

American Fruit and Vegetable Processors and Growers Coalition



Who We Are:

The American Fruit & Vegetable Processors & Growers Coalition (AFVPGC) represents the American farmers and companies that fill the shelves in the canned and frozen aisle of your local supermarket. The AFVPGC works across the industry including growers, processors and can suppliers, to advocate for fair treatment for the industry in federal farm, nutrition and trade policy.

In the U.S., the fruit and vegetable processing industry represents [10% percent](#) of all domestic food manufacturing with \$18 to \$23 billion in annual sales. Overall, the food manufacturing and processing industry is a critical part of the American economy comprising approximately 15% of all American manufacturing base including over 30,000 plants and 1.5 million American jobs.

In the 116th Congress, the AFVPGC is focused on continuing its efforts to educate policymakers regarding:

- The value of “all forms” of fruits and vegetables within federal nutrition policy and government sponsored nutrition programs to ensure that federal programs and policy treat all forms of processed fruits and vegetables fairly.
- The draconian impacts of the 25% “Section 232 Steel Tariffs” on the food manufacturing sector.
- The need for USDA to enforce “Buy American” procurement requirements in government sponsored nutrition programs.

AFVPGC Policy Priorities:

1. Support Uniform Eligibility For All Forms Of Fruits & Vegetables in USDA Feeding Programs

- All forms of fruits and vegetables include: canned, frozen, dried and pureed fruits and vegetables.
- USDA's Dietary Guidelines, USDA's My Plate Recommendations and the National Institutes of Health recommend the consumption of "all forms" of fruits and vegetables.
- All forms of fruits and vegetables are *equally nutritious* with raw or "fresh" fruits and vegetables.
- Currently USDA administers programs such as DOD Fresh and the Fresh Fruit and Vegetable Program that exclude all forms participation.
- Exclusively recommending one form of fruit or vegetable over another ignores the benefits of each form and limits consumer choice.¹
- Frozen fruits and vegetables are as rich in nutrients, and often more so, than fresh-stored produce.²
- All forms of fruits and vegetables offer a value proposition and will allow USDA programs to serve more fruits and vegetables to school children.

AFVPGC ASK: Ask USDA to conduct a study to update its information on what food types of fruits and vegetables are being served in school nutrition programs.

2. Section 232 25% Steel Tariffs Impact on Food Manufacturing

- Tinplate steel is the principle intermediate good used by food processors and canners to package their product in food and beverage cans.
- Tinplate steel is a "value added" product that has no national security application.
- Domestic tinplate steel producers can only satisfy at the very most 58% of the demand and the gap is filled by imported tinplate steel.
- Since the tariffs went into effect last March, food processors have been hit with tariff charges in the tens of millions of dollars forcing them to close plants and limit investment.
- Profit margins for food manufacturers are low and demand for their products is elastic meaning that it is nearly impossible for producers to pass on the tariff charge to retailers and consumers.
- Tariff costs injure and in some cases irreparably damage the entire value chain for food processors harms farmers, processors and suppliers in an industry already facing reduced consumption and competition from subsidized imports

¹ Rickman, J., Barrett, D., and Bruhn, C. Nutritional comparison of fresh, frozen and canned fruits and vegetables. Part I. Vitamins C and B and phenolic compounds. *Journal of the Science of Food and Agriculture*, Vol. 87. Issue 6, pp 930-944, 2007, April 2007.

² Rickman, J., Barrett, D., and Bruhn, C. Nutritional comparison of fresh, frozen and canned fruits and vegetables. Vitamin A and carotenoids, vitamin E, minerals and fiber. *Journal of the Science of Food and Agriculture*, Vol. 87. Issue 7, pp 1185-1196, May 2007.

Bouzari, A., Holstede D., Barrett D., Mineral, Fiber and Total Phenolic Retention in Eight Fruits and Vegetables: A comparison of Refrigerated and Frozen Storage. *Journal of Agricultural and Food Chemistry*. Vol 63. Issue 3, pp 951-956. Jan 2015.

Pegg R., Potential Nutritional Effects of Replacing Fresh Fruits and Vegetables in the Diets of Americans with Frozen Counterparts. University of Georgia. 2014.

- The Department of Commerce's process for tariff exclusion applications is broken and does not provide due process for requestors. Companies that have filed for relief last year in many cases still face uncertainty over their tariff exposure.

AFVPGC ASK:

- As a condition for USMCA approval, demand that the steel tariffs on Canada and Mexico be dropped.
- Support efforts to drop the steel tariffs on the EU as trade negotiations move forward.
- Reject trade agreements that enter into absolute quotas for steel imports from US trading partners.
- Support Senator Grassley's efforts to restrict the ability of the President to unilaterally impose tariffs without the advice and consent of Congress.

3. Government Sponsored Nutrition Programs and the Buy American Requirement

- The fruit and vegetable processing industry was founded in the United States and AFVPGC members process and sell American grown fruits and vegetables supporting American farmers and U.S. jobs.
- U.S. food processors are held to high safety and health standards and their products include a kill step to ensure their products are safe.
- USDA programs that mandate the purchase of fresh fruits and vegetables during the school year subsidize already subsidized foreign imports due to the seasonal availability of fresh during the school year.
- All forms of fruits and vegetables are shelf stable and do not need to be imported.
- The 2018 Farm Bill strengthens the Buy American provision in the Russel National School Lunch Act and requires that the Secretary within 180 days of the Farm Bill's passage enforce compliance with the Buy American requirement.

AFVPGC ASK: Conduct oversight to ensure that USDA complies with the provision in the Farm Bill and enforces the Buy American requirement in school nutrition program purchases.