Congress of the United States Washington, DC 20515

June 21, 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,

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Reverend Raphael Warnock United States Senator

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Tommy Tuberville United States Senator

Tom Cotton

Bill Cassidy, M.D.

Bill Cassidy, M.D. United States Senator

Tim Scott United States Senator

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