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The Honorable Katherine Tai
Ambassador
Office of the United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Dear Ambassador Tai,

Congratulations on your recent appointment. We are writing to request that as you engage with Vietnam, you urge the country to eliminate tariffs on U.S. pork. Pork exports add significantly to each U.S. pork producer's bottom line, with exports accounting for more than 27 percent of U.S. production and adding more than \$58 to the value of each hog marketed. Most importantly, roughly 110,000 jobs in the U.S. pork and allied industries are supported by these exports. While you discuss the full range of trade issues with Vietnam, including those subject to Section 301 investigations, please consider pressing for further market access for U.S. pork to support these domestic producers.

The past few years have been extraordinarily difficult for U.S. pork producers due to trade retaliation from top U.S. export destinations—Mexico and China as well as supply chain disruptions caused by the COVID-19 pandemic. COVID-related harvest-facility shutdowns and slowdowns created an unsustainable surplus, leading hog values to plummet to levels not seen since 2002. Many producers were left with no option but to euthanize livestock to avoid overcrowding. Additionally, due to Section 232 tariff retaliation, U.S. pork is facing a 33 percent tariff in China, the world's largest pork consumer, but our competitors pay only 8 percent into that market. U.S. pork producers and their families are still recovering from the enormous toll placed on them due to no fault of their own.

In the interim, African swine fever (ASF), a disease that has no impact on humans but devastates swine herds with a 95 percent mortality rate, has spread and decimated hog herds in Vietnam, increasing the demand for imported pork. However, significant tariff and non-tariff barriers unfortunately prevent U.S. pork from competing in that country, even as it seeks reliable sources of non-domestic pork. Consequently, our competitors in the EU as well as the Comprehensive and Progressive Trans-Pacific Partnership participants are well-positioned to take advantage of this tremendous opportunity given their free trade agreements with Vietnam.

Vietnam presents a tremendous opportunity for U.S. pork exporters. Last year, Vietnam imported only 25,000 metric tons (MT) of U.S. pork, while Mexico, the second largest importer of US pork by volume, imported 735,000 MT. While Mexico may be geographically closer, Vietnam's roughly 96 million citizens consume 57 lbs. of pork per year compared to Mexico's 31 lbs. Allowing U.S. pork producers to fill this great demand provides the opportunity to increase the value of exports to Vietnam from the current \$54 million to a level closer to Mexico's \$1.2 billion. Vietnam did take an initial step forward last year in addressing the U.S. pork tariff disadvantage when it temporarily reduced its Most Favored Nation (MFN) tariff rates from 15 percent to 10 percent for frozen pork products. Although this temporary duty reduction expired at the end of 2020, we saw US pork exports double in the second half of 2020 compared to the first half of the year. The surge in U.S. exports during the tariff reprieve coupled with Vietnam's growing population and cultural preference for high-quality pork demonstrate that the United States is barely scratching the surface of its export potential to Vietnam.

We stand ready to assist as you engage Vietnam on the full range of trade issues and urge you to work with Vietnam to lower the MFN rates for U.S. pork. Domestic pork producers need a level playing field to compete in this critical market, particularly after being devastated by trade retaliation and the global pandemic. We look forward to working with you toward that goal.

Ron Kind
Member of Congress

Jim Costa
Member of Congress

Darin LaHood
Member of Congress

Dusty Johnson
Member of Congress