



## Trans-Pacific Partnership's Dairy Deliverables

The National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) support the Trans-Pacific Partnership (TPP), a regional trade deal with 11 other Asia-Pacific countries. Presuming it is properly implemented and enforced, we see key benefits in it for America's dairy farmers. Ensuring we get the benefit of the bargain struck lies in thorough implementation by all TPP parties, as well as ensuring our trading partners stick to their commitments – both new & old.

Our major competitors have negotiated free trade agreements or are in the process of doing so with most TPP countries. It is imperative that the U.S. pass TPP in order to remain a leader in working to drive the global trade agenda.

### Key Elements:

#### 1. **Upgrading the Rules of Trade:**

The agreement delivers important advances designed to more effectively tackle the expanding variety of nontariff barriers confronting U.S. dairy exports.

- **SPS Chapter** - The U.S. dairy industry was one of the earliest and strongest voices working to help promote the TPP SPS chapter which builds upon the existing WTO rules in very useful ways. The result will help create more predictable trading conditions for dairy exporters.
- **Geographical Indications (GIs) Provisions** - This agreement also breaks new ground in improving the available tools to help tackle a novel type of nontariff barrier that's been plaguing U.S. cheese exports in recent years – the misuse of GIs in ways that choke off export avenues for U.S. products.

#### 2. **Market Access:**

NMPF's economic analysis of the agreement's market access provisions found benefits in a properly implemented and enforced TPP agreement with the primary export gains into countries that are already major markets for us but have room for our sales to grow – Japan and Canada.

- A critical component of that favorable TPP result for dairy was the agreement's relative **degree of balance in the market access sector** which ensured that the agreement did not create a tremendous disparity in the degree of market expansion required of the U.S. vs. other major dairy markets.

#### 3. **Key Implementation & Enforcement Priorities:**

In order to ensure that TPP lives up to its potential, it's important to use the leverage this agreement offers to hold our trading partners' feet to the fire such as by...

- **Refusing to certify Canada** as ready to implement TPP if it persists in using inappropriate policy tools to impair access for U.S. dairy exports. (Following Congressional approval of an FTA, the U.S. is required to certify each trading partner in order for the agreement to take effect with that country.)
- Ensuring that our trading partners abide by the intent of TPP GI provisions with respect to export options for common food names.