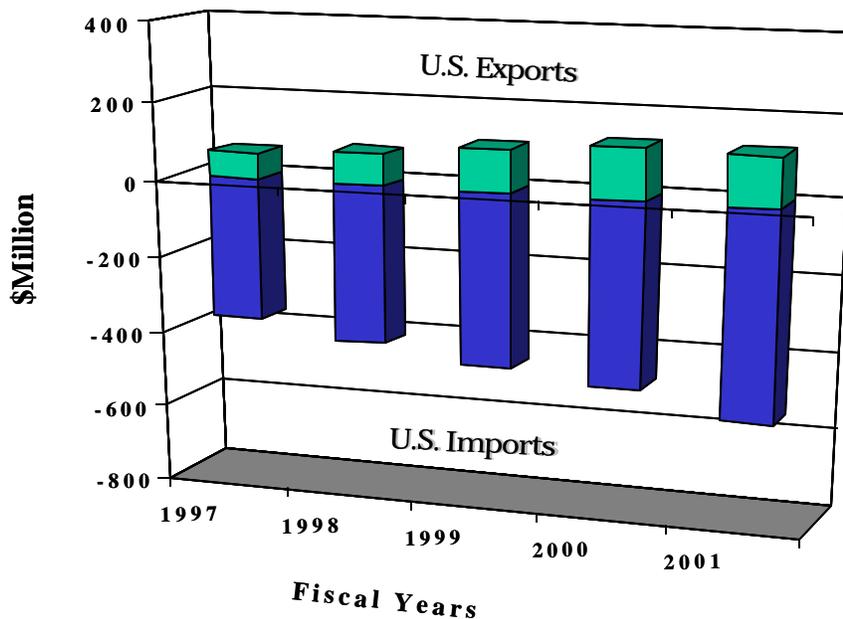


U.S. Horticultural Trade with Members of the Proposed U.S./Central America Free Trade Agreement

Trade in horticultural products has become increasingly important between the United States and the Central American region. In FY 2001, horticultural products accounted for about 13 percent of total U.S. agricultural exports to the region. This figure compares with 10 percent in FY 1995. On the other hand, about 30 percent of all U.S. agricultural imports from the region were horticultural products in FY 2001. On January 16, 2002, President Bush announced that the United States would explore a free trade agreement with the countries of Central America, to enhance our economic relations in the region and advance free trade around the world.

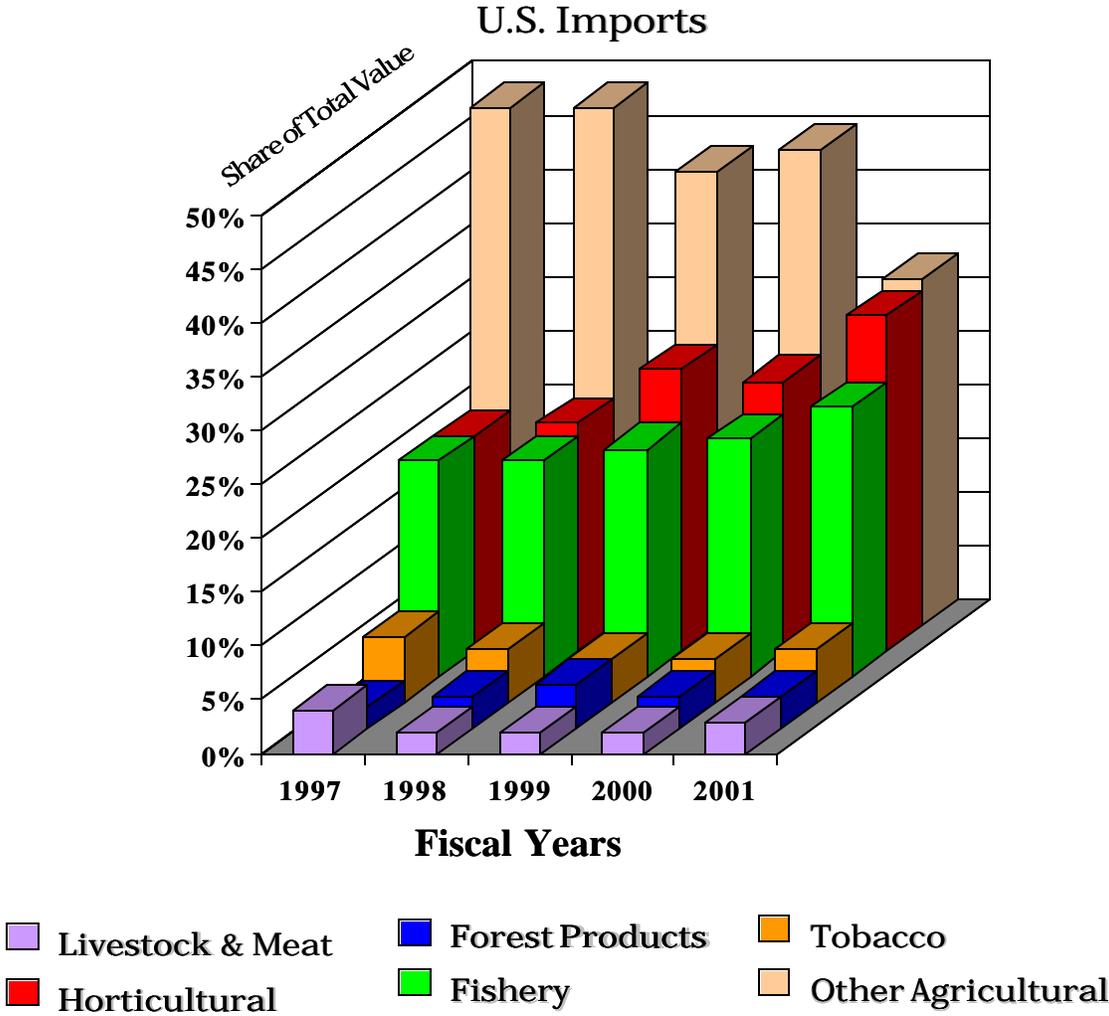
U.S. Horticultural Trade Balance with Central America



Source: U.S. Department of Commerce, Bureau of the Census

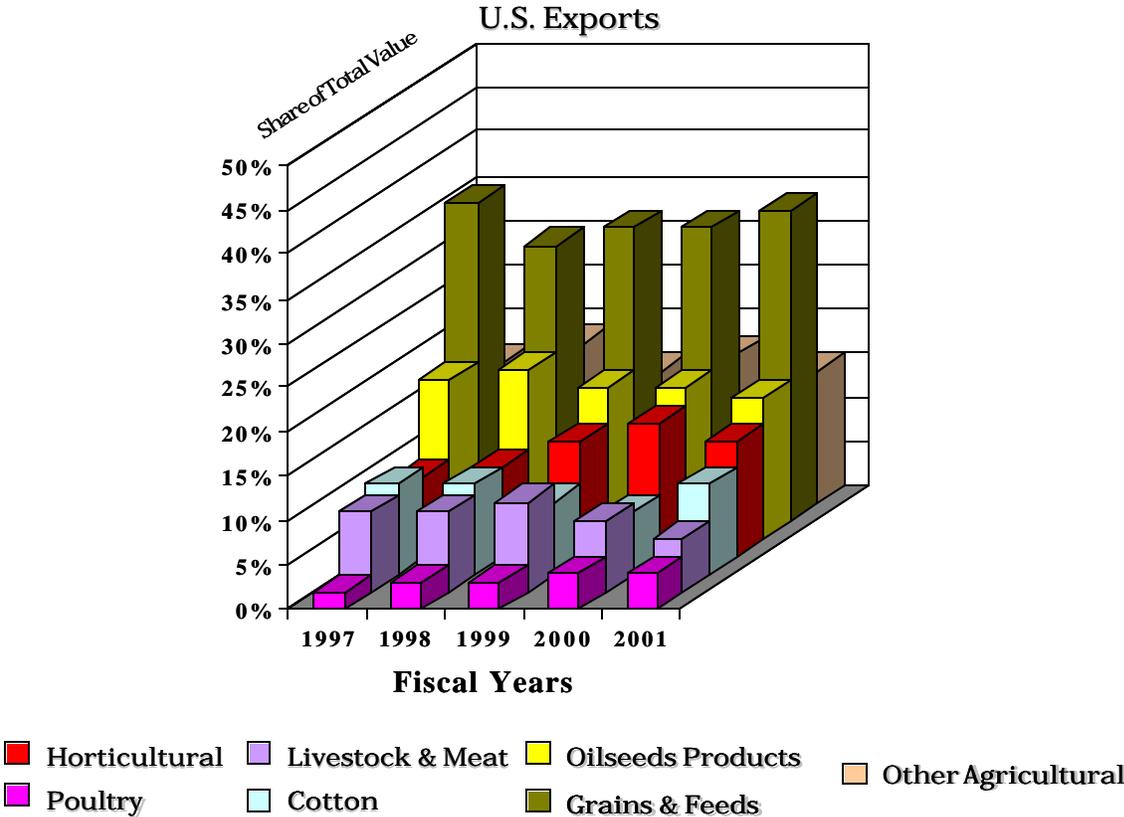
Horticultural Products Play Key Role in U.S./Central America Agricultural Trade

Source: U.S. Department of Commerce, Bureau of the Census



Horticultural Products Play Key Role in U.S./Central America Agricultural Trade

Source: U.S. Department of Commerce, Bureau of the Census



Source: U.S. Department of Commerce, Bureau of the Census

In FY 2001, horticultural products accounted for about 13 percent of total U.S. agricultural exports to the Central American region. On the other hand about 30 percent of all U.S. agricultural imports from the region were horticultural products.

Combined, U.S. imports of horticultural products from Costa Rica, Guatemala, El Salvador, Honduras, and Nicaragua have almost doubled in the last 7 fiscal years, excluding bananas. Likewise, U.S. exports have increased. In FY 2001, U.S. shipments of fresh and processed fruits and vegetables to these countries were valued at \$175 million.

U.S. imports of horticultural products from the proposed members were valued at \$597 million, excluding banana trade. It is clear that the United States runs a horticultural trade deficit with the 5 proposed members of a U.S./Central America Free Trade Agreement. This deficit reached a record \$421 million in FY 2001.

Guatemala is the major export market among the proposed members. In FY 2001, total U.S. exports of horticultural products to Guatemala were valued at \$45 million. On the other hand, Costa Rica is the main supplier of horticultural products to the United States, supplying \$340 million in FY 2001, excluding bananas.

**Overall U.S. Exports of Agricultural Products
to Members of the Proposed U.S./Central America
Free Trade Agreement
Fiscal Years 1997-2001
Value in \$1,000**

Products	RANK		1997	1998	1999	2000	2001	% Change 2000-2001
	2001							
Grains & Feeds	1		\$422,397	\$402,011	\$424,628	\$422,539	\$474,748	12%
Oilseeds & Products	2		\$212,145	\$237,293	\$218,517	\$209,204	\$212,358	2%
Horticultural Products	3		\$105,813	\$128,367	\$166,126	\$186,345	\$175,231	-6%
Cotton	4		\$121,820	\$126,870	\$103,502	\$90,059	\$135,593	51%
Livestock & Meats	5		\$102,946	\$119,388	\$125,814	\$102,829	\$86,113	-16%
Poultry & Products	6		\$25,215	\$38,658	\$41,152	\$45,159	\$55,327	23%
Other 1/	7		\$192,600	\$225,692	\$194,102	\$209,968	\$208,083	-1%
Grand Total			\$1,182,934	\$1,278,279	\$1,273,841	\$1,266,102	\$1,347,451	6%

1/ Other Include Dairy Products, Forest Products, Tobacco & Products, Fishery Products, Planting Seeds, and Sugar & Tropical Products.

Source: U.S. Department of Commerce, Bureau of the Census

On average, processed horticultural products account for about one third of total U.S. exports to Central America (excluding Panama and Belize). The value of processed fruits and vegetables exported to the region reached nearly \$80 million in FY 2001. Frozen potato fries are the main processed vegetable exported. Orange juice is the major processed fruit product shipped to Central America. Apples are the main fresh fruit exported.

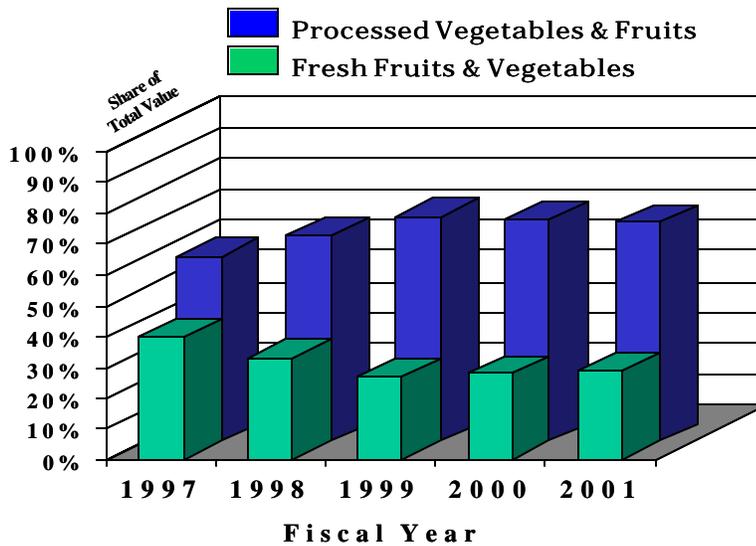
The bulk of U.S. imports of horticultural products from Central America are composed of fresh fruits and vegetables, excluding bananas. The total value of U.S. imports of fresh horticultural products from the region reached \$360 million in FY 2001. Some major fresh horticultural products imported included fresh melons (\$135 million) and fresh pineapples (\$131 million). Costa Rica is the major supplier of fresh fruits and vegetables from the region.

**Overall U.S. Imports of Agricultural Products
from Members of the Proposed U.S./Central America
Free Trade Agreement
Fiscal Years 1997-2001
Value in \$1,000**

Products	RANK						%Change
	2001	1997	1998	1999	2000	2001	2000-2001
Horticultural Products	1	\$411,829	\$452,366	\$497,933	\$529,675	\$596,645	13%
Fishery Products	2	\$416,156	\$434,347	\$400,586	\$459,721	\$487,261	6%
Tobacco & Products	3	\$133,650	\$117,083	\$82,534	\$87,829	\$89,435	2%
Forest Products	4	\$45,604	\$57,815	\$67,631	\$57,808	\$66,791	16%
Livestock & Meats	5	\$74,023	\$44,952	\$40,676	\$49,325	\$57,247	16%
Grains & Feeds	5	\$4,431	\$4,625	\$6,091	\$6,865	\$9,052	32%
Other 1/	6	\$999,042	\$1,031,892	\$783,347	\$939,099	\$608,169	-35%
Grand Total		\$2,084,872	\$2,145,200	\$1,880,683	\$2,131,896	\$1,914,553	-10%

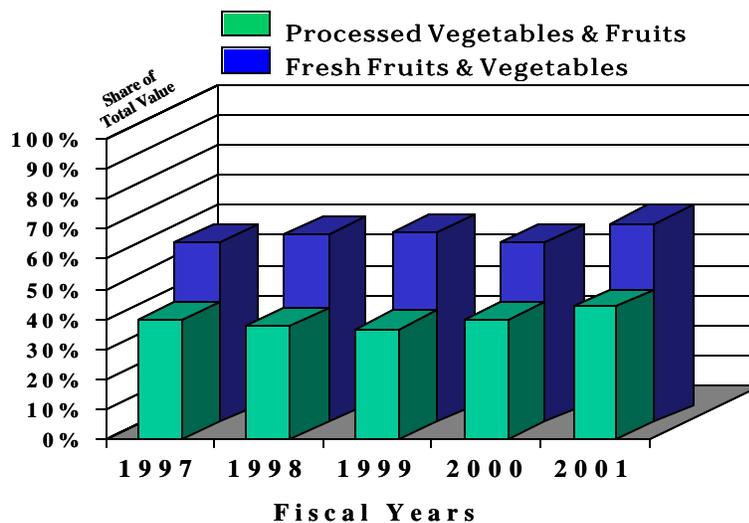
1/ Other Include Dairy Products, Oilseeds & Products, Poultry & Products, Cotton, Planting Seeds, and Sugar & Tropical Products.
Source: U.S. Department of Commerce, Bureau of the Census

Processed Products Account for the Bulk of U.S. Horticultural Exports to Central America



Source: U.S. Department of Commerce, Bureau of the Census

Fresh Fruits and Vegetables Dominate The U.S. Horticultural Import Market from Central America



Source: U.S. Department of Commerce, Bureau of the Census

**U.S. Trade Balance with
Members of the Proposed U.S./Central America
Free Trade Agreement
Fiscal Years 1997-2001
Value in \$,000**

	1997	1998	1999	2000	2001	% Change 2000-2001
Horticultural Product Imports	\$411,829	\$452,366	\$497,933	\$529,675	\$596,645	13%
Horticultural Product Exports	\$105,813	\$128,367	\$166,126	\$186,345	\$175,231	-6%
<i>Trade Balance</i>	<i>-\$306,016</i>	<i>-\$323,999</i>	<i>-\$331,807</i>	<i>-\$343,330</i>	<i>-\$421,414</i>	23%
<i>All Agricultural Imports</i>	<i>\$2,084,872</i>	<i>\$2,145,200</i>	<i>\$1,880,683</i>	<i>\$2,131,896</i>	<i>\$1,914,553</i>	<i>-10%</i>
<i>All Agricultural Exports</i>	<i>\$1,182,934</i>	<i>\$1,278,279</i>	<i>\$1,273,841</i>	<i>\$1,266,102</i>	<i>\$1,347,451</i>	<i>6%</i>
<i>Trade Balance</i>	<i>-\$901,938</i>	<i>-\$866,921</i>	<i>-\$606,842</i>	<i>-\$865,794</i>	<i>-\$567,102</i>	<i>-34%</i>

Source: U.S. Department of Commerce, Bureau of the Census

**U.S. Exports of Selected Horticultural Products
to Members of the Proposed U.S/Central America
Free Trade Agreement
Fiscal Years 1997-2001
Value in \$1,000**

Products	RANK 2001	1997	1998	1999	2000	2001	%Change 2000-2001
COSTA RICA							
Apples	1	\$3,269	\$3,470	\$3,045	\$3,819	\$3,722	-3%
Table Grape	2	\$1,996	\$2,272	\$1,945	\$2,635	\$3,627	38%
Potato Chips	3	\$367	\$276	\$704	\$756	\$1,101	46%
Pears	4	\$324	\$487	\$326	\$290	\$948	227%
Frozen Fries	5	\$321	\$426	\$919	\$830	\$941	13%
Peaches/Nectarines	6	\$276	\$246	\$438	\$465	\$506	9%
Wine	7	\$166	\$510	\$1,012	\$642	\$452	-30%
Apple Juice	8	\$531	\$439	\$413	\$517	\$326	-37%
Dried Fruit	9	\$152	\$521	\$97	\$358	\$272	-24%
Almond	10	\$108	\$105	\$126	\$145	\$270	86%
Plum/Prune	11	\$47	\$45	\$149	\$116	\$98	-16%
Potatoes	12	\$143	\$463	\$516	\$441	\$58	-87%
All Citrus	13	\$0	\$30	\$34	\$0	\$53	N/A
Frozen Fruit	14	\$0	\$0	\$50	\$3	\$40	1233%
Canned Mushrooms	15	\$6	\$25	\$23	\$22	\$34	55%
Apricot	16	\$24	\$0	\$8	\$83	\$32	-61%
Kiwifruit	17	\$24	\$5	\$0	\$0	\$20	N/A
Carrots	18	\$0	\$0	\$0	\$0	\$16	N/A
Asparagus	19	\$32	\$0	\$61	\$86	\$0	-100%
Cherries	20	\$0	\$10	\$3	\$21	\$0	-100%
Peppers	21	\$0	\$0	\$24	\$20	\$0	-100%
EL SALVADOR							
Table Grapes	1	\$958	\$1,368	\$2,207	\$3,096	\$3,820	23%
Apples	2	\$306	\$876	\$1,772	\$1,936	\$1,880	-3%
Frozen Fries	3	\$536	\$221	\$701	\$607	\$838	38%
Peaches/Nectarines	4	\$113	\$101	\$126	\$202	\$271	34%
Drie Fruits	5	\$50	\$49	\$155	\$169	\$163	-4%
Plum/Prunes	6	\$0	\$40	\$112	\$119	\$135	13%
Wine	7	\$306	\$239	\$198	\$145	\$124	-14%
Pears	8	\$3	\$38	\$27	\$76	\$75	-1%
Almonds	9	\$0	\$0	\$0	\$51	\$44	-14%
Potatoes	10	\$0	\$0	\$115	\$140	\$42	-70%
Potato Chips	11	\$43	\$109	\$0	\$11	\$8	-27%
Frozen Fruits	12	\$0	\$41	\$125	\$0	\$5	N/A
Canned Mushrooms	13	\$0	\$3	\$25	\$3	\$3	0%
All Citrus	14	\$0	\$21	\$4	\$3	\$3	0%
Apple Juice	15	\$16	\$27	\$133	\$43	\$3	-93%
Asparagus	16	\$0	\$12	\$6	\$7	\$0	-100%
Peppers	17	\$118	\$22	\$30	\$0	\$0	N/A
GUATEMALA							
Table Grapes	1	\$4,104	\$3,959	\$4,472	\$5,587	\$5,267	-6%
Apples	2	\$5,022	\$4,231	\$3,620	\$3,036	\$3,626	19%
Frozen Fries	3	\$844	\$493	\$554	\$578	\$1,408	144%
Potato Chips	4	\$491	\$446	\$1,459	\$1,013	\$1,002	-1%
Dried Fruits	5	\$62	\$107	\$340	\$311	\$412	32%
Peaches/Nectarines	6	\$208	\$365	\$494	\$491	\$390	-21%
Pears	7	\$284	\$328	\$149	\$204	\$246	21%

**U.S. Exports of Selected Horticultural Products
to Members of the Proposed U.S./Central America
Free Trade Agreement
Fiscal Years 1997-2001
Value in \$1,000**

Products	RANK 2001	1997	1998	1999	2000	2001	%Change 2000-2001
GUATEMALA (cont)							
Wine	8	\$293	\$298	\$222	\$289	\$245	-15%
Plum/Prunes	9	\$174	\$84	\$83	\$78	\$69	-12%
All Citrus	10	\$35	\$36	\$74	\$73	\$44	-40%
Almonds	11	\$30	\$208	\$175	\$10	\$34	240%
Potatoes	12	\$0	\$9	\$13	\$33	\$13	-61%
Kiwifruits	13	\$0	\$0	\$3	\$0	\$6	N/A
Canned Mushrooms	14	\$17	\$156	\$12	\$4	\$3	-25%
Carrots	15	\$0	\$0	\$0	\$6	\$3	-50%
Apple Juice	16	\$10	\$145	\$48	\$21	\$0	-100%
Apricots	17	\$0	\$0	\$0	\$9	\$0	-100%
Cauliflower	18	\$0	\$0	\$17	\$0	\$0	N/A
Cherries	19	\$0	\$0	\$3	\$6	\$0	-100%
Frozen Fruits	20	\$0	\$27	\$15	\$3	\$0	-100%
Peppers	21	\$0	\$0	\$4	\$0	\$0	N/A
HONDURAS							
Apples	1	\$1,160	\$1,271	\$1,858	\$1,651	\$1,845	12%
Table Grapes	2	\$520	\$1,315	\$671	\$875	\$978	12%
Frozen Fries	3	\$85	\$266	\$989	\$776	\$407	-48%
Potato Chips	4	\$50	\$121	\$389	\$359	\$254	-29%
Wine Exports	5	\$219	\$263	\$200	\$483	\$237	-51%
Dried Fruits	6	\$271	\$184	\$227	\$198	\$204	3%
Apple Juice	7	\$315	\$127	\$44	\$16	\$50	213%
Potatoes	8	\$0	\$25	\$56	\$0	\$25	N/A
Peaches/Nectarines	9	\$0	\$0	\$0	\$7	\$22	214%
Pears	10	\$168	\$89	\$61	\$122	\$19	-84%
Canned Mushrooms	11	\$5	\$6	\$6	\$17	\$17	0%
Plum/Prunes	12	\$0	\$3	\$0	\$8	\$8	0%
Frozen Fruits	13	\$0	\$7	\$0	\$0	\$5	N/A
Almonds	14	\$0	\$24	\$26	\$12	\$0	-100%
Apricots	15	\$0	\$8	\$0	\$0	\$0	N/A
Asparagus	16	\$0	\$0	\$0	\$0	\$0	N/A
Broccoli	17	\$0	\$6	\$5	\$0	\$0	N/A
Cauliflower	18	\$0	\$0	\$0	\$0	\$0	N/A
All Citrus	19	\$153	\$0	\$66	\$0	\$0	N/A
Peppers	20	\$0	\$0	\$0	\$0	\$0	N/A
NICARAGUA							
Apples	1	\$307	\$261	\$382	\$525	\$353	-33%
Frozen Fries	2	\$48	\$0	\$134	\$305	\$313	3%
Dried Fruits	3	\$125	\$98	\$126	\$134	\$162	21%
Table Grapes	4	\$24	\$105	\$155	\$250	\$154	-38%
Potato Chips	5	\$41	\$64	\$99	\$115	\$117	2%
Wine	6	\$0	\$41	\$213	\$107	\$71	-34%
Canned Mushrooms	7	\$0	\$0	\$0	\$0	\$37	N/A
Almonds	8	\$46	\$9	\$5	\$5	\$11	120%
Apple Juice	9	\$0	\$0	\$0	\$27	\$0	-100%
Peaches/Nectarines	10	\$0	\$0	\$0	\$0	\$0	N/A
Pears	11	\$0	\$0	\$226	\$3	\$0	-100%
Potatoes	12	\$0	\$168	\$276	\$0	\$0	N/A
GRAND TOTAL		\$25,343	\$27,843	\$33,599	\$35,605	\$37,989	7%

**U.S. Imports of Selected Horticultural Products
from Members of the Proposed U.S/Central America
Free Trade Agreement
Fiscal Years 1997-2001
Value in \$1,000**

Products	RANK 2001	1997	1998	1999	2000	2001	%Change 2000-2001
COSTA RICA							
Fresh Pineapple	1	\$56,057	\$63,604	\$103,562	\$98,213	\$127,300	30
Cantaloupes	2	\$25,151	\$22,022	\$26,620	\$31,841	\$50,387	58
Frozen Fruits	3	\$372	\$547	\$861	\$372	\$628	69
Carrots	4	\$16	\$0	\$171	\$121	\$411	239
Canned Pineapples	5	\$99	\$70	\$3	\$245	\$328	34
Cucumbers	6	\$0	\$0	\$0	\$0	\$201	N/A
Asparagus	7	\$44	\$0	\$0	\$0	\$11	N/A
Apple Juice	8	\$0	\$30	\$0	\$0	\$0	N/A
Canned Corn	9	\$0	\$1	\$0	\$0	\$0	N/A
Garlic	10	\$0	\$0	\$0	\$0	\$0	N/A
Strawberries	11	\$19	\$0	\$0	\$0	\$0	N/A
Avocados	12	\$0	\$2	\$13	\$25	\$0	-100
EL SALVADOR							
Frozen Fruits	2	\$49	\$54	\$147	\$432	\$294	-32
Apple Juice	3	\$0	\$0	\$2	\$21	\$30	44
Cantaloupes	4	\$60	\$0	\$0	\$0	\$0	N/A
Fresh Pineapples	5	\$1,030	\$705	\$138	\$0	\$0	N/A
GUATEMALA							
Cantaloupes	1	\$21,621	\$22,883	\$28,202	\$37,161	\$32,155	-13
Frozen Fruits	2	\$262	\$480	\$631	\$952	\$894	-6
Cucumbers	3	\$287	\$222	\$48	\$239	\$792	232
Fresh Pineapples	4	\$42	\$34	\$500	\$140	\$529	278
Asparagus	5	\$424	\$491	\$315	\$276	\$254	-8
Broccoli	6	\$0	\$59	\$0	\$21	\$41	95
Canned Mushrooms	7	\$0	\$0	\$0	\$3	\$17	561
Apple Juice	8	\$0	\$12	\$10	\$19	\$8	-61
Canned Pineapples	9	\$0	\$0	\$0	\$0	\$5	N/A
Almonds	10	\$47	\$0	\$0	\$0	\$0	N/A
Apples	11	\$0	\$0	\$0	\$38	\$0	-100
Canned Corn	12	\$0	\$0	\$0	\$3	\$0	-100
Garlic	13	\$0	\$0	\$0	\$0	\$0	N/A
Strawberries	14	\$17	\$0	\$0	\$0	\$0	N/A
		\$0	\$0	\$0	\$0	\$0	N/A
HONDURAS							
Cantaloupes	1	\$16,626	\$22,576	\$15,902	\$17,697	\$23,380	32
Pineapples	2	\$6,459	\$8,023	\$7,489	\$7,659	\$7,213	-6
Cucumbers	3	\$916	\$1,114	\$1,049	\$978	\$1,145	17
Frozen Fruits	4	\$4	\$0	\$0	\$8	\$28	267
Apple Juice	5	\$0	\$0	\$15	\$0	\$0	N/A
Pineapples	6	\$19	\$0	\$38	\$0	\$0	N/A
Peppers	7	\$0	\$0	\$0	\$0	\$0	N/A
Avocado	8	\$0	\$0	\$0	\$0	\$0	N/A
NICARAGUA							
Asparagus	1	\$0	\$0	\$0	\$60	\$603	908
Cantaloupes	2	\$1,639	\$751	\$532	\$1,024	\$384	-62
Frozen Fruits	3	\$46	\$17	\$53	\$22	\$38	77
Cucumbers	4	\$19	\$26	\$28	\$10	\$0	-100
Pineapples	5	\$0	\$0	\$0	\$0	\$0	N/A
Strawberries	6	\$2	\$0	\$0	\$0	\$0	N/A
GRAND TOTAL		\$131,327	\$143,725	\$186,330	\$197,578	\$247,077	25

Source: U.S. Department of Commerce, Bureau of the Census