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Dairy Groups Applaud U.S.-South Korea Trade Agreement
Improved FTA Addresses Several Dairy Concerns

ARLINGTON, VA – The National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) today applauded the Trump Administration’s swift and effective negotiation with South Korea regarding the terms and implementation of the U.S.-Korea free trade agreement (KORUS).

[In a letter](#) to U.S. Trade Representative Robert Lighthizer, the two dairy groups expressed appreciation that trade officials were able to secure a result with South Korea that addressed certain dairy industry concerns while preserving the overall agreement.

South Korea was the fifth-largest U.S. dairy export market in 2017, accounting for \$280 million in U.S. dairy sales. It is also the second-largest buyer of U.S. cheese, after Mexico.

“Preserving free trade agreements (FTAs) like this one is essential to strengthening our economy and expanding opportunities for America’s dairy producers and processors,” said Tom Vilsack, president and CEO of USDEC.

With KORUS, the U.S. dairy industry will remain a competitive dairy exporter to South Korea in a world in which most other major dairy exporters have access to the South Korean market through a trade agreement. This puts U.S. companies, shipping products, manufacturers and American-made milk on the same footing with dairy competitors from other countries.

“KORUS has had a demonstrable impact on the success of U.S. dairy exports,” said NMPF President and CEO Jim Mulhern. “A renegotiated KORUS will strengthen our trade relationship with Korea, ensuring that the country continues to receive nutritious U.S. dairy foods. This will benefit both Korean citizens and the U.S. farmers producing these products.”

Leading up to the KORUS negotiations in early October 2017, USDEC and NMPF encouraged an approach that would address specific U.S. concerns, including that of customs procedures, while preserving the agreement. U.S. dairy exporters have repeatedly encountered challenges with South Korea’s overly narrow interpretation of which goods qualify as those originating from the United States. This meant that even goods produced in the United States with American-made

ingredients and certified as such by the U.S. Department of Agriculture sometimes faced rejection. The letter thanked USTR for recognizing these types of issues and their impact on trade. “Resolving them can ensure that the agreement operates as it was truly intended to,” the groups said.

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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.