America's dairy farmers. A retreat from TPP "must not lead to a retreat from economic engagement with growing Asian markets for American dairy products," said NMPF President and CEO Jim Mulhern.

"While we recognize that TPP as it now stands has no path forward, we urge the Trump Administration to look for future opportunities to increase our dairy exports in Asia and around the world. Our competitors have been successfully negotiating trade agreements over the past several years. This puts the U.S. agriculture sector at a competitive disadvantage if we don't pursue our own initiatives," he said.

The Trans-Pacific Partnership "was far from perfect, but was beneficial to the U.S. dairy sector because in addition to new market access, it also made significant progress in focusing on other barriers, including sanitary/phytosanitary standards, as well as the



abuse of geographical indications to block competition in common food categories," said Matt McKnight, Acting Chief of Staff for USDEC.

He said one approach the new administration could take is to replace TPP with bilateral agreements with countries such as Japan, Vietnam and others in Southeast Asia.

NMPF and USDEC on Monday joined 130 other farm and food organizations in calling on President Trump to preserve hard-fought agriculture market access in Mexico, which is the No. 1 market for U.S. dairy exports, totaling \$1.2 billion in 2016.

"The North American Free Trade Agreement (NAFTA) has opened a major door to Mexico that we don't want slammed shut," Mulhern said.

"In contrast, Canada, the other NAFTA party, has habitually and deliberately worked to undermine dairy trade. We have been very vocal in the past year that Canada is not living up to its dairy market access opportunities for the United States. This issue must be on the table in any discussion about the future of NAFTA."

McKnight noted that "the U.S. dairy sector exports 15 percent of its milk production, or one day's worth of milk production out of each week. In 2015, those exports were worth over \$5 billion, and helped generate more than 120,000 jobs in dairy farming, manufacturing and related sectors."

He said the groups will continue to press lawmakers on the important link between export sales and dairy job growth in the United States.

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The National Milk Producers Federation (NMPF), based in Arlington, Va., develops and carries out policies that advance the well-being of U.S. dairy producers and the cooperatives they collectively 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. For more on NMPF's activities, visit www.nmpf.org.

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.

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