March 11, 2025

Ms. Catherine Gibson
Deputy Assistant U.S. Trade Representative for Monitoring and Enforcement
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508
Filed electronically at https://comments.ustr.gov/s/

RE: Comments To Assist in Reviewing and Identifying Unfair Trade Practices and Initiating All Necessary Actions To Investigate Harm From Non-Reciprocal Trade Arrangements – Seafood Exports to Japan, the European Union, China, the United Kingdom, Taiwan, and Brazil – Public Comment on Docket Number USTR-2025-0001, FR Doc. 2025-03047, February 25, 2025

Dear Ms. Gibson,

Thank you for the opportunity to highlight unfair and non-reciprocal trade practices that hurt our American seafood companies, undercut good-paying American jobs, and threaten to bring about an end to the economic lifeblood we provide to rural communities across Alaska and elsewhere in our Nation.

The fishing and seafood companies that our associations represent are proud to sustainably harvest and process fish taken within state and federal waters off Alaska and the U.S. West Coast. Their operations create family-supporting jobs and help fuel the export economies of Alaska and the Pacific Northwest. Our Nation's commercial fishing and seafood industry supports 1.6 million jobs,[1] and in Alaska it is the largest private sector employer, directly employing 48,000 people.[2] The harvesting and processing of U.S. North Pacific seafood provides economic security to families throughout our country – in states like Alaska, Oregon, Washington, Minnesota, and Georgia – often in rural and remote communities where few alternative employment opportunities exist. The Eastern Bering Sea Alaska pollock fishery is the

[1] The United States National Oceanic and Atmospheric Administration, *Fisheries Economics of the United States 2022*, November 2024, available at https://s3.amazonaws.com/media.fisheries.noaa.gov/2024-11/FEUS-2022-SPO248B.pdf, p.3.

[2] The Alaska Seafood Marketing Institute, Economic Impact, available at https://www.alaskaseafood.org/industry/economic-impact/

second largest fishery in the world,[3] accounting for more than one-third of U.S. fishery landings and supporting nearly 30,000 jobs in our region and across the United States.[4] It is the foundation of the U.S. Bering Sea fisheries economy, allowing processing plants to stay open year-round and supporting a supply chain that provides efficient access to world markets for other major fisheries.

In response to the comments requested in your February 25 Federal Register notice, we provide the below information on a country-by-country basis regarding unfair trading practices and non-reciprocal trading arrangements that have pushed our industry to the economic brink. We first want to make three overarching points:

1. The Alaska seafood industry faces an existential and global threat in the form of unfair trade and non-market practices by Russian seafood producers – state subsidies,[5] over-production and global dumping,[6] and wide ranging environmental and labor exploitation, including forced labor[7] – that drive down the costs of Russian seafood around the world

[3] The United States National Oceanic and Atmospheric Administration, *Alaska's Pollock Fishery: A Model of Sustainability*, available at https://videos.fisheries.noaa.gov/detail/videos/alaska/video/6098565890001/alaska-s-pollock-fishery:-a-model-of-sustainability?autoStart=true&page=1.

[4] The United States National Oceanic and Atmospheric Administration, *The Economic Importance of Seafood*, October 21, 2020, available at https://www.fisheries.noaa.gov/feature-story/economic-importance-seafood

[5] The Russian seafood industry has derived a massive competitive advantage from state subsidies for recapitalization of its industry. In 2017, the Russian government initiated a long-term program to recapitalize its seafood industry, resulting in state-subsidized investments in new vessels and processing facilities. Russia's program calls for 26 large trawlers (7 have been launched, and 19 are under construction), 24 mid-size trawlers and longliners (6 built, 18 under construction), and 17 smaller groundfish vessels (4 launched, 13 under construction). Most U.S. fishing vessels were built in the 1970s and 1980s. Only minimal new construction has taken place in recent decades due to the prohibitive cost of vessel construction in the U.S. compared to every other shipbuilding nation. The same holds for processing facilities: Russia has built several state-of-the-art processing plants in recent years, while U.S. companies have not been able to invest beyond continuous maintenance and improvements to existing facilities, most of which were built decades ago.

[6] Since 2022, Russia has dramatically increased seafood production, removing key sustainability sideboards from its management system. For example, harvests of pollock (Russia's most important commercial seafood product, historically accounting for approximately 35% of its national seafood harvest by volume) have increased from 1.75M metric tons in 2021 to all-time record levels in 2022, 2023, and 2024, with a target catch of 2.46M metric tons now set for 2025. By comparison, the allowable catch for U.S. pollock fisheries has been relatively constant in recent years at a science-based, sustainable rate of approximately 1.5M metric tons. In an effort to establish markets for these increased volumes of cheaply produced seafood, Russia has adopted predatory pricing strategies in Asian and European markets. Despite higher EU tariffs on Russian-harvested seafood, Russia has increased its market share for pollock products from 14% to 25% of the EU market. Meanwhile, EU imports of pollock from China—most of which are Russian-harvested fish that are processed in China—account for over 50% of the EU market.

[7] U.S. domestic producers abide by strict national laws and prioritize the ethical treatment and fair compensation of workers. Since 2019, hourly wages for U.S. seafood producers increased nearly 70% to $18 an hour, with overtime rates now exceeding $27 per hour. By comparison, published wages in the Russian fishing sector are less than $5 per hour. In practice, Russian fishers often receive even less than that published wage, and both Russia and China have been cited in numerous investigations for forced labor and other human rights violations on fishing vessels and in shoreside plants. For example, Russia's Pescatlant Ltd. has had seven separate vessels accused of keeping workers in forced labor, the second most of any fishing company in the world after China's Zhe Jiang Hairong Ocean Fisheries with 10 vessels (The Financial Transparency Coalition, *Dark Webs: Uncovering those behind forced labor on commercial fishing fleets*, 2023, available at https://financialtransparency.org/wp-

and prevent U.S. exporters from being able to compete on fair terms. Through the hard work of lawmakers led by Alaska Senator Dan Sullivan, the U.S. has a current sanctions regime in place that prevents this tainted Russian seafood from legally entering the U.S. market. Maintaining these sanctions is essential for the survival of our industry.

2. The Alaska seafood industry has been put under acute economic strain in recent years, primarily due to loss of export market share as a result of Russian non-market practices and the failure of our trading partners to respond. NOAA has found that 2022-23 declines in Alaska's seafood industry resulted in more than 38,000 job losses nationwide and a $4.3 billion loss in total U.S. output.[8] Construction of new U.S. processing facilities has been paused for lack of funding, independent family fishermen have been idled, vessel maintenance and upgrades have been deferred, and remote communities have lost tens of millions of dollars in vital revenue. During recent fishing seasons, some processing companies ceased taking deliveries from harvesters or went bankrupt. Thus, the unfair trade practices described herein have created significant costs – real costs affecting real people, in addition to opportunity costs – for American workers and businesses.

3. Approximately two-thirds of Alaska's seafood production, by value, is exported. This makes us heavily dependent on fair access to export markets, and also uniquely vulnerable to retaliatory tariffs that our trading partners may seek to impose in the event of heightened trade tensions. Accordingly, care must be taken to remedy these issues in a manner that does not increase the harm to U.S. seafood producers. While our industry is working hard to grow domestic demand, for the foreseeable future the viability of our industry will depend on our access to key export markets and the ability of the United States government to address the unfair and non-reciprocal trade practices described below without inducing a harmful retaliatory response.

We welcome this opportunity to engage with the Trump Administration to underscore the alignment in our goals and the Alaska seafood industry's critical need for your support.

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content/uploads/2023/11/FTC_2023-Report_Dark-webs_EN.pdf, p. 17). Vessels owned by the Russian government have also been found to keep workers in forced labor while at sea near Namibia (the Nikolay Solodchuk vessel, 2018) and Norway (the Laima). Id. The most recent version of the Illegal, Unreported, and Unregulated Fishing Risk Index list found Russia to be the worst-performing country in the world for flag state responsibility. Overall, Russia is behind only China as the worst IUU country in the world across all state responsibilities. The Global Initiative Against Transnational Organized Crime, *IUU Fishing Risk Index, 2023*, available at https://globalinitiative.net/wp-content/uploads/2023/11/The-Illegal-Unreported-and-Unregulated-Fishing-Risk-Index-GITOC-Poseidon-DECEMBER-2023.pdf, pp. 5-6.

[8] The United States National Oceanic and Atmospheric Administration, *Alaska Seafood Snapshot,* August 24, 2024, available at https://www.fisheries.noaa.gov/feature-story/economic-snapshot-shows-alaska-seafood-industry-suffered-18-billion-loss-2022-2023.

Japan
Unfair treatment of U.S. imports vs. non-market economies; tariff and non-tariff barriers

In 2024, the cumulative U.S. goods trade deficit with Japan totaled $68.5 billion.[9]

With respect to seafood trade, Japan has long been one of our industry's most critical export markets. We estimate that exports of Alaska seafood to Japan averaged $593M annually between 2020 and 2024.[10]

Failure to address Russian unfair trade practices

In response to U.S. sanctions and parallel actions by some allied governments, Russia has redirected its seafood production and exports to focus on the Asian market. A lack of meaningful policy action by Japan is enabling Russia to undercut the U.S. export market and gain market share – notably with respect to pollock, salmon, and crab – based on its predatory pricing and unfair trade practices described above. Specifically, in the case of pollock – the cornerstone of Russia's seafood economy – Russian producers are executing a fundamental production shift, away from pollock fillet block and towards pollock surimi (the pollock product form in greatest demand by Japan and other Asian markets).[11] This production shift, combined with aggressive Russian pricing designed to displace U.S. pollock surimi from its traditional Asian markets, is having an immediate and devastating impact: Russian pollock surimi has rapidly gained a new foothold in Japan and other key Asian markets; global pollock surimi prices have declined sharply; and trends suggest even more acute disruption ahead.

Tariff and non-tariff barriers

In contrast with the duty-free market access Japanese seafood imports are afforded by the United States, Japan continues to impose tariff barriers on U.S. seafood, limiting our potential for growth in this vital market. Tariff barriers on important U.S. seafood product lines include, but are not limited to, a 10% tariff on Alaska pollock fillets; a 7% tariff on fish oil; a 6% tariff on herring; a 4.2% tariff on Alaska pollock, Pacific cod, and Pacific whiting surimi products; a 4.2% tariff on Alaska pollock roe; a 3.5% tariff on Alaska salmon products in all product forms (surimi, roe, fillet, etc); and a 3.5% tariff on groundfish, including Atka mackerel, Pacific Ocean perch, and sablefish products.

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[9] United States Bureau of Economic Analysis, U.S. International Trade in Goods and Services, December and Annual 2024, February 5, 2025, available at https://www.bea.gov/news/2025/us-international-trade-goods-and-services-december-and-annual-2024#:~:text=Kingdom%20(%2411.9).-,Deficits%20were%20recorded%2C%20in%20billions%20of%20dollars%2C%20with%20China%20(%24,)%2C%20Malaysia%20(%2424.8)%2C (hereinafter BEA, U.S. International Trade in Goods and Services, December and Annual 2024).

[10] Estimate by McKinley Research Group and The Alaska Seafood Marketing Institute based on National Marine Fisheries Service trade data.

[11] See, for example, Intrafish, *Surimi Surge Transforms Russia into Leading Global Producer,* January 22, 2025, available at https://www.intrafish.com/whitefish/surimi-surge-transforms-russia-into-leading-global-producer/2-1-1768128 (estimating Russia's year-over-year pollock surimi production increase in 2024 at 47%).

In almost every important instance, Japan's tariff structure does nothing to differentiate U.S. seafood imports from Russian product that benefits from a variety of non-market and unfair trade practices. Further, bilateral and multilateral agreements concluded by Japan with other trading partners provide more favorable market access than U.S. products receive. Countries that benefit from these agreements and thus have a competitive advantage against us in the Japanese market include parties to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Iceland, Norway and the EU. In this context, the elimination of Japanese tariff barriers for U.S. seafood products would provide a critical boost to U.S. competitiveness.

Japan also imposes an import quota (IQ) system for many seafood products that benefits Russian producers. The allocation of these IQs is opaque, most often undertaken on an importer-specific level, but also, inconsistently, on a country-specific level. For example, South Korea receives a country-specific quota, but the United States does not. Fulfillment of individual IQs or aggregate quota needs is not transparent – and also expensive and subject to frequent delays – with reports of over-fulfillment without meaningful penalties. The IQs are most often allocated on the basis of historical usage. This has the effect of locking in and growing the allocation given to Russian producers that benefit from the above-referenced unfair trade practices, enabling them to sell at below-market rates and fill the IQs of other producers that cannot compete at those prices.

The artificially low value of Japan's currency also creates a non-tariff barrier that limits the price point competitiveness of U.S. seafood products in the country. The U.S. Department of the Treasury has acknowledged the issue, identifying Japan as one of seven economies in the world named to its foreign exchange "Monitoring List."[12] The negative impact of Japan's currency manipulation practices on U.S. seafood is particularly acute in a market already flooded by low-cost Russian seafood produced through the unfair trade practices described above. Creating a durable, fair trade dynamic for U.S. seafood exports to Japan will require addressing Japan's currency practices. We appreciate President Trump's specific identification of this issue as an unfair and non-reciprocal trade practice in his February 13 Reciprocal Trade and Tariffs Presidential Memorandum.[13]

Unfortunately, the U.S.-Japan 'Phase One' trade agreement concluded in 2019 did not include any market access gains for seafood, even as barriers were reduced for a broad range of agricultural exports. We view the Trump Administration's current initiative focused on addressing unfair trade practices and non-reciprocal trade as an opportunity to revisit this outcome and press for increased market access for U.S. seafood.

[12] U.S. Department of the Treasury, *Macroeconomic and Foreign Exchange Policies of Major Trading Partners of the United States,* November 2024, available from https://home.treasury.gov/system/files/136/November-2024-FX-Report.pdf.

[13] The White House, *Presidential Memorandum on Reciprocal Trade and Tariffs, Section 2(d),* February 13, 2025, available from https://www.whitehouse.gov/articles/2025/02/reciprocal-trade-and-tariffs/.

European Union
Labeling rules that hurt U.S. market share and brand; tariff barriers

In 2024, the cumulative U.S. trade deficit with the EU totaled $235.6 billion. During the year, that trade deficit increased by $26.9 billion over 2023 levels.[14]

With respect to seafood trade, the EU is the most critical export market for Alaska seafood, alongside Japan. We estimate that exports of Alaska seafood to the European Union averaged $617M annually between 2020 and 2024.[15]

Rules that permit the labeling of cheap, non-U.S. products as "Alaska pollock"

A key unfair trade practice in the EU that significantly harms our industry is a labeling issue: the EU practice of allowing Russian-harvested, Russian- or Chinese-processed pollock to be sold in the EU as "Alaska pollock." Due to the predatory pricing and non-market policies and practices of Russian fisheries described above, these Russian "Alaska pollock" products are sold in the EU at prices below the possible sale price for real Alaska pollock. As a result, EU consumers are being systematically misled, the export price for real Alaska pollock is undercut, and Alaska's global reputation is being appropriated to benefit our competitors from non-market economies.

Recognizing that using this commercial designation on product labels confuses consumers and hurts U.S. producers, the United States Congress enacted legislation in 2015 that included the following statutory language: "The term 'Alaskan Pollock' or 'Alaska Pollock' may be used in labeling to refer solely to 'pollock' harvested in the State waters of Alaska or the exclusive economic zone (as that term is defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802)) adjacent to Alaska."[16]

Market research conducted across Belgium, France, Germany, and the Netherlands indicates that EU consumers would want to know the true origin of the pollock being sold on their shelves. Two-thirds of consumers in each country say it is important for their purchase decision to know where fish they consume was harvested. Most consumers believe the name "Alaska pollock" relates to fish harvested in the United States (66% in France, 59% in Belgium, 52% in the Netherlands, and 51% in Germany) and a majority also indicate that they would feel misled if they discovered this was not the case (61% in Germany, 58% in Belgium, 56% in the Netherlands, and 51% in France).

Tariff barriers

In contrast with the duty-free access that EU seafood products are granted when entering the United States, the European Union continues to impose tariffs of up to 14.2% on Alaska seafood products. Tariffs of particular concern include Alaska pollock surimi (14.2%), Alaska pollock

[14] BEA, U.S. International Trade in Goods and Services, December and Annual 2024.

[15] Estimate by McKinley Research Group and The Alaska Seafood Marketing Institute based on National Marine Fisheries Service trade data.

[16] The Consolidated Appropriations Act, 2016, Pub. L. No. 114-113 (2015).

fillets (13.7%), minced Alaska pollock (7.5%), canned salmon (5.5%), and sockeye salmon (2%). Europe's Autonomous Tariff Quota (ATQ) program provides welcome relief from these tariffs for some seafood products up to caps established via regulations promulgated every 2-3 years. While this discretionary tariff-free access is appreciated, ATQs are not available for all species and product forms; ATQ limits are not always sufficient; and regular revisions of ATQ limits create market uncertainty. We understand that the European Union was willing to consider the elimination of all seafood trade barriers as part of the previous Transatlantic Trade and Investment Partnership negotiations. We hope you may identify or create a new path to secure that outcome.

China

Tariff barriers, Phase One Agreement non-compliance, non-tariff barriers

In 2024, the cumulative U.S. trade deficit with China totaled $295.4 billion, the United States' largest bilateral trade deficit with any country in the world.[17] Prior to 2018, China was the top global export growth market for Alaska seafood.

Retaliatory tariffs and purchase agreement non-compliance

Since July 2018, China has applied retaliatory tariffs of up to 35% on U.S. seafood products. These retaliatory tariffs, which remain in place at 30% to this day, have severely undermined our ability to sell seafood into China. In March 2025, China applied additional retaliatory tariffs of 10% on U.S. seafood products.

Chapter Six of Phase One of The Economic and Trade Agreement Between the Government of the United States of America and the Government of the People's Republic of China (Phase One Agreement) committed China to reversing sharp market access declines that occurred after the 2018 imposition of reciprocal tariffs by making purchases of U.S. seafood significantly above the 2017 baseline in Calendar Years 2020 and 2021. Yet China did not fulfill these seafood purchase commitments. Not only did China fail to significantly increase its seafood purchases as promised, its 2020 and 2021 purchases were actually 44% and 38%, respectively, below the 2017 baseline. China's purchases of Alaska pollock fared even worse. In 2020 and 2021, China's purchases of Alaska pollock were 55% and 66%, respectively, below the 2017 baseline. These purchases stand in stark contrast to China's imports of seafood from all sources during the same period. By 2019, China was importing 89% more seafood overall than its 2017 baseline, and these imports remained more than 50% above the 2017 baseline throughout the duration of the Phase One Agreement.

Exclusions processes established by China – a blanket exclusion on U.S. fish meal and a case-by-case exclusions process initiated in March 2020 – have enabled us to maintain a small, although dramatically reduced, footprint in the China market. In the immediate term, expanding blanket exclusions to cover all seafood products could be a mechanism for U.S. seafood to start regaining competitiveness in China, and thus to start rectifying its abject failure to fulfill its Phase One Agreement seafood purchase commitments. In the longer term, we hope that the

[17] BEA, U.S. International Trade in Goods and Services, December and Annual 2024.

Administration can find a path to secure the reduction and removal of retaliatory tariffs on all U.S. seafood products. This is the only way to restore business certainty and allow our industry to begin clawing back lost market share in this critical long-term growth market.

Non-tariff barriers

Despite commitments made by China in Chapter 3 of the Phase One Agreement to reduce non-tariff barriers to seafood trade, serious problems persist. Various barriers to trade have been established or extended under the guise of health and safety protocols, despite not being grounded in the best available science. Furthermore, various changes in rules related to labeling and documentation requirements create unreasonable challenges for U.S. seafood exporters. We very much appreciate the assistance of NOAA and other federal agencies in working to address these challenges, and we ask that enforcing the commitments made by China under Chapter 3 of the Phase One Agreement be an ongoing priority.

United Kingdom
Unfair treatment of U.S. imports vs. non-market economies; tariff barriers

The UK was referenced in USTR's Federal Register notice requesting comments, as part of the list of "the largest trading economies, such as G20 countries, as well as those economies that have the largest trade deficits in goods with the United States."

The United Kingdom is an important market for numerous U.S. seafood categories, and a potential growth market for Alaska seafood. We estimate that exports of Alaska seafood to the United Kingdom averaged $50M annually between 2020 and 2024.[18]

Opportunity to expand measures targeting unfair Russian trade practices

While the United Kingdom does impose higher tariff rates on certain Russian seafood products than equivalent U.S. products, the UK maintains an Autonomous Tariff Quota system through which it continues to grant duty-free access to its market to important Russian-harvested seafood products. This allowance undercuts U.S. prices and reduces U.S. market share based on the predatory pricing and unfair trade practices described above. We encourage your office to look for every opportunity to raise this issue with your UK counterparts.

Tariff barriers

In contrast with the duty-free access that UK seafood products are granted when entering the United States, the European Union continues to impose tariffs of up to 12% on Alaska seafood products. Tariffs of particular concern include Alaska pollock fillets (12%), Alaska pollock surimi (6%), canned salmon (4%) and Pacific salmon fillets (2%). The UK's Autonomous Tariff Quota (ATQ) program provides welcome relief from these tariffs for some seafood products up

[18] Estimate by McKinley Research Group and The Alaska Seafood Marketing Institute based on National Marine Fisheries Service trade data.

to established caps, but the removal of tariffs to establish reciprocal trade in seafood would be far preferable.

Taiwan
Tariff and non-tariff barriers

In 2024, the cumulative U.S. trade deficit with Taiwan totaled $73.9 billion. During the year, that trade deficit increased by $26.1 billion over 2023 levels.[19]

Tariff barriers

Taiwan imposes significant tariffs on U.S. seafood exports, including a 20% tariff on Alaska pollock frozen fillets, a 10% tariff on Alaska pollock surimi, and a 10% tariff on frozen sockeye salmon. Meanwhile, seafood imports from Taiwan continue to enter the United States entirely duty-free. Taiwan reduced seafood tariffs for New Zealand in the context of trade negotiations, but has not made similar concessions for the United States.

Non-tariff barriers

With respect to non-tariff barriers, there are instances of Taiwanese SPS and other requirements exceeding U.S. standards in ways that needlessly hinder market access for our seafood products. For example, the U.S. Food and Drug Administration requires that mercury levels not exceed 1 milligram per kilogram. Taiwan, by contrast, requires that mercury levels not exceed 0.5 milligrams per kilogram. Taiwan's standard in this area is not grounded in the best available science, presents an additional hurdle for potential exporters, and is an unnecessary constraint on trade.

Brazil
Non-tariff barriers

Brazil is an important target export growth market for U.S. seafood producers. Brazil was referenced in USTR's Federal Register notice requesting comments, as part of the list of "the largest trading economies, such as G20 countries, as well as those economies that have the largest trade deficits in goods with the United States."

Market access to Brazil has been harmed by Brazil's adoption of an Identity and Quality Technical Regulation (RTIQ) that adopts sodium limits for frozen fish that have no basis in science and sharply diverge from other nations. So stringent are these limits that they are often exceeded based purely on natural variations in the sodium levels of wild seafood that is frozen.

This regulation causes significant problems for U.S. seafood exporters, creating uncertainty and needlessly imposing substantial costs. In practice it has operated as a non-tariff barrier on certain U.S. seafood exports including Pacific hake exports. In numerous instances, U.S. seafood

[19] BEA, U.S. International Trade in Goods and Services, December and Annual 2024.

shipments to Brazil have been delayed at ports of entry – or even denied entry entirely – forcing U.S. exporters to absorb substantial losses and jeopardizing contracts with Brazilian buyers.

Conclusion

Thank you for the opportunity to provide comments on behalf of the Alaska seafood industry and the thousands of hardworking Americans we represent across our region and the Nation. We look forward to continuing to work with the Trump Administration to address unfair trade practices that hurt American seafood, and to expand global market access for our industry.

Sincerely,



Matt Tinning
Chief Executive Officer
At-sea Processors Association



Julie Decker
President
Pacific Seafood Processors Association