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## WAC pleased with tariff removal

Elimination of the 20 per cent duty on apples shipped to Mexico is "welcome news" to the WAC



The announcement that the US, Canada and Mexico have reached an agreement resulting in the removal of steel and aluminum tariffs by the US administration and removal of retaliatory tariffs on imported US goods has been well received by the Washington Apple Commission (WAC).

The elimination of the 20 per cent duty on apples shipped to Mexico is "welcome news" to the Washington apple industry, which accounts for 90-95 per cent of all US apple exports, with Mexico being Washington's leading export market with 13m boxes shipped annually.

Washington is entering the last few months of the export season but demand for Washington

apples in Mexico is strong year-round. Duty free access will have a positive impact on shipments and benefit apple growers.

"It has been a season of challenges with the industry facing a 20 per cent duty into Mexico, a 50 per cent duty into China and ongoing threats of India implementing a 25 per cent duty. The opportunity to wrap up the season with one of the major markets returning to free trade is encouraging for the upcoming season," said Toni Lynn Adams, communications outreach coordinator.

Shipments to foreign markets have been reduced compared to previous years, partly due to smaller crop volume and partly due to barriers to trade.

Exports to Mexico are down 29.3 per cent season to date compared to the 2017/18 season and exports have decreased by 32.7 per cent overall. The retaliatory tariffs were implemented in June of last year in response to the US administration enacting a tariff on imports of steel and aluminum.

The agreement also includes a provision stating any possible retaliation regarding steel and aluminum in the future will be limited to those products only, providing some protection for apple suppliers from further escalation of the issue.