

For Immediate Release

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NPPC Applauds U.S.-Vietnam Bilateral WTO Accession Agreement

WASHINGTON, D.C., May 15, 2006 – The National Pork Producers Council commended the Bush administration for reaching agreement in principle on a bilateral market access agreement with Vietnam, a step that will help clear the way for that country's accession to the World Trade Organization. The outcome of this agreement was made possible in part because of the effective working relationship between NPPC and the National Pork Board and their shared goal of increasing U.S. pork exports.

“This is a fantastic agreement for U.S. pork producers” said NPPC President Joy Philippi, a pork producer from Bruning, Neb. “NPPC commends USTR Ambassador Rob Portman, USDA Secretary Mike Johanns and their staffs for working aggressively to get this deal done. We appreciate the outstanding working relationship NPPC has had with our trade negotiators and their concern for the interests of our producers.”

U.S. pork industry analysts Glenn Grimes and Ron Plain of the University of Missouri recently lamented the decline this year in U.S. consumer demand for meat. They noted, however, that “producers can thank pork exports” for keeping U.S. live hog prices at acceptable levels in the face of declining domestic meat demand.

“U.S. pork exports have climbed to unprecedented levels as a result of past trade agreements,” said Philippi. “Once Vietnam becomes a member of the WTO and Congress passes Permanent Normal Trade Relations for that country, we look forward to a significant increase in U.S. pork exports to Vietnam.”

Under the agreement, tariff rates for about 75 percent of U.S. agricultural exports to Vietnam, including pork, will decline to WTO-bound duty rates of 15 percent or less. Additionally, Vietnam has made numerous improvements to its implementation of WTO rules on sanitary and phyto-sanitary measures and has agreed to recognize the U.S. inspection system for pork as equivalent to its inspection system. The matter of equivalence is very important to the pork industry because low tariffs don't mean anything if sanitary and technical barriers are used in place of tariffs to restrict our exports.

To complete its accession bid to the WTO, Vietnam must complete bilateral market access negotiations and the multilateral negotiations on a Working Party Report and Protocol of Accession. Vietnam also is still in the process of enacting legislation that will enable it to apply WTO provisions after its accession.

“We support Vietnam's accession to the WTO, and our producers will work hard to get PNTR passed by the Congress so that the U.S. pork industry can reap the benefits of increased trade with Vietnam.” said Philippi.

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NPPC is one of the nation's largest livestock commodity organizations. It has producer members in 44 affiliated state associations and provides a unified voice for America's pork producers on a wide range of industry and public-policy issues. NPPC's Web site is at www.nppc.org.