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U.S. Dairy Industry Urges Passage of Trade Agreements by Congress

The National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) applaud the submission to Congress by President Obama of the legislation to implement the three pending free trade agreements (FTAs) with South Korea, Panama and Colombia. The dairy industry is also supportive of the bipartisan compromise on the Trade Adjustment Assistance (TAA) legislation.

These FTAs have the potential to expand U.S. exports and create thousands of exportsupporting jobs in the U.S. dairy industry, in particular. NMPF and USDEC "thank members of Congress for their diligent work in supporting the drafting of this legislation," said Jerry Kozak, president and CEO of NMPF.

The U.S. dairy sector will see significant gains from each of the agreements, but particularly from the agreement with South Korea. "We are pleased that achieving these benefits is finally within sight," said Kozak. "These agreements will not only expand export sales for such products as cheese, whey, skim milk powder, and other dairy products, they will also prevent our competitors from taking market shares that we currently have in those countries."

Tom Suber, president of USDEC, agreed, pointing out that the industry estimates that as many as 10,000 additional U.S. jobs, both on and off the farm could be created by the Korea agreement alone. "The growth in exports of dairy products from these agreements will not only help bolster milk prices for America's dairy farms, it will also expand jobs in





the dairy processing and transportation sectors," he said. "The FTAs represent a big winwin for all elements of the U.S. dairy industry."

The dairy organizations noted that the export benefit from the Korea FTA to the U.S. dairy industry in the first few years after implementation will be approximately \$380 million per year, on average, and the gains from the Colombia and Panama FTAs will add another \$50 million annually. NMPF and USDEC highlighted the growing importance of export sales to dairy producers' bottom lines and the need to continue to open and develop new markets regardless of their size. In international trade, "unless we continue to move forward, we risk falling behind our competitors," Suber said.

"We urge members of Congress to approve the implementing bills for all three FTAs, and support the economy of thousands of America's dairy farmers," said Kozak. "Our producers are pleased that after four years, a breakthrough has been achieved, and Congress will finally have an opportunity to act on the FTAs. Now, we just need a "yes" vote."

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.

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 31 cooperatives produce the majority of the U.S, milk supply, making NMPF the voice of nearly 40,000 dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit www.nmpf.org.

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