



May 14, 2020

Via email: Gregory.F.Doud@ustr.eop.gov

The Honorable Gregg Doud
Chief Agriculture Negotiator
Office of the United States Trade Representative
1400 Independence Ave., SW
Washington, DC 20250

Dear Ambassador Doud:

The American Feed Industry Association (AFIA) strongly supports the United States-United Kingdom trade negotiations and indicated its support in comments on *Negotiating Objectives for U.S.-U.K. Trade Agreement* (Docket No. 2018-0036-0001), included below as Annex 1.

Founded in 1909, AFIA, based in Arlington, Va., is the world's largest organization devoted exclusively to representing the business, legislative and regulatory interests of the U.S. animal food industry and its suppliers. The organization's membership is comprised of nearly 700 domestic and international companies that represent the total feed industry—manufacturers of commercial and integrated feed and pet food, ingredient suppliers, pharmaceutical companies, industry support and equipment manufacturers. AFIA's members manufacture more than 75% of the feed and 70% of the non-whole grain ingredients used in the country. AFIA is also recognized as the leader on international industry developments and holds membership in the International Feed Industry Federation (IFIF).

AFIA represents animal feed manufacturers, feed ingredient suppliers and pet food manufacturers. Our members' products include: corn co-products, soybean meal, "other" feed products, animal and vegetable fats and oils, pet food, livestock feeds, poultry feeds, flours, meals and pellets of fish, alfalfa and hay, dairy feed, flours, meals and pellets of meat and milk replacers (HS codes: 2303.10.0010, 0020, 0040 and 2303.30.0000, 2304.00.0000, 0505.90.2020, 2303.20.0020 and 0040, 2309.90.1050 and 8500, 1501.00.0020, 0040, 0060 and 0080, 1501.10.0000, 1501.20.0040, 0060 and 0080, 1501.90.0000, 1502.10.0020 and 0040, 1506.00.0000, 1518.00.0000, 2309.10.0000 2309.90.1010, 1040 and 1020, 2301.20.0000, 1214.10.0010 and 0015, 1214.90.0010, 0015 and 0040, 2308.00.1000 and 9900, 2308.90.820 and 9000, 2309.90.1030, 2301.10.000, 2301.10.000, 23.90.2010). AFIA's members' products are varied, specific and often niche. The animal feed and feed ingredient industry exported over 30 million metric tons, valued at \$10.8 billion, in 2019. Pet food exports totaled over 820,000 metric tons, valued at \$1.7 billion, in 2019.

Using data from the U.S. International Trade Commission, AFIA reports only a little over 1% of U.S. animal feed, feed ingredients and pet food exports go to the U.K. Exports totaled over 350,000 metric tons valued at \$13 million in 2019 with the three largest exports being corn co-products, animal or vegetable fats and oils, and soybean meal (HS codes 2303.10.0010, 2303.30.0000, 1501.20.0060, 1501.90.0000, 1506.00.0000, 1518.00.0000 and 2304.00.0000). The potential for increased trade and market access is immense. This requires some improvements in our trading relationship as stated by the U.S. Chamber of Commerce in its May 5, 2020, announcement:

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*“Trade in Agricultural Products: Address market access through tariff elimination and by resolving concerns about non-science-based restrictions on agricultural trade with a high standard chapter on Sanitary and Phytosanitary (SPS) measures.”*¹

AFIA encourages the U.S. Trade Representative to keep animal feed, feed ingredients and pet food in mind as it works to resolve non-science-based restrictions. The U.S. has a strong history of promoting science as the basis for productive trade and AFIA expects this to remain the case for our members’ products, including: biotechnology, transparent testing protocols of U.S. exports and acceptance of U.S. levels for potential contaminants (e.g., heavy metals). AFIA would like any agreement to include regular government-to-government interaction, to better coordinate the regulatory frameworks of our two countries, continued engagement on the harmonization of animal feed and pet food ingredients and additive approvals, and streamlined regulation for greater market access.

Thank you for considering this letter during your ongoing trade negotiations with the U.K. AFIA looks forward to actively participating as an industry stakeholder as any agreement moves forward. If you have further comments or questions, please contact Mallory Gaines, AFIA’s manager of market access and trade policy, at mgaines@afia.org.

Yours sincerely,



Leah Wilkinson
Vice President, Public Policy and Education

CC: Trey Forsyth
Julie Callahan

¹ https://www.uschamber.com/sites/default/files/u.s.-uk_trade_-_private_sector_priorities_-_2020_update.pdf



ANNEX 1

Jan. 15, 2019

VIA REGULATIONS.GOV

The Honorable Robert E. Lighthizer
United States Trade Representative
Executive Office of the President
Washington, DC 20508

**Re: Request for Comments on Negotiating Objectives for US-UK Trade Agreement
(Docket No. 2018-0036-0001)**

Dear Ambassador Lighthizer:

On behalf of the U.S. animal food industry and its suppliers, the American Feed Industry Association (AFIA) submits these comments concerning negotiating objectives for a U.S.-U.K. trade agreement.

AFIA, based in Arlington, Va., is the world's largest organization devoted exclusively to representing the business, legislative and regulatory interests of the U.S. animal food industry and its suppliers. Founded in 1909 as the American Feed Manufacturers Association, the name changed to the American Feed Industry Association in 1985 to recognize the importance of all types of companies involved in the feed manufacturing industry—from manufacturers of commercial and integrated feed and pet food to ingredient suppliers to equipment manufacturers. AFIA is also recognized as the leader on international industry developments, representing the industry at global forums, including within the International Feed Industry Federation.

AFIA's members include more than 680 domestic and international companies, such as livestock feed and pet food manufacturers, integrators, pharmaceutical companies, ingredient suppliers, equipment manufacturers and supply companies that provide other products or services to feed manufacturers. Several state, national and regional associations are also AFIA members.

The feed industry plays a critical role in the production of healthy, wholesome meat, milk, fish and eggs and supports policies that uphold U.S. food and feed safety, ensure the proper nutrition of animals and protect the environment. More than 75 percent of the feed in the United States is manufactured by AFIA members. AFIA's members also manufacture approximately 70 percent of the country's non-grain ingredients, including soybean meal, distiller's coproducts, vitamins, minerals, amino acids, yeast products and other miscellaneous and specialty ingredients.

AFIA is encouraged by the administration's objective to negotiate a trade agreement with the United Kingdom. A successful bilateral trade agreement is only possible if all sectors are

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included, including agriculture. In addition to the numerous tariffs in place for animal food products from the U.S., non-tariff barriers, especially regulatory barriers, continue to restrict U.S. animal food manufacturers from fully accessing this important market.

U.S. animal food ingredient exports to the U.K. collectively have increased over 140 percent in value since 2007; however, this growth is in spite of the numerous restrictions and barriers that have been, and are currently, imposed on the imports of these products into the European Union. On the other hand, U.S. pet food exports decreased from \$12.5 million in 2007 to \$10 million in 2017, both due to competition from within the EU as well as non-science-based restrictions on animal-origin ingredients. There is great potential for a plethora of animal food ingredients, as well as pet food, from the U.S., however unfair and non-science-based restrictions prohibit many products from accessing the European and U.K. market. In 2002, the EU established new requirements for animal coproducts used for animal consumption, which immediately restricted U.S. exports of pet food, tallow and animal protein products. While some progress has been made, there still remain serious restrictions, which continue to limit access of these U.S. animal-based animal food products to the EU market, and therefore the U.K.

Other barriers affecting the export of U.S. animal food ingredients and pet food include, but are not limited to, slow biotech approvals, bans on specific feed ingredients without scientific basis and arduous product specification requirements not linked to the health and safety of animals or humans. These restrictions are not based on science and not in compliance with or in the spirit of the World Trade Organization's Sanitary and Phytosanitary (SPS) Chapter.

Any trade agreement between the U.S. and the U.K. must follow the intent and comprehensive scope of a high-standard, truly reciprocal 21st century agreement. The agreement must aim to better coordinate regulatory compatibility between the two parties, one that is based on science. AFIA views a successful agreement to include the following:

- An agreement between the U.S. and the U.K. must be comprehensive, covering all elements of trade, including agriculture.
- There must be no product or sector exclusions, including within agriculture.
- The agreement must be a single undertaking. All elements of the negotiation, including both tariff and non-tariff SPS measures, are part of an indivisible package and cannot be agreed-upon separately.
- All tariffs and other market access barriers must be eliminated.
- Risk-based, scientific decision-making, regulatory convergence, and equivalence are critically important. Tariff elimination must be supported by robust SPS outcomes. Non-science-based SPS measures should not continue to restrict trade.
- Obligations that go beyond those in the WTO must be subject to enforcement provisions. Since there is no recourse to WTO dispute settlement to enforce enhanced disciplines under a U.S.-U.K. agreement, failure to include an enforcement mechanism would render new disciplines valueless.

AFIA understands there are important considerations to weigh and issues to be addressed if a U.S.-U.K. trade agreement were to be considered. This includes, but is not limited to, the U.K.'s willingness to agree to a free trade agreement that is comprehensive in scope with regulatory components based on sound science. AFIA strongly believes that in the negotiation of such an agreement, each party must agree without reservation that SPS and quality specifications – and ensuing certifications – must be held to the highest global standard and enforced through a strong, consistent program among all participants.

Thank you for consideration of these comments. Please contact me with any questions or for additional follow-up.

For AFIA,

A handwritten signature in black ink, appearing to read 'Gina Tumbarello', with a long horizontal line extending to the right.

Gina Tumbarello
Director of International Policy and Trade
American Feed Industry Association