



June 24, 2015

To the Senate Committee on Agriculture, Nutrition and Forestry:

On behalf of the National Foreign Trade Council (NFTC), I am writing to urge you to support the repeal of Country of Origin Labeling (COOL) requirements on beef, pork and chicken as soon as possible. The House has acted to pass repeal legislation, and I hope you will help in acquiring the support of the Senate Agriculture Committee in reporting the repeal of COOL favorably to the Senate.

Repealing COOL will ensure the United States remains in compliance with its multilateral commitments. The World Trade Organization (WTO) has on four separate occasions ruled against U.S. laws on COOL on beef and pork products, most recently on May 18, 2015. The WTO has repeatedly found that COOL laws violate our most-favoured-nation commitments at the WTO, and that specifically "recordkeeping and verification requirements of the amended COOL measure impose a disproportionate burden on producers and processors of livestock that cannot be explained by the need to provide origin information to consumers... [COOL] has a detrimental impact on competitive opportunities for imported livestock."

The May 18 ruling against COOL makes it more important than ever for the United States to show its commitment to the multilateral trading system and the WTO. The potential for retaliatory tariffs by some U.S. trading partners were it to continue to ignore the WTO ruling is counterproductive to U.S. interests. Such retaliation would have immediate and widespread detrimental effects on companies, including those in food, agriculture and manufacturing.

More important, however, is the fact that the United States has a long history of compliance with WTO rulings, a record that helps us convince other countries they should do the same when they act in a way inconsistent with their obligations. The strength of the WTO lies in its effective dispute resolution system, which more often than not has resulted in rulings favorable to the United States. Were the United States to continue to ignore the decisions in the COOL case, the underpinnings of the global trading system would be called into question. That is simply too great a risk for both the American and global economies.

As the oldest and largest American business organization dedicated solely to international business issues, advocating a rules-based world economy and an open world trading system, the NFTC urges you to vote for the repeal of COOL.

Sincerely,

William A. Reinsch  
President

**National Foreign Trade Council**

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