



Christopher A. Novak
President & CEO

March 12, 2020

The Honorable Robert E. Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Lighthizer:

We sincerely appreciate the efforts of the administration to finalize the United States/Mexico/Canada Trade Agreement (USMCA). We congratulate you on this success and look forward to the benefits that US farmers and agribusinesses will enjoy under this new agreement.

As the US Government gears up to implement USMCA and certify our trading partners' readiness to fulfill their commitments, we need to raise concerns regarding certain actions by the Mexican government that are not in harmony with the provisions and principles of the new agreement. These actions would establish a beachhead for the Precautionary Principle in the Western Hemisphere—a policy that has wreaked havoc in Europe and global trading systems. The shift in Mexican policy will have serious detrimental effects for US exports of agricultural products to Mexico and could easily ripple through Central America.

Specifically, the Mexican environment ministry (SEMARNAT) has unilaterally denied import permits for the herbicide glyphosate via a [November 25, 2019 press release](#)¹. This release prominently cites the Precautionary Principle. We understand this action was taken without advance warning or consultation with other Mexican government agencies. We understand similar prohibitions are being extended to other compounds and that restrictions or cancellations of more than 100 pesticide active ingredients are contemplated. Mexico is a significant market for pesticide products exported from the US, so these actions have a substantial economic impact.

If Mexico extends the Precautionary Principle to the establishment of pesticide Maximum Residue Levels (MRLs), \$20 billion in US annual agricultural exports to Mexico will be jeopardized. Mexico currently accepts MRLs from trading partners in the absence of a Mexican MRL. However, with no official documentation, capricious application of the Precautionary Principle could put this trade facilitation policy in jeopardy.

Such actions with respect to importation of pesticide products would violate Mexico's obligations under Chapter 11 of the USMCA (Technical Barriers to Trade) as well as the WTO *Agreement on Technical Barriers to Trade*. Any associated changes in MRLs applicable to agricultural imports would violate the

¹ <https://www.gob.mx/semarnat/prensa/niega-semarnat-importacion-de-mil-toneladas-de-glifosato-bajo-el-principio-precautorio-para-la-prevencion-de-riesgos?idiom=e>

provisions of Chapter 9 of the USMCA (Sanitary and Phytosanitary Measures) and the *WTO Agreement on the Application of Sanitary and Phytosanitary Measures*.

Beyond the precedent this action would establish in the Western Hemisphere, SEMARNAT's decision has significant implications for U.S. consumers, manufacturers and farmers. The reduced availability of legal pesticides in Mexico would encourage traffic in, and use of, counterfeit pesticide products of unknown quality and unverified composition—constituting a direct threat to human health. Additionally, the Mexican import prohibitions will impact pesticide products that are formulated in Mexican manufacturing facilities and re-exported to supply US farmers. Over time supply chains may be able to shift, but that cannot be accomplished without significant disruption to U.S. farmers in the near term.

We appreciate the urgent attention already given to this situation by this administration. Given the apparent disagreement among Mexican government agencies regarding this policy, we believe intervention is necessary at the highest levels of government in Mexico to resolve the problem and resume lawful importation of pesticide products. We urge you to bring this situation to the attention of the appropriate individuals in Mexico, together with a clear and concise explanation how this new policy is incompatible with Mexico's obligations under USMCA and other international agreements.

We look forward to working with you on this issue and welcome the opportunity to meet with you and your staff at soon as possible to seek resolution of this critical trade issue.

Sincerely,



cc: *The Honorable Sonny Perdue, Secretary—USDA*
The Honorable Andrew Wheeler, Administrator—U.S. EPA
The Honorable Ted McKinney, Undersecretary—USDA
The Honorable C.J. Mahoney, Ambassador—USTR
The Honorable Gregg Doud, Ambassador—USTR
The Honorable Alexandra Dunn, Assistant Administrator, EPA/OCSP