



RETAIL INDUSTRY LEADERS ASSOCIATION

Good afternoon. I'm Hun Quach, vice president for international trade at the Retail Industry Leaders Association.

RILA is the trade association for the world's largest and most innovative retail companies. Our members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales and millions of American jobs. As the trade association representing major U.S. retail companies, we appreciate the opportunity to participate in the public hearing to comment and share our views.

RILA supports holding U.S. trading partners accountable and using targeted trade remedies against intellectual property theft, illegal dumping or subsidies, and other proven trade violations consistent with international rules. At the same time, we are concerned about the negative impact that the proposed tariffs under Section 301 of the Trade Act could have on America's working families while doing nothing to resolve the overall dispute with the European Union and certain member States.

As we've seen over the past year, placing tariffs on imported goods from countries like China has led to increased prices and business uncertainty. It is American consumers and our heartland that has borne the brunt of America's global trade war. Whether in the form of retaliatory tariffs on our farmers or higher prices for consumers, the stakes are high, and the casualties are many. Unilaterally applying up to a 100 percent tariff on more than 300 HTS codes covering dozens of consumer products from the EU would continue to hit American families hardest.

Tariffs are taxes, period. And Americans' pantries are the next targets. Many of the products on this proposed list are household staples. For example, a cooking essential — olive oil — is on the proposed list. The United States consumes approximately 300,000 metric tons of olive oil, which is 30 times more than the United States can produce on its own. The EU supplies a significant amount of the olive oil used in American homes and restaurants, hitting middle-class American families and the main street businesses that feed them.

Doctors, nutritionists, and dieticians agree with the U.S. Food and Drug Administration that olive oil is a food beneficial for cardiovascular health. The alternatives for sourcing olive oil from other countries are limited in quality and volume, while the alternative as a substitute do not provide the same health benefits. Thus, any tariff on olive oil imports from the EU will impact the price Americans pay for this kitchen staple, particularly for the cost-conscious families we serve every day.

In addition to olive oil, other food products like healthy seafoods such as salmon and herring, which provide a protein rich and affordable source of food for Americans, are included. Family favorite cookies and biscuits, in addition to a variety of popular jams, are also on the Administration's list to be assessed a tariff of up to 100 percent.

Then there are the plates and mugs that consumers use to serve their family healthy meals every day. These are kitchen staples for nearly every American household.

This is just a snapshot of the products included in the Administration's proposed list of goods imported from the EU. Our member companies continue to analyze the potential impact of the proposed tariffs and we will update our recommendations for specific HTS line to be removed in our post-hearing comments.

Because of our strong trading relationship with the EU, retailers have made many of these products more accessible and affordable to American families. These tariffs could pose a threat to that availability and affordability.

We strongly encourage the Administration to not put American families in the crosshairs while the United States and EU are working on a negotiated settlement. We implore you to avoid adding other consumer products, whether in this proposed action or any future Administration actions, and to avoid taxing middle-class American families through the imposition of tariffs.

Thank you for hearing our testimony. We look forward to continuing to work with you to find a solution that works for American businesses and families. I am happy to answer any questions.

