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May 10, 2013

Office of the United States Trade
Representative (USTR)

RE: Transatlantic Trade and Investment Partnership
Federal Register, Monday, April 1, 2013
Vol. 78, No. 62
Page 19566-19568

Dear FSIS Docket Clerk:

On behalf of the members of the North American Meat Association (NAMA), we respectfully submit the following comments in response to the USTR's, "Request for Comments Concerning Proposed Transatlantic Trade and Investment Agreement."

Organized in 1942, NAMA represents the interests of meat packers and processors throughout the United States, Canada, and Mexico. With nearly 400 meat processing members, NAMA has a vested interest in the USTR's *Federal Register* request.

NAMA supports the decision to commence negotiations with the European Union (EU) on a transatlantic free trade agreement (FTA) and agrees that such an agreement be comprehensive. However, a comprehensive FTA must include agriculture, as its exclusion would undermine U.S. efforts in the Trans-Pacific Partnership (TPP) and any future U.S. FTA negotiations. In addition, an FTA with the EU should embody the model established with the TPP for 21st century agreements.

It is critically important that a transatlantic trade and investment agreement be held to the same high standards as any other U.S. trade effort to date. This is vital, since it has been observed that FTAs negotiated by the EU with other countries have not met the standards of the TPP negotiations or the standard of the U.S. bilateral FTAs with Columbia, Panama, and South Korea. Rather, the EU has engaged in preferential trade agreements marred by widespread exceptions, especially in the area of agriculture. The EU maintains many regulatory and sanitary/phytosanitary (SPS) requirements, as well as trade restrictive tariff-rate quotas (TQRs), that severely restrict imports.

EU MEAT MARKET RESTRICTIONS

The EU continues to have one of the most highly protected meat markets in the world. The EU's use of small tariff rate quotas with high in-quota duties have limited the inflow of meat from non-EU suppliers.

Although in 2012 the EU raised its annual quota for high-quality North American beef to 48,200 tonnes, non-tariff restrictions have continued to make it difficult to export product to the EU. The EU kept in place bans on meat and meat products derived from animals treated with growth hormones, which have been shown for decades to be safe. In addition, the EU has maintained a ban on pork produced with ractopamine hydrochloride (ractopamine), a feed supplement that the *Codex Alimentarius* has indicated is safe for use. But the EU's restrictive trade requirements are perhaps best exemplified by the EU requirement that U.S. pork be tested for trichinae through the USDA Agricultural Marketing Service (AMS) Trichinae Analysis and Laboratory Certification Program, even though risk of contracting trichinae from consuming U.S. pork is negligible. There is no scientific basis for these costly and unnecessary requirements, and they limit U.S. exports of beef and pork to only those suppliers willing and able to accommodate the restrictions.

PATHOGEN REDUCTION TREATMENT RESTRICTIONS

With the exception of lactic acid for use on bovine and bison carcasses, the EU currently prohibits the use of antimicrobial or pathogen reduction treatments (PRTs) on meat products, including hyperchlorination and organic acids. The use of PRTs have been proven to pose zero health risk, and in fact help ensure the safety of meat products by minimizing bacterial contamination, yet other than lactic acid use on bovine and bison carcasses, only the application of water and steam are permitted for use on meat carcasses by the EU.

Presently, the U.S. is in the initial phases of a World Trade Organization (WTO) dispute settlement case with the EU concerning its pathogen reduction treatments for poultry. The EU's prohibition on the use of PRTs on meat products is another clear violation of the WTO Agreement on the Application of SPS Measures. Such unjustifiable restrictions on the part of the EU should be removed immediately, and certainly cannot continue to exist if there is to be a comprehensive FTA.

OTHER BARRIERS TO TRADE

The proposed U.S-EU FTA should not be a platform for protectionist measures, and their inclusion should be a non-starter during the negotiation process.

The EU has already made overtures seeking the inclusion of new barriers to trade benefiting EU products, such as restrictions on the use of commonly used names for many products, for example Geographical Indications (GIs). The EU wants to reserve names for products that have been in common use around the world, which has been opposed by the U.S. and others. Changing commonly used names of products to appease the EU should be prohibited from negotiation, as it would infringe on intellectual property.

In addition, potential non-science based proposals should be barred during negotiations. These could act as another barrier to trade. The U.S. meat industry is well-regulated in a very transparent manner; therefore, it should not shoulder a significant increase in regulatory burden in an effort to appease the EU. Further, any regulation proposed by the EU must be carefully weighed through a sound cost-benefit analysis.

Conclusion

Though NAMA fully supports negotiations of a transatlantic FTA between the U.S. and EU, the U.S. must make sure from the onset that the negotiations adhere to the high standards of the current U.S. trade policy efforts. Negotiations should be comprehensive and include agricultural products in accordance with the U.S. bilateral FTAs with Columbia, Panama and South Korea, as well as the standard set by the TPP negotiations.

Recent statements by EU officials have placed doubt as to whether the EU has an interest in dealing with SPS issues as part of the FTA negotiations. The EU continues to stick by its precautionary principles that undermine advances in science and improved industry practices. NAMA feels strongly that SPS issues must be specifically addressed from the onset of transatlantic FTA negotiations. SPS issues should not be left to some future consultative mechanism.

Many unwarranted and unscientific trade restrictive TQRs and SPS requirements severely hinder U.S. agricultural exports, including the ban on PRTs. Any future FTA with the EU must eliminate the tariffs on U.S. proteins, and also eliminate those EU regulatory, SPS and technical barriers that are not based on sound science.

NAMA appreciates this opportunity to comment.

Thank you.

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