



Trade and Agriculture **What's at Stake for Florida?**

U.S. Department of Agriculture
Foreign Agricultural Service
September 2009

Florida is an important producer and exporter of agricultural products. In 2008, Florida's cash farm receipts totaled \$7.9 billion. Florida ranked 17th among all 50 States in 2008 in the value of its agricultural exports, estimated at \$2.2 billion. Florida ranks third in overall fruit exports. Agricultural exports help boost farm prices and income, while supporting about 25,482 jobs both on and off the farm in food processing, storage, and transportation. Exports remain vital to Florida's agricultural and statewide economy. The State's reliance on agricultural exports was 28 percent in 2008.

Florida's top agricultural exports in 2008 were:

- fruits and preparations -- \$771 million
- vegetables and preparations -- \$214 million
- feed and fodders -- \$100 million
- live animals and meat -- \$57 million

World demand for these products is increasing, but so is competition among suppliers. If Florida's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *more open access* to growing global markets.

How Trade Agreements Benefit Florida

Under the U.S. – Australian FTA, Australia's 5-percent tariff would be eliminated on a number of fruit and nut products, including almonds, grapes, raisins, dried apricots, dried apples, dried plums, citrus juices, cranberry juice, fruit jams and jellies, and frozen strawberries. Australia has also committed to addressing outstanding phytosanitary issues, including those for apples, Florida citrus, and stone fruits. From 2001 to 2003, U.S. suppliers annually shipped on average \$50 million worth of fruit and nut products to Australia. Under the U.S. – Australian FTA, Australia has also agreed to immediately eliminate a 5-percent duty on U.S. vegetable exports. From 2001 through 2003, U.S. suppliers annually shipped on average \$21.5 million worth of vegetable and vegetable products to Australia.

Under the U.S.-Central America-Dominican Republic Free Trade Agreement (CAFTA-DR), Florida's meat industry will benefit. U.S. prime and choice cuts of beef gain preferential access as applied tariffs of 15 to 30 percent are immediately eliminated

(except the Dominican Republic) while those applied to other cuts are phased-out over 15 years. Tariffs on beef offal and other beef products are phased out over 5 to 10 years. As part of the agreement, all six countries are working toward the recognition of the U.S. meat inspection and certification systems, which would replace the existing policy of plant-by-plant inspections and approval. From 2001 through 2003, U.S. suppliers annually shipped on average 4,094 metric tons valued at \$9.8 million to all six countries combined.

Export Success Stories

Increased support from USDA's market development program funds helped Florida's worldwide grapefruit exports increase up by 16 percent in 2003-2004, including record-breaking exports to Japan, their largest market. Florida's grapefruit shipments to Japan totaled a record more than 12.1 million cartons for the 2003-2004-season, an increase of almost 20 percent over 2002-2003. In addition, Florida's grapefruit exports to Canada, increased over eight percent, and shipments to Europe increased over 11 percent, the highest volume in the past five years.

Korean Thoroughbred trade missions have resulted in Florida horse sales. After establishing contacts in Korea through a trade mission, the Florida Department of Agriculture and Consumer Services conducted a Thoroughbred reverse-trade mission, which led to the sale of 66 horses for a total of \$919,000 in April 2004. Additional sales of Florida Thoroughbreds to Korean contacts have totaled \$118,500. The Korean contacts established through Florida's trade missions have also purchased more than \$320,000 in Thoroughbreds from other U.S. Livestock Genetics Export members, such as Maryland and Kentucky.