

Congress of the United States
Washington, DC 20515

May 21, 2021

The Honorable Katherine Tai
United States Trade Representative
600 17th Street NW
Washington, DC 20006

The Honorable Thomas J. Vilsack
Secretary of Agriculture
1400 Independence Avenue SW
Washington, DC 20250

Dear Ambassador Tai and Secretary Vilsack,

Thank you for your commitment to U.S. agriculture interests as you engage with our trading partners. As we approach the first anniversary of the United States-Mexico-Canada Agreement's (USMCA) entry into force, we remain concerned about Canada's fulfillment of its dairy obligations in the agreement. A core component of this agreement was USMCA's promise of new export opportunities for America's dairy industry and the introduction of fairer trade rules to ensure that American-made dairy exports can compete on a more level playing field and reliably access our neighboring trading partners.

Unfortunately, those results have not yet been fully realized. As this Administration noted its *2021 Trade Policy Agenda and 2020 Trade Policy Report*:

“The United States is concerned about Canada's allocation of dairy TRQs. In notices to importers that Canada published in June and October 2020 for dairy TRQs, Canada sets aside and limits access to a percentage of the quota for processors and for so-called “further processors”. By setting aside and limiting access to a percentage of each dairy TRQ exclusively for processors, Canada has undermined the ability of American dairy farmers and producers to utilize the agreed-upon TRQs and sell a wide range of dairy products to Canadian consumers. Canada's measures appear to be inconsistent with Articles 3.A.2.4(b), 3.A.2.6(a), 3.A.2.11(b), 3.A.2.11(c), and 3.A.2.11(e) of the USMCA.”

As noted in that report, consultations were held with Canada on December 21, 2020; however, Canada has thus far not taken actions to alter its dairy TRQ measures to bring them into compliance with USMCA. With the consultations now over five months old, we strongly urge you to move forward with further enforcement action against Canada, in line with the USMCA inconsistencies identified in USTR's report.

We are grateful for your commitment during your confirmation processes and in subsequent Committee hearings to use the tools at USTR's disposal to ensure that our dairy sector receives the full benefits of USMCA. We share a strong appreciation for the vital role that robust enforcement action plays in ensuring our trading partners live up to their end up the deal. Doing so reinforces the public's confidence that the agreements this country signs into law will be implemented as such.

We appreciate you raising this important issue during the first USMCA Free Trade Commission bilateral meeting with Canada, and we believe advancing enforcement action to require them to bring their dairy TRQ measures into compliance with USMCA would be a positive and clear reassurance that American farmers, manufacturers, workers, and everyone else that counts on faithful adherence to the trade terms so painstakingly negotiated can count on the U.S. government to stand up for them when foreign governments flout that agreement.

Sincerely,



Ron Kind
Member of Congress



Tom Reed
Member of Congress



Antonio Delgado
Member of Congress



Glenn "G.T." Thompson
Member of Congress



Suzan DelBene
Member of Congress



Dusty Johnson
Member of Congress



Jim Costa
Member of Congress



David G. Valadao
Member of Congress