

Industries Urge Congress to Prevent Country of Origin Labeling

PR Newswire

WASHINGTON, June 26, 2014 (PRNewswire-USNewswire) — In an effort to prevent billions of dollars in retaliatory tariffs against the U.S., a broad coalition of industries is urging Congress to take action on the U.S. Country of Origin Labeling (COOL) dispute with Canada and Mexico. The newly formed coalition has sent a [letter](#) [1] to the leaders of the House and Senate Agriculture Committees asking Congress to take action directing the Secretary of Agriculture to suspend indefinitely the revised COOL rule if it is found to be in violation of U.S. international trade obligations.

Canada and Mexico challenged the revised COOL rule for muscle cuts of meat in the World Trade Organization (WTO) shortly after the USDA issued the revised rule, arguing that COOL has a trade-distorting impact by reducing the value and number of cattle and hogs shipped to the U.S. market, thus violating the WTO Technical Barriers to Trade Agreement.

"Together Canada, Mexico and the United States make up one of the most competitive and successful regional economic platforms in the world," said Jodi Bond, vice president for the Americas at the U.S. Chamber of Commerce. "The disruption of that partnership by WTO noncompliance would have a devastating economic impact on industries including food production, agriculture, and manufacturing."

A WTO dispute settlement panel is expected to issue in late July its final report to the parties on whether the COOL rule is WTO compliant. Canada and Mexico have indicated they will seek to retaliate against the U.S. if it is found noncompliant.

"If Congress fails to ensure that U.S. COOL requirements comply with our international obligations, U.S. jobs and manufacturing will be put at risk," said Linda Dempsey, Vice President of International Economic Affairs at the National Association of Manufacturers. "The United States helped create the WTO to ensure that all countries play by the rules; U.S. leadership in complying with our own obligations is critical to the United States' ability to address effectively unfair and WTO-violative trade barriers by our trading partners around the world."

The WTO in November 2011 ruled against a previous version of the COOL rule, finding that it treated imported livestock less favorably than U.S. livestock (particularly in the labeling of beef and pork muscle cuts), and did not meet its objective to provide complete information to consumers on the origin of meat products. The international trade body gave the U.S. until May 23, 2013, to bring the rule into WTO compliance. It is that revised rule on which the WTO will rule and that the coalition is seeking to suspend.

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Canada released a list of products they would seek retaliatory tariffs against, tariffs that would harm all members of the coalition and create severe economic hardship to the U.S. economy. Canada's list of possible commodities can be found [here](#) [2].

About the COOL Reform Coalition:

The COOL Reform Coalition is comprised of a diverse group of associations and companies that represent U.S. food, agriculture and manufacturing industries that advocates U.S. compliance with WTO obligations.

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Links:

[1] http://www.corn.org/wp-content/uploads/2009/12/COOL_ReformCoalitionLetter6-26-14.pdf

[2] http://www.international.gc.ca/media_commerce/comm/news-communiqués/2013/06/07a.aspx?lang=eng