November 1, 2005

The Honorable Rob Portman United States Trade Representative Executive Office of the President Washington, D.C. 20508

Dear Ambassador Portman:

Pursuant to Section 2104 (e) of the Trade Act of 2002 and Section 135 (e) of the Trade Act of 1974, as amended, I am pleased to transmit the report of the Agricultural Technical Advisory Committee on Trade in Fruits and Vegetables on the U.S.-Oman Free Trade Agreement, reflecting consensus on the proposed Agreement.

Sincerely,

Mark Powers

Chair

Agricultural Technical Advisory Committee on Trade in Fruits and Vegetables

Mark forces

The U.S. – Oman Free Trade Agreement

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

November 2005

Agricultural Technical Advisory Committee on Trade In Fruits and Vegetables

Advisory Committee Report to the President, the Congress and the United States Trade representative on the U.S.-Oman Free Trade Agreement

I. Purpose of the Committee Report

Section 2104(e) of the Trade Act of 2002 requires that advisory committees provide the President, the Congress and the U.S. Trade Representative with reports required under Section 135(e) 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 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.

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. Negotiating Objectives and Priorities of the Committee

The Committee agrees with the principal 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. Advisory Committee Opinion on Agreement

It is the opinion of the F&V ATAC that the negotiated agreement provides for equity and reciprocity within the sectoral area. Under this agreement Oman will immediately eliminate all tariffs on most U.S. products from HTS Chapters 7, 8 & 20 on the date the agreement enters into force. Currently the vast majority of Oman's tariff rates on these products range from zero to five percent. Six tariff lines (including bananas, fresh dates, dried dates, stored dates, other dates and dried lemons and limes) from HTS Chapter 8 have tariffs of 15 to 25 percent and are slated for duty free treatment in year ten of the agreement.

With a population of approximately 3,000,000 Oman presents neither a major export opportunity nor an import threat for the U.S. fruit and vegetable sector.

The Committee is sensitive to the Administration's FTA priorities. It recognizes the role that some FTAs may play in furthering America's strategic interests. The U.S.-Oman FTA is an example of this policy in action. The committee is hopeful that this agreement will lead to others that in the aggregate will expand export opportunities for U.S. fruit and vegetable producers.

The Committee urges the Office of the U.S. Trade Representative to continue to focus its trade liberalization efforts on India, South Korea, Taiwan, Japan and the European Union. Removing high tariff rate barriers, eliminating export subsidies and trade distorting domestic support in these countries will provide the specialty crop industry significant trade benefits and discipline some of the trade barriers that most affect this sector.

VI. Membership of Committee

Attached

Agricultural Technical Advisory Committee on Trade in Fruits and Vegetables

Mark Powers ATAC Chair, Northwest Horticultural Council

Julie AdamsAlmond Board of CaliforniaDennis BalintCalifornia Walnut CommissionTom BellamoreCalifornia Avocado Commission

Doug Bournique
Susan Brauner
Reggie Brown
Lauri Buckley
James Christie
Alice Dettwyler
Chris Eckert

Indian River Citrus League
Blue Diamond Growers
Florida Tomato Exchange
A. Duda & Sons, Inc.
Bryant Christie, Inc.
American Agri-Women
Eckert Orchards, Inc.

Wally Ewart California Citrus Quality Council
Malaquias Flores Washington State University
Nancy Foster U.S. Apple Association

Ron Gaskill U.S. Farm Bureau

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.

Roger Knutzen Knutzen Farms LP

Barry Kriebel Sun-Maid Growers of California Richard Matoian California Fig Advisory Board Joseph MacIlvaine Paramount Farming Company John McClung Texas Produce Association

Joel Nelsen California Citrus Mutual
Richard Phillips New Mexico State University
Freddie Richards Prairie View A&M University

Joe Rollo Wine Institute

Robert Schramm, Williams & Associates

Tim Smith Smith Ranches, Wood Orchard, & Sunsweet Growers, Inc.

Mike Wootton Sunkist Growers

Joe Zanger Casa de Fruta Orchards