

Written Statement
on The U.S.-Mexico-Canada Agreement: Evaluating North American Competitiveness
Hearing
Before the
U.S. Senate Committee on Finance
National Grain and Feed Association
February 12, 2026

Chairman Crapo, Ranking Member Wyden, and members of the Committee, thank you for holding a hearing today on the very important topic of evaluating the of the U.S.–Mexico–Canada Agreement (USMCA) for renewal.

NGFA was founded in 1896 and represents a broad cross-section of the American grain, feed, processing, biofuels, milling, export, and livestock feed industries. Our members operate more than 8,000 facilities across the country, and the broader grain and feed sector directly employs more than 175,000 Americans and supports over 1.16 million jobs nationwide. The economic health of North American agriculture, and the communities we support, depends on an open, predictable, rules-based trading system.

That is why NGFA strongly supports a complete 16-year renewal of the USMCA with no changes to its underlying terms. Negotiated and codified under President Trump during his first term, USMCA has been an unquestionable success for our industry. It has helped grow our exports substantially. It has reduced tariff barriers. It has strengthened cooperation and provided the certainty needed for companies to invest, expand, and deliver food, feed, and fuel to markets across North America and around the world.

Mexico and Canada are two of the most important export markets for U.S. corn, soybeans, wheat, and other commodities. Mexico, in particular, purchased more than \$12 billion in U.S. grain and oilseed products last year and is expected to surpass China as our largest export customer. Ensuring that trade remains seamless, predictable, and science-based is essential to America's farmers, grain handlers, feed manufacturers, exporters, and transportation partners.

However, there are meaningful opportunities to strengthen market access *within* the agreement, particularly in addressing non-tariff barriers related to sanitary and phytosanitary standards and agricultural biotechnology.

Today, U.S. grain moving to Mexico is Officially inspected by the Federal Grain Inspection Service (FGIS) or its Officially designated agencies. These inspections confirm the grade and quality of shipments and that they meet the importing country's phytosanitary requirements. Despite this, Mexico's agency, known as SENASICA, stops shuttle trains at the border and reinspects them under a zero-tolerance standard for soil, which differs significantly from U.S. practice. This has real consequences.

Reinspection delays trains, increases transportation costs, and often triggers fumigation orders that can cost shippers up to \$70,000 per train. Rail carriers may send cars back empty rather than risk delays, and grain companies must purchase additional train capacity to keep supply chains running. These are onerous and duplicative procedures. They are not science-based protections. We believe USMCA provides a clear pathway for the United States and Mexico to harmonize inspection procedures, reduce redundant reinspections, and eliminate technical barriers that slow trade and raise costs for both countries.

We respectfully ask that you urge the Office of the U.S. Trade Representative (USTR) to prioritize this issue in the ongoing review. It's of such importance to our industry that last November NGFA had two senior representatives attend the trade mission to Mexico City, where we had the opportunity to discuss rail grain inspection with Mexico's Minister of Agriculture, as well as with our sister Mexican trade association, APPAMEX.

The second area is agricultural biotechnology. USMCA includes forward-leaning provisions that recognize the importance of innovation, including new plant breeding technologies, and require the parties to manage low-level presence, or LLP, of biotech traits in a predictable and science-based way. While these provisions were a significant step forward, LLP policies have not yet been implemented, and this gap continues to create risk for cross-border grain trade.

We again respectfully request that the committee strongly encourage USTR to work with its Canadian and Mexican counterparts to activate the agricultural biotechnology working group contemplated in USMCA, develop clear LLP procedures, and ensure transparent, science-based regulatory processes for both existing and emerging technologies. Stakeholder engagement before and after these discussions will be critical.

Finally, we want to commend USTR for its use of USMCA's dispute settlement procedures regarding Mexico's 2023 decree restricting biotech corn. The panel's finding that Mexico's measures were not based on scientific evidence and violated USMCA obligations was essential to preserving market access and maintaining trust in the agreement. That action reinforces why USMCA's enforcement tools matter and why they must remain strong and fully intact.

In closing, the USMCA has been an unquestionable success for the North American grain and oilseed industry. It has strengthened supply chains, enhanced competitiveness, expanded export opportunities, and contributed meaningfully to economic growth across the continent. A stable, long-term renewal with no changes, paired with focused efforts to address SPS and biotechnology-related trade barriers, will allow our integrated North American agricultural system to continue thriving.

On behalf of NGFA and the thousands of businesses and workers who depend on this agreement, we are grateful for this committee's efforts on this critical topic.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Seyfert". The signature is fluid and cursive, with the first name "Michael" written in a larger, more prominent script than the last name "Seyfert".

Michael Seyfert
President and Chief Executive Officer
National Grain and Feed Association