



News Release

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"Connecting Cows, Cooperatives, Capitol Hill, and Consumers"

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NMPF Board of Directors Supports NAFTA Modernization

Process Should Preserve Trade Successes in Mexico, Address Canada Dispute

WASHINGTON, D.C. – The National Milk Producers Federation Board of Directors voted unanimously today to support modernizing the North American Free Trade Agreement (NAFTA) in a way that enhances and protects the United States' current dairy market access opportunities and addresses Canada's constant use of trade-distorting measures.

At its June meeting here, NMPF's board [passed a resolution](#) outlining goals for the upcoming NAFTA renegotiation process. These include confronting Canada's use of policies that hinder trade, such as its harmful Class 6 and 7 pricing schemes that negatively impact U.S. dairy exports. The resolution also requests that no harm be done to trade with the United States' largest dairy export market, Mexico. It also calls for special attention to preserving and enhancing the protection of foods using common names, and strengthening rules related to sanitary and phytosanitary commitments with Canada and Mexico.

"Trade negotiations are always a balancing act, and the renegotiation of NAFTA will be another example of that dynamic," said Jim Mulhern, president and CEO of NMPF. "NMPF's membership recognizes NAFTA's essential role in expanding access to the Mexican market, where we export more than \$1 billion annually in dairy products. We need to build on that market, and at the same time use the modernization effort to obtain more access to the Canadian market for our products, and roll back anti-competitive trade schemes used by Canada's dairy sector."

The NMPF resolution singled out Canada's exorbitant dairy tariffs and pervasive use of policy tools like its Class 6 and 7 schemes, which were introduced last year. The new programs have been used to displace American exports of milk proteins to Canada and undercut U.S. dairy exports in overseas markets.

In May, the Trump Administration formally launched the NAFTA modernization process when it notified Congress that it plans to proceed with renegotiating the 24-year-old trade pact. NMPF will be actively engaged in this process through the submission of recommendations on the priorities of interest to U.S. dairy farmers, meetings with U.S. and foreign government officials, and close

interaction with supporters in Congress.

“Exports are extremely important to the U.S. dairy industry,” Mulhern said, “accounting for \$5 billion in sales annually and up to 100,000 jobs in areas tied to dairy farming and processing. NAFTA has contributed to this success, supporting tens of thousands of farm and dairy manufacturing jobs, as well as those in related industries.”

Earlier in the week, NMPF and the U.S. Dairy Export Council jointly [filed comments](#) on the NAFTA modernization process with the U.S. Trade Representative’s office.

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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 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. For more on NMPF’s activities, visit our website at www.nmpf.org.