

**Congress of the United States**  
**Washington, DC 20515**

July 31, 2020

The Honorable Robert Lighthizer  
US Trade Representative  
Office of the US Trade Representative  
600 17th Street, NW  
Washington, DC 20508

Re: Proposed Modifications to the Current US Retaliation List in the WTO Aircraft Dispute –  
Olives

Dear Ambassador Lighthizer:

We write in regard to USTR's pending review of its current retaliation list in the WTO Aircraft dispute. As you know, the current US retaliatory measures include 25% tariffs on nine olive categories from certain named EU countries. We strongly support continuing retaliation against EU olives and believe US enforcement aims will be best served if the current nine olive categories are expanded to include the other nine olive categories listed in your June 26 Federal Register notice, olives from all EU countries are covered, and the retaliatory tariff rate is increased.

Targeting olives in this action clearly advances USTR's enforcement aims. Compared with most of the other targeted EU sectors, retaliation on olives has generated considerable domestic pressure in Spain and Brussels to find a way to resolve the aircraft dispute.

Retaliation on olives has had another large enforcement benefit as well. The Spanish olive industry has long been unfairly subsidized and has used those benefits and other unfair pricing practices over many years to seize the US market from the California-grown-and-processed industry, putting the California industry and thousands of US jobs at risk. Retaliatory duties on olives help counter those unfair trade practices, strengthen the enforcement measures being taken by the US Government on olives, and give the California industry the time it needs to recover.

US import trade data make clear, however, that import volumes from EU origins under many of the olive categories subject to retaliation have grown in recent months even with the current 25% retaliatory rate. We therefore endorse your proposal (set forth in "Annex II" of your Federal Register notice) to expand the covered origins for the olive categories now subject to retaliation to include all EU countries, and further recommend that the tariffs now applied to those categories be raised from 25%.

We also endorse your proposal to add the nine additional olive categories set forth in “Annex III” of your Federal Register notice to the retaliation list. As with the nine olive categories currently subject to retaliation, those nine additional categories should also be subject to a higher tariff. In addition, to avoid tariff evasion, we strongly urge USTR to list all EU countries, or at a minimum Spain and Portugal, as covered origins for the additional olive categories.

These further measures to strengthen the current retaliatory tariffs on olives will help exert increased pressure on Spain and the EU to come into compliance with the WTO aircraft ruling, while giving the Administration’s ripe olive enforcement efforts time to work and the California-based ripe olive industry time to recover.

We thank you for your continued enforcement efforts.

Sincerely,



Doug LaMalfa  
Member of Congress



John Garamendi  
Member of Congress



Jim Costa  
Member of Congress



TJ Cox  
Member of Congress