

SEED:

A Global Industry

International trade and open markets are critical to the success of the U.S. seed industry. Improving market access, eliminating tariff and non-tariff barriers to trade, strengthening intellectual property rights, promoting science-based phytosanitary and plant breeding innovation practices, and harmonizing regulations are ASTA's top priorities for expanding global trade.

U.S. Seed Industry Supports Free Trade Agreements and Continuation of Preference Programs:

Free trade agreements are an important mechanism to encourage countries to adopt and enforce global standards and as a tool to promote ongoing dialogue. The creation of the Agriculture Biotechnology Working Group under the **US-Mexico-Canada agreement** is an example of this. Priorities include renewal of **Trade Promotion Authority (TPA)** legislation in Congress in order to initiate new trade agreements, and to renegotiate others such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

ASTA encourages the retroactive renewal of preference programs such as the **Generalized System of Preferences** which provide important duty relief to seed imports from critical seed production markets. ASTA supports maintaining the **China Phase One Agreement's** structural reform commitments relating to the regulation of agricultural biotechnology.

U.S. Seed Industry Impacted by Section 301 Tariffs with China:

Vegetable and flower seeds for planting are included in the Office of the U.S. Trade Representative's List 3 and face 25% tariffs. Much of the vegetable and flower seed imported from China is actually owned by U.S. companies who produce highly



Exports by the Numbers:

- Total 2020 U.S. Ag Exports: \$150 billion.
- Total 2020 U.S. Seed Exports: \$1.62 billion.
- Vegetables, grasses, corn and soybeans are the most commonly exported seeds.

Top Seed Exporting States:

- California
- Oregon
- Illinois
- Texas
- Idaho
- Arizona
- Michigan
- Iowa

Top Recipients of U.S. Seed Exports:

- Canada
- Mexico
- EU
- China

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labor intensive seed in China before importing it back into the U.S. for sale.

The tariffs are having tremendous impact on our companies' ability to provide affordable, quality seed to their customers – U.S. farmers and gardeners.

The U.S. seed industry benefitted from a limited tariff exclusion from September 2018-August 2020. We encourage Congress to strongly convey to USTR the severe impact of these tariffs on U.S. farmers and agribusiness and the importance of renewing exclusions or re-instating an exclusion request process.

Trade Issues and Priorities for the U.S. Seed Industry

- Maintain U.S. leadership in plant breeding.
- Encourage adoption of harmonized global standards.
- New free trade agreements and continuation of preference programs.
- Removal of section 301 tariffs.
- Engagement with USDA.

Farm Bill Success—USDA Cooperator Programs

We thank Congress for the successful passage of the 2018 Farm Bill, which secured funding for USDA's Agricultural Trade Promotion and Facilitation Programs. ASTA participates in both the Market Access Program (MAP) and the Foreign Market Development (FMD) Cooperator Program. These grant programs are matched with private sector dollars to enhance market access for the U.S. seed industry, and to promote favorable and harmonized policies globally. Recent projects address phytosanitary issues, plant breeding innovation, intellectual property and market access. We support continued investment in these trade promotion programs.

About the American Seed Trade Association:

Founded in 1883, ASTA represents over 700 companies involved in seed production, plant breeding and related industries in North America. ASTA's broad membership offers varieties from alfalfa to zucchini and uses all production types including conventional, organic and biotech.

The U.S. is the largest market for seed in the world and the largest global exporter of seed, with 2020 seed exports reaching \$1.62 billion. Strong free trade agreements ensure the U.S. seed industry can competitively export seed. Agreements create regional trade rules and practices that ensure our trading partners uphold science-based standards and provide recourse to address non-tariff barriers to trade when they arise.

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