December 3, 2015

The Honorable Michael Froman United States Trade Representative 600 17<sup>th</sup> Street, N.W. Washington, D.C. 20508

Dear Ambassador Froman:

In accordance with section 5(b)(4) of the Bipartisan Trade Priorities and Accountability Act of 2015, 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 for Trade in Fruits and Vegetables on the Trans-Pacific Partnership Agreement, reflecting unanimous consensus on the proposed Agreement. Furthermore the Committee wishes to acknowledge the resource commitment of the Administration and individuals assigned to this task for their efforts towards achieving the desired objectives.

Sincerely,

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Joel Nelsen, Chairman ATAC for Fruits and Vegetables

The Trans-Pacific Trade Agreement

Report of the

# Agricultural Technical Advisory Committee for Trade in

Fruits and Vegetables

#### AGRICULTURAL TECHNICAL ADVISORY COMMITTEE FOR TRADE IN FRUITS AND VEGETABLES

# Advisory Committee Report to the President, the Congress and the United States Trade Representative on the Trans-Pacific Partnership Agreement

In accordance with section 5(b)(4) of the Bipartisan Trade Priorities and Accountability Act of 2015, and section 135(e) of the Trade Act of 2015, requires that advisory committees provide the President, the U.S. Trade Representative, and Congress with reports not later than 30 days after the President notifies Congress of his intent to enter into an agreement.

Under Section 135(e) of the Trade of 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 United States and achieves the applicable overall and principle negotiating objectives set forth in the Trade Act of 2015.

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 **Agricultural Technical Advisory Committee for Trade in Fruits and Vegetables** hereby submits the following report.

# **EXECUTIVE SUMMARY**

The Agricultural Technical Advisory Committee for Trade in Fruits and Vegetables (hereinafter the "Committee") strongly believes that the proposed trade agreement is positive for the vast majority of wine grape, nut, fruit and vegetable growers, packers, processors and marketers. Recognizing that trade agreements are not uniform in their benefits, it is remarkable that an overwhelming number of committee members view the proposed agreement as extremely positive for their commodity. The major catalyst for this opinion is the significant reduction and/or elimination of tariffs for many commodities. As USDA/USTR noted in previous fact sheets, the scope of trade conducted by this sector with partners is already significant and committee members believe opportunity exists to expand sales for the specialty crop sector because of this agreement.

The Committee will offer counsel on two chapters of the Trans-Pacific Partnership Agreement, Chapters 7 and 28. It is noted and appreciated that a transparent scientific process will be the foundation for the effective implementation for determining import and export opportunities

relative to sanitary and phytosanitary issues. The integrity of our food system, including a transparent pest risk analysis and mitigation protocol development is sacrosanct to this Committee. It is the recommendation of this Committee that Article 7.9 of Chapter 7 be fully adhered to for resolution of sanitary and phytosanitary issues among TPP Agreement parties. Furthermore for the protection of all parties the development of conclusions should be fully transparent during the evaluation process.

The Committee urges the Administration to closely monitor developments and/or regulations regarding sanitary measures of the Chapter. We believe food safety regulations could be an arena for abuse by potential trading partners. Members of the Committee have experienced some challenge in this area. The vagueness of what one considers "safe" could be a subjective determination that may not truly be protective thereby creating barriers to trade for U.S. producers that could render some export opportunities null and void. To that end the Administration is urged to initiate dialogue with partners as rapidly as possible on this subject. Since this is an evolving regulatory area for fruits and vegetables it is imperative that the Committee on Sanitary and Phytosanitary Measures be an integral part of these discussions.

Chapter 28 is an extremely important area for the fruit and vegetable sector and we applaud the Administration's final set of language in this Chapter. Strict adherence to the intent of this Chapter should always be the objective of the Administration. The Committee supports the inclusion of transparent internationally accepted WTO engagement principles allowing for stakeholder input regarding sanitary and phytosanitary disputes.

# THE MANDATE OF THE COMMITTEE IS AS FOLLOWS:

# Authority

The Agricultural Technical Advisory Committee for Trade in Fruits and Vegetables is established by the Secretary of Agriculture and the U.S. Trade Representative as delegated by the Executive Order 11846 dated March 27, 1975. It is established pursuant to the Federal Advisory Committee Act (FACA) (5U.S.C. App.) and section 135(c)(2) of the Trade Act of 1974 as amended.

#### **Objectives and Scope of Activities**

The Committee's objectives and the scope of its activity are as follows: (A) the Committee will advise, consult with and make recommendations to the Secretary of Agriculture and the U.S. Trade Representative on matters that are of mutual concern to the United States and to its consumers, producers, processors, and traders of fruits and vegetables in connection with the trade policy activities undertaken by the United States. (B) The Committee will provide advice and information regarding trade issues that affect both domestic and foreign production and trade concerning fruits and vegetables. The Committee will furnish advisory opinions and reports

regarding trade policy as requested by the Secretary of Agriculture and the U.S. Trade Representative, or their designees.

# NEGOTIATING OBJECTIVES & PRIORITIES OF THE FRUIT AND VEGETABLE ATAC

- 1) Tariff Elimination
- 2) Tariff Reduction
- 3) Strong sanitary and phytosanitary provisions based on science also protecting U.S. technical processes
- 4) A transparent and balanced approach to Dispute Resolution

# **Advisory Committee Opinion on Agreement**

The Committee believes the negotiating objectives and priorities of the Trade Act of 2015 have been met. Optimistically, the Agreement will create better balanced trade for our sector. The elimination of tariffs for some commodities may not guarantee a greater market share, but it does eliminate a major export barrier. Chapters 7 and 28 are very positive components of the trade agreement. The provisions outlined under the Agreement will benefit our sector, providing an opportunity for greater trade benefit. As with any Agreement, once ratified it will be essential that provisions of the Agreement be monitored and fully adhered to, and that its implementation reflect the intent of the negotiating partners.

# **Market Access**

Existing market access is strengthened and opportunities for greater market access by members of this sector are enhanced.

# **MEMBERSHIP OF COMMITTEE**

Julie Adams Bill Braswell Reggie Brown James R. Cranney, Jr. Bret Erickson John Foster Robert Guenther Matt Harris Richard Hudgins Randy Hudson Jake Lewin Marcy L. Martin Matthew McInerney Ken Melban	Almond Board of California Florida Blueberry Growers Association Florida Tomato Exchange California Citrus Quality Council Texas International Produce Association Earthbound Farm United Fresh Produce Association Washington State Potato Commission California Canning Peach Association National Pecan Growers Council CCOF Certification Services, LLC California Fresh Fruit Association Western Growers
Ken Melban	California Avocado Commission
Mike Montna	California Tomato Growers Association

Dale Murden Joel Nelsen (**Chair**) Shannen Nettleton Melissa Poole Mark Powers (**V. Chair**) Daniel Richey Jim A. Zion Texas Citrus Mutual California Citrus Mutual Seneca Foods Corporation The Wonderful Company Northwest Horticultural Council Riverfront Packing Company Meridian Growers, LLC