

For fresh fruit and vegetable marketing and distribution in Asia



By Liam O'Callaghan

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US bails out tariff hit farmers

A US\$16bn relief package for US agricultural producers has been announced in response to the ongoing trade war with China



Billions of dollars will be distributed to US farmers by the US Department of Agriculture (USDA) to help them cope with the effects of ongoing trade dispute with China.

Announced today, 24 May, the relief strategy will provide up to US\$16bn in programmes, which the USDA said was in line with the estimated impacts of tariffs on US agricultural goods and other trade disruptions.

Sonny Perdue, US secretary of agriculture, said the US was not going to back down. "China hasn't played by the rules for a long time and President Trump is standing up to them, sending the clear message that the United States will no longer tolerate their unfair trade practices."

The Market Facilitation Program (MFP) will provide US\$14.5bn in direct payments to producers including a number of those in the fresh fruit industry. Tree nut producers, fresh sweet

cherry producers, cranberry producers, and fresh grape producers will receive a payment based on 2019 acres of production.

The payments will be made in made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate.

The first tranche will begin in late July/early August and if conditions warrant, the second and third tranches will be made in November and early January.

The remaining US\$1.4bn will be used to implement a food purchase and distribution program. Surplus commodities affected by trade retaliation, including fruits and vegetables, will be purchased for distribution by the Food and Nutrition Service to food banks, schools, and other outlets serving low-income individuals.

This announcement comes after China

ramped up tariffs [last week](#) on around US\$60bn of goods imported from the US to China. This increase did not affect fresh fruits and vegetables but did impact number of frozen fruit and vegetable lines like peas, spinach, berries, nuts, sweet potato and corn, as well as processing equipment like washing, sorting and grading machinery.

Perdue said this programme would be more successful than the US\$12bn package delivered last year.

"The plan we are announcing today ensures farmers do not bear the brunt of unfair retaliatory tariffs imposed by China and other trading partners," he explained.

"Our team at USDA reflected on what worked well and gathered feedback on last year's programme to make this one even stronger and more effective for farmers."

Further specific details regarding eligibility and payment rates will be released at a later date.

<http://www.fruitnet.com/americafruit/article/1474/parts-of-san-diego-quarantined-as-psyllid-count-mounts>

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