

**Required Report:** Required - Public Distribution

**Date:** November 01,2019

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**Report Name:** Fresh Deciduous Fruit Annual

**Country:** Canada

**Post:** Ottawa

**Report Category:** Fresh Deciduous Fruit

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**Report Highlights:**

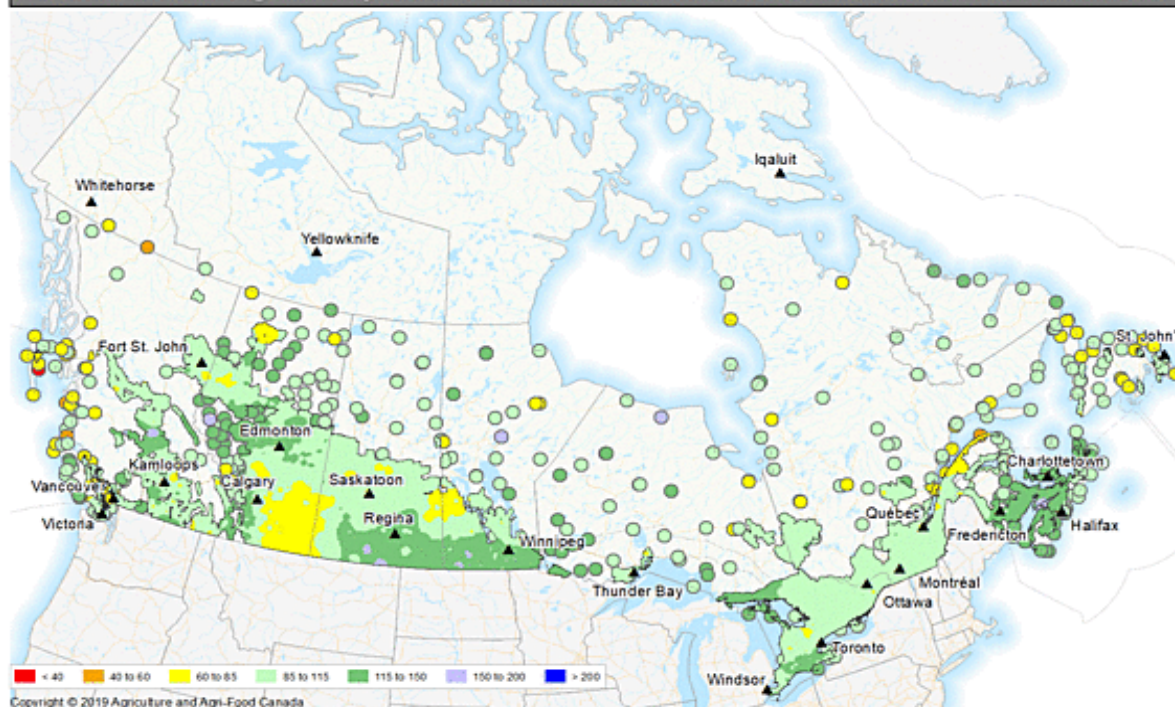
The United States will remain the largest exporter of fresh apples, pears, and table grapes to the Canadian market in MY 2019/20. FAS/Ottawa forecasts Canadian production of apples to be down four percent in MY 2019/20 due to adverse weather events. Canadian production of pears and table grapes is forecast to decrease two and nine percent, respectively. The United States market share of Canadian apple imports will see growth over MY 2018/19 numbers. U.S. pear exports to Canada will also see growth while U.S. fresh table grape exports are forecast to decline.

**Executive Summary:**

- In MY 2019/20 Canadian imports of fresh apples will see growth while exports will be in decline.
- FAS/Ottawa forecasts a decline in Canadian apple production as a result of adverse weather conditions predominately in Ontario, Quebec, and the Maritimes.
- Pear production is forecast to decline slightly from MY 2018/19. Harvested area will remain stable for MY 2019/20 with production losses attributable to adverse weather.
- The United States is forecast to increase fresh pear exports to Canada and will see growth in market share as Canadian consumption of fresh pears is slightly up in MY 2019/20.
- In MY 2019/20, the United States is forecast to see a decline in exports of fresh table grapes to Canada.
- FAS/Ottawa forecasts a smaller Canadian table grape crop in MY 2019/20 compared to MY 2018/19 but production will be above the five-year average. Consumer demand will remain relatively stable.

### Percent of Average Precipitation

April 1, 2019 to October 20, 2019



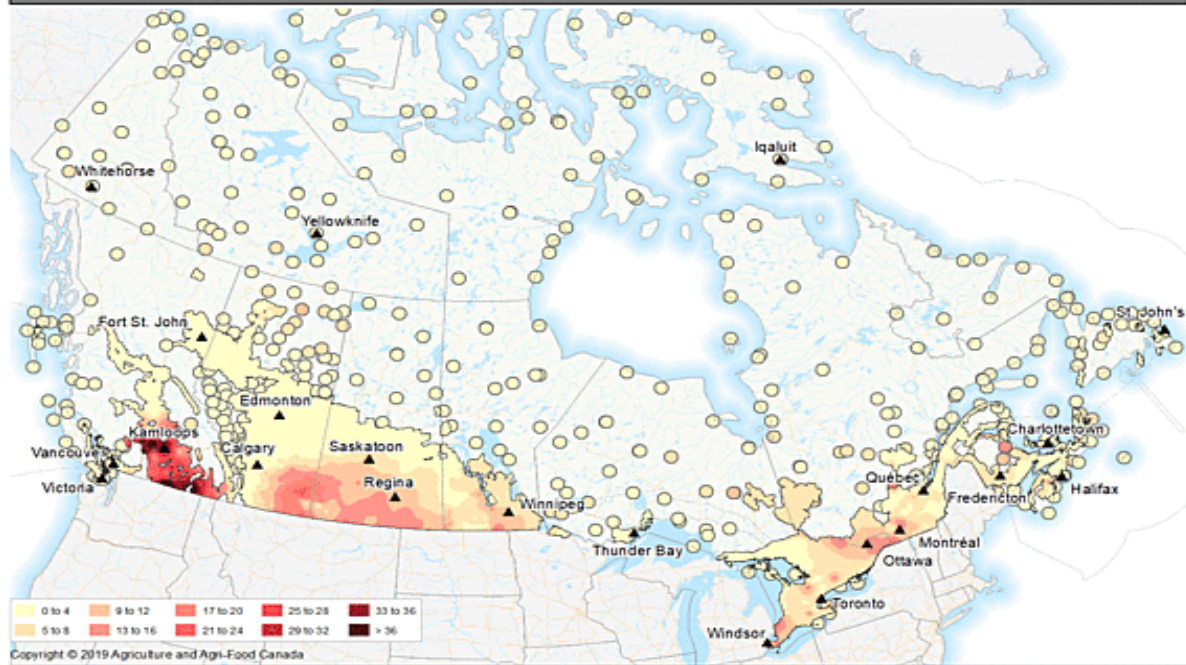
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Prepared by Agriculture and Agri-Food Canada's Science and Technology Branch. Data provided through partnership with Environment Canada, Natural Resources Canada, Provincial and private agencies. Produced using near real-time data that has undergone some quality control. The accuracy of this map varies due to data availability and potential data errors.

Created: 2019-10-21  
[www.agr.gc.ca/drought](http://www.agr.gc.ca/drought)

### Number of Days with Temperature above 30°C

April 1, 2019 to October 20, 2019



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Created: 2019-10-21  
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## APPLES

**NOTE: "NEW FAS/Ottawa" data reflect FAS/Ottawa's assessments and are NOT official USDA data**

APPLES Fresh Canada	2017/2018		2018/2019		2019/2020*	
	Marketing Year: July-June					
	USDA Official	NEW FAS/Ottawa Data	USDA Official	NEW FAS/Ottawa Data	USDA Official	NEW FAS/Ottawa Estimates
Area Planted	17,378	17,395	17,800	17,451	0	17,500
Area Harvested	15,491	15,612	15,800	15,740	0	15,500
Production	345,568	364,763	395,300	385,290	0	369,900
Imports	222,200	222,194	210,000	203,194	0	220,000
<b>Total Supply</b>	<b>567,768</b>	<b>586,957</b>	<b>605,300</b>	<b>588,484</b>	<b>0</b>	<b>589,900</b>
Fresh Dom. Consumption	384,088	408,925	405,300	385,782	0	391,900
Exports	27,100	27,092	40,000	37,072	0	34,000
For Processing	156,580	150,940	160,000	165,630	0	164,000
<b>Total Distribution</b>	<b>567,768</b>	<b>586,957</b>	<b>605,300</b>	<b>588,484</b>	<b>0</b>	<b>589,900</b>

*Data in hectares or metric tons / \*FAS/Ottawa forecast*

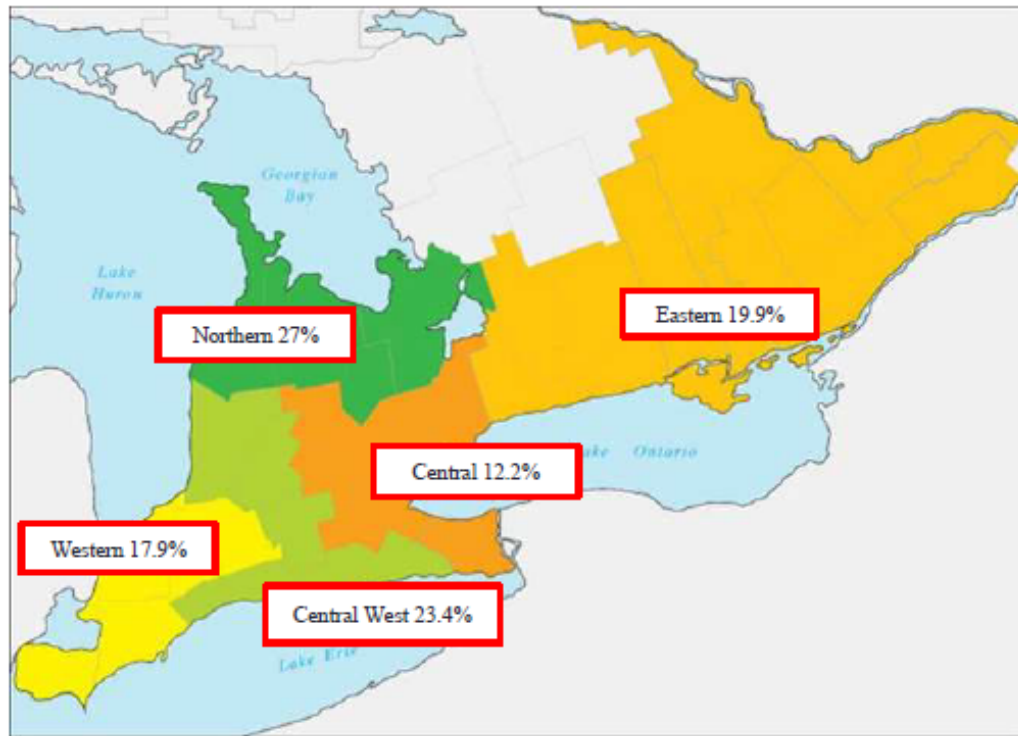
### Production:

FAS/Ottawa forecasts a four percent decline in fresh apple production for MY 2019/20 and planted acreage is expected to remain relatively stable. Acreage in Canada is not projected to see substantial growth as growers move more towards higher density orchards while increasing yield potential. Harvested acreage will be down approximately two percent. This represents acreage comprised of trees which have not reached maturity/fruit bearing, as well as unharvested acreage due to unfavorable growing and harvesting conditions.

Weather challenges across Canada for have impacted apple production throughout the MY 2019/20 growing season. Ontario, Quebec, and the Maritimes have been delayed due to cooler and wetter spring weather conditions. Grower management during the wet conditions has helped mitigate any potential damage. This has resulted in a reduced crop, but good quality, in terms of size and color. However, summer hail events have still resulted in localized crop damage. Hurricane Dorian impacted growers in the Maritimes just as the harvest was underway. Nova Scotia's Annapolis Valley was heavily impacted by the hurricane, but damage was variable orchard by orchard with some sustaining greater damage and crop loss than others. Production and harvest in

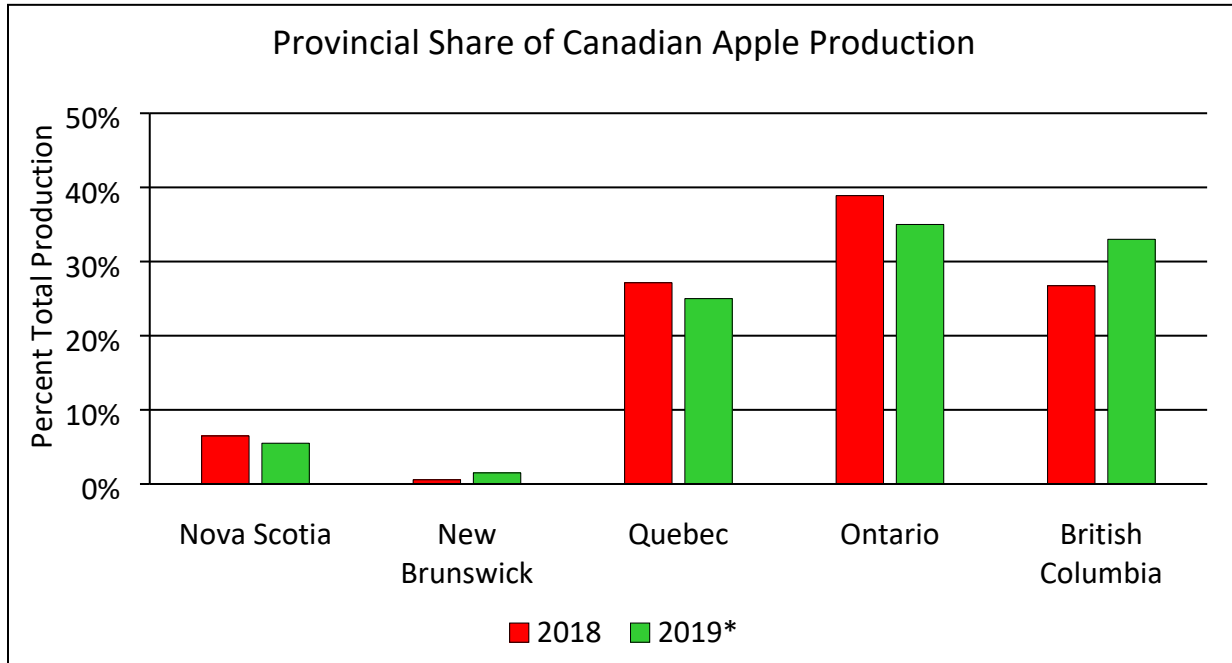
British Columbia were also impacted by unfavorable weather events but the British Columbia apple crop is forecast to be average with less total loss than Ontario, Quebec, and the Maritimes.

Despite a challenging season, Ontario will remain Canada's top apple producing province in MY 2019/20. However, given weather challenges, total provincial distribution of apple production will see Ontario's overall share decline. The two other major apple producing provinces in Canada are Quebec and British Columbia. 90 percent of total Canadian production is grown in Ontario, Quebec, and British Columbia.



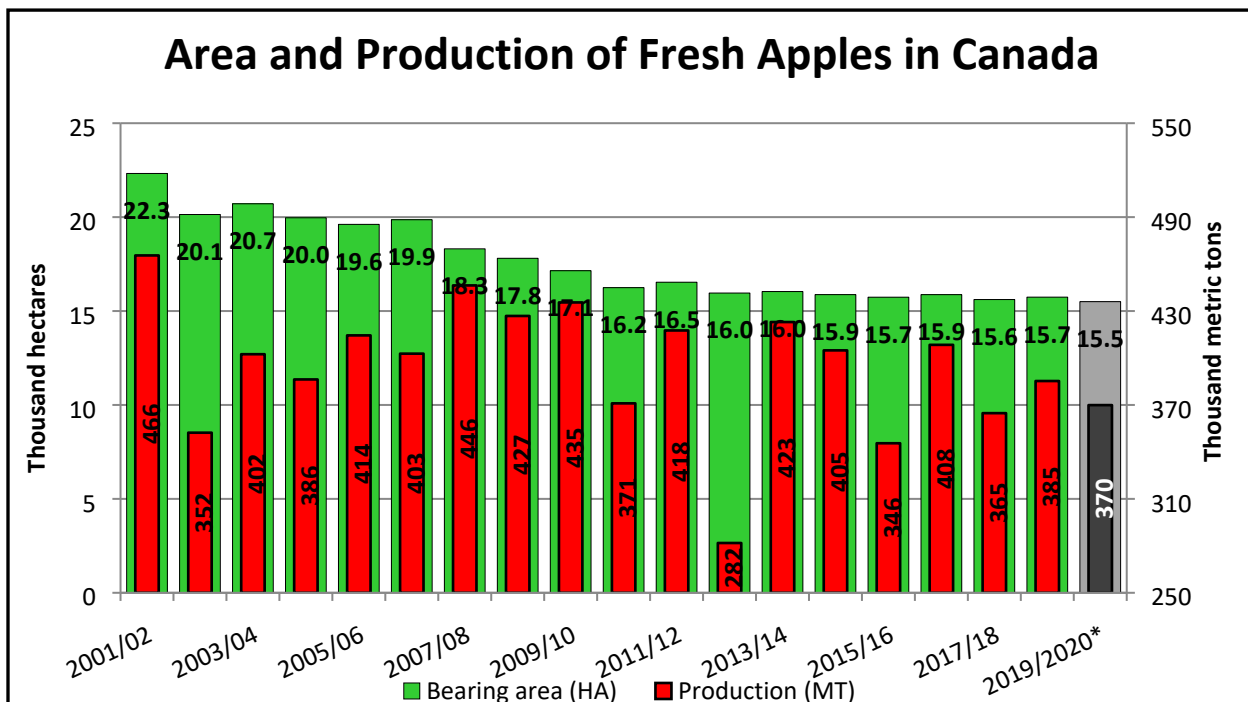
*Distribution of Ontario apple acreage. Source: Ontario Apple Growers*

For MY 2019/20, FAS/Ottawa forecasts that Quebec's share of total Canadian apple production will also decline while British Columbia will see gains despite also experiencing adverse weather events. British Columbia's gain in share of total Canadian production is the result of declines in Ontario and Quebec. The decrease in production in these two provinces is driving the overall Canadian production decline.



Source: Statistics Canada / \*FAS/Ottawa forecast

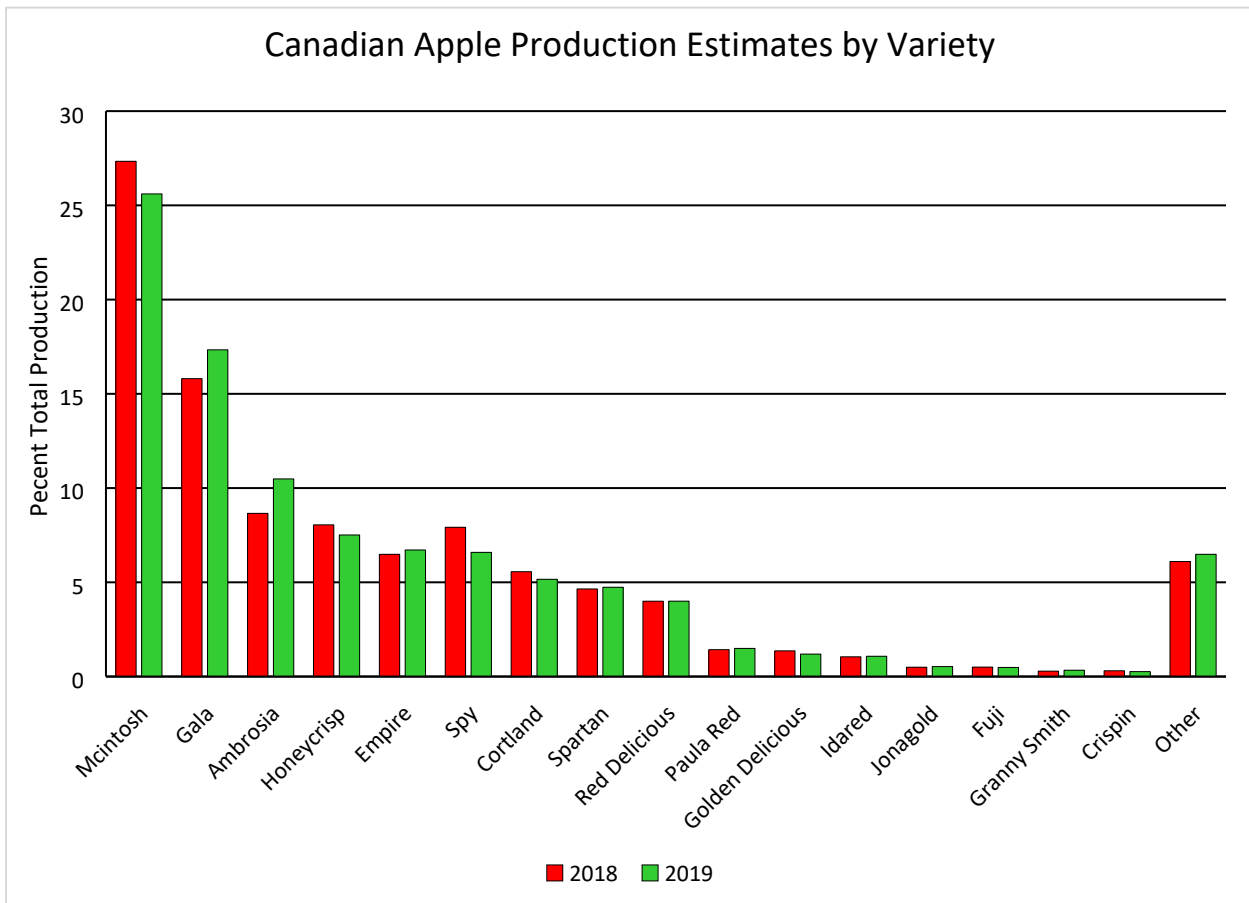
Canada's apple industry has seen some consolidation as older growers exit the business. The move towards higher density, and therefore higher yield, orchards will see acreage remain relatively static. Challenges to growers will be linked to reduced availability of important agricultural chemicals and access to labor as minimum wages rise in key growing provinces.



Source: Statistics Canada / \*FAS/Ottawa forecast

**Varieties:**

FAS/Ottawa forecasts that McIntosh will continue to be the top apple variety produced in Canada for MY 2019/20. This is due to the substantial acreage dedicated to this variety. However, the share of total Canadian production of older varieties, such as McIntosh, will continue to fall. Growers are choosing to replace aging orchards with newer varieties, such as Honeycrisp and Ambrosia, that offer a greater grower return. The Honeycrisp provides for the greatest return but, compared to other varieties, it is more susceptible to adverse weather conditions and has more specific soil and growing condition requirements. Thus, Canadian producers will continue to diversify the varieties growing in their orchards to hedge against weather-related losses.



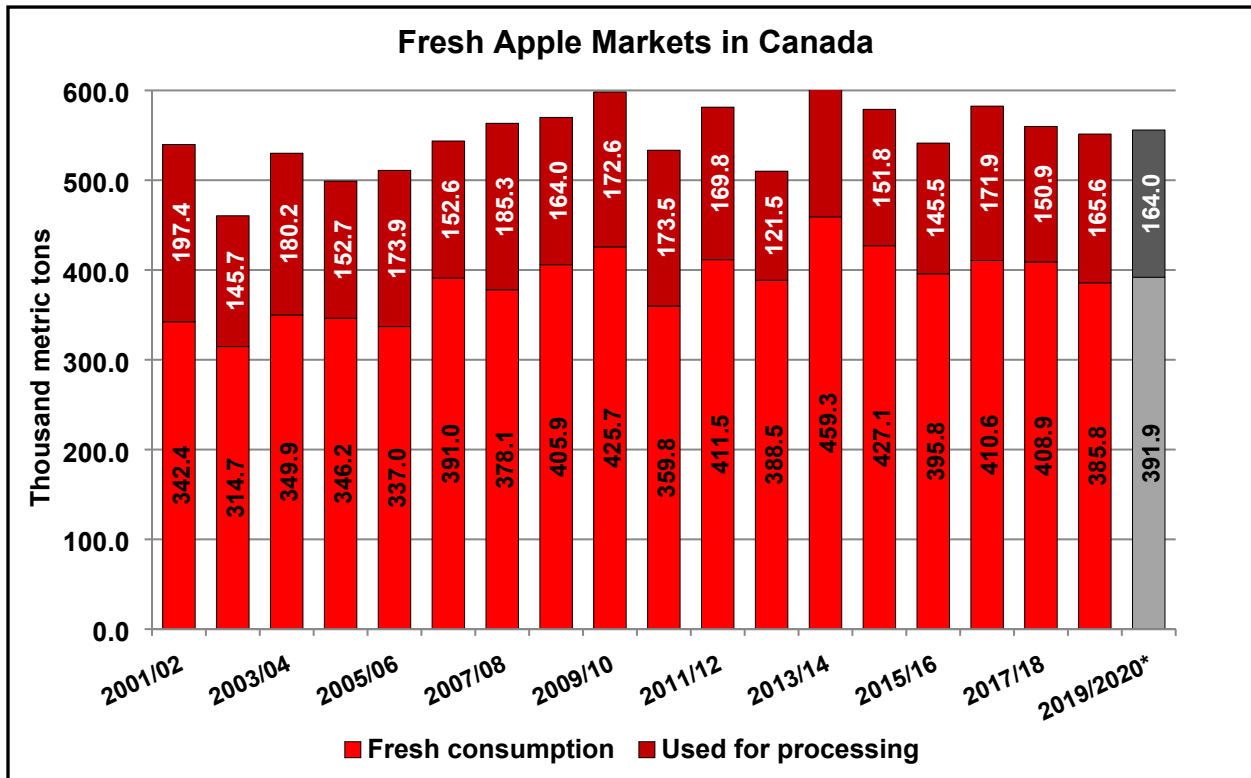
Source: Early Crop Estimates Survey, Canada

Provincial differences in variety acreage will continue to factor into how quickly the Canadian market changes in terms of variety composition. British Columbia, Nova Scotia, and Ontario have a greater variety diversification owing to the climactic conditions in the Okanagan, Annapolis Valley, and Niagara growing regions. Quebec growers typically embrace more durable and resilient varieties due to colder growing conditions.



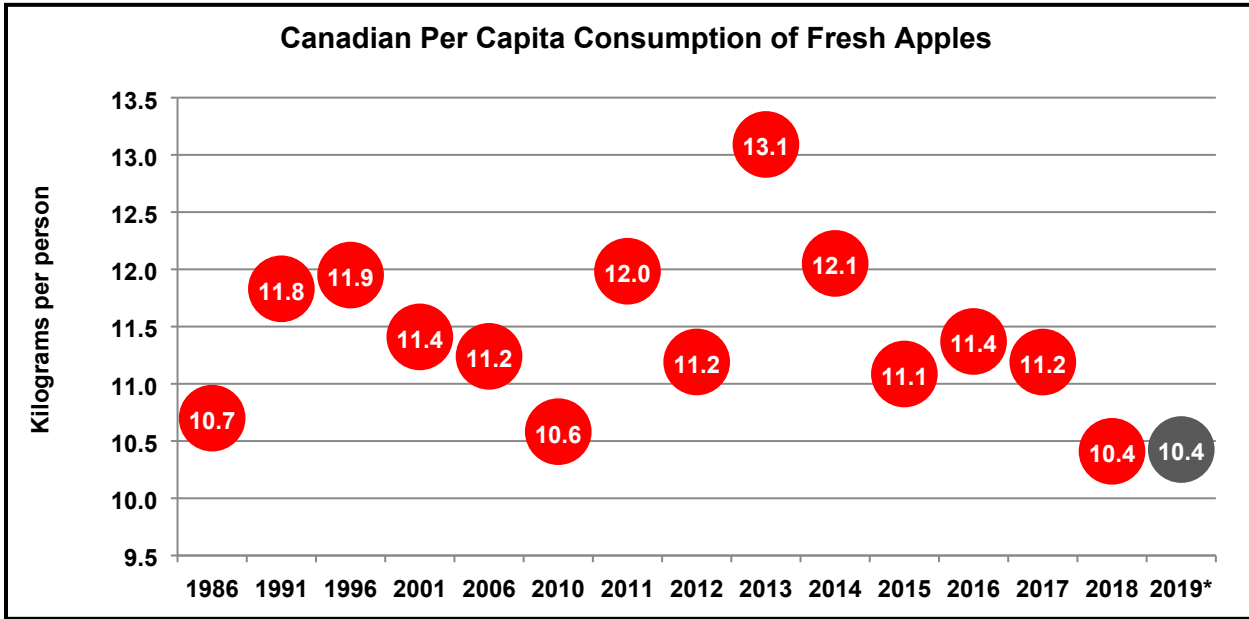
**Consumption:**

Approximately 70 percent of apples grown in Canada are for fresh consumption. FAS/Ottawa forecasts a two percent growth in fresh consumption for MY 2019/20 with a one percent decline in processing. At the provincial level, FAS/Ottawa forecasts that there will be more apples from the Maritimes and Ontario destined for processing due to hail events and adverse weather during harvest which will impact quality.



Source: Statistics Canada / \*FAS/Ottawa forecast

Per capita consumption of fresh apples is forecast to remain static in MY 2019/20 relative to MY 2018/19 numbers. Due to a growing Canadian population however, the overall quantity of apples for fresh consumption in Canada will increase in MY 2019/20. Apples face increasing competition with more fresh fruit products on the market but will continue to be a popular snack given the convenience they provide compared to other fruit products.



Source: Statistics Canada / \*FAS/Ottawa forecast

**Trade:**

FAS/Ottawa forecasts an eight percent increase in apple imports to Canada for MY 2019/20 as a result of Canadian production challenges. Imports for MY 2019/20 will be in line with the five-year average. The United States will continue to be the main provider of apples to Canada. Production declines experienced by other exporters to Canada will see the United States regain market share lost in MY 2018/19.

## Canada: Imports of fresh apples

*Marketing year: July-June / Quantity in metric tons*

	2014/15	2015/16	2016/17	2017/18	2018/19
<b>World</b>	<b>216,862</b>	<b>229,925</b>	<b>220,572</b>	<b>222,194</b>	<b>203,194</b>
for processing	47,746	63,168	63,495	76,367	69,181
organic	13,535	9,742	10,808	12,296	11,455
other	155,584	157,013	146,222	133,533	122,557
<b>United States</b>	<b>182,408</b>	<b>183,025</b>	<b>175,322</b>	<b>177,784</b>	<b>155,006</b>
for processing	45,119	56,860	61,834	75,982	64,276
organic	10,679	7,009	7,989	10,515	9,411
other	126,610	119,154	105,498	91,290	81,319
Chile	18,029	23,075	22,501	24,858	23,590
European Union	2,561	7,060	5,506	4,170	11,171
Italy	257	2,223	3,885	3,094	9,612
New Zealand	8,069	6,645	7,673	8,522	8,164
China	1,372	3,204	3,877	3,551	2,683
All other countries	6,727	11,753	7,314	4,385	4,139
<b>Import Market Shares</b>					
United States	84.1%	79.6%	79.5%	80.0%	76.3%
Chile	8.3%	10.0%	10.2%	11.2%	11.6%
European Union	1.2%	3.1%	2.5%	1.9%	5.5%
Italy	0.1%	1.0%	1.8%	1.4%	4.7%
New Zealand	3.7%	2.9%	3.5%	3.8%	4.0%
China	0.6%	1.4%	1.8%	1.6%	1.3%

*Source: Trade Data Monitor, LLC*

*\*Note: Tariff lines for organic apples were introduced on January 1, 2007*

Approximately 10 percent of fresh apple production in Canada is exported. FAS/Ottawa forecasts that exports will decline eight percent in MY 2019/20 as a result of decreased Canadian production. The United States is the top market for Canadian fresh apple exports with export market share greater than 60 percent. The United States will continue to remain the top market for Canadian exports in MY 2019/20. Increased opportunities presented by tariff reductions in Japan and Vietnam as a result of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership will see Canada look to increase market share in those countries. Growers in British Columbia are best placed to take advantage of these markets. Eastern growers will look to backfill any gaps in the B.C. domestic market. The organic market will continue to remain small.

### Canada: Exports of fresh apples

*Marketing year: July-June / Quantity in metric tons*

	2014/15	2015/16	2016/17	2017/18	2018/2019
<b>World</b>	<b>42,834</b>	<b>34,124</b>	<b>46,472</b>	<b>27,092</b>	<b>37,072</b>
for processing	13,530	11,718	19,665	9,340	16,752
other	29,305	22,405	26,807	17,752	20,320
<b>United States</b>	<b>37,071</b>	<b>25,429</b>	<b>32,776</b>	<b>18,762</b>	<b>22,896</b>
for processing	10,525	5,157	10,821	3,968	8,335
other	26,546	20,272	21,955	14,793	14,560
Cuba	2,170	5,216	2,805	3,367	5,787
Vietnam	612	719	4,067	2,220	5,051
Mexico	1,168	505	821	493	476
All other countries	2,425	2,974	10,070	4,470	7,913

*Source: Trade Data Monitor, LLC*

## PEARS

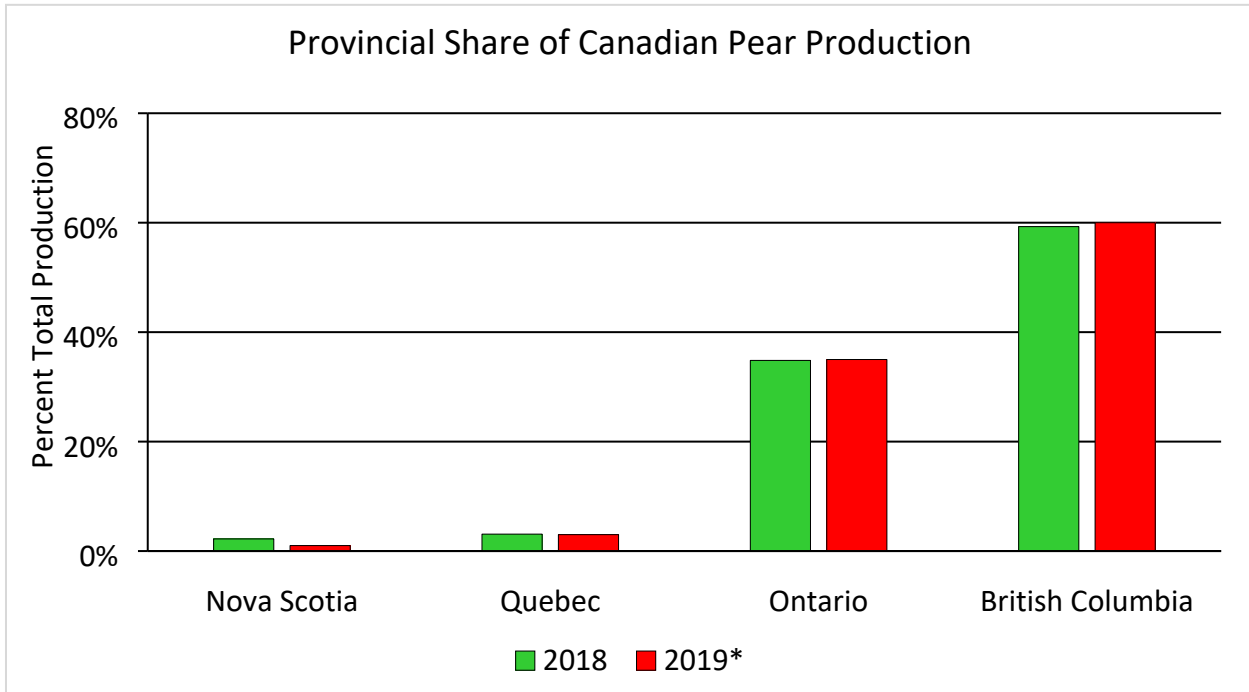
**NOTE: "NEW FAS/Ottawa" data reflect FAS/Ottawa's assessments and are NOT official USDA data**

PEARS Fresh Canada	2017/2018		2018/2019		2019/2020*	
	Marketing Year: July-June					
	USDA Official	NEW FAS/Ottawa Data	USDA Official	NEW FAS/Ottawa Data	USDA Official	NEW FAS/Ottawa Estimates
Area Planted	835	839	760	843	0	850
Area Harvested	737	745	740	749	0	750
Production	9,676	8,622	8,700	8,982	0	8,800
Imports	63,800	63,835	65,000	65,851	0	66,500
<b>Total Supply</b>	<b>73,476</b>	<b>72,457</b>	<b>73,700</b>	<b>74,833</b>	<b>0</b>	<b>75,300</b>
Fresh Dom. Consumption	71,726	70,726	72,250	73,539	0	74,000
Exports	200	181	200	184	0	170
For Processing	1,550	1,550	1,250	1,110	0	1,130
<b>Total Distribution</b>	<b>73,476</b>	<b>72,457</b>	<b>73,700</b>	<b>74,833</b>	<b>0</b>	<b>75,300</b>

*Data in hectares or metric tons / \*FAS/Ottawa forecast*

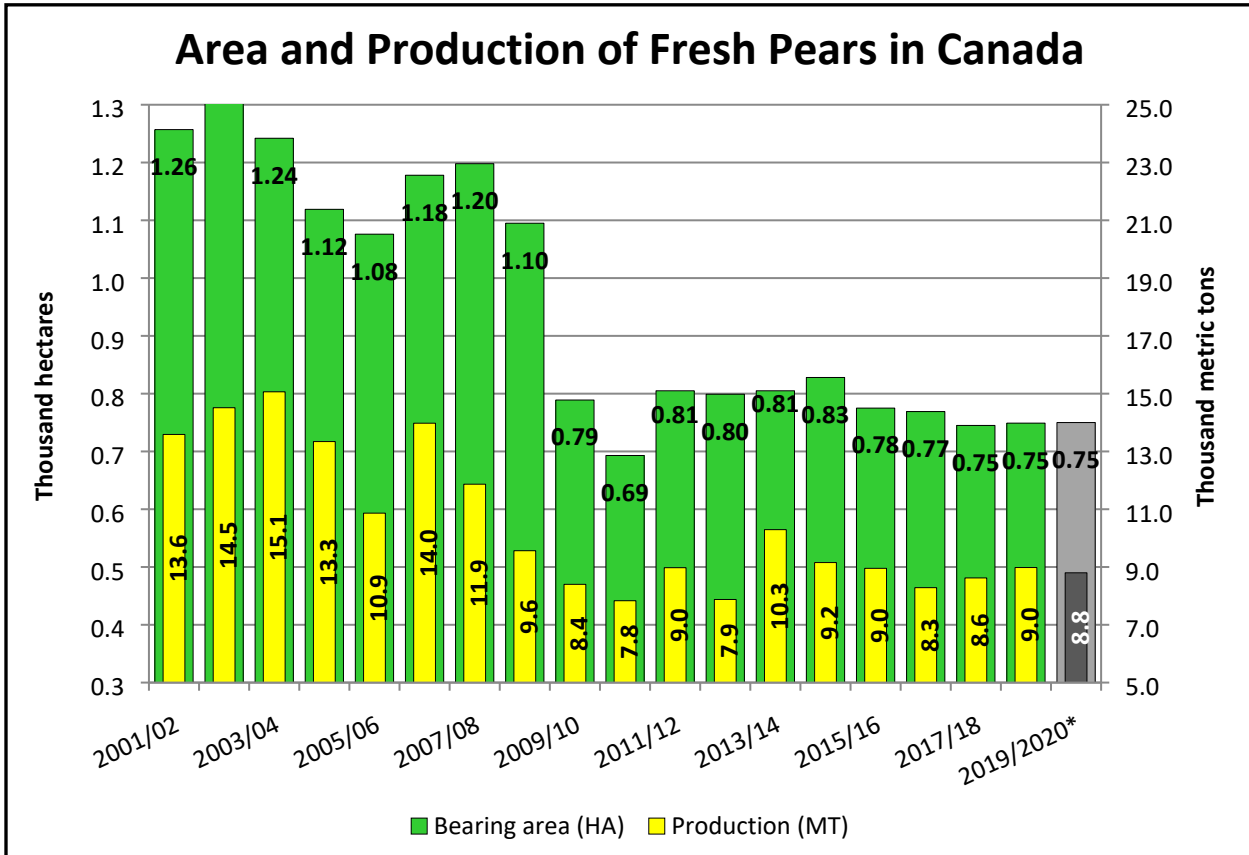
### Production:

FAS/Ottawa forecasts a two percent decline in fresh pear production for MY 2019/20. This follows the four percent production increase observed in MY 2018/19. The decline will be driven by impacts of adverse weather during growing and harvest season. Area planted will see a slight increase as growers diversify their orchards and plant new varieties. Total area harvested will remain stable in MY 2019/20 despite damage incurred during hail and wind events at some orchards as more planted acreage reaches fruit bearing maturity. MY 2019/20 will reportedly see the first harvest of Asian pears in Canada.



Source: Statistics Canada / \*FAS/Ottawa forecast

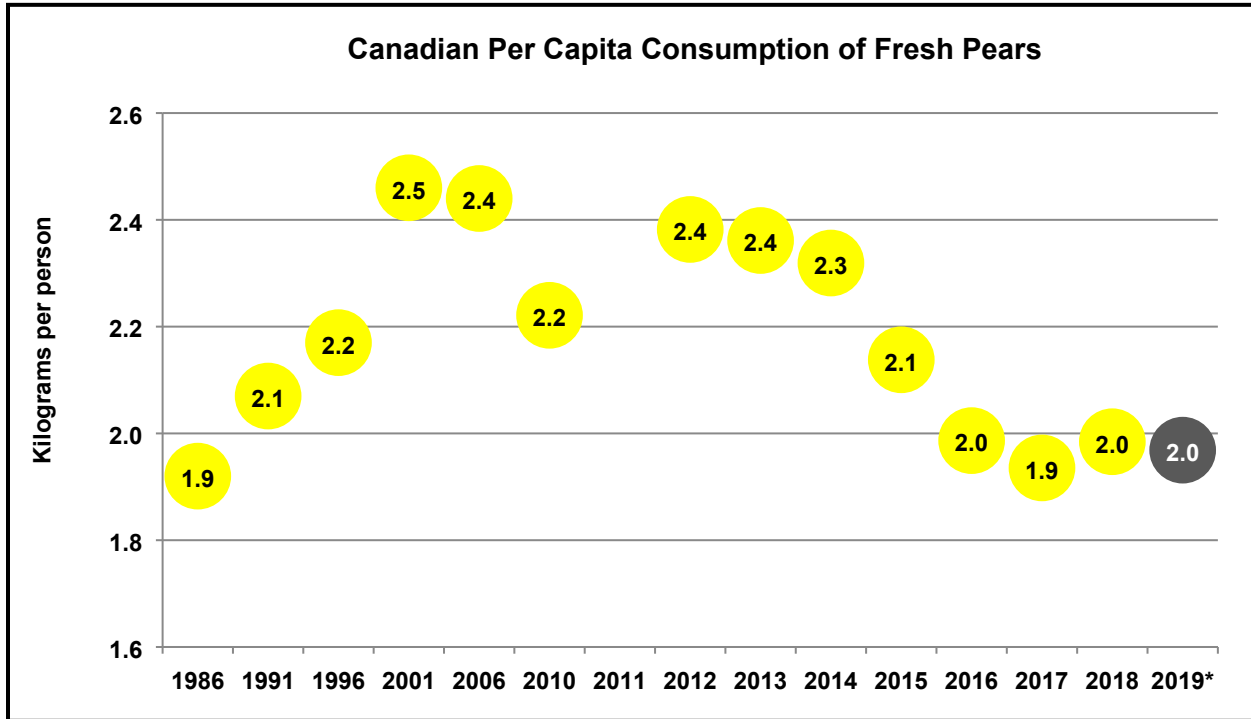
Ontario and British Columbia will continue to produce over 95 percent of the fresh pears grown in Canada. Production in Nova Scotia will be down in MY 2019/20 as a result of the impacts of Hurricane Dorian. Ontario and British Columbia experienced a variable growing season, yet total crop production is expected to be stable at the five-year average. Bartlett and Bosc varieties will continue to dominate Canadian pear acreage but diversification into newer varieties will continue.



Source: Statistics Canada / \*FAS/Ottawa forecast

**Consumption:**

Fresh consumption will see minimal growth in MY 2019/20, consistent with the five-year average. Canada’s new Food Guide promotes the consumption of fresh fruits and vegetables and recommends that consumers fill half their plates with these items. However, competition among different varieties of fruits will see fresh pear consumption remain flat. Per capita consumption in MY 2019/20 will remain unchanged from MY 2018/19.



Source: Statistics Canada / \*FAS/Ottawa forecast

**Trade:**

FAS/Ottawa forecasts one percent growth in fresh pear imports in MY 2019/20. This growth will address the decline in Canadian pear production as well as the consistent demand for fresh pears from Canadian consumers. The United States continues to supply over 50 percent of total Canadian imports of fresh pears. FAS/Ottawa forecasts that U.S. pear exports to Canada will see growth in MY 2019/20 in response to steady market demand from a growing population as well as a result of a decreased pear crop in the European Union.



## Canada: Imports of fresh pears

*Marketing year: July-June / Quantity in metric tons*

	2014/15	2015/16	2016/17	2017/18	2018/19
<b>World</b>	<b>73,622</b>	<b>67,835</b>	<b>64,601</b>	<b>63,835</b>	<b>65,851</b>
for processing	0	86	353	392	411
organic	2,687	3,143	2,804	2,443	3,292
other	70,935	64,606	61,444	61,001	62,148
<b>United States</b>	<b>40,533</b>	<b>36,815</b>	<b>35,255</b>	<b>31,803</b>	<b>35,677</b>
for processing	0	86	353	250	411
organic	1,501	1,698	1,686	1,314	1,794
other	39,033	35,031	33,216	30,238	33,473
Argentina	12,526	9,996	9,350	8,544	9,729
China	11,001	11,142	11,371	12,030	9,204
South Africa	3,836	4,666	4,967	5,623	6,241
European Union	1,941	2,089	1,606	2,749	2,569
Portugal	1,298	1,447	976	2,158	2,032
Australia	1,314	1,000	859	1,607	1,536
Chile	1,826	1,642	681	771	407
All other countries	1,288	1,127	1,142	1,299	1,025
<b>Import Market Shares</b>					
United States	55.1%	54.3%	54.6%	49.8%	54.2%
China	17.0%	14.7%	14.5%	13.4%	14.8%
Argentina	14.9%	16.4%	17.6%	18.8%	14.0%
South Africa	5.2%	6.9%	7.7%	8.8%	9.5%
European Union	2.6%	3.1%	2.5%	4.3%	3.9%
Portugal	1.8%	2.1%	1.5%	3.4%	3.1%

Source: Trade Data Monitor, LLC

\*Note: Tariff lines for organic pears were introduced on January 1, 2007

Imports of organic fresh pears continue to be between four and five percent of total pear imports. FAS/Ottawa forecasts that Canadian demand for organic fresh pears will remain constant for MY 2019/20. Canadian exports of fresh pears are virtually negligible in comparison to fresh pear imports. The amount of Canadian production of fresh pears limits export potential as Canadian consumer demand for fresh pears is much greater than Canadian production.

## **FRESH TABLE GRAPES**

**NOTE: "NEW FAS/Ottawa" data reflect FAS/Ottawa's assessments and are NOT official USDA data**

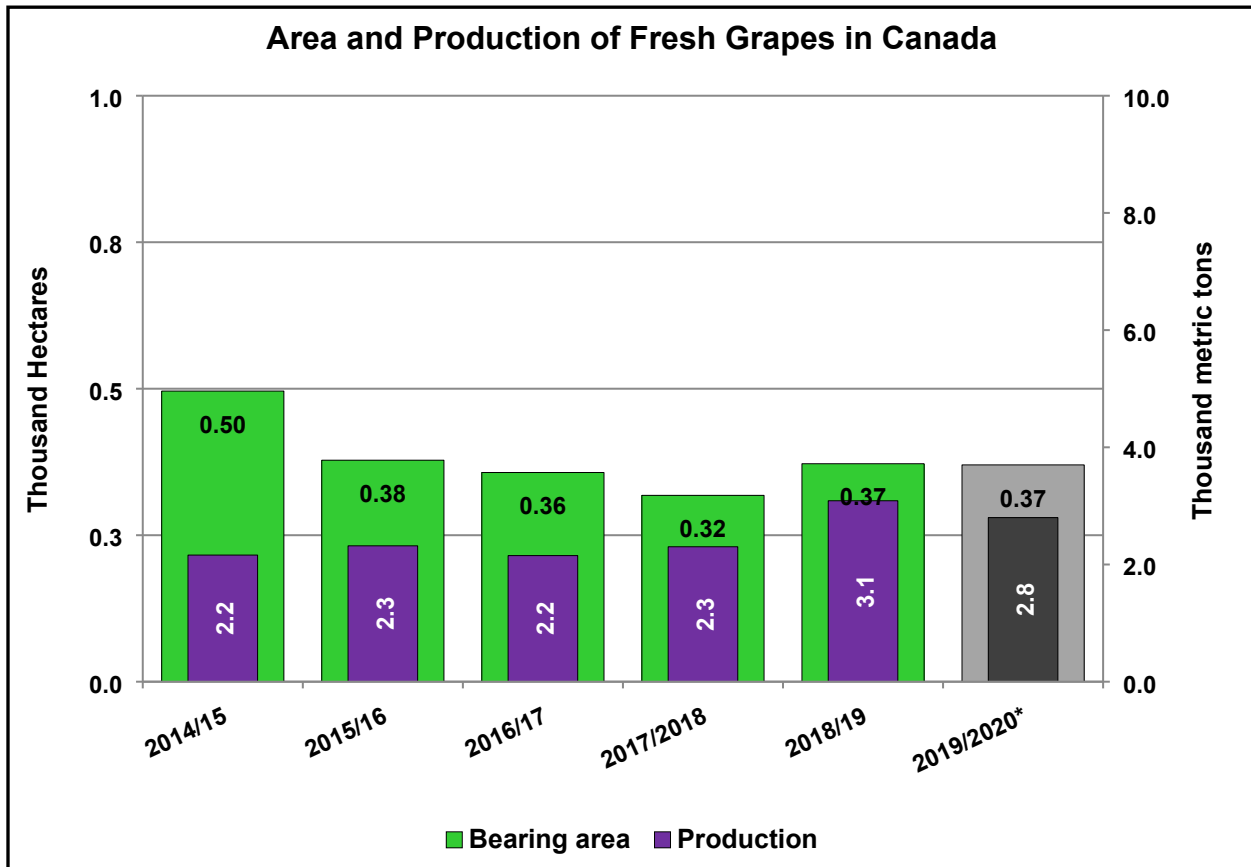
GRAPES Fresh Canada	2017/2018		2018/2019		2019/2020*	
	Marketing Year: June-May					
	USDA Official	NEW FAS/Ottawa Data	USDA Official	NEW FAS/Ottawa Data	USDA Official	NEW FAS/Ottawa Estimates
Production	2,293	2,303	2,000	3,088	0	2,800
Imports	179,800	179,768	185,000	179,968	0	180,000
<b>Total Supply</b>	<b>182,093</b>	<b>182,071</b>	<b>187,000</b>	<b>183,056</b>	<b>0</b>	<b>182,800</b>
Fresh Dom. Consumption	182,093	182,071	187,000	183,056	0	182,800
Exports	0	0	0	0	0	0
<b>Total Distribution</b>	<b>182,093</b>	<b>182,071</b>	<b>187,000</b>	<b>183,056</b>	<b>0</b>	<b>182,800</b>

Data in metric tons / \*FAS/Ottawa forecast

**Production:**

FAS/Ottawa forecasts a nine percent decline in table grape production for MY 2019/20 following a bumper crop in MY 2018/19. Rain caused harvest delays for the Ontario and British Columbia table grape crop. Stable acreage on MY 2018/19 will help to stabilize some of these losses with total production 16 percent above the five-year average.

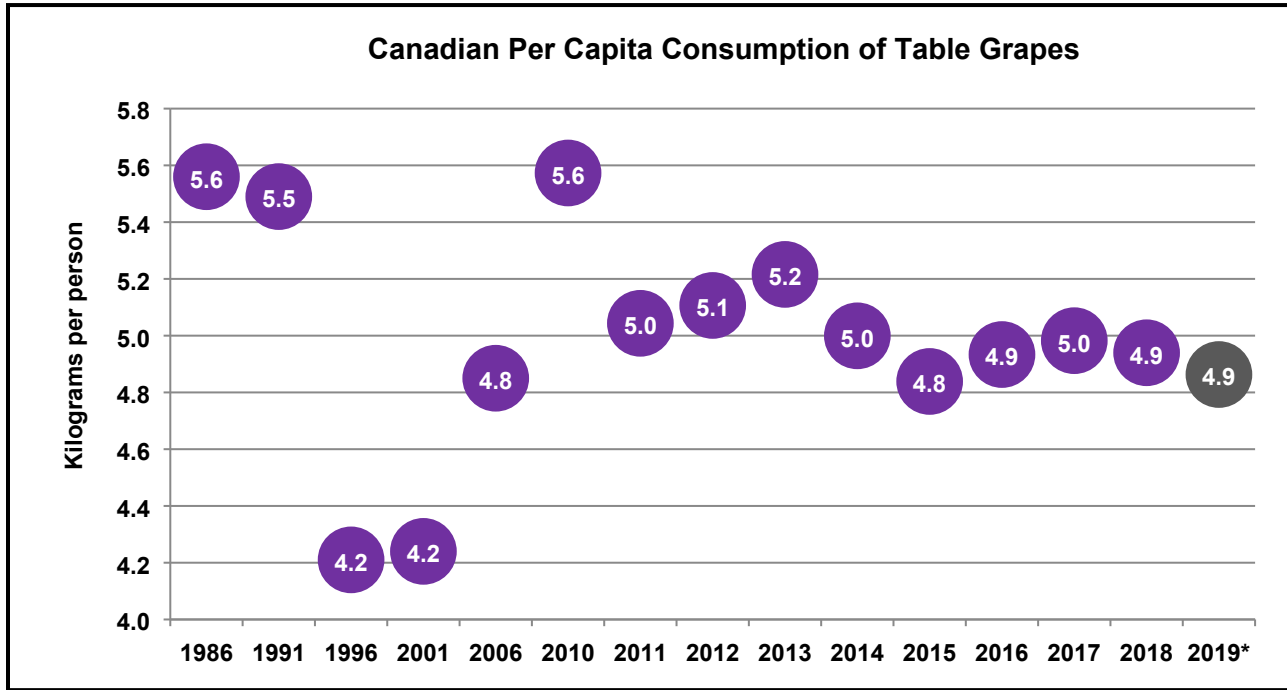
Ontario is the main table grape producing province in Canada, producing approximately 80 percent of the total harvest. British Columbia accounts for roughly 20 percent of Canadian production. FAS/Ottawa forecasts that the provincial production breakdown will remain the same for MY 2019/20. Responding to changing consumer demands, Ontario growers have shown interest in planting new varieties. Current Ontario table grape production is largely limited to the Sovereign Coronation variety. New varieties are being grown in test acres with the expectation that commercial plantings will occur in the next few years. With more diversity available, there are expectations that table grape growers will expand their acreage to capitalize on marketing potential. However, table grape production will continue to remain nominal compared to wine grape production in Canada. Table grape production only accounts for three percent of total Canadian grape production.



Source: Statistics Canada / \*FAS/Ottawa forecast

**Consumption:**

FAS/Ottawa forecast a very slight reduction in fresh table grape consumption for MY 2019/20 but total fresh consumption will remain above the five-year average. Per capita table grape consumption will remain relatively stable. As growers look to new table grape varieties in order to attract consumers there is an expectation that fresh consumption will increase in coming years.



Source: Statistics Canada / \*FAS/Ottawa forecast

**Trade:**

FAS/Ottawa forecasts imports of fresh grape to remain stable in MY 2019/20 relative to MY 2018/19. This is the result of a decline in Canadian production, flat consumption, and a reduction in the U.S. crop. The United States typically supplies over 50 percent of Canadian imports. FAS/Ottawa forecasts that Mexico will see growth in market share of Canadian imports of fresh table grapes in MY 2019/20 while the United States will see a reduction in market share. This is a result of a bumper crop in Mexico and adverse conditions during the U.S. growing season. Given the limited production of table grapes in Canada, consumer demand is primarily met through imports. Over 98 percent of Canada’s total fresh grape consumption is supplied through imports.

## Canada: Imports of fresh grapes

*Marketing year: June-May / Quantity in metric tons*

	2014/15	2015/16	2016/17	2017/18	2018/19
<b>World</b>	<b>176,797</b>	<b>172,572</b>	<b>178,074</b>	<b>183,722</b>	<b>182,371</b>
organic	4,126	3,891	3,430	4,638	6,253
other	172,588	168,672	174,637	179,048	175,586
<b>United States</b>	<b>98,865</b>	<b>97,972</b>	<b>97,110</b>	<b>94,684</b>	<b>98,094</b>
organic	3,150	2,910	2,600	3,058	4,579
other	95,633	95,055	94,504	91,608	93,100
Chile	47,331	36,536	40,239	43,778	33,642
Mexico	16,428	18,976	17,541	21,488	16,024
Peru	10,752	12,058	11,101	10,017	15,473
South Africa	1,881	5,272	10,502	11,181	14,241
All other countries	1,540	1,758	1,581	2,574	4,897
<b>Import Market Shares</b>					
United States	55.9%	56.8%	54.5%	51.5%	53.8%
Chile	26.8%	21.2%	22.6%	23.8%	18.4%
Mexico	9.3%	11.0%	9.9%	11.7%	8.8%
Peru	6%	7%	6%	5%	8%
South Africa	1.1%	3.1%	5.9%	6.1%	7.8%

*Source: Trade Data Monitor, LLC*

*\*Note: Tariff lines for organic grapes were introduced on January 1, 2009*

Organic fresh table grapes experienced a 35 percent growth in volume of imports to Canada in MY 2018/19. However, organic grapes continue to comprise less than four percent of Canada's total imports. FAS/Ottawa forecasts that imports of organic grapes will remain stable in MY 2019/20 dependent on market availability.

Canadian exports of fresh table grapes are essentially nonexistent. Canada does import fresh table grapes which are then re-exported. These re-exports account for all of Canada's exports of fresh table grapes according to sources. The majority of Canadian grape production is of wine varieties with limited table grape production. This limits any export potential given Canadian domestic demand.

## **ADDITIONAL INFORMATION**

### **Prices**

Agriculture and Agri-Food Canada (AAFC) monitors fresh apple, pear and grape prices in the major Canadian wholesale markets. Any daily and weekly market wholesale prices are made available electronically at the AAFC [InfoHort website](#).

### **Labor Issues**

Several provinces increased their minimum hourly wage rates in 2018. In British Columbia, the hourly rate is currently \$13.85 CAD and is scheduled to incrementally increase on annual basis to reach \$15.20 CAD in 2021. In Ontario, the hourly rate is currently \$14 CAD. This rate will remain static through September 30, 2020 but will be eligible to change as of October 1, 2020; notice of a change will be published by the provincial government by April 1, 2020. The labor force has always been an issue in the agricultural sector in Canada. Programs like the Temporary Foreign Worker Program and Seasonal Agricultural Worker Program have been created by the federal government to help fill the workforce gap in this sector. With the increase in minimum wage rates, especially in Ontario and British Columbia, profit margins for growers, especially smaller-scale operations, will be impacted.

### **Policy**

#### **Safe Food for Canadians Regulations**

Many provisions of the Safe Food for Canadians Regulations (SFCR) were implemented in January 2019 with some elements scheduled to be phased in through 2021. The [Canadian Food Inspection Agency](#) website contains more information on these regulations. On January 15, 2020, the lot code provisions of SFCR will come into force for [fresh fruits and vegetables](#). At this time, provisions for preventive controls and preventive control plans will also apply.

### **CPTPP**

Canada was one of the first six countries to ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ([CPTPP](#)). CPTPP entered into force for Canada, Australia, Japan, Mexico, New Zealand, and Singapore on December 30, 2018. Vietnam entered CPTPP into force on January 14, 2019. The first six countries saw the first tariff reductions occur upon CPTPP implementation. Five of the original six countries applied the year 2 tariff reductions on January 1, 2019. Moving forward, further tariff reductions will continue to occur on January 1 of each year until the step-down process is complete. Japan is the exception, where the second tariff reduction occurred on April 1, 2019 with step-downs occurring on April 1 for subsequent years. Despite not being in the original six ratifying countries, Vietnam and Canada agreed to recognize both tariff reductions when

CPTPP entered into force for Vietnam. Tariff reductions and eventual eliminations on apples will be most impactful for Canada. Canada has seen tariffs on fresh apple exports to Japan reduce from the MFN rate of 17 percent to 12.7 percent with a phase-out to elimination of tariffs by 2029. For Vietnam, the MFN tariff of 10 percent on fresh apples will be phased out under CPTPP by 2021. Canada already has tariff-free access for fresh apples to Mexico under NAFTA.

## **USMCA**

On November 30, 2018 the United States, Canada, and Mexico signed the new [United States-Mexico-Canada Agreement](#). This agreement updates the 1994 North American Free Trade Agreement (NAFTA). NAFTA remains in force until USMCA is ratified.

## **Promotion and Research Agency**

The Canadian apple industry has been discussing the idea of establishing a national marketing agency to promote the consumption of apples and conduct various research projects for several years. This discussion is still occurring although no formal proposals have been put forth at this time. Such an agency would collect levies on both the domestic production and on imports of apples to fund its activities.

## **Attachments:**

No Attachments