



FOR IMMEDIATE RELEASE Wednesday, October 24, 2018

CONTACTS: Alan Bjerga, NMPF: (703) 243-6111 Luke Waring, USDEC: (703) 528-3049

U.S. Dairy Industry Applauds Work to Deepen Philippine Trade Relations

ARLINGTON, VA – The U.S. Trade Representative this week announced progress in talks with the Philippines under the bilateral Trade and Investment Framework Agreement (TIFA). U.S. dairy producers and processors appreciate the Administration's work to preserve and deepen market access ties with a country that purchased \$243 million in U.S. dairy products last year.

In a joint statement released about the recent achievements in resolving trade issues under the TIFA, both governments agreed that they should work together to benefit agriculture. This is viewed as a promising development given Southeast Asia's growing market for dairy products.

U.S. officials noted that the Philippines has been handling geographical indications (GIs) in a fair manner that preserves the use of common names and welcomed their commitment to "discuss ways to ensure that Philippine laws, regulations, and policies do not restrict or prohibit entry of U.S. products in the Philippine market."

To further that goal, the Philippines confirmed that "it will not provide automatic GI protection, including to terms exchanged as part of a trade agreement." Tom Vilsack, president and CEO of the U.S. Dairy Export Council, said this assurance is significant because of the European Union's ongoing campaign to use GIs to block U.S. dairy sales.

"The Philippine economy is strengthening, its population is growing, and more consumers are moving up into the middle class," explained Vilsack. "In short, there is tremendous potential for greater U.S. dairy sales in the Philippines and this week's announcement gets us a step closer to realizing this opportunity. USTR's work to keep those doors open today and pursue ways to crack them open further in the future is certainly appreciated by dairy producers and processors across the country." National Milk Producers Federation (NMPF) President and CEO Jim Mulhern said developments are positive for dairy producers facing economic challenges.

"The rural economy is having a rough time, dairy prices are low, and our farmers are struggling," Mulhern said. "Trade will be key to turning things around. USTR's work to forge positive pathways with the Philippines is a building block in that process. The next step is to move forward with a free trade agreement to allow our industry to compete head to head with other suppliers in the region."

U.S. negotiators also secured a commitment from the Philippines to consider petitions for voluntarily lowering tariff rates on certain agricultural products, including cheeses. This is a step in the right direction toward U.S. exporters bridging the competition gap created by trade agreements between the Philippines, Australia and New Zealand.

#

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 <u>www.nmpf.org</u>.

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.