



November 15, 2017

Ambassador Robert Lighthizer  
United States Trade Representative  
600 17th Street, N.W.  
Washington, DC 20508

Secretary Sonny Perdue  
U.S. Department of Agriculture  
1400 Independence Ave., S.W.  
Washington, D.C. 20250

Re: State of Play of the North American Free Trade Agreement (NAFTA) Negotiations

Dear Ambassador Lighthizer and Secretary Perdue:

Our producers welcome the Administration's effort to modernize and update the North American Free Trade Agreement (NAFTA), however recent events and public statements compel us to speak out about the current state of renegotiations. Public statements made recently by the President as well as members of the Cabinet indicate that the United States is seriously contemplating withdrawing from NAFTA. Our members want to state clearly and unequivocally that withdrawing from NAFTA would lead to significant economic harm to the produce industry in the United States and that idea must be rejected. While we recognize that NAFTA needs to be modernized, it should not be terminated. Indeed, the chilling effect of these types of statements themselves could soon lead to negative economic consequences.

Western Growers is an agricultural trade association headquartered in Irvine, California. Our members are small, medium and large-sized businesses that produce, pack and ship fruits, vegetables and tree nuts from our home states of California, Arizona, New Mexico and Colorado. Beyond our home states, Western Growers members produce in – and directly contribute to the economies of – more than 30 states and approximately 25 foreign countries. In total, Western Growers members account for roughly half of the annual conventional and organic fresh produce grown in the United States, providing American consumers with healthy, nutritious food.

We have provided comments to the Administration since the renegotiation began which document the economic benefits that NAFTA has provided our members and the broader fresh produce industry since the agreement was put into place. Granted, these benefits have not always been uniform and our industry has experienced some difficulties, but withdrawing from NAFTA is not an option. The disruption created from such a move would be a disaster for U.S. produce companies.

Although we have provided detailed comments already, we want to briefly reiterate areas in which NAFTA can be updated. We believe that the agreement could minimize trade barriers and promote greater integration which would provide a “win-win” scenario for all countries by:

1. Updating and enhancing Sanitary Phytosanitary Measures as was done as part of the TPP;
2. Incorporating provisions to protect against bankruptcy and non-payment by adoption of a PACA-like mediation and arbitration structure;
3. Accelerating integration of organic regimes;
4. Resolving outstanding trade disputes over stone fruit and potatoes with Mexico; and
5. Finally, the U.S. government should engage with Mexico to determine whether certain Mexican government subsidy programs are creating large, internationally-capable, export-orientated agricultural firms in the fruit and vegetable sector.

Our producers and members stand ready to make improvements to an agreement that has served our industry well over the several decades. However, we unequivocally reject the notion that the United States should withdraw from NAFTA and we reject the notion that the NAFTA should be terminated. The Administration should move away from that course of action and refrain from unproductive statements along those lines.

Respectfully,



Tom Nassif  
President and CEO  
Western Growers

CC: Chairman Pat Roberts  
Ranking Member Debbie Stabenow  
Chairman Michael Conaway  
Ranking Member Collin Peterson  
Chairman Orrin Hatch  
Ranking Member Ron Wyden  
Chairman Kevin Brady  
Ranking Member Richard Neal