



March 16, 2022

Ms. Sandra Gallina
Director-General for Health and Food Safety
European Commission
1049 Brussels, Belgium

Comments Regarding: Application of EU Health and Environmental Standards to Imported Agricultural and Agri-food Products

Dear Director-General Gallina:

USA Rice is the global advocate for all segments of the U.S. rice industry with a mission to promote and protect the interests of farmers, millers, merchants, and allied businesses. The USA Rice Farmers, USA Rice Council, USA Rice Merchants' Association, and the USA Rice Millers' Association are members of USA Rice.

USA Rice represents all of the exporters that ship rice to Europe and work closely with the Federation of European Rice Millers. The European Union (EU) is a historically important market for U.S. rice exporters, with shipments to the EU-28 averaging 124,000 metric tons annually over the last 20 years with an average market value for the U.S. rice industry at \$53.8 million USD. Much of the rice shipped to Europe over time has been a mixture of milled rice, brown rice to be slightly more processed, and paddy rice (unprocessed) that allows for significant value-add once arriving in Europe and supporting local jobs and economies. U.S. rice exports to the EU are considered supplementary and filling a specific demand, and generally, they are not displacing European-grown rice.

We want to thank you for the opportunity to provide feedback regarding Europe's Farm to Fork Strategy, published in May 2020 as part of the European Green Deal. USA Rice supports shared goals of improving the environment and making food systems more sustainable. All segments of the U.S. rice industry are invested in sustainable production and processing practices because it is personal – rice farmers often live on the land they work, and rice mills are important economic drivers in their communities. Together they provide tens of thousands of jobs and inject billions of dollars into the economy – all while standing on a strong record of environmental stewardship, ranking among the most sustainable in the world.

While the U.S. rice industry has already come a long way in improving our sustainability record over the last couple of decades, we have also committed to continuous improvements. In 2020, the industry set goals for 2030: to increase land use efficiency by 10 percent, to decrease soil loss by 8 percent, to decrease water use by another 13 percent, decrease greenhouse gas emissions by another 13 percent, decrease energy use by another 10 percent, and increase biodiversity on our farmland by 10 percent. The strategic and voluntary approach taken by USA Rice and others in U.S. agriculture have led to meaningful improvements and long-term producer buy-in. The approach the U.S. has taken has also led to increased production efficiency, expanding our capacity to feed the world. Sustainability and conservation cannot be pursued with a one-size-fits-all approach, and rice is grown in a significantly different manner than many other grains and field crops. A regulated approach would have driven farms out of business and led to decreased production efficiencies, hindering our ability to fulfill domestic and foreign demand.

Therefore, we must **respectfully disagree with the European Commission's assertion that the proposed approach to apply EU health and environmental standards to imported agricultural and agri-food products will lead to more global sustainability** or would be compliant with World Trade Organization

(WTO) rules. We believe a collaborative international approach, which recognizes the existence of a variety of sustainable agricultural production methods across the world, would be more effective.

USA Rice recognizes that the EU has the right to require compliance of agricultural imports with food safety legislation that is based on scientific risk assessment. We also recognize that the EU has the right to impose regulations on the food system in its internal market, even if this means placing more requirements on European farmers and supply chain. However, **we are concerned that the EU is considering the application of environmental standards that refer to process or production methods in the country of origin. Such an approach could fail to recognize and appreciate the different climatic, geographic, and cultural elements of such production methods. Not to mention it would disregard the country of origins' regulatory framework.**

The U.S. has its own definitions, approaches and policies on sustainable agriculture and so we must again reinforce that there is not a one-size-fits-all approach that will work. We question whether imposing such rigorous sustainability requirements on imports would comply with EU international commitments, particularly in the WTO. Instead, we believe there should be cooperation and agreement on the compatibility and mutual recognition of the sustainability of different agricultural production systems.

Requirements for EU environmental standards on imported agricultural products can also have unintended consequences. Food exporting countries that the EU relies upon in the Western Hemisphere or Asia may redirect their shipments to markets that don't have such stringent environmental requirements, limiting access to products. **This supply shortage, along with the additional regulatory compliance added to normal production costs will be sure to increase food costs for all EU consumers.** Many developing countries would likely not be able to meet the EU's imposed environmental standards, depriving smallholder farmers of an important source of income.

Lastly, strict standards for imported products may lead to food insecurity in parts of the EU during uncertain times. The Russian invasion into Ukraine has caused millions of refugees to disperse throughout the EU. Additional refugees from other crises around the world are also spread throughout the EU, including those from Syria, Afghanistan, and other rice-dependent regions. These people have limited income and bring with them a surge in demand for food that the EU alone cannot meet without rice imports from the U.S. and abroad. The world is already dealing with staggering inflation levels for food and fuel, artificially increasing food costs on EU consumers on the tail-end of a 2-year global pandemic through over-regulation is unnecessary.

We appreciate your willingness to accept comments and feedback from stakeholders and hope that the European Commission will seriously consider revisions to the current Farm to Fork Strategy, moving toward a more voluntary approach. We encourage global collaboration to help push agricultural production in a more sustainable direction without jeopardizing decades of efficiency gains made through research. U.S. producers lead the way in global agricultural sustainability when paired with efficiency and should not be shut out of the EU market because our sustainability standards are not completely compatible.

Sincerely,



Peter Bachmann
Vice President of International Trade Policy
USA Rice