TARIFF AND NON-TARIFF MEASURES AFFECTING MARKET ACCESS FOR FRESH AND PROCESSED FRUITS AND VEGETABLES

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Fruit & Vegetable Market Shares of Global Agricultural Imports

- 1994: $70 Bil, 17%
- 2003: $98 Bil, 18%

All other agricultural trade

Source: FAO
Fruit & Vegetable Market Shares of U.S. Agricultural Imports

1994

$7 Bil 22.6%

All other agricultural trade

2003

$13 Bil 24.4%

Source: FAO
Fruit & Vegetable Market Shares of U.S. Agricultural Exports

1994

- F&V: $7.8Bil (13.6%)
- All other agricultural trade

2003

- F&V: $8.8Bil (14.1%)
- All other agricultural trade

Source: FAO
Average Depth of Uruguay Round Tariff Cuts

Developed Countries

F&V
All Other

Minimum cut
100% cut

Developing Countries

F&V
All Other

Minimum cut
100% cut
F&V Bound Tariffs, Selected Countries

United States
European Union
Japan
India
China
Global

Fresh vegetables
Fresh fruits
Processed products
Other agriculture
Average tariffs may underestimate the amount of protection provided

- Tariffs may vary
  - by season
  - by value of import
  - by size of container
  - by technical factors
Bound versus Applied F&V Tariffs
# Tariffs Faced by Top U.S. Vegetable Exports

<table>
<thead>
<tr>
<th>Selected items</th>
<th>Mean</th>
<th>Median</th>
<th>Max</th>
<th># of Mega tariffs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frozen potatoes</td>
<td>52</td>
<td>18</td>
<td>544</td>
<td>13</td>
</tr>
<tr>
<td>Canned corn</td>
<td>29</td>
<td>15</td>
<td>343</td>
<td>5</td>
</tr>
<tr>
<td>Fresh tomatoes</td>
<td>50</td>
<td>14</td>
<td>587</td>
<td>11</td>
</tr>
<tr>
<td>Fresh broccoli</td>
<td>29</td>
<td>15</td>
<td>170</td>
<td>9</td>
</tr>
<tr>
<td>Fresh onions</td>
<td>47</td>
<td>12</td>
<td>1,063</td>
<td>11</td>
</tr>
</tbody>
</table>
## Tariffs Faced by Top U.S. Vegetable Exports

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</thead>
<tbody>
<tr>
<td>Shelled Almonds</td>
<td>22</td>
<td>10</td>
<td>165</td>
<td>4</td>
</tr>
<tr>
<td>Fresh apples</td>
<td>37</td>
<td>15</td>
<td>553</td>
<td>6</td>
</tr>
<tr>
<td>Fresh Grapes</td>
<td>28</td>
<td>12</td>
<td>349</td>
<td>5</td>
</tr>
<tr>
<td>Fresh Oranges</td>
<td>32</td>
<td>15</td>
<td>318</td>
<td>5</td>
</tr>
<tr>
<td>Fresh Grapefruit</td>
<td>30</td>
<td>15</td>
<td>318</td>
<td>5</td>
</tr>
<tr>
<td>Raisins</td>
<td>25</td>
<td>10</td>
<td>340</td>
<td>5</td>
</tr>
<tr>
<td>FCOJ</td>
<td>34</td>
<td>20</td>
<td>165</td>
<td>9</td>
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</table>
The Importance of TRQs

• 43 WTO members have a combined 1,425 TRQs, 371 of which cover fruit and vegetable imports.

• Although they only account for 20% of total tariff lines, they protect an estimated 55% of production in OECD countries.

• An estimated 46% of agricultural imports are made up of TRQ products.

• The fill rate for F&V TRQs has averaged about 70%.
Number of TRQs per category versus use of SSGs

- Fruit & veg
- Meat
- Cereals
- Dairy
- Oilseeds
- Others

TRQs SSGs
Use of SSGs in F&V sector largely an EU exercise

- Fresh vegetables
- Fresh fruits
- Processed products

EC-15 vs All Others
Countries have other instruments available to regulate the flow of imports

- General safeguards
- Antidumping duties
- Countervailing duties
- Sanitary and phytosanitary measures
- Technical barriers
Conclusions

• Tariffs on F&V trade remain high and many are non-transparent
• Tariffs are uneven across countries, products, and even within products
• Tariffs specifications restrict exporter’s ability to increase market share based on efficiency or price competition
• Other measures to restrict imports should be addressed in negotiations