

2107 Wilson Boulevard Suite 600 Arlington, Virginia 22201-3061 USA Tel 703.528.3049 Fax 703.528.3705 www.usdec.org

December 2, 2019

Phil Hogan Commissioner for Trade European Commission Rue de la Loi 200/Wetstraat 170 1049 Bruxelles/Brussel Belgium

Dear Commissioner Hogan:

Congratulations on your new position as Commissioner for Trade of the European Union. I look forward to meeting with you in your new role and once again working together to advance our shared interests.

The U.S. and EU have long been strategic allies and this partnership has served as a model for the rest of the world. We now have an important opportunity to strengthen our alliance and continue this spirit of cooperation by taking steps to improve trade relations between the U.S. and EU. I have full confidence that under your leadership, the European Commission will seek to abide by their international trade commitments and support fair trade practices.

It is my hope that as part of that agenda, the European Commission will commit to working towards a more balanced trade relationship with your allies including steps to address EU regulations have unduly burdened dairy commerce between the U.S. and EU. Certainly, that includes well-known topics such as the impact of certain geographical indications (GIs) on U.S. companies' rights to use common food names, but it also extends to more granular provisions that challenge trade such as overly complex certification requirements and the threat of trade barriers due to practices required to safeguard animal health in the U.S.

I am personally very concerned about EU trade policies that have made U.S. dairy exports to the EU unnecessarily complicated or even illegal. In particular, I am alarmed by the increasingly extremist use of GI policies to outlaw competition in common food categories. The EU's most recent actions on this front (i.e. GIs for danbo and havarti) show a complete disregard for the international standard-setting system that is so important to both EU and U.S. food and agricultural producers and threaten to deeply undermine its validity. This only further polarizes a deeply contentious topic rather than strengthening and focusing on preserving the rights of legitimate GIs. I offer once more the opportunity to establish a dialogue with the European Commission about this issue that is so critical to both of us in order to address the misuse of the current GI system to restrict the use of generic cheese terms.

Having both had the privilege to previously serve on behalf of our farmers and agricultural communities, you and I know firsthand the critical impact of trade and the importance of securing new market opportunities abroad to the success of our rural economies. The economic health of our respective dairy industries is intrinsically tied to their ability to export the milk they produce which is why uneven international playing fields pose such a grave challenge to them.



Beyond resolving bilateral trade challenges, there are areas where the U.S. and EU can and should work together to advance pragmatic solutions, such as the establishment of consistent and enforceable science-based international standards. Both the U.S. and EU dairy industries have a vested interest in ensuring that international standards are grounded in sound science and so can best facilitate trade in safe foods. Our industry stands ready to work together with your office to tackle this global challenge.

Congratulations again and I look forward to forging a stronger relationship between the U.S. and EU for the mutual benefit for our dairy producers and processors.

Sincerely,

Thomas J. Vilsack
President and CEO