IDFA
International
Dairy Foods Association

The Honorable Jamieson Greer
Office of the United States Trade Representative
600 17th Street NW
Washington, D.C. 20508

Subject: *Comments Regarding Initiation of Section 301 Investigations of Acts, Policies, and Practices of Various Economies Related to the Failure to Impose and Effectively Enforce a Prohibition on the Importation of Goods Produced with Forced Labor; USTR–2026–0133.*

Dear Ambassador Greer:

The International Dairy Foods Association (IDFA) respectfully submits the below comments in response to the Section 301 investigation regarding the Acts, Policies, and Practices of Various Economies Related to the Failure to Impose and Effectively Enforce a Prohibition on the Importation of Goods Produced with Forced Labor announced by the Office of the U.S. Trade Representative (USTR).

As you may know, IDFA represents the nation's dairy manufacturing and marketing industry, which supports more than 3.05 million jobs that generate $52 billion in direct wages and $779.45 billion in overall economic impact[1]. IDFA's diverse membership ranges from multinational organizations to single-plant companies, from dairy companies and cooperatives to food retailers and suppliers, all on the cutting edge of innovation and sustainable business practices. Together, they represent most of the milk, cheese, ice cream, yogurt and cultured products, and dairy ingredients produced and marketed in the United States and sold throughout the world.

IDFA and its members remain steadfast in their commitment to supply chains that support the Administration's efforts to eliminate forced labor from global trade. We do not have any specific views or comments on the policies and practices of the identified target countries or economies regarding this specific issue.

However, as USTR implements measures to address these critical concerns, IDFA members are concerned with two primary needs: policy predictability and market stability. IDFA members have invested $11 billion across 19 states to expand manufacturing capacity of the U.S. dairy processing sector[2]. The industry's unprecedented growth ranges from existing facility

[1] Dairy Delivers: *The Economic Impact of Dairy Products.* IDFA. https://www.idfa.org/dairydelivers
[2] *Manufacturing Month Spotlight: U.S. Dairy Processors Invest Record $11 Billion to Expand Capacity to Meet Surging Demand for American Dairy Nutrition.* IDFA. October 2, 2025.

expansions to plant renovations to entirely new facilities. While it is a very exciting development for the industry, it is increasingly clear that some materials, equipment, and key input ingredients are not readily available in sufficient quantities to meet the domestic demand that this exciting industry growth has produced. As such, resulting measures under the Section 301 investigation, such as tariffs, should be highly targeted and flexible enough to ensure U.S. domestic manufacturing interests are not inadvertently impacted.

One foundational way to achieve this would be to ensure that the tariff exclusions previously granted under the September 2025 Executive Order "modifying the scope of reciprocal tariffs"[3]. continue to be excluded under any Section 301 remedies the Administration may be considering. These existing, highly targeted product and category exclusions were adopted specifically to protect the integrity of planned and future domestic U.S. manufacturing investments, including dairy manufacturing (among other reasons). The market stability generated from these targeted exclusions has allowed U.S. manufacturers to continue fostering innovation and expanding domestic operations of critical products

Further to IDFA member goals of predictability and stability, IDFA respectfully requests USTR consider the development of an administrative process for consideration of additional, future category and product-specific tariff exclusions for critical goods that support the health, safety, and availability of the American food supply. For example, some medical grade dairy-derived ingredients that are used in the domestic manufacturing of infant formula and other specialized nutritional applications, are not readily available in sufficient quantities to meet domestic demand within the United States. Additionally, many natural colorings and additives, like annatto, are primarily produced in tropical regions and domestic production is insufficient. Limiting access to these ingredients jeopardizes important Administration-aligned efforts, including the U.S. commercial ice cream industry's long-term voluntary commitment to eliminate artificial colors by 2027[4]. For these high-priority and critical goods, a formal exclusions framework would allow U.S. manufacturers to provide clear, convincing evidence that imported inputs are being used to advance domestic manufacturing and innovation in the absence of readily available domestic supplies, thereby maintaining the Administration's policy goals and supporting the growth of American jobs.

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https://www.idfa.org/news/manufacturing-month-spotlight-u-s-dairy-processors-invest-record-11-billion-to-expand-capacity-to-meet-surging-demand-for-american-dairy-nutrition

[3]Executive Order 14257, April 2, 2025. "Modifying the Scope of Reciprocal Tariffs and Establishing Procedures for Implementing Trade and Security Agreements" https://www.whitehouse.gov/presidential-actions/2025/09/modifying-the-scope-of-reciprocal-tariffs-and-establishing-procedures-for-implementing-trade-and-security-agreements/

[4] IDFA Ice Cream Commitment. July 14, 2025. IDFA. https://www.idfa.org/idfa-ice-cream-commitment

Finally, IDFA urges the Administration to ensure any outcomes of this investigation do not jeopardize existing trade agreements, including the recently negotiated Agreements on Reciprocal Trade (ARTs) that have been recently announced with many key trading partners. The U.S. dairy industry is highly reliant upon export markets, and the unprecedented wins achieved in the ARTs for U.S. dairy exports should be preserved and finalized as a matter of priority. Those agreements should be protected, and other trading partners should be incentivized to continue negotiations. By ensuring that the forced labor investigations do not lead to tariff outcomes that exceed previously negotiated bilateral agreements, USTR can protect the delicate balance of international trade while continuing to lead on global labor standards.

As USTR engages on ways to achieve these and the Administration's many other trade objectives, IDFA welcomes the opportunity to discuss a framework for duty drawbacks or other targeted relief measures that ensure the continued vitality of the U.S. dairy sector. Thank you again for the opportunity to comment on this important matter.

Sincerely,



Becky Rasdall Vargas
Senior Vice President, Trade and Workforce Policy
International Dairy Foods Association