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October 31, 2012

Office of the United States Trade Representative
U.S.-EU Regulatory Compatibility

RE: Docket No. USTR-2012-0028
Federal Register, Friday, September 28, 2012
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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 Request for Comments, "Promoting U.S. EC Regulatory Compatibility."

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 Request for Comments.

NAMA recommends the U.S. pursue a comprehensive free trade agreement (FTA) with the European Union (EU) and that agriculture not be excluded. Exclusion of agriculture would undermine U.S. efforts in the Trans-Pacific Partnership (TPP) and any future U.S. FTA negotiations. A trade deal with the EU should be held to the same high standards as any other trade efforts to date.

This is critically important because 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. Instead they have been preferential trade agreements marred by widespread exceptions, particularly in the area of agriculture. The EU maintains many regulatory and sanitary/phytosanitary (SPS) requirements, as well as trade restrictive tariff-rate quotas (TRQs), that severely restrict imports.

EU MEAT MARKET RESTRICTIONS

The EU has 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 and prohibitive high out of quota duties have limited the inflow of meat from non-EU suppliers.

The EU currently has an annual quota of 48,200 tonnes for high-quality North American beef. However, it bans beef from cattle treated with growth hormones, which have been shown for decades to be safe. Similarly, 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 in the U.S.-EU Veterinary Equivalence Agreement, under which U.S. pork producers are required to either test pigs for trichinae or subject the pork to cold treatment despite the fact that trichinosis is not an issue in the U.S. 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

The EU also currently prohibits the use of anti-microbial or pathogen reduction treatments (PRTs), which include hyperchlorination and organic acids, on meat products. Only the application of water and steam are permitted for use on meat carcasses by the EU. However, the use of PRTs pose zero health risk, and in fact helps ensure the safety of meat products by reducing the bacterial contamination.

Currently, 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.

CONCLUSION

Though NAMA fully supports negotiations of an 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.

Many unwarranted and unscientific trade restrictive TRQs 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.

Thank you for providing this opportunity to comment.

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