

INTERNATIONAL TRADE

USDA MARKET ACCESS PROGRAM

In FY09, the apple industry received over \$5.5 million in export market development funds from the U.S. Department of Agriculture's (USDA) Market Access Program (MAP). These funds are matched by grower dollars to promote apples in over 25 countries throughout the world. Since this program's inception in 1986, the U.S. apple industry has expanded fresh apple exports by nearly 150 percent, due in large part to the foreign promotions made possible by MAP. In 2008, nearly 25 percent of U.S. fresh apple production was exported, with a value of nearly \$700 million.

The Technical Assistance for Specialty Crops Program (TASC) is also an important export market development program for the U.S. apple industry. TASC funding helps resolve phytosanitary and technical barriers that prohibit or threaten U.S. specialty crop exports.

Strong MAP and TASC funding are critical to the U.S. apple industry's efforts to increase grower profitability by expanding exports. Congress recognized the importance of both programs in the Farm Bill. Farm Bill funding for MAP and TASC are a top-priority for USApple and other members of the Specialty Crop Farm Bill Alliance.

The Foreign Agriculture Service (FAS) plays a critical role in the administration of MAP and TASC funds and the successful implementation of export development programs. Full funding of FAS is essential if the agency is to maintain its overseas presence and effectively administer the agency's export efforts.

Position: USApple urges Congress to fully fund the MAP program at the Farm Bill level of \$200 million and to fully fund the TASC program and the Foreign Agriculture Service (FAS).

MARKET-OPENING TRADE NEGOTIATIONS

The future of the U.S. apple industry may be determined in large part by the industry's ability to improve its access to foreign markets through negotiation of free trade agreements with overseas customers. Approximately 25% of the U.S. fresh apple crop is exported each year.

Free Trade Agreements (FTAs): FTAs are important to help increase exports of U.S. apples. The U.S. apple industry supports free trade agreements when they will gain greater foreign market access for U.S. apple exports and increase export sales opportunities. Meaningful increased market access occurs when trade agreements include provisions to reduce or eliminate foreign import tariffs, and when negotiations resolve unreasonable, non-science based phytosanitary restrictions.

FTAs pending before Congress supported by the U.S. apple industry include agreements with Colombia and Panama.