

United States Senate

WASHINGTON, DC 20510

December 14, 2022

Ambassador Katherine Tai
United States Trade Representative
600 17th Street NW
Washington D.C. 20508

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, D.C. 20250

Dear Ambassador Tai and Secretary Vilsack:

We write with deep concern about Mexico's movement to unilaterally dismantle a long-held science-based regulatory system for agricultural biotechnology products through its Presidential Decree banning the importation of genetically engineered (GE) corn by January 2024. These actions are unsupported by science and a breach of USMCA. It would be detrimental to food security in Mexico, hurt U.S. agricultural sustainability, and stifle future agricultural technology innovations that would benefit both nations. While we appreciate the efforts of USTR and USDA to resolve this issue by engaging with Mexican officials, we also encourage the administration to consider all options available in an effort to hold Mexico to their trade commitments including pursuing a dispute settlement process through USMCA.

As you are aware, Mexico's regulatory system for agricultural biotechnology has essentially become nonfunctional. For a three-year period beginning in 2018, Mexico did not issue a biotech import approval before a rapid issuance of regulatory determinations in the spring of 2022, impacting products across canola, corn, cotton, and soybeans. Despite these determinations, there is continued uncertainty on how Mexico will evaluate agricultural biotechnology products going forward. Complicating the situation, in December of 2020, Mexico announced they would phase out the use of GE corn by 2024. Mexican President Andres Manuel Lopez Obrador reaffirmed those intentions in a letter to President Biden on October 26, 2021 and as recently as November 30, 2022 in a statement following a meeting with Secretary Vilsack. We understand the cultural and historical significance of corn to Mexico and its people and we recognize Mexico's prerogative to make policy decisions on issues that affect its people. However, we believe that if Mexico proceeds with this decision, it will cause irreparable harm in both Mexico and the United States.

Mexico clearly has the right to assess food safety risks. However, the choices made and plans implemented must be based on internationally accepted scientific principles and not be applied in a manner which would constitute a disguised restriction on international trade, as required by Chapter 9, Article 9.6.6 of USMCA's Sanitary and Phytosanitary Measures. Furthermore, Mexico's decree and President Obrador's affirmation stand in direct conflict to Mexico's documented support of encouraging agricultural innovation and facilitating trade on products of agricultural biotechnology in the USMCA biotech provisions, per Agriculture Chapter 3, Article 3.12.

Innovative seed technologies continue to assist farmers to produce higher yields of crops on less land. They also enable farmers to produce better, healthier crops that are more resilient to environmental

stress. Restricting the use of these technologies will most certainly have negative impacts on sustainability and decrease agricultural efficiency for farmers of both our countries.

Additionally, the United States and Mexico stand to be detrimentally impacted if this decree is implemented. According to the U.S. Department of Agriculture, in 2021 the United States exported 16.8 million metric tons of corn to Mexico. A World Perspective analysis estimates that under the decree, approximately 14 million tons of United States corn exports could be displaced. This would create a shortage of needed corn that Mexico would not be able to make up in the short term. Further, in Mexico, the price of corn could increase by 19 percent, and the price of tortillas could increase by 30 percent. Mexico recently acknowledged food price concerns as part of an Anti-Inflationary Program banning the export of white corn and calling for the suspension of new regulations increasing food import costs.

If Mexico does not maintain a science-based regulatory system it also directly impedes American farmers' access to current and future innovations. Mexico should not be permitted to impede the development of technologies promoting agricultural productivity and sustainability. If Mexico is able to proceed with this baseless ban, both current and future innovations will be at risk.

The impacts of the decree are already being felt by farmers in the United States as they purchase seed for next planting season. Certainty and predictability about our farmers' ability to export products to Mexico is needed immediately as our farmers are already facing uncertain export markets, and rising input costs. It is imperative that USTR ensure science-based trade standards are upheld. As such, we encourage USTR to closely examine the impact of Mexico's actions to determine if it is in violation of USMCA, and pursue any necessary dispute resolution mechanism.

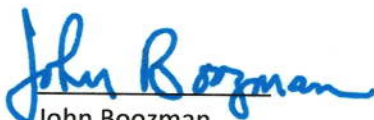
Sincerely,



Deb Fischer
United States Senator



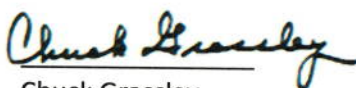
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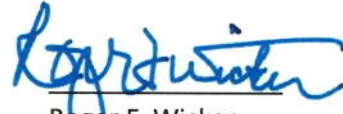


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