MINISTRY OF FOREIGN AFFAIRS



MINISTRY OF INDUSTRY AND TRADE

October 30, 2013

The Honorable John Kerry Secretary of State United States Department of State 2201 C St NW Washington, DC 20520

Your Honorable John Kerry,

We are writing in connection with the United States Department of Agriculture catfish inspection program. We respectfully ask you to take our Government's views on this program into consideration as the Congress moves forward on a farm bill this year.

From Vietnam's perspective, this program is an unfair effort to create a barrier to pangasius exports to the United States. To begin, we believe that the food safety justification for this program is highly suspect. We note that the February 2011 USDA proposed regulation documents that only two illnesses attributable to catfish are reported in the United States every year. The USDA regulation characterizes illnesses from U.S. and imported catfish as "uncommon events." The American Centers for Disease Control classifies catfish as a low risk food. This is not a food safety problem demanding the shift of regulation to the USDA.

All WTO Member States must observe the requirements of the Sanitary and Phytosanitary Standards Agreement. Under this Agreement, any proposed food safety measure affecting international trade must be supported by scientific evidence and must be subject to a risk assessment, and may not be a disguised restriction on international trade. Though the United States has every right to put in place responsible food safety regulations, those regulations must address a real food safety risk and must not restrict trade with other Member States.

It cannot be seriously maintained that the USDA program responds to a food safety risk. The USDA has admitted that its program may not be effective at reducing the very small number of reported illnesses attributed to catfish of any kind. In the absence of a scientific justification, it appears to our Government that the USDA program is intended to create a barrier to Vietnam pangasius, in order to protect U.S. catfish farmers from competition. We understand that the Congress, when it created this program in 2008, determined that Vietnam catfish exports to the United States would be blocked until Vietnam's own catfish regulation was found to be equivalent to that of the

USDA. An import ban of this nature is not only contrary to the spirit and letter of WTO agreements, it also belies the United States Government's frequent professions of support for a transparent, rules-based system of international trade.

The cordial and productive nature of U.S.-Vietnam relations today stems in no small part from the mutually beneficial trade between our two countries. Since Vietnam's accession to the WTO, U.S. exports and in particular exports of agricultural products such as beef, pork, soybeans, dairy products, and numerous other farm products have increased dramatically. The promise of deepened commercial relations, we believe, has been and will continue to be a major incentive for both the United States and Vietnam to support the Trans-Pacific Partnership.

The USDA program threatens to reverse this progress and falls short of the spirit of the newly formed Vietnam - U.S. Comprehensive Partnership announced by our two Presidents in July. Our Government is unwilling to sit by as this program is implemented, and thereby lose access to the United States market, when the program so clearly violates America's WTO obligations and when the product in question makes such an important contribution to Vietnam's rural economy. We understand that the USDA may have a final regulation in place late this year. If, despite the House of Representatives vote to repeal the USDA program this summer, the United States insists on putting the program into place, our Government will have no choice but to consider available remedies.

We are pleased to have the opportunity to present the views of our Government. We respectfully request that you consider these views as you continue to work towards enacting a farm bill.

Yours sincerely,

Pham Binh Minh

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