U.S. Agriculture and the Trans Pacific Partnership

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The Negotiations on the Trans Pacific Partnership Agreement were concluded on October 5, 2015.

The text of the Agreement was released on November 7, 2015.

Advisory committee reviews due December 5.
Tariff elimination or reduction continues to be an important part of the negotiation for agriculture in order to reach the goal of increased trade.
TARIFFS

Poultry

• American farmers exported $2.7 billion to TPP countries in 2014, despite significant barriers.
• These include tariffs of 20 percent on American poultry to Japan and Vietnam. TPP eliminates these tariffs.
Beef

• Japan places tariffs of 38.5 percent on American beef. These tariffs will be reduced to 9 percent.

• With over $1.6 billion in annual sales in 2014, Japan is our largest export market for beef.

• Under the TPP agreement, Japan will eliminate duties on 74 percent of its beef and beef product tariff lines within 15 years. Tariffs will be cut on the remaining tariff lines.
Pork

• Japan accounts for almost $2 billion in pork exports in 2014—about one-third our pork exports—despite tariff barriers.
• Under the TPP agreement, Japan will eliminate 80 percent of its pork tariffs in 11 years, and make steep cuts in those that remain.
• Japan’s tariff on all pork will be reduced 50% immediately and the current 20 percent tariff on ground seasoned pork, will be eliminated.
Dairy

• Japan has a tariff of 40 percent on cheese from the U.S., which will be eliminated in TPP.
• The U.S. exported $3.6 billion of dairy to TPP countries in 2014.

For Canada, the U.S. will be able to sell more than 4,000 more tons of butter, nearly 14,500 more tons of cheese, and more than 50,000 more tons of liquid milk to Canada. Plus more to Japan, Malaysia, and Vietnam.
Soybeans

Japan has a 21 percent tariff on American soybean oil, $288 million of which were exported to TPP countries in 2014. TPP will eliminate Japan’s tariff.
SPS Provisions
The TTP SPS provisions build upon and enhance the WTO SPS Agreement to address specific and systemic SPS trade barriers by some countries.
Science-based decision making must be the defining principle in setting up mechanisms and systems that will address both today’s SPS barriers and those of the future.
Effective regulatory cooperation on a WTO-consistent basis. That includes key SPS provisions such as science-based risk assessments, harmonization, adoption of internationally-agreed standards, a rapid response mechanism and recognition of systems-based approaches, including equivalence.
GMOs
Timely Approval Process
Low Level Presence
Geographic Indications

Guidelines for countries to determine generic terms.
Conclusion
Congress and Trade