

AMERICAN TRUCKING ASSOCIATIONS



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Bob Costello
Chief Economist & Senior Vice President

Case No. A-201-820 Segment: Investigation

Security Classification: Public Document

September 5, 2019

Mr. P. Lee Smith Deputy Assistant Secretary for Policy & Negotiations U.S. Department of Commerce International Trade Administration Washington, D.C. 20230

Dear Mr. Smith:

The American Trucking Associations (ATA), the largest national trade association for the trucking industry, applauds the U.S. Department of Commerce and representatives for the Mexican tomato producers/exporters for reaching an agreement that will preserve duty-free tomato trade between the United States and Mexico. However, despite the merits of the draft Agreement Suspending the Antidumping Duty Investigation on Fresh Tomatoes from Mexico, ATA is concerned about a new inspection mandate included in the agreement that could prompt significant bottlenecks at ports of entry and contribute to sustained border congestion.

ATA recognizes the importance of U.S. Department of Agriculture (USDA) agricultural inspections as a necessary activity that promotes the safety of the American food supply. ATA also appreciates that laws and regulations relating to agricultural safety are essential, but maintains that such laws and regulations must also be practical. As such, we are concerned about the practical implications of the inspection mandate outlined on page 7 of the Draft Agreement Suspending the Antidumping Duty Investigation on Fresh Tomatoes from Mexico (August 20, 2019). The mandate states that certain loads of subject merchandise "shall be subject to a USDA inspection for quality and condition defects near the border after entering the United States."

The proposed quality and condition inspection mandate would prompt a substantial increase in USDA inspections of Mexican-grown tomatoes without sufficient justification. The stated purpose of the inspection mandate—"for quality and condition defects"—does not represent a targeted response to identified security, safety, or health concerns. Moreover, increasing the frequency of USDA inspections undermines recent efforts by federal agencies like U.S. Customs and Border Protection to streamline efficiencies at ports of entry. Over 17,000 truck crossings occur every day along our southern border, and increased delays at ports of entry would have devastating consequences for all our members engaged in cross-border business, not just those hauling tomatoes.



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ATA urges the U.S. Department of Commerce and representatives for the Mexican tomato producers/exporters to consider the large-scale, downstream impact that the new USDA inspection mandate would have on the trucking industry, operations at ports of entry, and the broader trade community. Similarly, we urge both parties to adopt an alternative solution that is commiserate with identified risk and associated burden.

Sincerely,

Bob Costello

Chief Economist & SVP

International Trade Policy and Cross-Border Operations