

United States Senate

WASHINGTON, DC 20510

June 14, 2017

The Honorable Robert Lighthizer
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Lighthizer:

We write to you as a bipartisan group of Senators representing states where poultry growers and processors are a key part of the state economy. The poultry industry, like much of the agricultural community, thrives when U.S. products have access to markets abroad.

We understand that the Administration desires to improve the terms of the North American Free Trade Agreement (NAFTA) through negotiations with both Canada and Mexico. We support efforts by your office or others in the executive branch that could result in greater market access for American exports. This support stems from our conviction that, ultimately, improved access to international markets for American exporters will create American jobs. We write to urge strong consideration for American poultry farmers, processors and exporters in the negotiation process, both in eliminating trade barriers imposed by Canada against American poultry and in ensuring that our poultry trade with Mexico remains robust.

With the ratification of NAFTA in 1994, the United States, Canada and Mexico committed to a shared goal of eliminating tariffs on goods exchanged between the three nations. Unfortunately, in practice, this goal has proven difficult to achieve. This has been particularly true for American poultry, which continues to face trade barriers in North America more than 20 years after NAFTA's enactment.

Under NAFTA, American poultry exports have been denied significant access to the Canadian market. Shortly after NAFTA began, Canada refused to open its market to American poultry exports, forcing the United States to bring a case before a NAFTA dispute settlement panel. After a panel ruling in favor of Canada in this initial case, Canada continued its strict quotas on poultry from the United States. For American exports in excess of the quota, Canada imposes a

tariff of 249%, according to data from the United States International Trade Commission. As a result of these trade barriers, the quantity of American poultry exports to Canada has remained low in comparison to similar markets. For example, in 2016, the U.S. exported almost five times as much poultry to Mexico as it did to Canada.

Contrary to the promises of NAFTA, Canada has continued to impose stringent, protectionist trade policies that limit sales for American poultry exporters. As a result, the Administration's commitment to improving the terms of NAFTA presents American poultry exporters with a unique opportunity to eliminate Canadian trade barriers, which have hampered growth for more than 20 years. We strongly urge you to focus on this issue during your talks with Canadian trade representatives, and we expect that progress will be made.

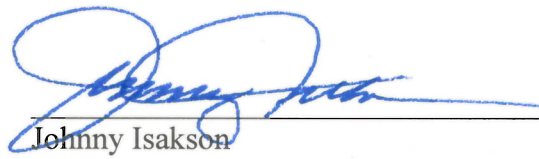
We also want to highlight that any NAFTA renegotiation should take into account the importance of the Mexican market to our agricultural exporters. American poultry's market access has improved significantly in Mexico due to years of cooperation between U.S. and Mexican trade representatives, which eventually brought down previously imposed trade barriers. In 2010, Mexico became the largest export market for American poultry, and between 2010 and 2016, the quantity of American poultry exports to Mexico increased by over 40%. Mexico is currently our largest export market for poultry, and 2016 alone saw exports of nearly \$1 billion in U.S. poultry to Mexico. As the Administration works with Mexican trade representatives, we urge you to ensure that this mutually beneficial trade relationship continues.

We thank you for your attention to this important matter, and for your understanding of the importance of exports to a healthy poultry industry. We look forward to working with you to ensure a vibrant export market for U.S. poultry.

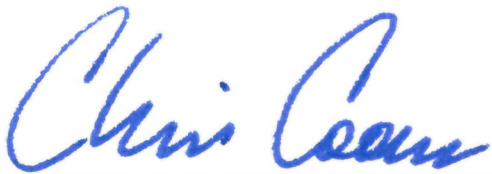
Sincerely,



Thomas R. Carper
United States Senator



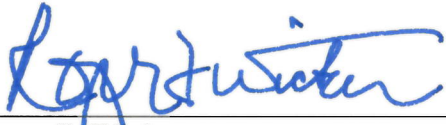
Johnny Isakson
United States Senator



Christopher A. Coons
United States Senator



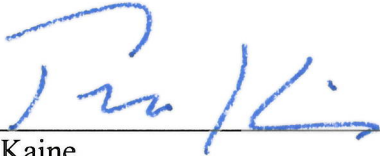
Tom Cotton
United States Senator



Roger F. Wicker
United States Senator



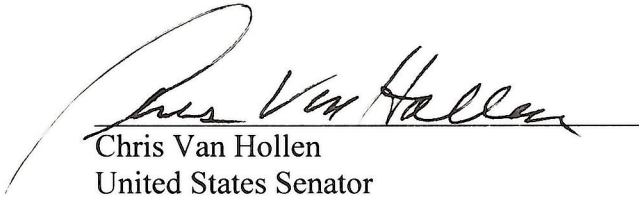
John Boozman
United States Senator



Tim Kaine
United States Senator



Benjamin L. Cardin
United States Senator



Chris Van Hollen
United States Senator



Mark R. Warner
United States Senator

cc: The Honorable Sonny Perdue, Secretary, U.S. Department of Agriculture
The Honorable Wilbur Ross, Secretary, U.S. Department of Commerce
Gary Cohn, Director, National Economic Council