

ISSUES & INSIGHTS

U.S. Seeks Free Trade Agreement with the European Union

SITUATION

The White House on Oct. 16, 2018, announced its intent to negotiate free trade agreements with several new markets, including the European Union.

The EU maintains high levels of tariff protection as well as scientifically unjustifiable sanitary-phytosanitary and technical barriers to trade that make shipment of U.S. pork to the EU difficult, if not impossible. The EU rejects new food technologies and competition from imports. The U.S. pork industry, on the other hand, views new technologies and competition to be the foundational to providing safe and affordable food to a rapidly growing global population. The EU must recognize the equivalence of U.S. animal health and meat inspection practices in ensuring food safety before an agreement can be reached.

NPPC POSITION

NPPC expects the EU to: a) eliminate tariff and non-tariff barriers in line with the free trade agreements it has with 20 other nations and b) recognize the equivalence of U.S. pork production practices and accept exports from all USDA approved facilities.

FAST FACTS

- U.S. pork exports were nearly \$6.4 billion in 2018.
- Exports added more than \$51 — that's more than 26 percent of the \$141 average value of a hog — to every U.S. hog marketed in 2018.
- The EU, with 512 million consumers, is the second largest pork market in the world.
- U.S. pork sales to the EU are lower than they are to much smaller countries, such as Honduras.
- Elimination of the EU's tariff and non-tariff barriers on pork would result in billions of dollars in new exports and creation of nearly 18,000 U.S. jobs.

BARRIERS TO U.S. PORK EXPORTS

Tariffs – The current Tariff Rate Quotas, which significantly restrict U.S. pork imports with high in-quota duties and high out-of-quota tariffs, must be replaced with zero-tariff access for U.S. pork.

Ractopamine – The EU bans ractopamine in pork production and pork imports despite the absence of a science-based risk assessment.

Trichinae Mitigation – The EU requires that the U.S. conduct trichinae risk mitigation as a condition for market access, though there is negligible risk of trichinae in the U.S. commercial pig herd because of high biosecurity protocols and modern production systems.

Pathogen Reduction Treatments – The EU prohibits use of anti-microbial or pathogen reduction treatments for pork even though scientific studies demonstrate that PRTs produce a safer product.



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