



October 17, 2024

Laura Buffo  
Chair of the Trade Policy Staff Committee  
Office of the United States Trade Representative  
600 17th Street, N.W.  
Washington, DC 2050

Dear Ms. Buffo:

This document is in response to the Office of the U.S. Trade Representative's (USTR) request for comments regarding significant barriers to U.S. exports for inclusion in the 2025 National Trade Estimate Report (Docket ID USTR-2024-0015).

The North American Blueberry Council (NABC) serves as a key advocate for the success and profitability of the highbush blueberry industry and assists its membership in addressing issues regarding market access; provides counsel in the development of standards for quality and food safety; and serves as a source for helping to manage and communicate industry issues as a voice for the North American highbush industry.

With this report, the NABC is submitting comments on trade barriers currently impacting the export of U.S. blueberries and blueberry products in the following markets: Canada, Chile, People's Republic of China, European Union, Japan, South Africa, South Korea, the United Kingdom, and Vietnam.

Thank you for your consideration of these comments. The North American Blueberry Council welcomes the opportunity to provide any additional information that you might need.

Sincerely,

A handwritten signature in black ink, appearing to read "Alyssa Houtby".

Alyssa Houtby  
Director of Government Affairs

## **CANADA**

### **Technical Barriers to Trade**

#### **I. Proposed Review of Grade Names and Standards System**

In August 2024, the Canadian Food Inspection Agency (CFIA) published a discussion and consultation paper related to the proposed modernization of the Canadian food quality standards, including grade standards for fresh fruit and vegetables (FFV).

The CFIA discussion paper outlines a series of proposed strategies to modernize Canada's approach to grade names and standards. While the NABC is supportive of CFIA's broader objective of ensuring grade names and standards requirements are streamlined and targeted appropriately, the NABC has concerns about aspects of the review process.

The CFIA recognizes that the grade system is central to facilitating trade of FFV between Canada and other countries, including the United States. Currently, Canada formally recognizes U.S. grade standards requirements and grade standard names, as codified in its "Grade Standards Requirements for Fresh Fruits or Vegetables Imported from the United States." Canada should continue to allow the use of the grade name "No. 1" for blueberries imported from countries with grade standards that are significantly similar to Canada's current grade standards.

NABC is concerned by a question posed by CFIA in the consultation discussion drafted related to incorporating sustainability mandates into grade standard requirements. CFIA asks commenters to consider if the new grading system should "align with CFIA's mandate, and where applicable and possible within that mandate, align with the Government of Canada's commitments to sustainability, food security, and reduction of food loss and waste."

External metrics, including those related to sustainability, food security, and reduction of food loss and waste, should not be a factor in the development or application of FFV grades. The application of such novel requirements would complicate international trade by creating regulatory misalignment between Canada and other trade partners. Additionally, such metrics would add unnecessary complexity and uncertainty for producers and exporters of fresh blueberries to Canada. Any resulting disruption to trade would have negative implications for Canadian consumers and for Canada's broader food security.

NABC asks that USTR closely monitor CFIA's review process and ensure that proposed amendments to Canada's grade system are subject to a consultation process and that trading partners are notified. Should CFIA seek to incorporate external metrics, including those related to sustainability, NABC strongly encourages USTR to oppose such proposals.

## **II. Plastic Packaging Reduction Proposals**

Canada's proposed policy approach toward reducing levels of plastic pollution would devastate U.S. exports of fresh and processed agricultural products, including blueberries, to Canada.

Over the past eighteen months, the Canadian government has introduced a series of proposals that aim to increase the reusability and recyclability of plastic packaging for food products. This includes proposals to mandate new minimum recycled content requirements for plastic packaging, proposed labeling rules for recyclability and composability, the development of a Federal Plastic Registry; and notably, proposed requirements of retailers in Canada to develop "Pollution Prevention Plans, or P2 plans" that outline steps to meet federal targets to reduce plastic packaging across the supply chain.

Canada's proposed recycled content and labeling rules for plastics would require suppliers to assess the recyclability of packaging in each province or territory where the item is sold and ensure packaging is compliant with specified recycling thresholds and labeled accordingly. If enacted, this would mandate that product packaging is labeled differently across Canada's provinces, which would impose significant cost and resource burdens on suppliers that are simply not operationally viable.

Similarly, Canada's P2 proposals set aggressive and unrealistic targets for retailers to phase out plastic packaging across the supply chain, which would harm trade. This includes requirements that 75% of fresh fruits and vegetables be sold in bulk or plastic-free packaging by 2026 and 95% by 2028, and that 100% of all produce packaging to be reusable, recyclable, or compostable by 2030. These targets are not viable and fail to account for the important functional role of current produce packaging for food safety and labeling requirements. These essential purposes are not afforded sufficient consideration in the current Canadian government proposals.

Moreover, Canada's proposals do not consider the availability, viability, or cost of alternative forms of packaging that would be required to meet Canada's targets. In effect, the introduction of these packaging targets would act as a de-facto trade barrier,

especially for smaller producers and suppliers who would be unable to transition supply chains to meet the compliance timelines outlined.

NABC urges USTR to continue to engage with the Canadian government to ensure that plastic packaging proposals are developed in consultation with industry and trading partners, and that the final regulation affords sufficient consideration to the availability and viability of alternative packaging forms and critical food safety imperatives.

### **Estimate of Potential Increase in Exports if Barriers Were Removed**

In 2023, exports of U.S. blueberries and blueberry products to Canada were valued at \$183 million. Maintaining a trade facilitative regulatory environment is critical to the continued strength of U.S. blueberry exports to Canada.

## CHILE

### **Unwarranted Sanitary and Phytosanitary Measures**

#### **Fresh Blueberry Market Access for East Coast**

The U.S. blueberry industry has been seeking market access to Chile for east coast blueberries for several years. The focus of this request is to secure access for east coast fruit under a systems approach export program, similar to the current access for fresh blueberries from west coast states. The NABC and USDA's Animal and Plant Health Inspection Service have been working toward this objective.

Following constructive negotiations with Chile, in July 2024, APHIS reached an interim agreement with Chile that would permit access for east coast fruit subject to methyl bromide fumigation. While NABC welcomes the progress made, the industry's focus and commitment remain on securing access under a systems approach program. The NABC understands that this objective has been recognized by Chilean authorities, with commitments made to finalize access under a systems approach program over the next six months.

The NABC expects Chile to uphold this commitment and continue to engage constructively with APHIS to finalize systems approach access for east coast fruit by Spring 2025. The NABC asks that USTR monitor the status of these negotiations to ensure that this timeline is upheld.

#### **Estimate of Potential Increase in Exports if Barriers Were Removed**

At present, exports of U.S. fresh and processed blueberries to Chile are limited, valued at less than \$1 million. Securing market access to Chile for east coast fruit under a systems approach will support the growth of exports to this market.

## CHINA

### Import Policies

#### **Retaliatory Tariffs**

China continues to impose high retaliatory tariffs on U.S. blueberries in response to the U.S. Section 232 and Section 301 actions. These tariffs place the U.S. at a competitive disadvantage and undermine U.S. exports to the Chinese market, which have declined from over \$4.5 million in 2016 to \$1.5 million in 2022.

China imposes the following tariffs on U.S. blueberries:

#### **China Tariffs on U.S. Blueberries**

<b>HS Code</b>	<b>Description</b>	<b>China MFN Tariff Rate</b>	<b>China Section 232 Retaliatory Tariff</b>	<b>China Section 301 Retaliatory Tariffs (cumulative total)</b>	<b>Current U.S. Total Tariff Rate (inclusive of prior China retaliatory tariffs)</b>
0810.40.0090	Fresh Blueberries	30%	15%	<b>30%</b>	75%
0811.90.9090	Frozen Blueberries	30%	15%	<b>30%</b>	75%
0813.40.9090	Dried Blueberries	25%	15%	<b>30%</b>	70%

While blueberries from the U.S. are subject to tariffs as high as 75%, competitors such as Peru and Chile which have duty-free access as a result of their respective trade agreements, and Canada that has a reduced MFN rate. This harms U.S. market share and undermines U.S. exports to China.

The U.S. blueberry industry continues to seek temporary waivers of China's retaliatory Section 301 tariffs on U.S. blueberries through a domestic Chinese tariff waiver program. A successful application through this process would reduce China's retaliatory tariffs on U.S. blueberries by 30%. This process, while welcome, is not an effective or long-term solution.

Tariff waivers can only be sought by domestic Chinese bodies, and any waiver secured is valid for only one year and for a limited amount of product, apportioned monthly. The tariff waivers also do not apply to the retaliatory Chinese tariffs of 15% on fresh, frozen,

and dried blueberries, respectively, that China imposed in response to the U.S. Section 232 steel and aluminum action.

The status of China's tariff waiver process is also in doubt and subject to ongoing Chinese Government discretion. As a result, this program could be removed at any time. Without this tariff waiver process, suppliers of blueberry products to China will have no means to seek more favorable tariff conditions.

NABC urges USTR to seek a resolution that lifts China's retaliatory tariffs on U.S. products, including blueberries. If a resolution is not possible in the short term, NABC asks that USTR seek a more limited agreement from China to permit the continued application of a tariff waiver process for U.S. products such as blueberries.

Additionally, NABC urges USTR to pursue broader tariff reductions from China for U.S. blueberries, including the elimination of China's high MFN tariffs on imports of fresh, frozen, and dried blueberries.

## **Sanitary and Phytosanitary Measures**

### **I. Expanded Fresh Blueberry Market Access**

The U.S. blueberry industry welcomed the opening of China for U.S. fresh blueberries in May 2020. This was a considerable achievement for the industry and USDA, and shipments to the market, although minimal, have commenced.

The agreement allows fresh blueberries from west coast states to be exported under a systems approach while non-west coast berries must be fumigated for certain pests prior to export. Fumigation affects the quality of the fruit. As part of the U.S.-China agreement on blueberries, China committed to allow non-west coast states to trap and test for the pests of concern as part of a pilot program aimed at future access under a systems approach.

The pilot program was undertaken throughout 2020-21 and data was successfully secured for east coast states. In March 2022, this data was shared with China by USDA to facilitate negotiations for expanding the west coast systems approach requirements to east coast states. To-date, USDA and NABC have not received any update from Chinese authorities. The status of China's review of this data is unclear.

The NABC seeks improved access to China to allow blueberry growers from the east coast to ship to China without fumigation. This access will support growers, packers,

and shippers across rural east coast America. NABC requests that USTR raise this request with China and seek commitments from Chinese regulators to allow systems approach access for all U.S. blueberry producing states to be reached as quickly as possible.

## **II. Restrictive Import Registration and Inspection Requirements**

On January 1, 2022, China implemented Decree 248 – a broad regulation that imposed new registration and labeling requirements for manufacturers supplying food products to China. Decree 248 requires overseas food manufacturers and storage facilities to register with Chinese authorities and to label a new registration number on the inner and outer packaging of foods manufactured and exported to China after January 1, 2022.

For much of the period after implementation, China mandated this registration for processed products. However, in 2024, China further amended the scope of the registration requirements to cover fresh products. While much of this information is already provided by USDA as part of the phytosanitary market access requirements, the registration mandate requires U.S. commodity groups, including the U.S. blueberry industry, to provide Chinese authorities with an identification number for any shipper who may export to China. This is yet another administrative burden for USDA and suppliers seeking to export to China.

More broadly, China's Decree 248 requirements are excessive in scope and have resulted in additional bureaucracy and cost for suppliers to the market. Furthermore, Decree 248 contravenes China's obligations as a WTO member to ensure measures introduced are least trade restrictive.

NABC asks that the U.S. government continue to oppose Chinese regulatory requirements, including Decree 248, that impose unnecessary restrictions on trade.

## **III. Maximum Residue Levels (MRLs)**

The U.S. blueberry industry is actively engaged in seeking additional blueberry MRLs in China. While China continues to establish blueberry MRLs at acceptable levels, many more are needed.

A key challenge for the U.S. blueberry industry is that China does not have a system for stakeholders to seek and establish import tolerances in China. Registrants must fully



register a product in China, including conducting residue trials in the country, to obtain an MRL. This is burdensome and prevents some MRLs from being established.

NABC asks that USTR and other U.S. government agencies continue to engage with China and encourage China to harmonize new MRLs with U.S. levels, or at least Codex MRLs, when establishing national Chinese MRLs. In addition, the NABC asks that the continued U.S. Government support is provided to the Chinese Government to ensure Chinese food import and MRL policies are transparent, consistently applied, based on sound science, and as least trade restrictive as possible.

### **Estimate of Potential Increase in Exports if Barriers Were Removed**

In 2023, exports of U.S. blueberries and blueberry products to China were valued at \$974,000. This is a considerable decrease from the 2017 value of \$5.8 million and reflects the negative impact of Chinese retaliatory tariffs on U.S. imports and China's unwarranted import policies.

If China's high tariffs are reduced or eliminated in full, and with more trade facilitative SPS conditions, U.S. blueberry exports to China would likely increase by a range of \$5 to \$25 million dollars.

## EUROPEAN UNION

### Import Policies

#### Tariffs

The European Union (EU) imposes high tariffs on imports of fresh, frozen, and dried blueberries. These tariffs range as high as 25.6% for some processed blueberry tariff lines. These tariffs are prohibitively high and undermine U.S. blueberry exports to the European market. EU tariffs on imports on U.S. blueberries are as follows:

#### EU Tariffs on U.S. Blueberries

HS Code	Description	Current EU Tariff on U.S. Blueberries
0810.40	Fresh blueberries	3.2%
0811.90.19	Frozen sweetened blueberries (more than 13% sugar by weight)	20.80% + 8.40 EUR / 100 kg
0811.90.39	Frozen sweetened blueberries (less than 13% sugar by weight)	20.80%
0811.90.95	Frozen unsweetened blueberries	14.4%
0813.40.95	Dried blueberries	2.4%
2009.89.90	Juice of fruit or vegetables, unfermented, Brix <= 67 at 20 degrees Celsius	17.6% - 25.6% + 4.20 EUR /100 kg
2008.99.28 2008.99.34 2008.99.37 2008.99.40 2008.99.49 2008.99.67 2008.99.99	"Fruit and other edible parts of plants, prepared or preserved"  (general tariff lines for processed blueberries)	17.6% - 25.6% + 4.20 EUR /100 kg

Until December 31, 2023, the U.S. blueberry industry was able to export frozen unsweetened blueberries to the EU tariff-free under an EU duty suspension on HS code classification 0811.90.95. However, in July 2024, the NABC learned that the EU was not going to renew this duty suspension. According to feedback, this is the result of Canada's preferential access to the EU for like-products under the EU-Canada Free Trade Agreement (CETA). This preferential access extends to all other blueberry tariff lines and places the U.S. at a considerable competitive disadvantage to Canada and other suppliers such as Chile that also have a trade agreement with the EU.

NABC appreciates the challenges of EU agricultural policy. However, EU tariff reductions through a formal trade agreement or broadened EU duty suspensions are critical to sustain U.S. blueberry exports to the EU market. Without reduced tariff rates, U.S. suppliers will continue to lose market share in the EU. NABC asks USTR to pursue tariff reduction in the EU for U.S. fresh and processed blueberries through any available opportunity.

## **Unwarranted Sanitary and Phytosanitary Measures**

### **I. Speed and Cost of Establishing Maximum Residue Levels**

The European Union (EU) maximum residue level (MRL) application system may require information that is not generated in the U.S. for domestic MRLs, such as metabolite data. The cost to obtain the required information can reach hundreds of thousands of dollars for a single MRL. Consequently, it is often not feasible or affordable to seek EU MRL import tolerances or adjustments to MRLs. NABC requests that the USTR advocate the streamlining of the MRL import tolerance establishment system with officials in the EU.

### **II. Systematic Lowering of Maximum Residue Levels**

The EU maintains its MRLs under Regulation 396/2005. Article 12 of this regulation provides for a review of the existing MRLs for all substances approved as active substances in plant protection products, and for substances non-approved on or after September 2, 2008.

While scientific reviewers Rapporteur Member State (RMS) and the European Food Safety Authority (EFSA) carry out a full risk assessment in line with the methodology used by Codex Alimentarius, the EU fails to consider the importance of the active ingredient's MRL for trade facilitation purposes even when comment letters are submitted at the beginning of the review process and then again once the proposal is notified to the WTO. Hundreds of EU MRLs, including many that are important for U.S. blueberries, have been amended to the default level of 0.01 ppm or to the lowest limit of quantification (LOQ). For example, the current EU MRL for bifenthrin of 3 ppm is proposed to be lowered to 0.01 ppm, which is more restrictive than the current U.S. MRL of 1.8 ppm.

With this continued methodology and further restrictions of EU MRLs, there will be fewer crop management products available for the industry. Without intervention, the EU will

continue to restrict MRLs based on their own environmental standards and policies rather than human health concerns or consideration of pest issues faced by growers.

NABC asks that the U.S. government continue to work with officials in the EU to push for a more effective, transparent, and inclusive regulatory review process.

### **III. Pesticide Reviews**

The EU's Regulation (EC) No 1107/2009 concerning the placing of plant protection products in the EU market uses a hazard-based approach to pesticide review. Active ingredients may not fall under certain criteria for approval in the EU. The criteria may be based on health concerns (mutagenic, carcinogenic, toxic for reproduction, or endocrine disruptor) or environmental concerns (persistent organic pollutant, persistent bioaccumulative and toxic, very persistent, and very bioaccumulative, among others). If the active ingredient has the potential to cause concern related to exposure, the EU does not carry out a risk assessment at all. Once approval has been withdrawn, associated MRLs are also withdrawn. There are fundamental concerns about the EU's policy of relying on potential hazards rather than conducting a complete risk assessment per the World Trade Organization and Codex Alimentarius.

The concern with the EU pesticide review methodology is relevant for non-EU stakeholders because once a substance is no longer approved for use in the EU, its corresponding MRLs are likely to be restricted as well. Of particular concern are European efforts to apply EU health and environmental standards to imported foods, as we have seen with the proposed withdrawal of MRLs for thiamethoxam and clothianidin. These are two neonicotinoids that are no longer approved for use within the EU even though no human health concerns have been identified. Instead, these MRLs have been restricted due to global environmental concerns. It is imperative that the EU be challenged in its resolve to impose its policies on countries outside of the EU.

Finally, the EU transition policy is unclear and discriminatory. MRL compliance has a different timeline for crops grown in the EU than those imported into the EU. This is a major concern for the U.S. blueberry industry as it does not provide third countries the same national treatment when it comes to MRLs.

NABC respectfully asks that USTR reviews whether the EU's policies are consistent with their international obligations under WTO law.

## **Technical Barriers to Trade**

### **Packaging Reduction Proposals**

NABC is concerned about the negative trade impacts arising from the EU's proposed packaging law, the Packaging and Packaging Waste Regulation (PPWR).

The PPWR, when enacted, will set binding requirements for single use plastic packaging products. This includes: bans on single use plastics for most fresh produce, potentially including fresh blueberries, bans on shrink wrap and collation films used during shipping, requirements for all produce packaging to be recyclable by 2030, and reuse targets that would impact transportation packaging, among other areas.

NABC is concerned that the PPWR will act as a further obstacle to trade, and that many of the requirements and targets fail to account for the important functional role of produce packaging and the availability of alternative packaging formats.

This is particularly the case for fresh blueberries, which are a fragile and perishable commodity. Plastic clamshells are important to protect fruit from damage during the shipping process and provide regulators, retailers, and consumers with important consumer labeling and food safety information. At present, there are limited alternative packaging forms that are compliant with the PPWR and meet the requirements of the supply chain.

NABC appreciates that a transition to more sustainable supply chains is worthwhile. However, it is important that this transition be undertaken with consideration to the demands of agricultural production and supply, food safety and quality standards, and the availability of compliant packaging forms.

NABC asks that USTR monitor the EU's finalized PPWR and engage with European regulators and U.S. agricultural groups to ensure trade is not negatively impacted by the PPWR requirements.

### **Estimate of Potential Increase in Exports if Barriers Were Removed**

In 2023, the U.S. exported \$533,000 worth of blueberries and blueberry products to the EU. This is down from \$8.1 million in 2017. With more trade facilitative conditions - both lower tariffs and science-based MRLs - exports to the EU could be expected to grow to \$20-\$30 million.

## **JAPAN**

### **Import Policies**

#### **Tariffs on Frozen Blueberries**

Securing the elimination of Japan's tariffs on U.S. frozen blueberries remains one of the industry's highest international trade policy priorities. Japan's tariff on frozen blueberries was overlooked in the negotiation of the U.S.-Japan Trade Agreement. As a result, Japan continues to impose tariffs of 9.6% on U.S. frozen sweetened blueberries (HS 0811.90.13) and 6% on unsweetened frozen blueberries (HS 0811.90.23). These tariffs are harming U.S. frozen blueberry exports to Japan and resulting in the loss of sales.

Japan is the industry's third largest export market for frozen blueberries. The continued imposition of Japan's tariffs on frozen blueberries places U.S. suppliers at a considerable disadvantage with competitors in Canada, who can export tariff-free as a result of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) agreement. This has resulted in declining U.S. market share and lost sales for U.S. grower and shippers who rely on the Japanese market.

To ensure the U.S. blueberry industry can remain competitive in this priority market, and to prevent the further loss of long-standing commercial relationships, it is critical that Japan's tariffs on frozen sweetened and unsweetened blueberries are eliminated as soon as possible. NABC urges USTR to pursue the elimination of Japan's frozen blueberry tariffs through any available opportunity, including through an ad hoc agreement with Japan.

#### **Estimate of Potential Increase in Exports if Barriers Were Removed**

The Japanese market is an important market for the U.S. blueberry industry. In 2023, total exports of U.S. fresh and processed blueberry products were valued at \$13.4 million. Frozen blueberry exports accounted for \$6.7 million, down from over \$8 million in 2020-2021. With complete tariff elimination for U.S. blueberries, total exports of U.S. blueberry products could increase by \$20-\$30 million over the next decade. Failure to eliminate the blueberry tariffs threatens the entirety of U.S. frozen blueberry exports to Japan.

## **South Africa**

### **Unwarranted Sanitary and Phytosanitary Measures**

#### **Fresh Blueberry Market Access**

Over the last two years, the U.S. blueberry industry and USDA's Animal and Plant Health Inspection Service have dedicated considerable time and resources to opening the South African market for U.S. fresh blueberries. However, despite progress made, NABC is concerned about a recent surprise shift in position from South Africa that is based on unjustified SPS concerns.

Following the initial request several years ago, negotiations with South Africa progressed and a work plan permitting the export of U.S. fresh blueberries to South Africa under a systems approach was essentially finalized. In July 2023, agreement was reached between the U.S. industry and South Africa's plant protection agency on the market access requirements. South African officials visited Michigan to undertake the required audit of industry production and pest mitigation practices. At the conclusion of the visit, the South African inspection officials remarked that they were pleased with the audit and impressed with the systems in place. The U.S. blueberry industry anticipated that the request would therefore be concluded in due course.

However, in November 2023, South Africa surprised USDA-APHIS and the industry when it raised alleged concerns about the efficacy of some of the proposed pest mitigation measures that were previously agreed to. No valid justification was provided for this shift in position.

NABC has since worked with APHIS to provide South African officials with further literature and justifications to reinforce the efficacy of the proposed and previously agreed upon pest mitigations. In an August 2024 response, South Africa accepted the proposals for west coast states, but continued to raise unwarranted concerns regarding SPS mitigations for east coast states. South Africa cited requirements related to the domestic interstate movement of fresh blueberries, which does not account for the phytosanitary measures applied to international trade that industry and APHIS is proposing.

NABC will continue to work with APHIS to finalize market access for U.S. fresh blueberries from the entire U.S. under a systems approach. The NABC asks that USTR monitor these negotiations and, as appropriate, support efforts to ensure that the

previously agreed upon commitments are upheld, with access based on appropriate, science-based SPS principles.

### **Estimate of Potential Increase in Exports if Barriers Were Removed**

Securing market access to South Africa will help grow U.S. blueberry exports to the market, and to the region more broadly.



## **SOUTH KOREA**

### **Unwarranted Sanitary and Phytosanitary Measures**

#### **Expanded Fresh Blueberry Market Access**

At present, Oregon is the only U.S. state to have market access to Korea for fresh blueberries. The industry has been seeking expanded access for California and Washington State for many years, but progress has been slow.

Several years ago, as part of our work toward securing expanded access, Korea initiated a pest risk assessment on California and Washington State as part of technical work to open the market. This process should not be difficult given that California and Washington State have similar pest profiles to Oregon. The industry also has a history of exporting fruit from Oregon without any issues. However, the U.S. blueberry industry has yet to see progress in negotiations with Korea and there is no timeline for deliverables. A key issue is Korea's stated inability to work on consecutive market access requests due to alleged resource constraints. This is unacceptable.

Expansion of the Korean market for U.S. blueberries will support growers and packers across rural America and boost U.S. blueberry exports to Korea. NABC asks that USTR raise this market access request with Korea and urge Korean regulators to engage constructively to advance and finalize market access for California and Washington State as quickly as possible.

#### **Estimate of Potential Increase in Exports if Barriers Were Removed**

South Korea is a large and important market for the U.S. blueberry industry with exports valued at \$24.5 million in 2023. With additional state access and trade facilitative phytosanitary conditions, exports could be expected to grow by \$10-15 million.

## UNITED KINGDOM

### Import Policies

#### Tariffs

The United Kingdom (UK) is an important market for the U.S. blueberry industry and one that the industry aims to grow over the next decade. However, this growth continues to be hampered by the high UK tariffs applied to imports of U.S. blueberries and blueberry products. These tariffs are as high as 25% for some processed blueberry tariff lines.

NABC welcomed the UK's decision to review its MFN tariff schedule following its withdrawal from the European Union on January 1, 2021. However, the industry was disappointed that new UK tariffs for blueberries are similar to those that were previously in place. A summary of UK tariffs on blueberry products is shown in the table below.

#### UK Tariffs on U.S. Blueberries

HS Code	Description	UK Tariff
0810.40	Fresh blueberries	2%
0811.90.19	Frozen sweetened blueberries (more than 13% sugar by weight)	20% + 7.00 GBP/100kg
0811.90.39	Frozen sweetened blueberries (less than 13% sugar by weight)	20%
081190.95	Frozen unsweetened blueberries	14%
0813.40.95	Dried blueberries	2.0%
2009.89.90	Juice of fruit or vegetables, unfermented, Brix <= 67 at 20 degrees Celsius	16% - 25% + 3.50 GBP/100kg
2008.99.28 2008.99.34 2008.99.37 2008.99.40 2008.99.49 2008.99.67 2008.99.99	"Fruit and other edible parts of plants, prepared or preserved"  (general tariff lines for processed blueberries)	16% - 25% + 3.50 GBP/100kg

NABC would welcome the recommencement of negotiations between the U.S. and the UK on a free trade agreement and urges USTR to pursue an agreement with the UK that eliminates all UK tariffs on U.S. blueberries and blueberry products.

Securing the elimination of UK tariffs on U.S. blueberries is particularly important in light of Canada's tariff-free access to the UK under the EU-Canada Free Trade Agreement (CETA). To effectively compete with Canada and other blueberry producing nations, it is essential that the U.S. secures equitable tariff-free access in the UK for U.S. blueberry exports.

### **Unwarranted Sanitary and Phytosanitary Measures**

#### **MRL Policies**

In addition to the elimination of the UK tariffs on U.S. blueberries, the UK's departure from the EU provides the UK with an opportunity to revise its regulatory approach away from the EU's restrictive hazard-based approach toward pesticide review. The approach of the EU on this matter has and will continue to result in the withdrawal of many important MRLs, both for the U.S. blueberry industry and other commodity groups.

The U.S.-UK trade talks provide an important opportunity for this issue to be addressed. NABC asks that USTR engage with UK officials to ensure that any SPS measures introduced in the UK, including those policies concerning pesticide MRLs, are both science-based and least trade restrictive.

### **Estimate of Potential Increase in Exports if Barriers Were Removed**

The UK is an important market for the U.S. blueberry industry with strong demand for high quality fresh and processed blueberries. With lower tariffs, exports to the UK could be expected to grow by \$5-10 million.

## VIETNAM

### Import Policies

#### Tariffs

Vietnam's tariffs on fresh and processed blueberries are prohibitively high and constrain exports to the market. These tariffs range from 15% for fresh blueberries to 30% for frozen and dried blueberries, as summarized in the table below.

#### Vietnam Tariffs on U.S. Blueberries

HS Code	Description	Vietnam Tariff
0810.40	Fresh blueberries	15%
0811.90	Frozen blueberries	30%
0813.40	Dried blueberries	30%
2008.99	"Fruit and other edible parts of plants, prepared or preserved"  (general tariff lines for processed blueberries)	30%
2009.89	Juice of fruit or vegetables, unfermented, Brix <= 67 at 20 degrees Celsius	25%

These high tariffs constrain U.S. blueberry exports to this import growth market.

The negative impact of Vietnam's high tariffs is exacerbated by the preferential tariff access enjoyed by other blueberry suppliers such as Canada, Chile, and Peru, as a result of their respective free trade agreements. This places the U.S. at a considerable tariff disadvantage and harms U.S. sales to Vietnam.

NABC welcomes Vietnam's participation in the Indo-Pacific Economic Framework (IPEF) but is disappointed that tariff barriers on blueberries will not be addressed through this initiative. To ensure the U.S. does not fall behind in this important growth market, NABC urges USTR to broaden the scope of IPEF, or to engage Vietnam under the U.S.-Vietnam Trade and Investment Framework or other parallel negotiations covering tariffs, to seek the elimination of Vietnam's tariffs on U.S. fresh and processed blueberries.

### **Estimate of Potential Increase in Exports if Barriers Were Removed**

In 2023, exports of fresh and processed blueberries to Vietnam totaled less than \$1 million. With improved tariff conditions, exports of U.S. blueberries to Vietnam could increase by more than \$5 million over the next five years.