



October 31, 2012

Docket No. USTR-2012-0028
Office of the United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

RE: U.S. – EU Regulatory Compatibility

Dear Sir or Madam:

National Corn Growers Association (NCGA) appreciates the opportunity to respond to the Federal Register notice soliciting comments on how to promote greater transatlantic regulatory compatibility. Since the inception of the U.S.-EU High Level Working Group in November 2011, NCGA has joined other agricultural trade associations in calling for any trade agreement to be comprehensive and to tackle the significant hurdles that must be overcome when dealing with agricultural products. For NCGA members, the most obvious challenge is approval of corn and corn products derived through biotechnology. While the EU is a market that holds great potential, that potential is often overshadowed by delays in approvals and regulatory decisions dictated by political pressure and not science-based evaluations.

Founded in 1957, NCGA represents more than 38,000 dues-paying corn growers and the interests of more than 300,000 farmers who contribute through corn checkoff programs in their states. NCGA and its 48 affiliated state associations and checkoff organizations work together to help protect and advance corn growers' interests. NCGA acknowledges biotechnology as a critical tool for growers, allowing increased production efficiency and reduced yield loss under stressed conditions.

As stated in previous communications with the Office of the United States Trade Representative, upcoming negotiations will require the EU to negotiate and implement the type of high-standard, 21st-century agreement that is central to the Obama administration's trade policy efforts. Free trade agreements negotiated by the EU with other countries do not meet such standards. Furthermore, EU regulatory measures often conflict with both U.S. interests and World Trade Organization (WTO) rules. Examples include biotechnology approval and labeling regulations that restrict U.S. corn and refined corn product exports and restrictions on production methods in poultry and pork.

The issues we highlight are not novel. In 2006, NCGA urged USTR to insist the EU honor its WTO obligations and end the moratorium on biotechnology products. We noted the WTO panel's conclusions were a "meaningful first step in removing the barriers to trade of biotech agriculture and food products imposed by the EU." The key conclusions of the draft interim report included:

- International trade rules fully support trade in products of biotechnology for planting, processing and marketing, subject to science-based regulation;

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**NATIONAL
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- De facto bans or moratoria on approvals by Europe and other WTO member countries will not escape scrutiny;
- The Biosafety Protocol and the Convention on Biodiversity are not relevant to the interpretation of the issues on the moratorium;
- Measures taken under the guise of the precautionary principal, absent relevant scientific evidence, are not justified; and
- Politically motivated bans or moratoria by WTO member states are not consistent with members' WTO obligations.

As was true in 2006, unjustified regulations are costing U.S. farmers and food exporters millions in lost sales to the EU and could result in even greater losses of U.S. exports if they are adopted by other countries around the globe.

Again in June 2009, in a meeting with former EU Health Commissioner Androulla Vassiliou, USDA Secretary Tom Vilsack and USTR Ron Kirk criticized the more than two-year-old U.S. and EU dialogue aimed at freeing up trade in genetically modified organisms (GMO). According to reports, Vilsack told Vassiliou that the dialogue had failed to produce tangible improvements in the approvals of GMOs in the EU.

NCGA members do not support a "take what you can get" approach to a bilateral agreement with the EU. The EU imposes myriad restrictions on U.S. agricultural products in the form of sanitary and phytosanitary measures. EU acceptance of internationally agreed standards and the adoption of science-based risk assessments must be an important part of improving trade relations. We urge U.S. negotiators to work with the European Food Safety Authority and the European Parliament to achieve higher levels of regulatory convergence and cooperation through alignment of standards and practices, by means of harmonization, mutual recognition, or other methods.

Sincerely,

Pam Johnson
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