



**CHEESE IMPORTERS
ASSOCIATION OF AMERICA**

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CIAA Bulletin

**An Exclusive CIAA Member
Update**

CIAA Meets with USTR and USDA

Earlier this week several CIAA Members including Executive Committee Members Ralph Hoffmann and Marilyn Levinsohn, along with past presidents Ken Olsson and Ken Meyers met in Washington with officials of both the Office of the United States Trade Representative (USTR) and the Foreign Agricultural Service (FAS). The purpose of these meetings was to share CIAA's views on a number of issues and to urge various actions by the two agencies.

USTR Meeting:

The USTR meeting was with Sharon Bomer Lauritsen, Assistant U.S. Trade Representative for Agricultural Affairs and Commodity Policy, and Roger Wentzel, Deputy Assistant U.S. Trade Representative for Agricultural Affairs. The meeting focused on US-EU Trade Policy, the consequences of Brexit, and the resolution of the US-EU Hormone Beef dispute that risks higher tariffs imposed on Roquefort.

- **US-EU Trade** - We presented CIAA's opposition to first-come/first served, pointing to needs for FSMA compliance and how that is less dependable under first-come/first served. We suggested that there are higher prices for similar US products as a result of EU imports, offering an umbrella for domestic producers. We also began discussions about moving to a country quota rather than an item specific quota, similar to Canada's quota system administration.
- **Brexit** - We were told that the US could be in a position to negotiate with the United Kingdom (UK), and that it is expected that it would be a high priority for them. There have been no discussions with the UK regarding TRQs at this point. The issue has only been raised in passing. The US would not be bound to the EU's suggestion of the 2013-2015 timeframe for the basis of trade allocations. If there is a soft Brexit nothing would change. USTR expects that the UK would have the same access during the transition period. UK can negotiate a new trade agreement during this period, which is expected to be 18 to 21 months. We also said that CIAA urges that in whatever final agreement is provided that there be a new TRQ for the

UK, rather than splitting out a portion of the existing EU TRQ so that importers would continue to have maximum flexibility in the use of their licenses while not losing access to UK product. We also emphasized CIAA's concern that no changes in EU-UK licenses be issued once the new license year begins because of the disruption such changes could cause in regular ordering and marketing of product.

- US-EU Hormone Beef dispute - Australia, Argentina and Uruguay have now accepted a deal to increase U.S. access to the EU's hormone-free beef quota. This agreement now needs to be approved by the EU Parliament, with a vote anticipated in September.

FAS Meeting:

The FAS meeting was with Ron Lord, Director, Import Policies and Export Reporting Division, Abdelsalam El-Farra, Agricultural Marketing Specialist and Brian Dutoi. We discussed a number of matters associated with CIAA's recommendation that 6.25(b) should be eliminated and other related license matters, along with Brexit.

- 6.25(b) - Ron Lord told us that an Advance Notice of Proposed Rulemaking is in development and is expected to be published in the coming months, but he could not specify a date. There was no suggestion as to what broader matters might be included in this notice, but he suggested CIAA should be prepared to comment widely on it once issued. We pressed our view that the multiple suspensions of 6.25(b) demonstrate that there is no discernible practical value to the rule and that it should be eliminated rather than reissued with another suspension. The rule creates uncertainty in the market and was originally imposed at a time when the structure of the market was significantly different than it is today.
- Ability to Withdraw Lottery License Applications Prior to Award to Avoid a Payment of License Fees - Members have told us that their view of certain lottery license applications may change between the initial application and the subsequent award. They would like to have the ability to withdraw the application and not be required to pay the associated license fee. We discussed a variety of examples of alternative commercial and USDA systems that could offer models for how such an application withdrawal process could be developed even though that may not be currently possible in DAIRIES. We also discussed the possibility of having two license reallocations during a license year, and the potential for continuous surrender and reallocation. CIAA will continue to develop specific recommendations.
- Brexit - There continues to be uncertainty as to what the impact of Brexit will be on the 2020 license process, especially since Brexit may not be settled until after new license awards are made. Ron Lord told us that his recommendation is for maintaining licenses as originally issued throughout the 2020 license year.

If you have any questions, please contact Roger Szemraj at rszemraj@theciaa.org or (202) 789-1212. He also participated in this meeting and can provide further information as desired.

Dates to Remember

July 2, 2019

Last day for an exporting country that is not designating importers for calendar year 2019 to notify FAS

August 31, 2019

Last day to enter dairy products into U.S. Customs territory that may be used to qualify and establish eligibility for a calendar year 2020 license.

September 3, 2019

First day of 2020 license applications

Last day to request a globalization of a calendar year 2019 license

September 16, 2019

Last day of licensees applying for reallocated license amounts for 2019

October 1, 2019

Last day to surrender 2019 license amounts

October 15, 2019

Last day of 2020 license applications

November 7, 2019

Member Meeting

9:30 am - 11:30 am

Saddle Brook Marriott

Saddle Brook, NJ

* If a deadline date falls on a Saturday, Sunday, or Federal holiday, the deadline will be the next business day (Section 6.36(a) of the Dairy Tariff-Rate Import Quota Licensing Regulation). This does not apply to dates of entry for eligibility.

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