



United States Department of Agriculture



U.S. Specialty Crops Trade Issues Report

Fiscal Year 2020

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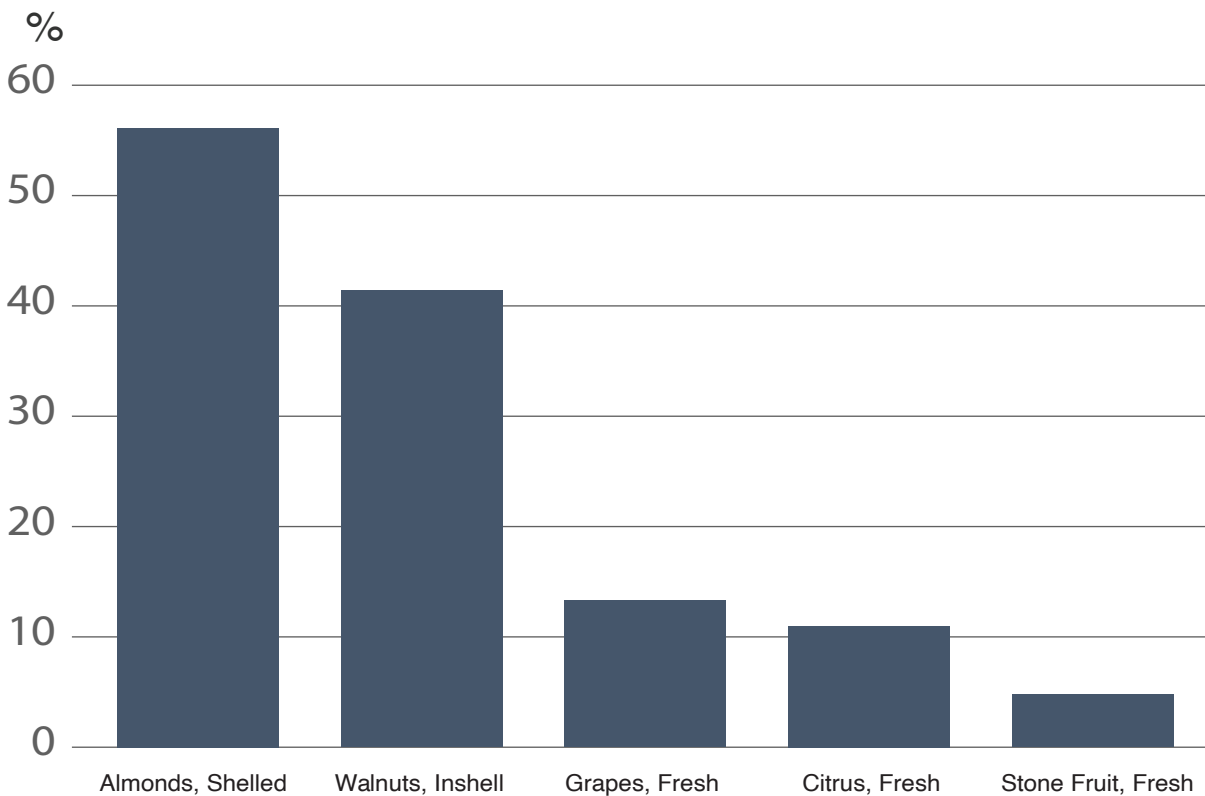
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Foreword

The United States Department of Agriculture (USDA) is pleased to provide the 2020 U.S. Specialty Crops Trade Issues Report to the U.S. Congress. This report is provided as required under Section 203(e)(7) of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) as amended by the Agriculture Improvement Act of 2018 (PL 115-34). The statute states “Each year, the Secretary shall submit to the appropriate committees of Congress a report that contains, for the period covered by the report, a description of— (A) each factor that affects the export of specialty crops, including each factor relating to any— (i) significant sanitary or phytosanitary issue; (ii) trade barrier; or (iii) emerging sanitary or phytosanitary issue or trade barrier; and (B)(i) any funds provided under subsection (f) (3)(A)(iv) that were not obligated in a fiscal year; and (ii) the reason such funds were not obligated.” For this publication, “specialty crops” are defined as fruits, vegetables, tree nuts, dried fruits, horticultural crops, wine, and nursery crops.

U.S. exports of specialty crops reached \$22.5 billion in fiscal year (FY) 2020, accounting for 15 percent of total U.S. agricultural exports. Tree nuts represented more than one-third of FY 2020 specialty crop exports. Foreign market access helps the U.S. specialty crop industry thrive and supports the livelihood of those on farms and in related industries. Chart 1 demonstrates the dependency select specialty crops have on the export market.

Chart 1: U.S. Specialty Crops Groups with Largest Exports as a Share of Production



Source: USDA - FAS Global Agricultural Trade System (GATS)

The Foreign Agricultural Service (FAS) and its USDA partners are committed to expanding export opportunities for the U.S. specialty crop sector. This report meets the requirements stated above to describe market access barriers confronting producers and exporters. USDA works with U.S. agricultural industry groups, U.S. regulatory agencies, and the Office of the U.S. Trade Representative (USTR) to open, expand, and maintain access for U.S. specialty crop products to export markets. This report also highlights USDA and the U.S. agricultural industry efforts and resources to facilitate U.S. specialty crop exports. Cooperation between USDA and the U.S. agricultural industry is not only important for maintaining existing export markets, but also for establishing new markets for U.S. products. Market access, expansion, and retention successes are outlined in this report.

Trade barriers such as burdensome requirements related to pre-export plant health inspections, low or missing pesticide maximum residue levels, labeling, or quality certification may discourage some U.S. specialty crop producers from shipping products overseas. However, USDA is committed to assisting U.S. agricultural stakeholders to overcome trade barriers that deter U.S. specialty crop exporters and help them compete in the global marketplace. One such method USDA utilizes is the Technical Assistance for Specialty Crops (TASC) program, which allocates funds to public and private sector stakeholders to address trade barriers in the specialty crop industry. In FY 2020, FAS funded 14 TASC projects and allocated all TASC program funds for the first time.

USDA's Role in Facilitating Trade in U.S. Specialty Crops

Foreign Agricultural Service (FAS)

FAS maintains a global network of 97 offices covering 177 countries. These offices provide unbiased public information on foreign markets, develop relationships with foreign governments and importers to solve emerging problems, and advise Washington agencies and U.S. industry on strategies to support U.S. exports. FAS leads the U.S. interagency review of new foreign regulations, participates actively in trade negotiations, and partners with USTR to enforce U.S. rights under existing trade agreements and international commitments.

Animal and Plant Health Inspection Service (APHIS)

APHIS is responsible for safeguarding the health and value of U.S. agriculture, including domestic and international export markets. APHIS conducts science-based technical negotiations to open, expand, and maintain export markets, thereby ensuring that U.S. agricultural exports are protected from unjustified barriers. APHIS also develops and coordinates U.S. phytosanitary export policies and export protocols implemented by APHIS and by state and county regulators, facilitating exports of U.S. agricultural products around the world. In addition, APHIS supports U.S. specialty crop exports via its network of attachés in key export markets, by maintaining offices at vital U.S. export facilities, and through exotic fruit fly exclusion and detection activities. One of the Agency's key strategies is maintaining a barrier against the spread of the Mediterranean fruit fly (Medfly) northward from Central America to protect domestic crop production and maintain export market access.

Agricultural Marketing Service (AMS)

AMS programs facilitate the efficient marketing of U.S. agricultural products. AMS certification, auditing, inspection, and laboratory analysis services are effective tools for demonstrating that exported products comply with quality requirements in foreign markets. AMS also plays a key role in regulating and providing guidance on the certification, production, handling, and labeling of USDA organic products. Organic equivalency agreements eliminate additional certification burdens on producers and facilitate the trade of organic specialty crops.

Agricultural Research Service (ARS)

By researching and understanding the biology and ecology of insects and noxious weeds, ARS develops technologies to manage pest populations, thus continuing to help open and maintain access to export markets for U.S. specialty crop industries.

Interagency Response to Technical Non-Tariff Barriers

Trade barriers to U.S. specialty crop exports can be complex, and the U.S. government's response is generally formulated within an interagency context. USDA representatives abroad often receive information on pending regulations before those measures are formally notified to the World Trade Organization (WTO) for international public consultation. USDA and other relevant agencies can then engage with trading partners on proposed regulations at an early stage. FAS leads an interagency review process to provide formal comments on certain measures notified by member countries to the WTO.

U.S. regulatory agencies, including APHIS, the U.S. Environmental Protection Agency, and the Food and Drug Administration, are involved in establishing international standards related to food safety, environmental impacts, and plant health that directly affect U.S. specialty crop exports. U.S. officials, led by the United States Codex Office (USCO), participate in the development of international food safety and commodity standards, with FAS and USCO working together and with the interagency to build support for U.S. policy positions. International standards developed by the joint World Health Organization/Food and Agriculture Organization of the United Nations Codex Alimentarius Commission, International Plant Protection Convention, and the World Animal Health Organization often serve as the basis for national sanitary and phytosanitary (SPS) regulations adopted by many trading partners. USDA and USTR often encourage U.S. trading partners to consider these international standards when developing their own regulations, to facilitate trade while protecting plant and animal health and ensuring food safety. USDA capacity building programs reinforce this message and help countries build the technical capacity needed to meet their international obligations.

Technical Assistance for Specialty Crops (TASC) Program Overview

Congress authorized the establishment of the TASC program under the Farm Security and Rural Investment Act of 2002, which directed the Secretary of Agriculture to operate the program through FY 2007 using funds from

USDA's Commodity Credit Corporation. USDA established the program to address unique barriers that prohibit or threaten the export of U.S. specialty crops by providing for public- and private-sector projects. TASC was first reauthorized in the Food, Conservation, and Energy Act of 2008. The Agriculture Improvement Act of 2018 (Pub. L. 115-334) most recently reauthorized the program for fiscal years 2019-2023.

FAS operates the current TASC program to fund projects that address existing and potential SPS and technical barriers to trade (TBT) issues that may affect U.S. specialty crop exports. Activities must benefit the industry at large rather than a specific company, and applicants must provide a clear strategy for overcoming trade barriers and market access issues. Any U.S. organization, private or public, with a demonstrated role or interest in exporting U.S. specialty crops may apply for TASC funding. In line with the changes to the program made in the Agriculture Improvement Act of 2018 (Pub. L. 115-334), awards will generally be granted for a project period not exceeding 5 years, with the opportunity for an extension based on a determination of the effectiveness of continued funding.

FAS provides potential program participants with TASC funding availability through an annual announcement on Grants.gov. FAS routinely engages in program promotion opportunities, such as encouraging the submission of applications to the program during meetings with industry groups or other interested parties, as well as email and telephone engagements with industry about the TASC program.

In FY 2020, FAS funded 14 TASC programs and allocated all 2020 TASC program funds. In September 2019, FAS received its total funding of \$8,469,000 from the Office of Management and Budget (OMB) for the 2020 TASC program. Of those total funds, \$1,085,525 was provided to cover administrative expenses incurred by TASC program. These funds are a subset of the total apportioned amount and are not available for programming. The 14 approved TASC projects provided a total of \$7,692,607 in funds.

In June 2020, FAS allocated all available FY 2020 TASC funding with a funding shortfall of \$309,132. In compliance with the authority granted in the 2018 Farm Bill, FAS requested that unexpended TASC funding from 2019 be made available for the 2020 program. In August 2020, OMB issued a revised apportionment that made available the unexpended 2019 TASC funding, which was then used to fully fund the approved 2020 TASC projects.

Table 1: TASC Program 2020 Agreement List

Agreement Number	Participant	Activity Title	Funded Amount
2020-01	Northwest Horticultural Council (NHC)	South Africa Technical Visit to the Pacific Northwest for Expanded Apple Access	\$23,700
2020-02	Almond Board of California	Pesticides and Market Access in the European Union (EU)	\$243,400
2020-03	Bryant Christie Inc. (BCI)	BCGlobal Pesticide MRL Database Technical Upgrade and Data Migration	\$525,936
2020-04	U.S. Highbush Blueberry Council (USHBC)	Blueberry Pesticide Residue Decline Curve Study	\$463,560
2020-05	Citrus Research Board (CRB)	Breaking Critical Pest-related Trade Barriers for California Citrus Exports: Systems Approach Evaluations	\$1,475,828

Table 1 Continued

2020-06	BCI	BCGlobal Pesticide MRL Database Subscription (2020-24)	\$520,800
2020-07	Chapman University (CU)	Using Irradiation to Reduce Post-Harvest Defects on California Apples and Pears Exported to Mexico: A Technical and Economic Study	\$731,612
2020-08	California Prune Board (CPB)	Preserving Sulfuryl Fluoride for Dried Fruit Exports to the European Union (EU)	\$1,467,281
2020-09	Organic Trade Association	Chile Good Agricultural Practices (GAP) Analysis	\$379,500
2020-10	DFA of California (DFAOC)	Chlorate MRL Barrier to the Export of California Dried Fruits and Tree Nuts to the EU	\$994,528
2020-11	Almond Alliance of California	Establishing New and Expanded Export Markets for Whole Almond Hulls	\$507,330
2020-12	California Table Grape Export Association (CTGEA)	Monitoring Non-Preleared Table Grape Shipments to Australia and Addressing Arrival Problems	\$42,400
2020-13	Potatoes USA	Addressing Technical Barriers to Trade that Limit the Export of U.S. Fresh, Seed, Frozen, and Dehydrated Potatoes	\$275,000
C2020-01	USDA Agricultural Research Service -Pacific West Area (ARS-PWA)	Nitric Oxide Fumigation for Postharvest Pest Control	\$41,732
		Total	\$7,692,607

Trade Summary: U.S. Specialty Crop Exports in 2020

In FY 2020, the export value for U.S. specialty crops fell slightly from \$24.8 billion in 2019 to \$23.7 billion in 2020. The fresh fruit sector experienced export growth of approximately 0.5 percent, while tree nuts, fresh vegetables, processed fruits, and the nursery sectors exports declined. FY 2020 nursery sector exports declined over eight percent from FY 2019. Global exports of U.S. wine were valued at approximately \$1.28 billion, declining six percent from FY 2019.

U.S. exports of fresh fruits and tree nuts continue to face difficulties from the European Union's (EU) hazard-based approach to pesticide maximum residue levels (MRLs). The EU has removed critical pesticide MRLs for specialty crops, making import requirements more restrictive. U.S. exports of almonds and pistachios face additional restrictive aflatoxin control measures. U.S. fruits and tree nuts are also subject to retaliatory tariffs from China, India, and the EU. Wine exports face cumbersome labeling and registration requirements in the EU, in addition to tariffs. U.S. producers are also at a disadvantage when competing against other supplying countries that have preferential access agreements with export markets, particularly the EU, China, Japan, and India. China's import restrictions continue to impose costs and delays on imports of U.S. cold chain food

products, including horticultural products. Market access and lack of transparency remain an issue in many markets. The United States will continue to support countries in adopting or maintaining risk-based approaches to pesticide regulation, collaborate with like-minded countries in support of science-based policies, and work with these coalitions to advocate for the use of Codex standards.

Global Import Restrictions for Wine

As provided in the Foreword of this report, Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 Note), as amended under Section 10010 of the Agricultural Act of 2014, Public Law 113-79 (2014 Farm Bill), defines specialty crops as fruits and vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture). Building upon this guidance, USDA specified that to be considered a specialty crop, processed products shall consist of greater than 50 percent of the specialty crop by weight, exclusive of added water. Pursuant to this definition, and as grapes are considered a specialty crop, grape wine is also considered a specialty crop.

INTERNATIONAL WINE TECHNICAL SUMMIT (IWTS): U.S. wine exporters face a growing number of overly restrictive import requirements, notably requiring official certificates beyond those normally provided by the U.S. Department of Treasury's Alcohol and Tobacco and Tax Trade Bureau (TTB). The requirements often involve additional laboratory testing or certification of Good Manufacturing Practices. FAS provides TASC Program funding to the California Wine Institute, a cooperator and leading trade association representing California wineries, to support and host the IWTS, first held in 2016. This annual event brings together industry and U.S. and trading partner regulators to focus on the use of science in the development of regulatory and enforcement systems that govern the international trade of wine. Due to the COVID-19 pandemic, the 2020 IWTS was held virtually and, as a result, over 200 foreign government and industry representatives participated from nearly every continent. This record-breaking participation included Chinese Government representatives and U.S. Embassy staff for the first time since the event's inception. The IWTS is organized by the U.S. Government and the Wine Institute under a Memorandum of Agreement between the U.S. Department of Commerce (DOC) and the Wine Institute. Participating U.S. agencies include USDA, DOC, and the TTB.

2020 Success Stories

ALGERIA – ALMONDS: In July 2020, Algeria announced a ban on imported almonds from the United States to protect national production. After bilateral engagement, Algeria adjusted the ban to be seasonal from June-August. Engagement and negotiations are ongoing. Prior to the ban, Algeria imported approximately \$22 million of U.S. almonds annually.

ARGENTINA – U.S. PACIFIC NORTHWEST (PNW) SWEET CHERRIES: In December 2019, Argentina officially reopened market access for U.S. sweet cherries from Oregon, Utah, and Washington. In 2011, Argentina closed the market, citing spotted wing drosophila concerns and insisting on an unnecessary pest risk assessment (PRA). APHIS conducted technical negotiations and FAS funded a TASC site visit in October 2019 to support market access. U.S. exporters can now access the market using commercially viable pest mitigation treatments. Exports are expected to reach \$650,000 by 2025.

CHILE – U.S. BLUEBERRIES: In August 2020, after several years of negotiations by APHIS, Chile opened its market to California, Oregon, and Washington blueberries. USDA first requested market access in 2002. U.S. blueberry exports in 2021 are forecast at approximately \$375,000 and are expected to reach \$500,000 in 3 years.

CHINA PHASE ONE AGREEMENT: In February 2020, the U.S.-China Phase One Agreement went into effect, providing U.S. producers of horticultural products with new or expanded access for fresh potatoes, California nectarines, blueberries, and California Hass avocados. Initial shipments of nectarines, blueberries, and avocados to China have begun and are expected to increase over time.

COLOMBIA – U.S. BLUEBERRY PLANTS: In December 2019, Colombia suspended all import permits for U.S. blueberry plants due to the interception of blueberry shoestring virus. Working with the U.S. blueberry industry, APHIS established phytosanitary mitigation measures to guarantee compliance. Colombia then reopened the market by issuing import permits. In April 2020, USDA confirmed that a shipment of 65,000 blueberry plants arrived at the port of Buenaventura, Colombia.

COLOMBIA – CALIFORNIA POMEGRANATES: In June 2020, Colombia's plant protection authority published phytosanitary requirements for U.S. pomegranates. USDA requested access in 2018 and APHIS negotiated with Colombia on phytosanitary requirements. Each shipment must come from California according to the agreed-upon protocol or use methyl bromide treatment. Annual U.S. exports are expected to reach \$3-5 million.

EU – ALMONDS: In October 2019, the EU decreased its import checks regime to under one percent for aflatoxin in U.S. almond shipments. FAS and the Almond Board of California worked together to reduce border rejections for aflatoxin contamination after the EU required higher testing rates for a year due to higher-than-usual aflatoxin rejections in 2017-2018. USDA and industry efforts greatly reduced costs for U.S. almond exports to Europe, a \$1.7 billion market in 2020.

INDONESIA – U.S. HORTICULTURE: In October 2020, the United States and Indonesia established the Joint Working Group on horticulture to monitor horticultural trade and investment relations, including all aspects of import license approval and issuance. U.S. exports to Indonesia of citrus, apples, and grapes fell in 2020 to \$48.5 million from \$58.7 million in 2019.

INDONESIA – U.S. FOOD SAFETY SYSTEM RECOGNITION: In November 2020, Indonesia's Ministry of Agriculture renewed U.S. Fresh Foods of Plant Origin recognition for an additional 3 years. This recognition provides faster customs processing times and less cumbersome documentation processes for U.S. exporters. The United States is one of nine countries with this recognition, which benefits at least \$1.3 billion of U.S. agricultural exports annually.

U.S.-JAPAN AGREEMENT: On January 1, 2020 the U.S.-Japan Trade Agreement (USJA) provided enhanced market access for many specialty crop products by eliminating tariffs on almonds, blueberries, cranberries, walnuts, sweet corn, broccoli, and prunes. Japan's tariffs on wine, fresh cherries, frozen potatoes, and oranges will be eliminated over stages. For U.S. oranges imported during the period of April-November, tariffs will be eliminated in stages by April 1, 2023. For oranges imported during the December-March period, tariffs will be eliminated in stages by April 1, 2025. In 2020, U.S. fresh fruit exports to Japan were \$320 million.

JAPAN – U.S. APPLE EXPORTS: In December 2019, Japan transferred oversight of the program for U.S. apple exports to APHIS, reducing the U.S. apple industry costs and providing more flexibility to schedule shipments. In 2020, U.S. apple exports to Japan were \$558,000.

JAPAN – U.S. CHIPPING POTATOES: In February 2020, building on the USJA efforts and through technical negotiations with APHIS, Japan allowed year-round access for imports of U.S. chipping potatoes, instead of limiting them to a 6-month window. At the same time, Japan also lifted the 2-month maximum storage restriction on U.S. chipping potatoes. In 2020, the United States exported about \$12.4 million in fresh chipping potatoes to Japan.

JAPAN – U.S. IN-SHELL WALNUTS: In September 2020, Japan allowed exports of all varieties of U.S. in-shell walnuts when it revised its Ordinance for the Enforcement of the Plant Protection Act. Previously, market access was limited to three specific walnut varieties-- Hartley, Payne, and Franquette.

JAPAN – U.S. PHYTOSANITARY FRAMEWORK: In September 2020, the United States and Japan agreed to update their phytosanitary framework to address many market access requests for the agricultural industry, including specialty crops, in both countries.

KOREA – COLORADO AND MONTANA SEED POTATOES: In November 2019, after technical negotiations with APHIS, South Korea agreed to allow seed potatoes from Montana and Colorado, when they meet the Seed Potato Certification Standard. In 2020, the United States exported \$9.3 million of fresh potatoes to Korea, a 277 percent increase from 2019.

KOREA – GRAPHIC WARNING LABELS FOR WINE: In February 2020, after the United States led several WTO TBT Committee interventions, Korea confirmed it would not continue the development of its proposed graphic warning label requirement for wine and other alcohol beverages. The proposal included a graphic and warning statement related to driving under the influence of alcohol and presented a significant administrative burden to U.S. wine exporters to this key market. In 2020, U.S. wine exports to Korea valued approximately \$50 million.

PHILIPPINES – U.S. BLUEBERRIES: In May 2020, the Philippines authorized full market access for blueberries, making the United States the only country with full market access. This was the result of technical negotiations with APHIS and bilateral engagement by FAS. In the past, the Philippines had allowed limited and intermittent importation of fresh blueberries specifically for hotels, restaurants, and high-end supermarkets. Sales over the past 5 years (2015 to 2019) averaged \$150,000 each year. With full market access in place for the entire Philippine market, U.S. sales could exceed \$500,000 within the first few years.

THAILAND – DISRUPTIVE TRADE MEASURES: In May 2020, the Thai Food and Drug Administration announced plans to implement MRL testing protocols during the height of the U.S. fresh produce shipping cycle. FAS convinced Thailand to amend the testing protocols to allow trade to flow freely for U.S. fresh produce, protecting a \$45 million market.

VIETNAM – U.S. FRESH FRUIT: In May 2020, Vietnam reduced Most Favored Nation tariff rates on several agricultural products including fresh apples, grapes, and raisins. The reduced tariff rates apply to products from the United States and other trading partners. In 2020, U.S. fresh fruit exports were \$128 million dollars.

Trade Issues Summary

Africa and Middle East

Country	Commodity	Issue	Barrier/Challenge
Algeria	Almonds	Import Ban	Remove seasonal ban.
Egypt	Seed Potatoes	Market Access	Egypt's approval of U.S. seed potatoes- exports could reach \$15 million annually.
Egypt	Date Palm Shoots	Market Access	Expanded market access.
Morocco	Seed Potatoes	Market Access	Moroccan approval of new varieties – estimated market value is approximately \$8 million.
Israel	Pears	Market Access	Expanded tariff rate quota for U.S. pears.
South Africa	Pacific Northwest Apples	Market Access	Technical visit by South African regulators delayed by the Covid-19 pandemic as part of risk assessment.

Africa and Middle East Continued

South Africa	Blueberries	Market Access	Ongoing technical discussions between regulators about potential pests and diseases and their mitigation protocols.
Tunisia	Various	Import Bans	Bilateral discussions for U.S. commodities including citrus, apples, and pears.

Asia

Country	Commodity	Issue	Barrier/Challenge
China	Chipping Potatoes	Facility Certification	Certification of processing facilities and import guidance to inspection agency.
China	Blueberries	Systems Approach Approval	Implement a systems approach by removing fumigation requirements as an import condition for eight states.
China	Almond Pellets/ Cubes	Market Access	Approval and addition to China's feed ingredient list.
China	Almond Hulls for Forage	Market Access	Review and approval of phytosanitary requirements.
China	Pomegranate	Market Access	Development of the pest risk assessment (PRA) per APHIS request.
China	Strawberry	Excessive penalty	Develop less austere penalty terms under the protocol that currently precludes U.S. strawberry shipments.
China	Sweet Potatoes	Market Access	Development of the PRA per APHIS request.
China	Cranberries	Market Access	Development of the PRA per APHIS request.
China	Peaches	Market Access	Development of the PRA per APHIS request.
China	Wisconsin Ginseng	Packaging Restrictions	Develop consumer friendly Convention on International Trade in Endangered Species of Wild Fauna and Flora restrictions on retail packages to meet China's import requirements.
China	Pesticide Maximum Residues (MRL)	Import Tolerance and Good Laboratory Practices	Lack of an import tolerance policy or a certification for a good laboratory practices.
Indonesia	Horticultural Products	Import Licensing	Address timely issuance of licenses, inspection requirements for U.S. exporters and upcoming regulatory changes to Indonesia's licensing system through the Joint Working Group established in 2020.
Indonesia	Horticultural Products	Pre-shipment Inspection	Remove Indonesia's third-party physical inspection requirement for U.S. horticultural products.
India	Horticultural Products	Tariffs	India's applied WTO tariff rates for certain agricultural products present a significant barrier to trade in agricultural goods, e.g. potatoes, almonds, pecans, apples, and grapes.

Asia Continued

India	Horticultural Products	Tariffs	In 2019, India implemented retaliatory tariffs, ranging from 1.7 percent to 20 percent on 28 different products imported from the United States, including: almonds, apples, and walnuts.
Japan	All Agricultural Crops	MRLs	Review Japan's proposals on new/revised MRLs, such as fenpropathrin in various crops.
Japan	All Agricultural Crops	MRLs – sanctions	Encourage Japan to adopt a risk-based inspection system that only applies sanctions to specific producers/exporters, rather than industry-wide.
Japan	All Agricultural Crops	Post-Harvest Fungicides	Japan classifies post-harvest fungicides (PHFs) as food additives, so registrants must pay for two risk assessments, and food labeling laws require suppliers to include the PHFs on the label.
Japan	Chipping and Table-stock Potatoes	Market Access	Jointly develop a framework to approve inland processing facilities for U.S. chipping potatoes. Gain market access for U.S. table-stock potatoes.
Japan	Apples	Market Access	Adoption of a systems approach to eliminate costly methyl bromide fumigation treatment requirements.
Japan	Stone fruit	Market Access	Revised operational work plan for nectarines and European plums.
Korea	Horticultural Products	Pre-shipment Inspection	Remove Indonesia's third-party physical inspection requirement for U.S. horticultural products.
Korea	All Agricultural Crops	MRLs	Ensure a smooth transition by South Korea to its positive list system.
Malaysia	Wine	Tariffs	Wine is subject to an effective tariff of up to 500 percent when import duties and excise taxes are combined.
Malaysia	Horticultural Products	Tariff Rate Quota	The Malaysian Government maintains tariff rate quota systems for 20 tariff lines, including multiple fruits and vegetables.
Philippines	Horticultural Products	Import permits	Remove the requirements for importers to obtain a sanitary and phytosanitary import clearance permit, to transmit the permit to the exporter prior to shipment for horticultural products and be signed by Philippine's Secretary of Agriculture or designated representative.
Taiwan	All Agricultural Crops	MRLs	Encourage Taiwan to improve the speed, efficiency, and transparency of its MRL regulatory system to facilitate trade.
Taiwan	Fresh Ginseng	Market Access	Authorize access for Wisconsin fresh ginseng.
Taiwan	Potatoes	Quality	Engage on potato quality issues such as rot, mold, and sprouting with the goal of reaching an agreement on quality standards.
Thailand	Horticultural Products	MRLs	Zero maximum residue limits of paraquat and chlorpyrifos from June 1, 2021 for imported fresh vegetables and fruits.

Asia Continued

Vietnam	Stone Fruits: Apricots, Peaches, Nectarines, Plums	Market Access	Continued technical discussions on pest risk assessments
Vietnam	Grapefruit	Market Access	Encourage approval of PRA by Vietnam.

Australia

Country	Commodity	Issue	Barrier/Challenge
Australia	Apples and Pears	Market Access	Prohibition of the importation of apples and pears based on concerns regarding several pests.

Europe

Country	Commodity	Issue	Barrier/Challenge
EU	Horticultural Products	Phytosanitary Barrier	Concerns over EU's policy approach for how it sets and changes pesticide MRLs and import tolerance levels, including discontinuing use of critical substances without sufficient science-based justifications.
EU	Pistachios	MRLs	Low MRL for ochratoxin A levels in pistachios.
EU	Tree Nuts, Citrus, Blueberries	MRLs	Possible non-renewal of phosmet, which is set to expire July 2021.
EU	Fruits, Nuts, vegetables, Citrus	MRLs	Possible non-renewal of glyphosate, which is set to expire December 2022.
EU	Wine	Technical Barrier	Restrictions on use of "traditional terms", such as "tawny", "ruby", and "chateau" on labels of imported wines impedes U.S. wine exports to the EU.
Norway	Horticultural Products	Tariffs	Maintains high tariff rates on agricultural products and a lack of predictability in tariff adjustments and insufficient advance notification of adjustments.
Russia	Most U.S. Exports	Import ban	Ban established in 2014 in retaliation for U.S. sanctions and renewed annually.

North America

Country	Commodity	Issue	Barrier/Challenge
Mexico	Apples	Plant Health Oversight	Beginning in 2022, Mexico may conduct audits every 3 years and California may also ship apples to Mexico using cold treatment.
Mexico	Fresh Potatoes	Market Access	Mexico's Supreme Court will decide on a case that establishes amount of market access.
Mexico	Peaches, Nectarines, and Plums	Market Access	Continue engagement on the export requirements for peaches, nectarines, and plums from Idaho, Oregon, and Washington.

Caribbean, Central and South America

Country	Commodity	Issue	Barrier/Challenge
Argentina	Apples, Pears, Grapes, and Berries	Phytosanitary Barrier	Restricted market access due to pest concern that are easily mitigated, already present in Argentina, or are now eradicated from the United States.
Chile	Blueberries	Market Access	Imports are limited to three states due to pest concerns.
Costa Rica	Fresh Potatoes	Market Access	Persistent issues remain regarding at-border processes and market access for fresh U.S. potatoes, both for chipping and table stock potatoes.
Costa Rica	Horticultural Products	Phytosanitary Barrier	High cost of quarantine fumigations at Costa Rican ports of entry when quarantine pests are intercepted in shipments.
Ecuador	Potatoes	Technical Barrier	Mandatory and cumbersome process for allocating import licenses for potatoes and various other agricultural products.
Guatemala	Horticulture Products	Phytosanitary Barrier	Fumigated consignments may be denied entry due to the presence of quarantine pests without consideration of additional or alternate treatments.
Panama	Onions	MRLs	Onions cannot be sold 75 days after the date of harvest and overly prescriptive storage temperature and humidity requirements.
Panama	Potatoes	Technical Barrier	As of June 2, 2021, potatoes cannot be sold 30 days after the date of harvest and overly prescriptive storage temperature and humidity requirements.