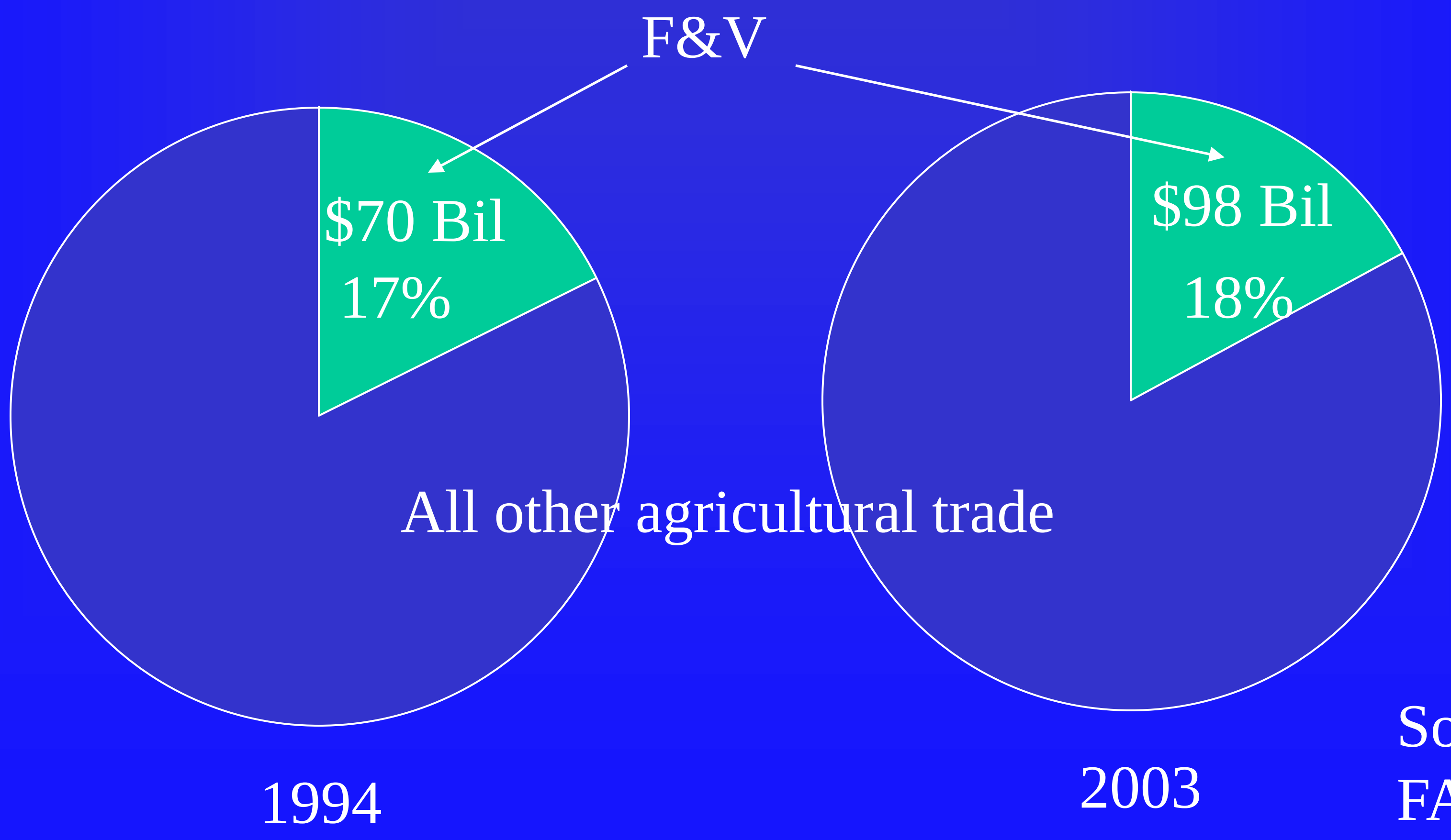
TARIFF AND NON-TARIFF MEASURES AFFECTING MARKET ACCESS FOR FRESH AND PROCESSED FRUITS AND VEGETABLES

John Wainio and Barry Krissoff

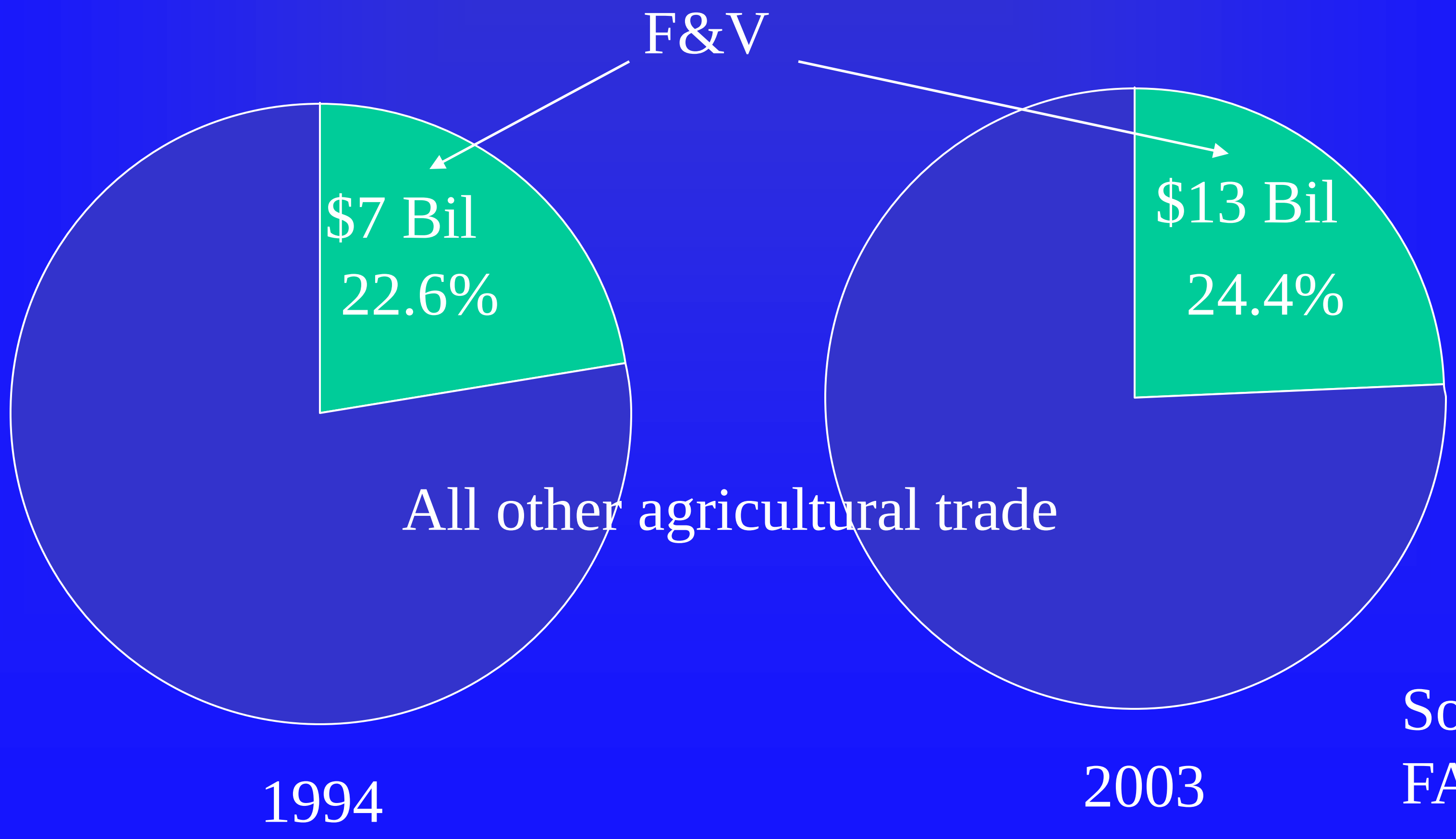
Economic Research Service, U.S. Department of Agriculture

Fruit & Vegetable Market Shares of Global Agricultural Imports



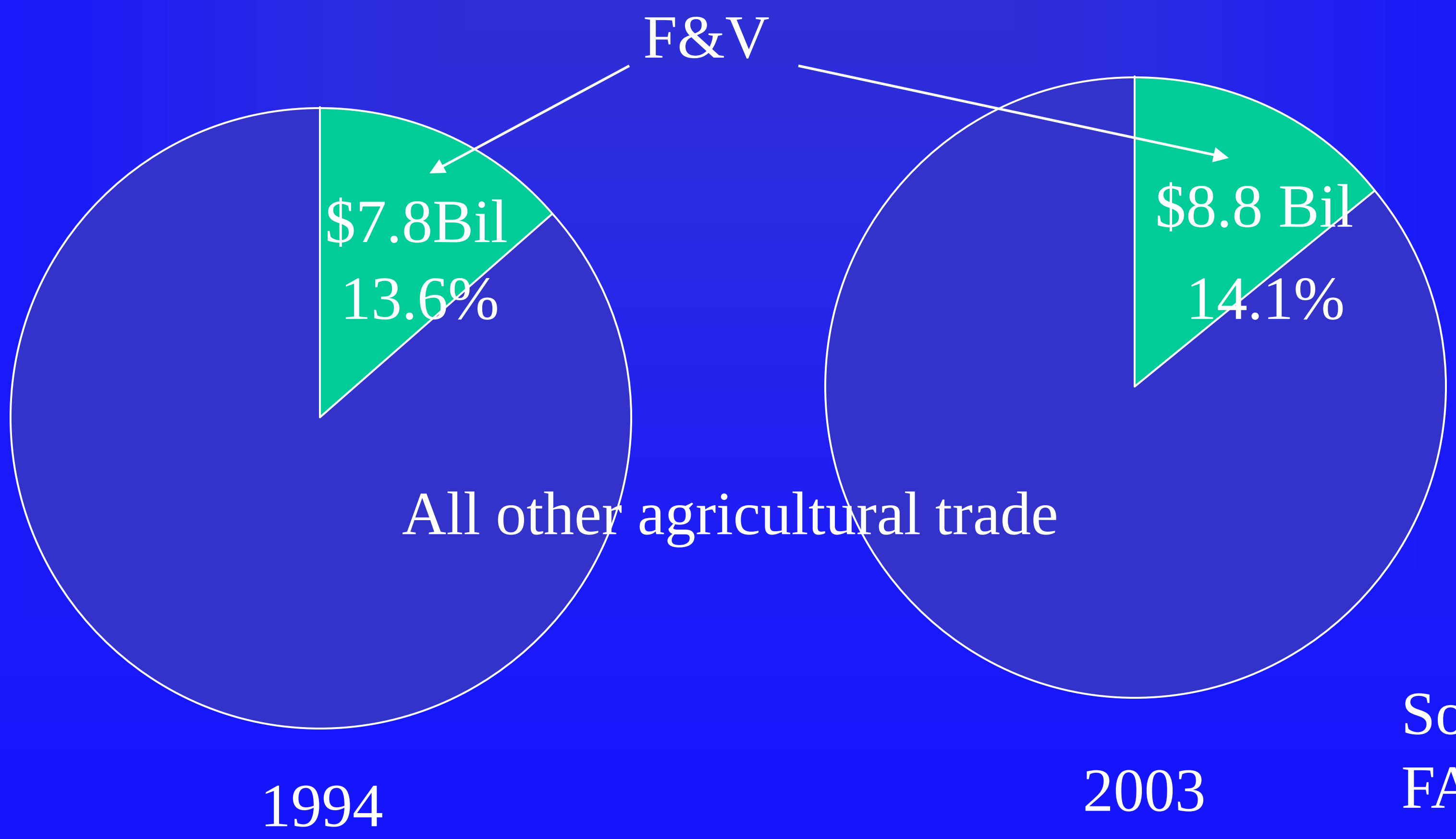
Source: FAO

Fruit & Vegetable Market Shares of U.S. Agricultural Imports



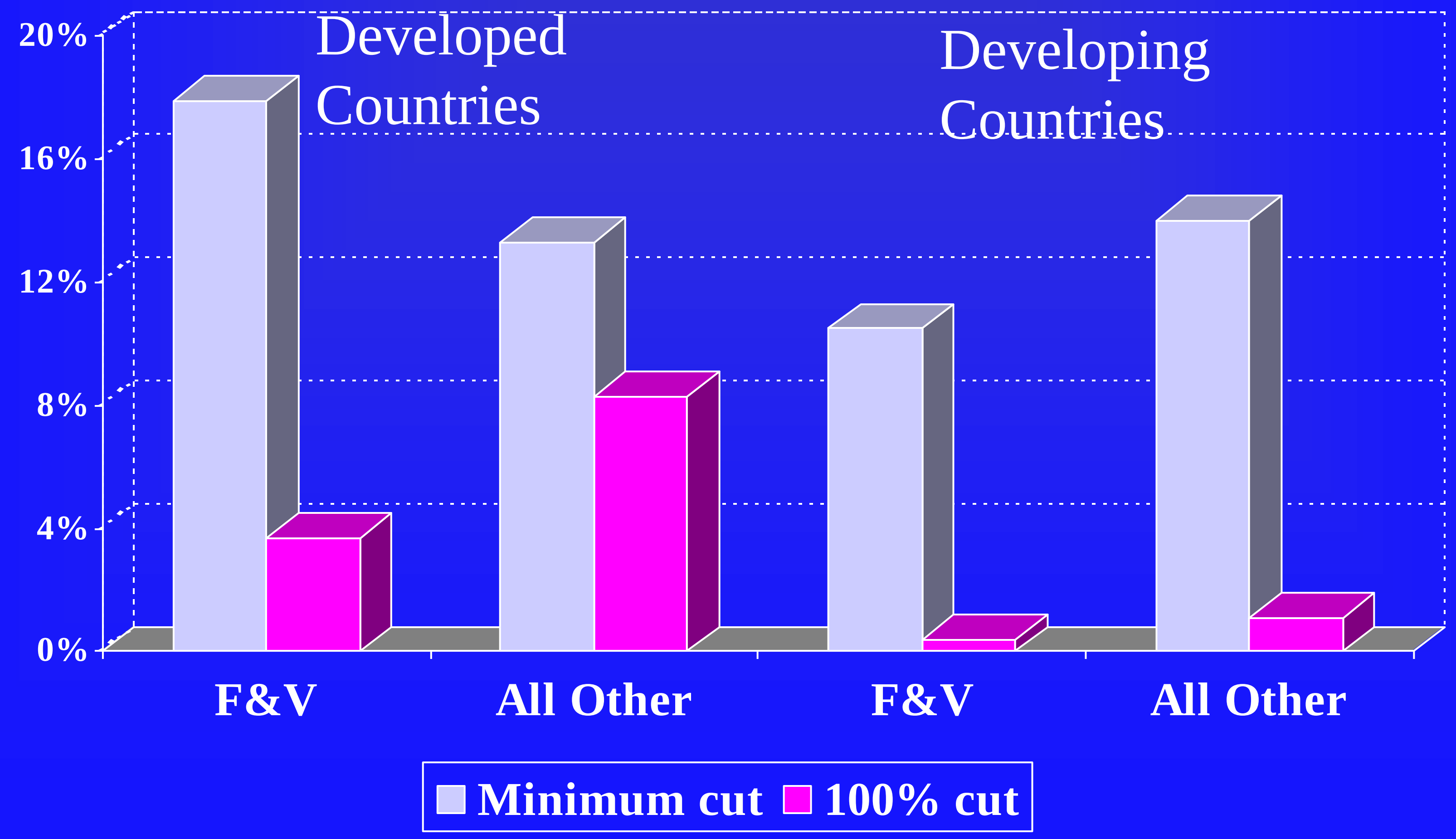
Source: FAO

Fruit & Vegetable Market Shares of U.S. Agricultural Exports

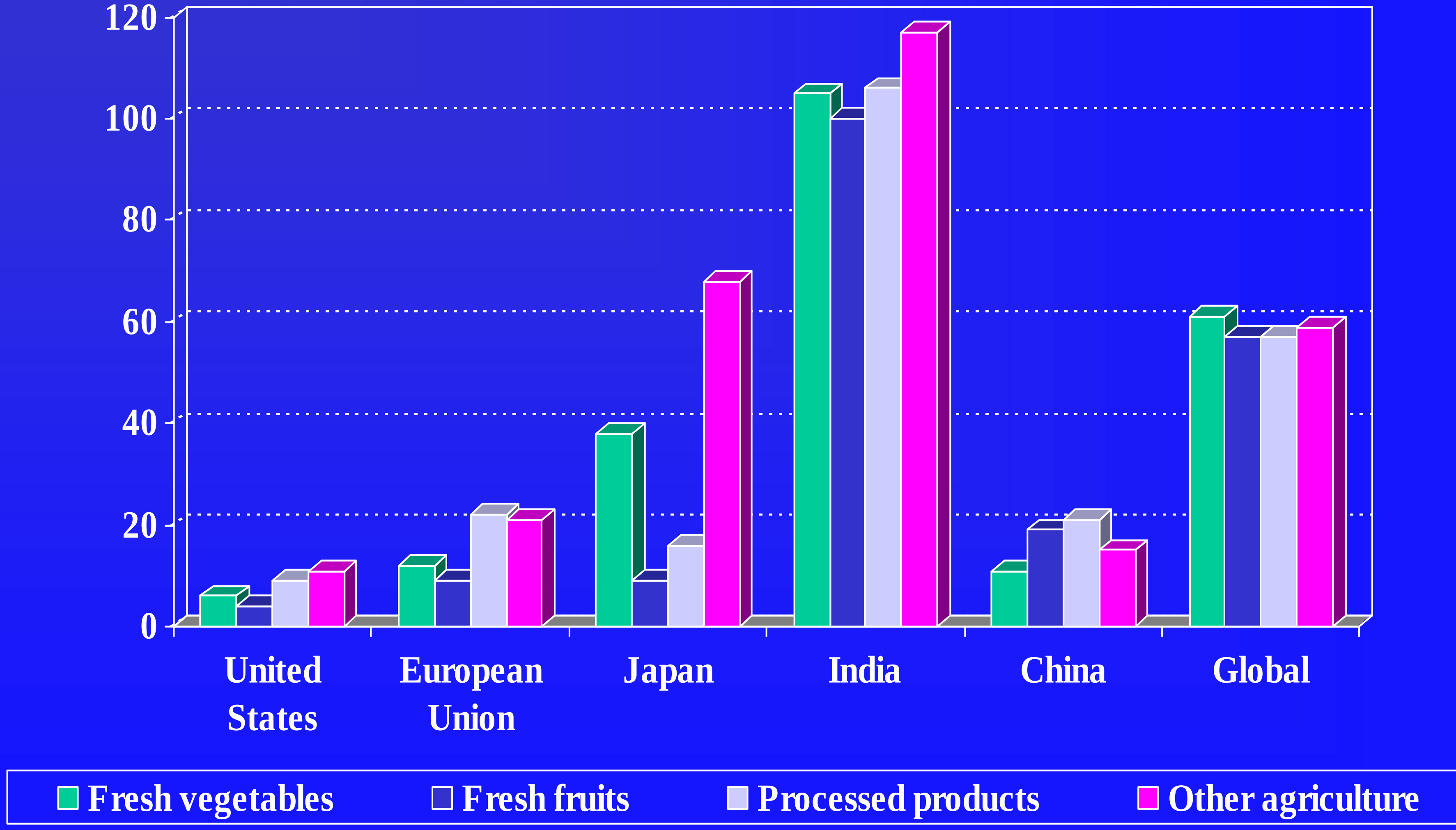


Source: FAO

Average Depth of Uruguay Round Tariff Cuts



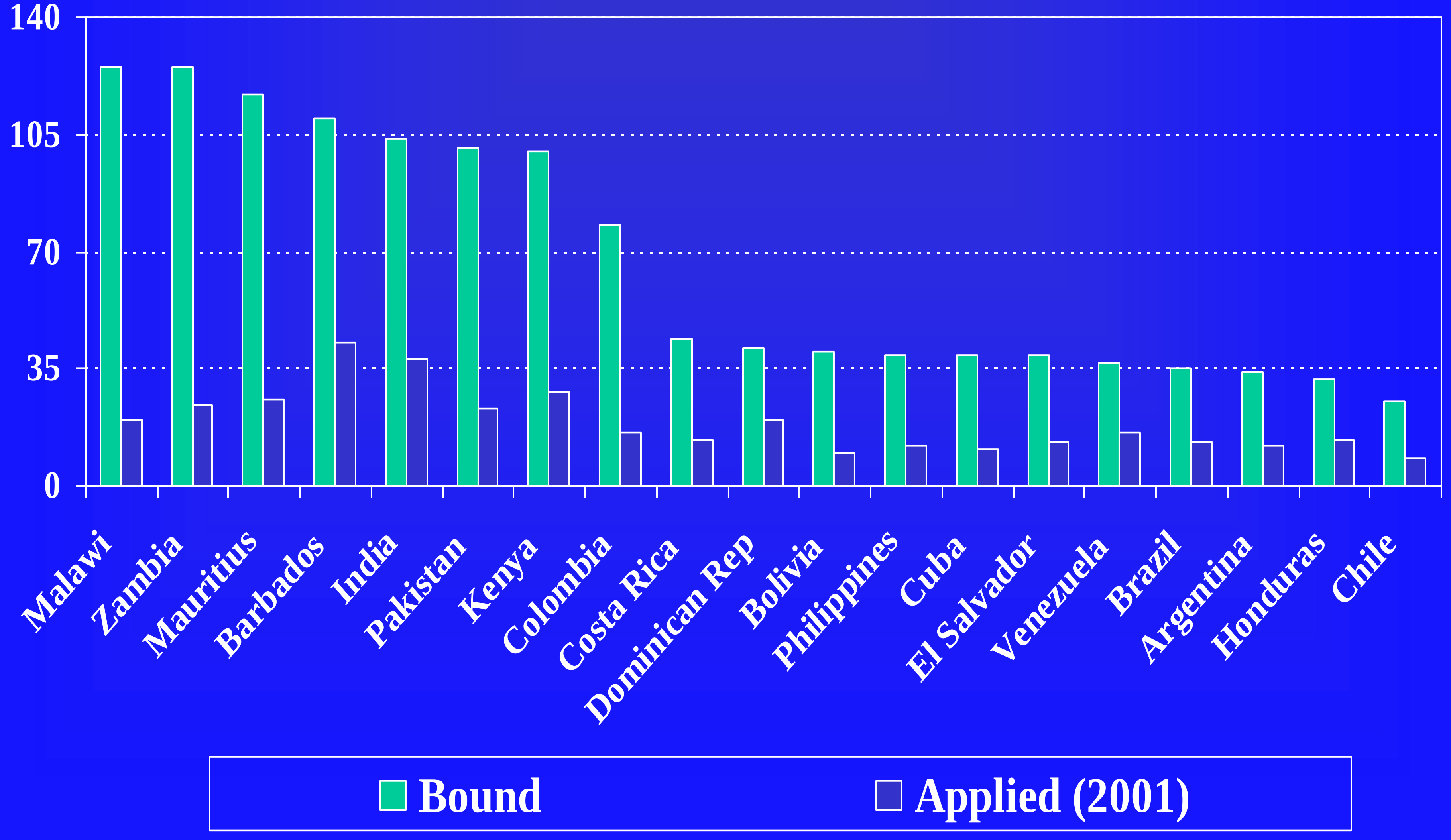
F&V Bound Tariffs, Selected Countries



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

Selected items	Mean	Median	Max	# of Mega tariffs
Frozen potatoes	52	18	544	13
Canned corn	29	15	343	5
Fresh tomatoes	50	14	587	11
Fresh broccoli	29	15	170	9
Fresh onions	47	12	1,063	11

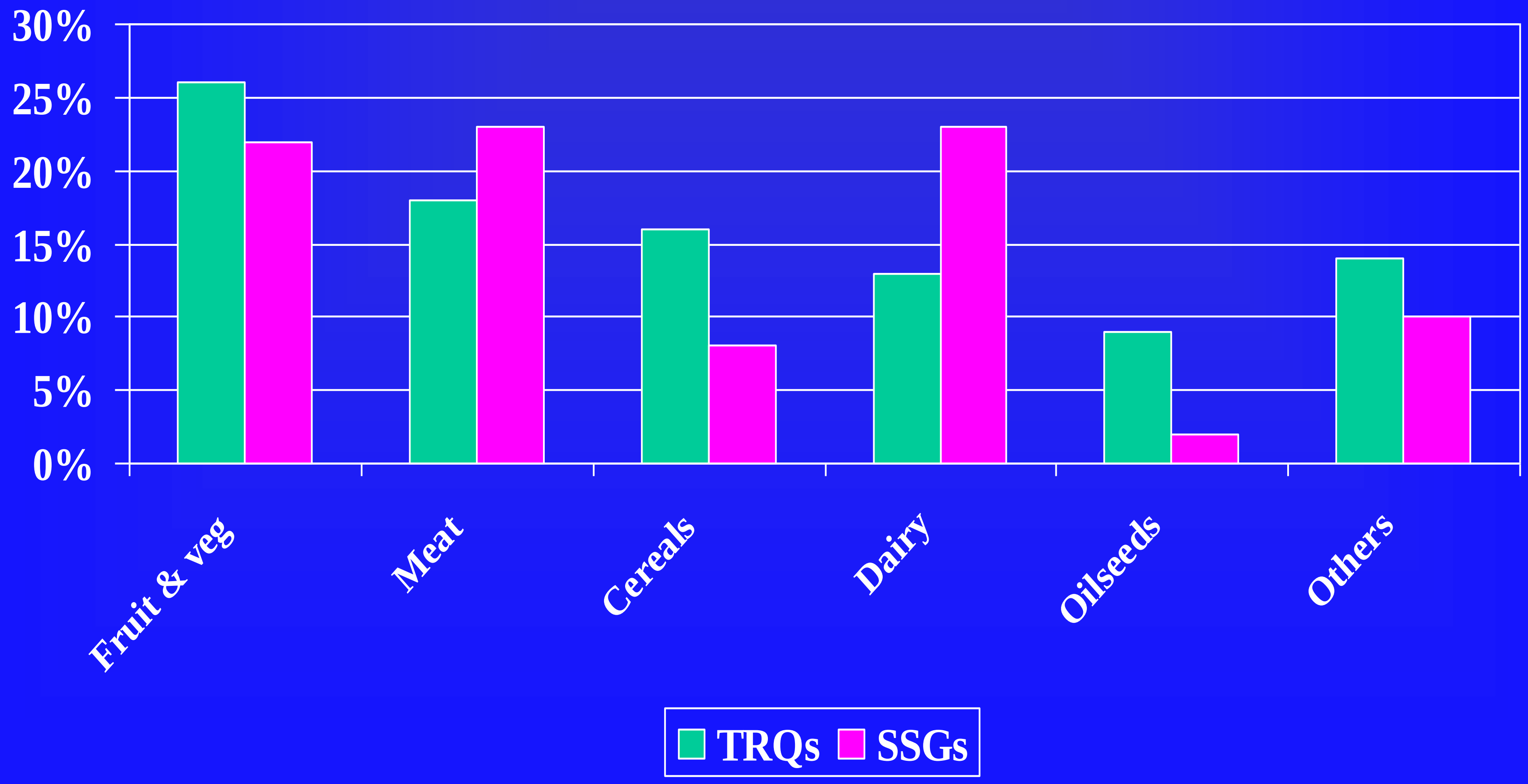
Tariffs Faced by Top U.S. Vegetable Exports

Selected items	Mean	Median	Max	# of Mega tariffs
Shelled Almonds	22	10	165	4
Fresh apples	37	15	553	6
Fresh Grapes	28	12	349	5
Fresh Oranges	32	15	318	5
Fresh Grapefruit	30	15	318	5
Raisins	25	10	340	5
FCOJ	34	20	165	9

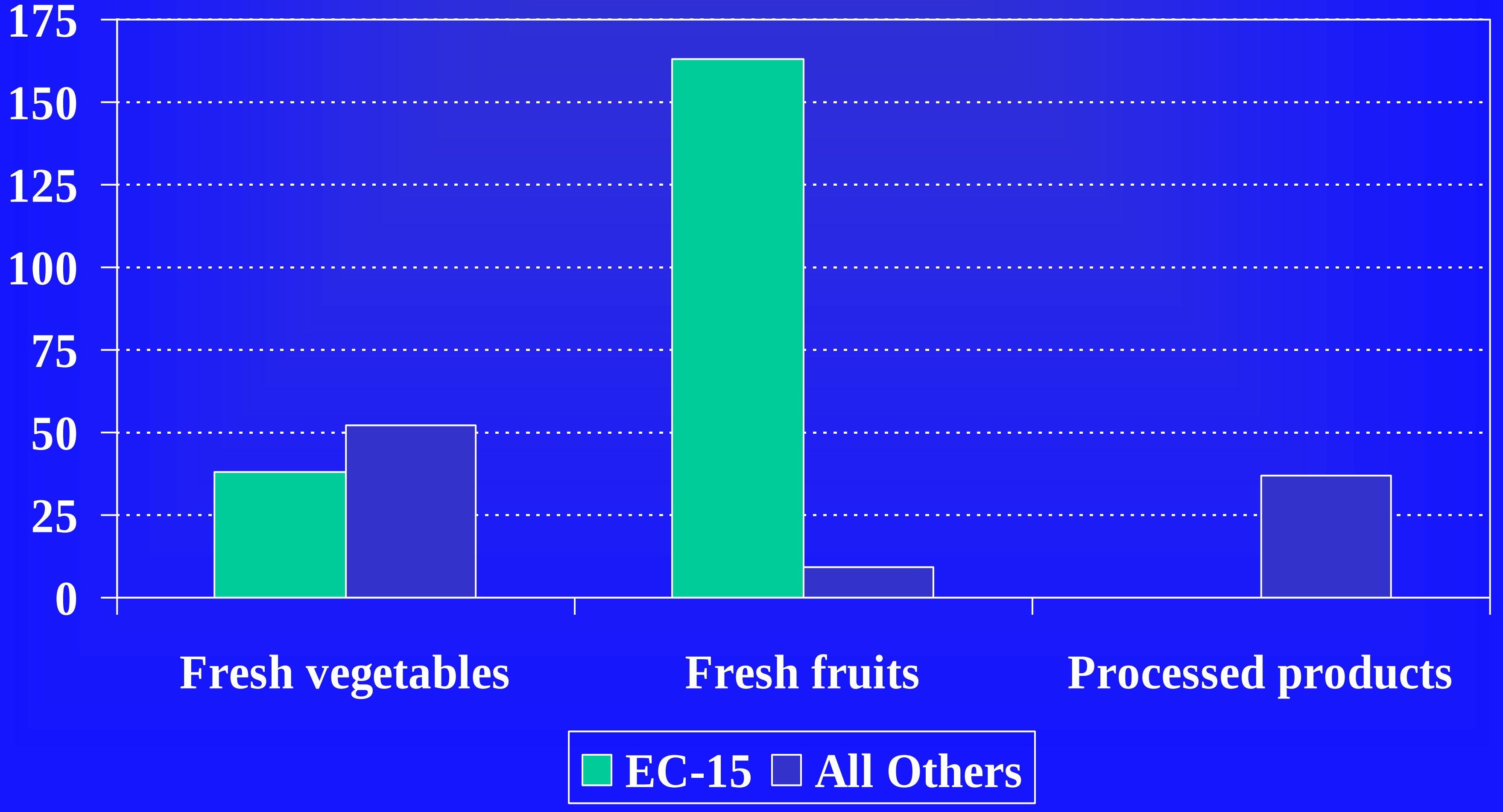
The Importance of TRQs

- 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



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



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 adressed in negotiations