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## Technical Assistance for Specialty Crops Overview and Success Stories

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The Technical Assistance for Specialty Crops (TASC) program was created by Congress in 2002 to address Sanitary and Phytosanitary (SPS) issues and Technical Barriers to Trade (TBT) that prohibit or threaten exports of U.S. specialty crops. It operates at a modest funding level of \$9 million annually and is authorized under the Trade Title of the Farm Bill.

### ***Overview***

Lack of market access is a major impediment to export trade for U.S. agricultural products. SPS and TBT issues limit or prohibit that market access, distorting global supply and negatively impacting the value of American commodities. These issues are acute in the specialty crop sector which is heavily export-dependent and facing growing international competition. TASC was designed to counter these non-tariff barriers and allow U.S. specialty crop growers to compete more effectively in an unbalanced international marketplace.

To access a foreign market, U.S. specialty crop producers must address commodity-specific concerns to the importing country's satisfaction. This includes evaluating the legitimacy of SPS or TBT restrictions that a foreign government may impose. If the restriction has scientific merit, the U.S. exporters and the U.S. government must develop measures to mitigate the pest or disease. If the restriction has no scientific merit, a process must be undertaken to define its harmful impact on trade and press the offending government to eliminate the barrier.

In either case, these issues are extensive, complex and cost prohibitive to address without federal partnership. If unreasonable barriers to export markets can remain in force, they result in a larger supply of American specialty crops clogging the domestic market and driving down prices for individual growers.

Affected growers are not positioned financially to address an importing country's SPS or TBT barriers without government assistance. TASC resources were created to bridge that resources gap and enhance the competitiveness of American specialty crop producers.

In just the last few years, TASC has been used to resolve specialty crop SPS and TBT issues in; **Australia, Canada, Chile, China, Costa Rica, the Dominican Republic, the European Union, India, Japan, Mexico, New Zealand, Philippines, Central/South America, South Africa, South Korea, Taiwan and Vietnam.** The commodities that have benefitted from TASC's resources include; **almonds, apples, apricots, blueberries, cherries, citrus, cranberries, hops, nectarines, peaches, pears, plums, potatoes, raspberries, seed, strawberries and wine.**

Over its lifetime, TASC has met the goals that Congress originally envisioned and delivered significant return-on-investment. The following examples represent a portion of the successes that TASC resources have supported:

## ***Success Stories***

### Apples

TASC Funds allowed the U.S. Apple Export Council to support the inspection of orchards and packing houses in USAEC states by the Chinese delegation. Without securing these inspections the effort to gain access to the Chinese market would have been undermined. According to USDA export data during the 2016-2017 shipping season the US exported 890,000 bushels of apples to **China**.

### Apples and Pears

From 2014-2017, the Washington State Tree Fruit Research Commission utilized TASC to identify and manage sources of quarantine-significant post-harvest diseases in Pacific Northwest apple and pear orchards. One of the objectives was to eliminate detections of speck rot and *Sphaeropsis* rot caused by *Phacidiopycnis washingtonensis* and *Sphaeropsis pyriputrescens* in apples upon arrival in **China**.

The work was mandated in negotiations between USDA/APHIS and their Chinese plant quarantine counterparts as a condition of market re-opening. In the first year of the project significant effort was made to ensure growers could recognize the disease in 'Manchurian' crabapple trees used to provide cross-pollination in their orchards.

As part of this effort, trials were conducted in grower orchards to demonstrate pruning of 'Manchurian' crabapple as a method of controlling diseases which had led to postharvest quarantine rots in apples shipped to China. Results from this research supported the orchard and packing house management protocol that led to reopening of export of Washington State apple to China in June 2015.

Since the market re-opened, over 3.2 million 42-pound carton equivalents of apples have been shipped to China under the new work plan at an average value of \$25.00 per carton. To date, there have been no detections of *Sphaeropsis pyriputrescens*, and only one interception of *Phacidiopycnis washingtonensis* demonstrating the effectiveness of the 'Manchurian' crabapple management practices.

### Cherries

Beginning in September 2012, with the support of funding from TASC, the California Cherry Marketing and Research Board (CCMRB) partnered with a team of researchers from the USDA's Agricultural Research Service to undertake research on postharvest fumigation treatments of California sweet cherries. The project studied the treatments' efficacy on the target pests Spotted wing drosophila (SWD), Oriental fruit fly (OFF), and Mediterranean fruit fly. If found alive in an export shipment, these pests have the potential to shut down access to target markets for the entire industry.

The results of the research were beneficial in strengthening the record that post-harvest treatments are successful in treating the most difficult life stages of SWD and OFF in sweet cherries.

Overall, with the support of this project, access to **Japan, South Korea, and Australia** – important export markets for the California cherry industry – was maintained. These markets together represent over 50 percent of California cherry exports valued at over \$43 million in 2016 and an estimated \$63 million in

2017. TASC funding provided critical support to the project and to the industry's efforts to address phytosanitary and technical barriers that affect exports.

### Cranberries

With over 30% of U.S. production destined for export markets, TASC grants have enabled the cranberry industry to address technical barriers to trade, such as MRLs, in key markets.

**Europe** is by far the largest export market for US cranberries, with \$130 million in annual sales. Over the past 15 years, the cranberry industry has spent millions of dollars developing this market. In 2015, the EU announced plans to revoke the pesticide maximum residue level (MRL) for the most widely used fungicide on US cranberries. This announcement came after the crop had already been treated with the product. With a single act, the entire market was potentially closed to US cranberries.

TASC grant funds saved the European market for US cranberries. In order to address the situation, the EU required a data package application to reestablish the MRL. Fortunately, TASC funds, which had been granted a year earlier for the same product in a different market, had been used generate the data needed. This allowed an immediate submission.

Within 18 months, the new MRL was in place in the EU, and the shipments of US cranberries returned to normal levels. Without TASC funding and the research would have taken over two years with the MRL not in place for another two years, meaning exports would have fallen significantly. The availability of TASC funds avoided this trade disruption.

Beyond the strong success in the European Union, since 2012 the cranberry industry has utilized TASC resources to generate required data to secure MRLs in **Taiwan, Korea and Codex** for several important pesticide tools that are used by cranberry growers.

### Hops

TASC grants have allowed the US hop industry to achieve a high level of regulatory harmonization for plant protection products during the past twenty-five years. This has included **Canada, Japan, the European Union, and the Codex Alimentarius Commission**.

Since the early 1990s the hop industry has worked to achieve 90% harmonization in these key export markets, after starting with just a handful of consistent MRLs. As a very small industry with high reliance on exports (approximately 70% of the crop shipped to over 60 customer countries on an annual basis), this support for needed scientific studies and technical support has been invaluable.

### Stone Fruit

California is responsible for approximately 95 percent of the fresh production of peaches, plums and nectarines within the U.S. The State's stone fruit export potential is 38 to 45% of the total fresh production. The industry's export growth potential is almost 20% more by volume with an estimated increase in value of \$285 million. Stone fruit production originating from California is a staple within the U.S. fresh fruit category, yet it continues to lack phytosanitary access into major foreign markets.

Without the financial support provided by TASC, stone fruit producers could not have achieved the following successes:

**CA Stone Fruit Multiple Markets:** Several trade partners have imposed trade restrictions (i.e. **Australia, New Zealand, and Chile** and until recently, **Mexico**) due to the presence of Spotted Wing Drosophila (SWD) within the U.S. In the case of SWD, because it is a recent invader and international literature is limited, the scientific uncertainty is high and further research is necessary. Due to the number of commercially-produced crops, specifically peaches, plums, nectarines and apricots, which may or may not serve as a possible host, the use of TASC funds to develop a host potential index for SWD will assist scientists and agricultural practitioners in prioritizing research and control efforts within each crop.

**CA Stone Fruit to Australia:** Without the financial support under the TASC grant program the stone fruit industry would not have been able to implement a preclearance program for Australia, nor would there have been an opportunity for smaller growers to enter into a more competitive export market. In the almost four seasons that California peaches, plums and nectarines have had access, Australia has imported approximately 1.6 million cartons valued at more than \$38.7 million to California's stone fruit growers.

**CA Stone Fruit Expansion to Japan:** Prior to 2016 the U.S. had not exported domestic nectarine production into Japan for more than a decade. Japan requires a postharvest fumigation to control specific pests of concern as a condition of market access for U.S. nectarine production. California stone fruit producers and shippers utilized funding through the Technical Assistance for Specialty Crop (TASC) program to conduct postharvest research that proves pests can be eliminated or removed from stone fruits destined for key export markets such as Japan. Currently (2017) only the export of U.S. nectarines are allowed into Japan, however California's industry was able to utilize TASC funding in 2016/17 to develop efficacy data for plums (completed 2017) and to begin on peaches (on-going) which would expand the current access into Japan for California's stone fruit production.

## Potatoes

TASC funds were used by the US potato industry to open new fresh and seed potato export markets in **Japan, Korea, Taiwan, the Philippines, Vietnam, Thailand, Costa Rica, and the Dominican Republic**. Together, the US now exports \$66 million worth of fresh and seed potatoes annually to these new markets.

TASC funds allowed the US potato industry to host foreign government technical experts from these markets for necessary visits to resolve technical issues of concern prior to the market opening. The trips allowed industry experts to address any remaining quarantine concerns posed by the foreign governments. Once the trips were completed, final market access agreements were negotiated and exports could begin.

**Mexico** has imposed a number of scientifically-unjustified barrier to U.S. fresh potatoes entering their market for years. Currently, U.S. exports are limited in accessing the Mexican market only within an arbitrary 26-kilometer zone immediately south of the U.S.-Mexico border.

The Mexican government has taken some steps to bring their import program for U.S. fresh potatoes into compliance with international scientific norms. However, their industry has filed a variety of lawsuits

aimed at supporting the validity of trade restrictions based on scientifically unjustified trade restrictions that prevent competition from the United States. TASC funds have been utilized to address legal challenges in Mexico to U.S. fresh potato market access.