

November 18, 2013

Dear Member of Congress:

The undersigned food and agricultural organizations wish to register their strong opposition to a long-term or permanent extension of the African Growth and Opportunity Act (AGOA), as some have proposed.

Our concern with a long-term extension of the Act or making it permanent is that in either case any incentive for beneficiary nations to move toward reciprocal trade relationships with the United States would be removed. Moreover, we do not believe that AGOA recipient nations should be rewarded for maintaining barriers to U.S. exports that go beyond those permitted in trade agreements. U.S. producers and exporters are unfairly losing export sales and costing the United States jobs.

AGOA benefits are highly desirable and should not be taken for granted by countries that maintain restrictions on U.S. food and agricultural products such as the examples below. These are included in USTR's annual reports on foreign trade barriers and sanitary and phytosanitary (SPS) measures.

South Africa:

- Antidumping (AD) duties have been in place on imports of frozen bone-in chicken pieces from the United States for 12 years. Before imposing AD duties, South Africa imported approximately \$10 million to \$24 million of chicken meat from the United States annually; however, the imposition of AD duties has effectively priced U.S. exports of chicken meat to South Africa out of the market and allowed other countries such as Brazil to gain market share. AD duties have been extended until 2017.
- In June 2010, South Africa opened its market to U.S. deboned beef from cattle of all ages but continues to ban the importation of all other beef cuts and beef products, as well as other U.S. ruminant animals and products. The United States continues to urge South Africa to open its market fully to U.S. beef and beef products based on science, the World Organization for Animal Health (OIE) guidelines and the United States risk status.
- South Africa enforces harsh import restrictions on U.S. pork related to what its government says are concerns about Porcine Reproductive and Respiratory Syndrome (PRRS), pseudo rabies (PRV) and trichinae. Despite scientific proof, including reference to OIE standards, provided to the South African government that U.S. pork is completely safe and poses a negligible risk of transmission of PRRS, PRV and trichinae, South Africa has insisted on enforcing very costly and burdensome mitigation requirements. Earlier this year, South African officials broke off discussions with the U.S. government on a new export certificate for pork, which U.S. officials had hoped would allow for improved access into the South African market. Instead, South Africa forced the United States to use a new and highly onerous generic export certificate, which effectively bans U.S. pork by demanding new non-science-based requirements related to PRRS, PRV,

trichinae and other sanitary and technical barriers -- guarantees that the United States government cannot provide.

Ethiopia:

- Ethiopia maintains a biosafety law that imposes unduly burdensome documentation and testing requirements for agricultural biotechnology products and that restricts the use of U.S. agricultural commodities derived from biotech. The restrictions include but are not limited to: requiring the applicant to use a qualified expert to undertake the risk assessment for each transaction; prohibiting the use of “may contain modified organisms” language for traded living modified organisms in shipments intended for direct use as food or feed or for processing; and requiring a signed statement for all imports by the head of the competent national authority of the country of export to the effect that the competent national authority takes full responsibility for the completeness and accuracy of the information provided in the import application.

Nigeria:

- Nigeria uses non-tariff measures to achieve “self-sufficiency” in certain commodities. The government supplemented its 2012 increase in wheat import tariffs with a policy requiring flour millers to substitute up to 40 percent of wheat flour produced in the country with cassava flour by 2015. The government continues to ban certain imports, citing the need to protect local industries. The list of prohibited imports currently includes: bird’s eggs; cocoa butter, powder, and cakes; pork; beef; live birds; frozen poultry; refined vegetable oil and fats; cassava; bottled water; spaghetti; noodles; fruit juice in retail packs; and nonalcoholic beverages (excluding energy drinks).

Kenya:

- On November 21, 2012, the Kenyan Ministry of Public Health ordered public health officials to remove all foods, feed and seeds derived from agricultural biotechnology from the market and to enforce a ban on agricultural biotechnology food and feed imports.

South African Development Community:

- The fifteen members of the SADC (Angola, Botswana, the Democratic Republic of the Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe), with the exception of South Africa, have banned the importation of agricultural biotechnology products since 2005. Pursuant to this ban, importers of agricultural products must present documents certifying that their goods do not include agricultural biotechnology products. However, there are limited exceptions to the ban. For example, grain from agricultural biotechnology-derived varieties can be imported for food aid, but it must be milled or sterilized so as to render the grain incapable of germinating after arriving in the country. In addition, products of agricultural biotechnology imported for scientific research may be allowed but are subject to regulations and controls to be established by the various SADC Member States.

We are not suggesting that AGOA be replaced with reciprocal free trade agreements under which U.S. goods would receive open access to AGOA countries. We recognize that this would be

untenable for all but the most advanced of the AGOA countries at present. South Africa, however, should be considered for such an arrangement given the fact that it has a reciprocal preferential trade agreement in place with the European Union (EU) and the European Free Trade Area (EFTA), among others.

However, we are suggesting that, at a minimum, AGOA beneficiaries should be expected to refrain from erecting blatantly protectionist and WTO-incompatible barriers to our products. There must be some accountability for such actions, and giving countries long-term or permanent duty-free preferential access to the U.S. market for their products does precisely the opposite.

Sincerely,

American Feed Industry Association
American Meat Institute
Animal Health Institute
Corn Refiners Association
National Chicken Council
National Confectioners Association
National Council of Farmer Cooperatives
National Oilseed Processors Association
National Pork Producers Council
National Turkey Federation
North American Equipment Dealers Association
North American Meat Association
Northwest Horticultural Council
USA Poultry & Egg Export Council
USA Rice Federation