



June 8, 2020

The Honorable Martha Bárcena
Ambassador of Mexico
1911 Pennsylvania Ave NW
Washington, DC 20006

Dear Ambassador Bárcena,

The dairy industries of Mexico and the United States are privileged to share a working relationship that allows us to collaboratively advance policies to increase dairy consumption, drive economic growth and bring positive benefits to both of our nations. The importance of this relationship has come into sharp focus during the covid-19 pandemic as our farmers and processors continue to supply communities around the world with nutritious and wholesome dairy products during a time of increased uncertainty.

Over the last several years, we have worked together to bolster trade between our nations as barriers have been broken down through the hard work and cooperation of U.S. and Mexican officials. Namely, implementation of the United States-Canada-Mexico Agreement (USMCA), which will be vital to strengthening each of our respective agriculture sectors and creating new opportunities to increase trade between the two countries. However, this positive progress could be stymied if the Government of Mexico is successful in pushing forward unjustified and discriminatory regulations for cheese sold in Mexico.

As you may know, in early May the Government of Mexico published a draft cheese conformity assessment procedure for NOM-223 that requires cheese be tested to ensure it conforms to the outlined standards. We have zero concerns that high-quality U.S. cheeses made with U.S. milk meets the compositional requirements; rather, we are concerned that this measure runs counter to the intent of USMCA to improve trade flows between our nations and is inconsistent with Mexico's international trade obligations.

We have identified several substantive issues with the draft cheese conformity assessment procedure (CAP). Imports are treated significantly different than domestic products as each lot of imported cheese is required to be tested to prove compliance with specifications, while Mexican companies are only required to test twice a year. This runs contrary to one of the principle tenets of fair trade: imported and locally produced goods should be provided equitable treatment so as to avoid destructive and protectionist trade policies.

In addition, the draft CAP mandates testing procedures, which are not currently required for sales in any country around the world, making the proposal unnecessarily burdensome. The items outlined above will hurt first and foremost the Mexican consumers, retailers, and restaurants, who rely on these products.

It is clear that fair and reciprocal trade brings immense benefits to both Mexico and the U.S. by supporting jobs and our rural economies. An escalating trade dispute, however, would likely disproportionately harm Mexico agriculture sector and especially consumers. We must avoid this unfortunate outcome and we urge the Government of Mexico to take into consideration all the comments from the United States and reconsider the mandatory implementation of the proposed draft cheese conformity assessment procedure.

We look forward to deepening our positive dairy relationship and are dedicated to breaking down further barriers to trade to support the Mexican and U.S. dairy industries.

Sincerely,



Thomas J. Vilsack
President and CEO
U.S. Dairy Export Council



James Mulhern
President and CEO
National Milk Producers
Federation



Michael Dykes
President and CEO
International Dairy Foods
Association