The U.S.-Dominican Republic Free Trade Agreement

Report of the Agricultural Technical Advisory Committee on Trade In Fruits and Vegetables

April 22, 2004

Agricultural Technical Advisory Committee on Trade in Fruits and Vegetables (F&V ATAC)

Agricultural Technical Advisory Committee on Trade in Fruits and Vegetables Report to the President, the Congress, and the U.S. Trade Representative on the U.S.-Morocco Free Trade Agreement.

I. Purpose of the Committee Report

Section 2104(e) of the Trade Act of 2002 (Public Law 107-210) requires that advisory committees provide the President, the Congress and the U.S. Trade Representative with reports required under Section 135(e)(1) of the Trade Act of 1974, as amended, not later than 30 days after the President notifies Congress of his intent to enter into a trade agreement.

Under Section 135(e) of the Trade Act of 1974, as amended, the report of the Advisory Committee for Trade Policy and Negotiations (ACTPN) and each appropriate policy advisory committee must include an advisory opinion as to whether and to what extent the agreement promotes the economic interests of the U.S. and achieves the applicable overall and principle negotiating objectives set forth in the Trade Act of 2002.

The report of the appropriate sectoral or functional committee must also include an advisory opinion as to whether the agreement provides for equity and reciprocity within the sectoral or functional area.

Pursuant to these requirements, the ATAC on Trade in Fruits and Vegetables submits the following report.

II. Executive Summary of Committee Report

It is the opinion of the F&V ATAC that the negotiated agreement provides for equity and reciprocity within the sectoral area.

For some USHTS Chapter 8 products such as apples and pears this agreement will result in immediate tariff rate reductions that will provide U.S. growers and exporters of these products preferential market access over other global competitors from Chile, Argentina, Canada and the European Union. This preferential access will be very beneficial and result in a competitive advantage that should result in increased sales to the Dominican Republic.

The Committee urges the Office of the U.S. Trade Representative to now focus its trade liberalization efforts on India, South Korea, Taiwan, Japan and the EU. Removing high tariff rate barriers and eliminating trade distorting domestic support policies in these

countries will provide the specialty crop industry significant trade benefits and remove some of the trade barriers that most affect this sector.

This agreement is to be incorporated into CAFTA and is in fact the same as the CAFTA for our commodities. Therefore the Committee refers readers to its previous report on CAFTA for additional analysis.

III. Brief Description of the Mandate of the ATAC on Trade in Fruits and Vegetables

The ATAC on Trade in Fruits and Vegetables is chartered to advise, consult with, and make recommendations to the Secretary of Agriculture and the United States Trade Representative on matters that are of mutual concern to the United States and to its consumers, producers, processors, and traders of specialty crops in connection with the trade policy activities undertaken by the United States. The Committee provides advice and information regarding trade issues that affect both domestic and foreign production and trade of specialty crops. The Committee furnishes advisory opinions and reports and performs the functions that are appropriate or required by the Secretary and the Trade Representative or their designees.

IV. <u>Negotiating Objectives and Priorities of the Committee</u>

The Committee agrees with the principle negotiating objective for agriculture set down by Congress in the Trade Act of 2002. Specifically, "to obtain competitive opportunities for United States exports of agricultural commodities in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports in United States markets and to achieve fairer and more open conditions of trade in bulk, specialty crop, and value-added commodities..."

V. <u>Advisory Committee Opinion on Agreement</u>

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VI. Membership of Committee

Agricultural Technical Advisory Committee on Trade in Fruits and Vegetables

Mark Powers ATAC Chair, Northwest Horticultural Council

Dennis Balint California Walnut Commission

Gary Ball U.S. potato industry The Herzog Company John Baranek Indian River Citrus League Doug Bournique Susan Brauner Blue Diamond Growers Reggie Brown Florida Tomato Exchange Lauri Buckley A. Duda & Sons, Inc. James Christie Bryant Christie, Inc. Gus Collin Sunsweet Growers, Inc. Alice Dettwyler American Agri-Women Chris Eckert Eckert Orchards, Inc.

Wally Ewart California Citrus Quality Council

Nancy Foster U.S. Apple Association Carolyn Gleason McDermott, Will & Emery

Robert Guenther United Fresh Fruit & Vegetable Association

Dan Haley Haley & Associates
Julian Heron Tuttle, Taylor & Heron
John Himmelberg O'Connor & Hannan, L.L.P.

Richard Hudgins California Canning Peach Association

Roger Knutzen Knutzen Farms LP

Barry Kriebel Sun-Maid Growers of California

Andy LaVigne Florida Citrus Mutual

Joseph MacIlvaine
John McClung
Kevin Moffitt
Joel Nelsen
James Pandol
Paramount Farming Company
Texas Produce Association
Pear Bureau Northwest
California Citrus Mutual
Pandol Brothers, Inc.

Freddie Richards Prairie View A&M University

Joe Rollo Wine Institute

Robert Schramm Schramm, Williams & Associates
Susan Spence New York Wine & Grape Foundation

Mike Wootton Sunkist Growers Joe Zanger Casa DeFruta