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U.S. Senators Seek Administration's Assistance with EU Peanut Trade Barrier

USPF Applauds Senators' Bipartisan Efforts for U.S. Peanut Industry

Washington, D.C. (June 23, 2021) — The United States Peanut Federation (USPF), comprised of peanut growers, shellers, and buying points, applauded the efforts of nineteen U.S. Senators requesting assistance from the Administration on European Union (EU) non-tariff trade barriers for U.S. peanut exports. U.S. Senators Raphael Warnock (D-GA) and Tommy Tuberville (R-AL) led the Senate effort on the letter.

The U.S. Department of Agriculture (USDA) grades U.S. peanuts for quality and safety including testing protocols for aflatoxin. However, in addition to the USDA's safety measures, the EU has placed further excessive aflatoxin requirements on U.S. peanut imports. These additional requirements have become non-tariff trade barriers for the U.S. peanut industry. In 2020, U.S. growers exported 668,000 metric tons of peanuts. The EU's stringent tests have cost U.S. growers \$170 million in recent years, and USPF reports that the losses in the first quarter of 2021 total an additional \$130 million in anticipated lost sales.

Senators urged the U.S. Trade Representative (USTR) and USDA to work together stating, "As U.S. Senators who proudly represent peanut farmers in our states, we strongly support joint efforts by USDA and USTR to engage with your EU counterparts with the goal of reducing existing non-tariff trade barriers on peanut exports." The letter went on to state that effectively negotiating a solution to this longstanding problem will ultimately allow increased market access for U.S. peanuts. (*Full Senate letter below*)

Karl Zimmer, Chairman of the USPF said, "The EU is critical to the future of the U.S. peanut industry. Despite years of trying to resolve this non-tariff barrier for U.S. peanut exports, the industry has been unable to do so, and U.S. peanut sales to the EU have plummeted. We greatly appreciate the work of these senators in trying to resolve this critical issue for peanut state economies."

The Senate letter was sent to the U.S. Secretary of Agriculture, Tom Vilsack and U.S. Trade Representative, Ambassador Katherine Tai on June 22.

About the United States Peanut Federation

The **United States Peanut Federation (USPF)** serves as a unified voice in Washington D.C. for all sectors of the peanut industry advocating actively for strong agricultural policy. USPF's mission is to protect, promote, and improve business conditions for the peanut industry. The Federation is comprised of founding members the Southern Peanut Farmers Federation, the American Peanut Shellers Association, and the National Peanut Buying Points Association, and other peanut industry groups. The organizations that make up the newly founded national federation have a rich history of serving its members and communities to support the peanut industry. For additional information about joining the United States Peanut Federation, contact Joe Thomas at (202) 543-7464 or by emailing jthomas@reddingfirm.com.

Congress of the United States
Washington, DC 20515

June 22, 2021

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue SW
Washington, DC 20250

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

Dear Secretary Vilsack and Ambassador Tai,

We write to bring your attention to ongoing non-tariff trade barriers from the European Union (E.U.) affecting the domestic peanut sector. We encourage the U.S. Department of Agriculture (USDA) and the Office of the U.S. Trade Representative (USTR) to prioritize interagency collaboration and industry engagement in order to negotiate an effective solution with your E.U. counterparts that will ultimately allow increased market access for U.S. peanuts.

According to data published by USDA, domestic peanut farmers produced over 1.6 million acres of peanuts in 2020 with a farm gate value over \$1.2 billion. Due to their susceptibility to naturally-occurring aflatoxin, domestic peanut growers are subject to USDA testing to ensure all peanuts harvested for human consumption are safe to enter the food supply. U.S. growers have a long history of partnering with USDA to ensure their harvest is safe, with USDA also working on research initiatives to address the underlying causes of aflatoxin contamination and to improve post-harvest handling. Collectively, these efforts demonstrate that U.S. farmers and government officials are actively working to ensure that peanuts produced domestically are safe.

In 2020, an estimated 668,000 metric tons of U.S. produced peanuts were exported to international markets. Unfortunately, stringent E.U. testing requirements for aflatoxin are preventing increased U.S. exports into this high-value market. In recent years, the U.S. industry estimates they have lost approximately \$170 million in sales into the E.U. due to difficulties presented by these burdensome testing requirements. A review of data from the first quarter 2021 indicates an additional \$130 million in anticipated lost sales. Without efforts to negotiate a workable solution that will increase opportunities for domestic peanut operations, our farmers and businesses will continue to struggle with prohibitive requirements set by international partners.

As U.S. Senators who proudly represent peanut farmers in our states, we strongly support joint efforts by USDA and USTR to engage with your E.U. counterparts with the goal of reducing existing non-tariff trade barriers on peanut exports. Increased market access will ultimately benefit the peanut farmers in our states, and we stand ready to support your efforts on their behalf. Thank you for consideration of this request.

Respectfully,

R. Raphael Warnock

Reverend Raphael Warnock
United States Senator

Tommy Tuberville

Tommy Tuberville
United States Senator

Bill Cassidy, M.D.

Bill Cassidy, M.D.
United States Senator

Tom Cotton

Tom Cotton
United States Senator

Tim Scott

Tim Scott
United States Senator

Mark R Warner

Mark Warner
United States Senator

Thom Tillis

Thom Tillis
United States Senator

John Boozman

John Boozman
United States Senator

Lindsey O. Graham

Lindsey O. Graham
United States Senator

Tim Kaine

Tim Kaine
United States Senator



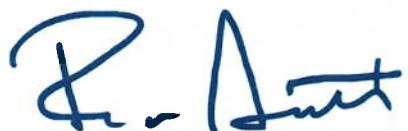
Marco Rubio
United States Senator



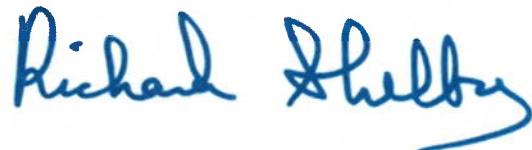
Richard Burr
United States Senator



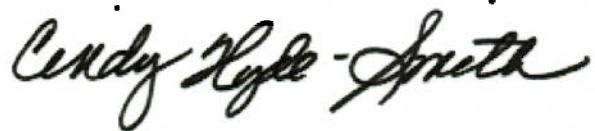
Roger F. Wicker
United States Senator



Rick Scott
United States Senator



Richard Shelby
United States Senator



Cindy Hyde-Smith
United States Senator



Ted Cruz
United States Senator



John Cornyn
United States Senator



Jon Ossoff
United States Senator