

## **New NAFTA would worsen the family farm crisis and keep consumers in the dark about their food**

The economic state of U.S. agriculture is dire. The Federal Reserve Banks of Kansas City, Minneapolis and Chicago report that a growing percentage of U.S. farmers cannot pay the interest on their loans. Five years of falling cash receipts for agricultural commodities is eroding equity for operations that are not forced out of farming. Maximizing production to “export to prosperity” relies on agricultural practices that expose U.S. consumers to fertilizer nitrates in water, to pesticide and chemical residues in produce, and to contaminated foods. Consumer information about food, including country of origin and information on additives and genetically engineered ingredients, is non-existent or difficult to understand.

The New NAFTA proposes to remedy this situation by increasing agribusiness exports and further limiting regulation of food safety and the environmental impacts of industrial agriculture—policies that will worsen both farmers’ economic straits and the safety of our food.

### **“Business as usual” fixes fail to address farmers’ needs and undermine sustainable agriculture:**

- Measures in the New NAFTA to open Canada’s dairy market to increased exports from the U.S. would not significantly reduce the vast oversupply of U.S. raw milk, or increase prices paid to U.S. dairy farmers. The Canadian market is simply too small. But, that opening would greatly weaken Canada’s successful supply management program, which has achieved market-based prosperity for its farmers.
- The New NAFTA’s prohibition on use of WTO agricultural safeguards (temporary tariff protections) against surges of cheap imports, often priced at below the cost-of-production, would eliminate a policy tool used by all three countries to defend against unfair and unstable markets.
- Restrictions on agricultural support programs to make them trade compliant would expose programs to strengthen local markets—including Mexico’s bold new initiative for food security—to potential trade challenges.

### **Limits on scientific data used to set food safety and agricultural biotechnology standards would increase risks to human health and the environment:**

- The New NAFTA allows agribusinesses to maintain testing data and studies for agricultural chemicals as Confidential Business Information, despite peer-reviewed evidence of damage to public and environmental health and to commerce. This includes, for example, data pertaining to the Environmental Protection Agency’s commercial authorization of Dicamba™, a pesticide so volatile that it cannot be applied without damage, except to crops engineered to resist it.

- New language on Sanitary and Phytosanitary Standards “streamlines” administrative determinations that foreign food safety, plant and animal health, and animal welfare measures are “equivalent” to U.S. measures, despite evidence that they are not.
- Provisions on “Low Level Presence Occurrence” of genetically engineered or edited agriculture products unauthorized in the importing country fail to establish quantitative thresholds or agreed sampling and testing methods for GE products, potentially opening markets to unauthorized new agricultural products with no risk assessment.

**New rules on labeling and regulatory processes would create roadblocks to improvements in food, health and public safety:**

- New food labeling restrictions would allow companies to hide food additives and ingredients in processed foods as “proprietary” trade secrets.
- A new chapter on so-called “Good Regulatory Practices” would increase burdens on regulators by requiring cross-border consultation and harmonization, trade impact studies, and voluntary measures resulting in delaying and impeding the development, enactment and enforcement of protections for consumers, workers and the environment.

**The new NAFTA is a huge missed opportunity to reform our trade, food and farm system.** Instead of worsening the current situation, trade rules to improve outcomes for family farmers and consumers would:

- 1) Favor domestic markets and rural livelihoods through provisions that explicitly provide for temporary import safeguards, agricultural support programs and anti-dumping measures.
- 2) Increase transparency in developing and implementing food safety and labeling rules by limiting claims of Confidential Business Information for studies, data and documents used in regulatory activities that pertain to human, plant, animal and environmental health.
- 3) Enhance consumers’ information about the food they eat by insisting that Canada and Mexico drop their WTO complaints against U.S. Country of Origin labeling for meat products, thus allowing Congress to reestablish this popular program.
- 4) Ensure that governments are free to develop and implement public protection standards without imposing additional limitations on programs considered trade distorting, and that any programs on regulatory cooperation or equivalence are voluntary and not enforceable through dispute settlement.
- 5) Require that any equivalency agreements for food safety and plant and animal health include rigorous inspection and audits of facilities in the export supply chain.
- 6) Explicitly permit governments to reject imports of unauthorized products of agricultural biotechnology.

*For more detailed analysis and updates on NAFTA and agriculture, visit <https://www.iatp.org/nafta-portal>.*